HR 1655: Community Economic Opportunity Act
Re-authorizing Community Services Block Grant (CSBG)

For 50 years, the Community Action approach has empowered local agencies to target and coordinate diverse government programs and to mobilize new investments as a poverty-reduction strategy across 99% of counties in the United States. The Community Services Block Grant provides the resources for innovative projects and establishes the framework for community-designed, inclusive strategies that attract private and local investment.

Why Community Action & CSBG?

- Agencies focus on long-term independence
- CAAs prioritize services and investments that make low-wage workers and retirees more independent
- **90% of CSBG funding is placed under local direction**
  - Local problems require local solutions with all community stakeholders
- **Collaboration with local partners prevents duplication**
  - CSBG reduces program duplication by efficiently coordinating resources across non-profits, faith-based groups and the private sector
- **Leveraging private funds maximizes the effects of CSBG**
  - On average, agencies raise or earn $2.31 in private funds for every CSBG dollar they receive

Why H.R. 1655?

- **Localization and Privatization**
  - Establishes a preference for private non-profit local agencies, not local governmental agencies
  - Prevents redirection of CSBG funds. Currently, states can transfer grants to local governments hoping to replace other eliminated funds
  - In the past, some states required CAAs to assume categorical human services roles or duplicate shrinking county agencies rather than building local, unique projects and solutions

- **Outcomes**
  - Streamlines the process of responding to local performance by tightening the process and timetable for corrective action by the agencies
  - Rigorous performance measurements and management systems are implemented at all three levels: local, state and federal
  - HHS is required to review and approve state plans and operations

- **Accountability**
  - The bill...
    - Requires all CSBG partners to demonstrate professional competence in managing the organization and its grants
    - Requires federal and state administrators to have the knowledge, skills, and ability to review the operations of private non-profit corporations and to efficiently manage federal funds
    - Strengthens tripartite board by creating term limits for officers, requiring official designees to vote and requiring the adoption of a conflict of interest policy

- **Innovation**
  - The bill...
    - Creates an already paid for innovation fund to encourage efficient, cutting-edge solutions to poverty alleviation
    - Emphasizes local leaders' authority to pursue emerging opportunities
    - Funds innovative program experiments