

United States Senate

WASHINGTON, DC 20510

July 2, 2020

Senator Mitch McConnell
Majority Leader
United States Senate
317 Russell Senate Office Building
Washington, DC 20510

Senator Chuck Schumer
Democratic Leader
United States Senate
322 Hart Senate Office Building
Washington, DC 20510

Dear Leader McConnell and Leader Schumer:

We write to express concern regarding the “maximum allotment” provision included in Section 675B(b)(3) of the Community Services Block Grant (CSBG) Act, which has significantly limited the supplemental CSBG funds available to service providers in smaller states as they work to respond to public health and economic impacts of the novel coronavirus, or “COVID-19” pandemic. To help ensure that all communities are able to receive support they need from supplemental CSBG funds, we urge you to ensure that the next round of COVID-19 response legislation includes a provision to clarify that the maximum allotment provisions are waived with respect to CSBG funds provided by the Coronavirus Aid, Relief and Economic Security (CARES) Act.

Community Action Agencies (CAAs) are the primary recipients of CSBG funds. These private and public nonprofit organizations are uniquely positioned to fight poverty and prevent further financial hardship. CAAs rely on CSBG funds to provide services that address the employment, housing, nutrition and education needs of low-income families and individuals. CAAs also utilize CSBG funding to provide programming to help clients maximize their available income, take steps towards self-sufficiency and strengthen their support systems. As Americans face the devastating and long-lasting impacts caused by the COVID-19 pandemic, these critical supports are needed now more than ever.

The CARES Act provided \$1 billion in CSBG grants to states, territories and tribes to strengthen deeply needed social services and emergency assistance to Americans during this public health and economic crisis. However, the “maximum allotment” provision of the CSBG Act prevents smaller states from accessing the funds necessary to respond to the recent surge in demand for services. Specifically, Section 675B(b)(3) of the CSBG Act restricts smaller states from receiving more than 140 percent of the aggregate amount allotted to a state in the previous fiscal year. Due to the addition of supplemental CSBG funds from the CARES Act, the allotment for the current fiscal year exceeds this threshold. As a result, smaller states have only been able to receive \$1.37 million in supplemental CSBG funds.

Other states not subjected to this restriction were awarded up to \$89 million in supplemental CSBG funds from the CARES Act, in addition to their standard allotment for this fiscal year.

Alaska, Delaware, Hawaii, Idaho, Montana, Nevada, New Hampshire, North Dakota, South Dakota, Utah, Vermont and Wyoming are disadvantaged by this provision. The Administration for Children and Families (ACF) has reported that the agency is temporarily withholding \$43.5 million that would otherwise be available for release to these twelve states if Congress determines through legislative action that the maximum allotment provisions of the CSBG Act should not apply to the CARES Act supplemental funding. Given the overwhelming impact the COVID-19 pandemic has had on low-income Americans and impoverished communities, Congress must waive the restrictions in Section 675B(b)(3) of the CSBG Act, so that ACF can quickly release the approximately \$43.5 million that should be allocated to small states.

Thank you for your urgent attention to this request. Lifting the “maximum allotment” cap for supplemental CSBG funds and adequately funding all CAAs will allow smaller states to support those who are most vulnerable and prevent homelessness, food insecurity and other challenges that have been exacerbated by the coronavirus pandemic.

Sincerely,



JEANNE SHAHEEN
United States Senator



LISA MURKOWSKI
United States Senator



CATHERINE CORTEZ MASTO
United States Senator



M. MICHAEL ROUNDS
United States Senator

/s/ Jacky Rosen

JACKY ROSEN
United States Senator

/s/ Mazie K. Hirono

MAZIE K. HIRONO
United States Senator



KEVIN CRAMER
United States Senator



BERNARD SANDERS
United States Senator



JOHN BARRASSO M.D.
United States Senator



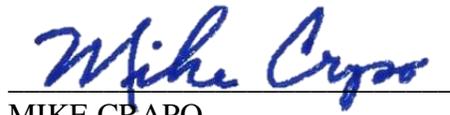
PATRICK LEAHY
United States Senator



MARGARET WOOD HASSAN
United States Senator

/s/ Thomas R. Carper

THOMAS R. CARPER
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DAN SULLIVAN
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