

**SENATE APPROPRIATIONS COMMITTEE
FISCAL NOTE**

BILL NO. House Bill 927

PRINTER'S NO. 2100

AMOUNT

No Fiscal Impact

FUND

General Fund

DATE INTRODUCED

March 11, 2013

PRIME SPONSOR

Representative Sankey

DESCRIPTION AND PURPOSE OF BILL

House Bill 927 reenacts and amends the Community Services Block Grant Act (Act 46 of 2002) by retroactively extending the expiration date of the act from December 31, 2011 to December 31, 2017. House Bill 927 also modifies the minimum funding formula contained in the statute and makes editorial changes.

The legislation reenacts the Community Services Block Grant ("CSBG") Act of 2002. The act provides federal funding for community programs that offer health, nutrition, housing, and employment related services to ameliorate the causes and effects of poverty. The program is administered by the Department of Community and Economic Development ("DCED").

House Bill 927 revises the existing funding formula so that only CSBG funds shall be set at an amount equal to 1.06% of the annual CSBG allocation awarded to the Commonwealth, following the distribution of administrative and discretionary funds by DCED. Each community action agency shall receive no less than \$250,000 in any year. If insufficient funds are available to meet that amount, funds shall be distributed on a pro rata basis.

The legislation sets a sunset date of December 31, 2017, and it shall apply retroactively to December 31, 2011. The act will take effect immediately.

FISCAL IMPACT:

House Bill 927 will have no adverse fiscal impact on Commonwealth funds.

The Governor's proposed FY 2014-15 Budget anticipates the receipt of \$29.5 million in federal funds for the CSBG program. The change with regard to increasing the minimum funding level from \$150,000 to \$250,000 is not expected to adversely impact community action agencies.