

# Senate Committee on Community, Economic and Recreational Development

Jason R. Brehouse, Esq. Executive Director & Counsel jbrehouse@pasen.gov

# Senator Kim L. Ward

Chairman

Senate Box 203039 • Harrisburg, PA 17120-3039 • (717) 787-6063

House Bill 927, Printer's No. 1066 Date: June 19, 2013

**Sponsor: Representative Sankey** 

## **Bill Summary**

House Bill 927, Printer's No. 1066, amends the act of May 16, 2002 (P.L.315, No.46), known as the Community Services Block Grant Act by retroactively extending the expiration date of the act to December 31, 2017 [from December 31, 2011]; and making editorial changes (concerning various modification to citations to the federal Omnibus Budget Reconciliation Act of 1981). The minimum funding formula is also modified.

{Minimum funding level} - The minimum funding level of only community service block grant funds is set at an amount equal to  $\underline{1.06\%}$  of the annual community service block grant allocation awarded to the Commonwealth following the distribution of administrative and discretionary funds by the department. Each community action agency shall receive no less than  $\underline{\$250,000}$  in any year (if insufficient funds are available to meet that amount, funds shall be distributed on a pro rata basis) [increased from  $\underline{\$150,000}$  (or pro rata amount if insufficient funds are available to provide the minimum amount)].

This act shall take effect immediately.

## [A02038] (Ward) Amendment Summary

This is a technical amendment in the title of the legislation that reflects the modification to the financial assistance provisions contained in the body of the legislation.

## **Existing Law**

The Community Services Block Grants Act (Act 46 of 2002) provides guidelines for the apportionment of federal funds for community service programs (activities) administered by eligible nonprofit community based organizations or government entities that work (and encourage the use of entities in the private sector) to ameliorate the causes and effects of poverty in disadvantaged and low-income communities throughout the Commonwealth of Pennsylvania. Ultimately, these funds are used to support activities that benefit low and moderate income individuals (including elderly poor) and/or blighted areas/communities via housing construction & rehabilitation, employment, education, nutritious food (on emergency basis), health, public services, community facilities, infrastructure improvement, development and planning. No more than 5% allocated to the Department of Community and Economic Development (DCED) for administration, 5% for recognized community programs at the discretion of DCED secretary and 90% to be distributed to Community Action Agencies (CAAs) with the bulk being required to go to existing CAAs.