

Community Services Block Grant

Issue: The Community Services Block Grant (CSBG) has been targeted for serious cuts and program changes.

NACo policy: NACo supports full funding for CSBG as well as the program's formula grant structure.

Action needed: Urge Congress to maintain current CSBG funding and program structure.

Background: The Community Services Block Grant (CSBG), which was funded at \$700 million in FY 2010, is being cut by approximately 50 percent in the House Continuing Resolution for FY 2011 (H.R. 1) as well as the President's proposed FY 2012 budget. Additionally, the President's budget includes language that would "introduce competitiveness" into CSBG. While the proposed budget doesn't provide further details, this language is being interpreted as a proposal to change CSBG to a totally competitive grant process.

CSBG operates in 90 percent of the nation's counties through a network of more than 1,100 eligible public or private entities, many of which are community action agencies (CAAs). CSBG grants go to the states, but they are mandated to pass through 95 percent of the funds to the eligible entities. Many of these anti-poverty agencies also serve as the local Head Start agency and the local energy assistance agency. After Hurricane Katrina, many CSBG agencies played a key role in helping individuals who were displaced. CSBG agency boards are composed of local elected officials and community representatives.

Turning CSBG into competitive grants would disadvantage smaller communities that don't have the wherewithal to hire grant writers. It should be noted that CSBG already has a competitive component. States are allowed to use a percentage of their allocation for discretionary grants.

For further information, contact: Marilina Sanz 202/942-4260 or msanz@naco.org
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