



## COMMUNITY SERVICES BLOCK GRANT PROGRAM (CSBG)

**Request:** Support the continued release of CSBG funds through a formula-based Block Grant for at least \$700 million in FFY 2014.

Support reauthorization of CSBG at a minimum of \$746 million.

### Community Value:

CSBG funding supports employment, food, housing, health and emergency assistance to low-income families and individuals (including those without children who do not qualify for other types of assistance such as Medicaid), the homeless and the elderly. The U.S. Department of Health and Human Services distributes these funds to states through a population-based formula that, in turn, distributes 90 percent of these funds to local community action agencies.

The city of Phoenix currently receives \$1.44 million in CSBG funding. This fund source designates the city of Phoenix Human Services Department as the city's community action agency. CSBG is flexible and allows grantees to use the



funding to best meet local needs, including the ability to provide administrative costs while using Low-Income Home Energy Assistance Program (LIHEAP), McKinney-Vento Homeless Assistance Funding, Social Services Block Grant (SSBG), Community Development Block Grant (CDBG), Emergency Solutions Grant (ESG) and various state and local funds. Every dollar in CSBG funds received by the city leverages \$42 in matching dollars from federal, state and local sources.

Because of this leveraging, any reduction in CSBG would have a far more consequential impact than the actual reduction. It also would decrease capacity to fully utilize leveraged funding dependent on CSBG's flexibility. Moreover, a reduction or elimination of CSBG funding would significantly impact the city's capacity to collaborate with community partners in providing an integrated network of services for low-income people. These partnerships include providing case management services to homeless families, supporting domestic violence initiatives and providing technical assistance to community- and faith-based social service programs.

### Population and Allocation

Federal Fiscal Year	Appropriation
2009	\$746.0 million
2010	\$700.0 million
2011	\$703.0 million
2012	\$713.6 million
2013	TBD*

\*FFY 2013 currently is funded under a Continuing Resolution (CR) with FFY 2012 level funding amounts. The CR is due to expire March 27, 2013. This program also could be impacted by sequestration.

The Administration's proposed FFY 2013 budget reduced CSBG funding by \$350 million or 49 percent compared to FFY 2012 levels and proposes eliminating the state formula-based allocation. This would effectively eliminate the very core of the nation's primary anti-poverty program.

### Background:

The \$1.44 million in CSBG funds Phoenix receives provides for 55 caseworker positions and capacity to serve more than 13,000 households with services such as eviction and foreclosure prevention, utility assistance and emergency prescription, food and shelter costs. Last year, the services leveraged by CSBG included:

- Case management services provided to more than 13,069 households.
- \$1 million used to assist nearly 1,761 households avoid eviction and foreclosure.
- \$8.3 million used to help more than 13,041 households avoid utility service disconnections.

### CSBG in Action: The city of Phoenix Earned Income Tax Credit (EITC) Campaign

The flexibility of CSBG funding has allowed the city of Phoenix to provide leadership in successfully conducting eight EITC campaigns carried out by a coalition of volunteers from more than 80 private and public entities. More than 52,000 low- and moderate-income Phoenix families have received nearly \$58 million in federal refunds at the city's free tax preparation sites. The EITC is the single most effective federal program for addressing poverty. According to a recent United States Census report, the program prevents two percent of all Americans from falling below the federal poverty rate.

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