

Community Action Agencies

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Issue

This report provides an overview of community action agencies, including their history and establishment in state and federal law.

Summary

The federal Economic Opportunity Act of 1964 generally established community action agencies (CAAs) as local private or public nonprofit organizations that would receive federal funds directly to address and eliminate the causes of poverty through community action programs. The act required community action programs to be developed, conducted, and administered with the “maximum feasible participation” of area residents and members of the groups served. Subsequent amendments to the act increased the role of state and local governments in CAA activities and changed the agencies’ governance structure. In 1981, Congress eliminated the federal agency funding CAAs and instead established the Community Services Block Grant (CSBG) to provide state-administered funding to CAAs.

Today, CAAs are generally subject to federal requirements related to CSBG, but they are also subject to federal requirements associated with other federal programs that provide funding, including Head Start, the Low-Income Home Energy Assistance Program (LIHEAP), the Social Services Block Grant (SSBG), and the Weatherization Assistance Program (WAP).

CAAs in Connecticut have declined in number, from 20 in 1969 to 9 in 2019. Some have also experienced financial issues.

State laws governing CAAs are generally found in Chapter 319yy of the Connecticut General Statutes. These sections have seldom been substantively amended since 1982. Other provisions in state law concerning CAAs relate to their role in specific programs (e.g., LIHEAP and CSBG).

The Department of Social Services' (DSS) Human Services Infrastructure initiative provides funds for certain CAA activities related to application assistance and outreach for DSS-administered human services programs.

Federal History of CAAs

Congress established CAAs in the federal Economic Opportunity Act of 1964 ([P.L. 88-452](#)), which was part of a set of initiatives enacted under the Johnson administration's "war on poverty." The act required public or private nonprofit agencies to administer or coordinate community action programs (i.e., services, assistance, and other activities meant to eliminate poverty or its causes). The act also required community action programs to be developed, conducted, and administered with the "maximum feasible participation" of residents of the areas and members of the groups served. As described by the [Congressional Research Service](#) (CRS), the program "would directly involve low-income people in the design and administration of antipoverty activities in their communities through mandatory representation on local agency governing boards." This reflected the view that people receiving services should have control over how those services are administered. In the early years of the program, this structure caused tension between the agencies and state and local governments, who had traditionally had control over such resources.

Under the act, the newly created federal Office of Economic Opportunity (OEO) made grants directly to CAAs. Within a few years of the act's passage, a nationwide network of about 1,000 CAAs was established, including many of Connecticut's CAAs.

In the years that followed, Congress amended the act frequently. In 1967, legislation known as "the Green amendment" increased the role of state and local government in CAA activities by (1) requiring state and local governments to designate CAAs, (2) authorizing states and local elected officials to prevent a CAA from operating within their political boundaries, and (3) enabling local communities and states to operate CAAs. Legislation also required CAAs to include in their boards of directors (1) local elected officials or their representatives, (2) democratically elected representatives of the poor in areas served, and (3) representatives of labor, religious, business, or other major organizations in the community.

In 1975, OEO was renamed the Community Services Administration (CSA). In 1981, CSA was administering nearly 900 CAAs nationwide, in addition to other activities. That year, the Reagan

administration proposed to consolidate CSA with other social service programs into a block grant to states. Congress rejected the proposal and instead eliminated the CSA and created two new block grants: the Social Services Block Grant (SSBG) and the Community Services Block Grant (CSBG). This legislation ended direct federal funding of CAAs and, as a result, required CAAs to work more closely with state agencies (Omnibus Budget Reconciliation Act of 1981 ([P.L. 97-35](#))). In response to the 1981 federal legislation, Connecticut's legislature passed PA 82-84, which incorporated into state law several of the federal provisions in place before and after 1981.

Since then, CSBG and various other federal programs have used CAAs to deliver federally funded or initiated services, often by requiring or encouraging states to distribute funds through them.

Federal Programs and State Administration

CAAs are generally subject to federal requirements that vary depending on which funding source is at issue. Because CSBG is viewed as the successor program to CAA administration under the CSA, it is often described as the “core program” for CAAs. But, most CAAs also receive funds through other federal programs, and are also thus subject to any legal requirements associated with those programs. This report describes CSBG requirements in detail and other federal program requirements in brief; this list is not exhaustive.

Community Services Block Grant (CSBG)

Administration and Purpose

The Office of Community Services within the Administration for Children and Families under the U.S. Department of Health and Human Services (HHS) administers CSBG, providing federal funds to states and territories for antipoverty activities ([42 USC 9901 et seq.](#)). By law, CSBG's purpose is to provide assistance to states and local communities, working through a network of CAAs and other neighborhood-based organizations, to reduce poverty, revitalize low-income communities, and empower low-income families and individuals in rural and urban areas to become fully self-sufficient ([42 U.S.C. 9901](#)).

Lead Agency, Eligible Entities, and Funding

Federal law requires states to designate a lead agency to develop the state plan for the block grant, hold annual hearings on the proposed plan, and conduct reviews ([42 U.S.C. 9908\(a\)](#)). (DSS is the lead agency in Connecticut.)

CAAs are currently the primary eligible entity to receive the block grant funding. In cases where a geographic area of the state is not served by an eligible entity, the law authorizes the governor to

designate an entity (e.g., a private nonprofit organization), provided it meets certain requirements ([42 U.S.C. § 9909](#)).

The law also restricts a state's ability to cut block grant funding for CAAs. Under federal law, eligible entities that received funding in the previous fiscal year through the block grant cannot have their funding terminated or reduced below their proportional share unless the state, after providing notice and a hearing, determines that cause exists to do so. The state's determination is subject to federal review ([42 U.S.C. §§ 9908\(b\)\(8\), -9908\(c\), -9915](#)).

Tripartite Boards

Federal law requires eligible entities to administer the block grant through a tripartite board that fully participates in developing, planning, implementing, and evaluating the program. In order for private nonprofit entities to receive CSBG funds as an eligible entity, they must have the following board composition:

1. one-third elected public officials or their representatives;
2. at least one third representatives of low-income individuals and families in the neighborhood served; and
3. the remainder of members are representatives of business, industry, labor, religious, law enforcement, education, or other major groups and interests in the community served.

Public organizations serving as eligible entities are subject to separate requirements ([42 U.S.C. 9910](#)).

Monitoring and Program Evaluation

Federal law requires the state to conduct reviews of eligible entities, including a full onsite review of each entity at least once every three years, which are in addition to federal evaluations of the use of CSBG funds ([42 U.S.C. 9914](#)). Federal law also requires the state and all eligible entities to participate in the Results Oriented Management and Accountability System, which is a performance measurement system ([42 U.S.C. 9908\(b\)\(12\)](#)).

Provisions in State Law Related to CSBG

When allocating CSBG funds, state law requires Connecticut to give first priority to CAAs and limited purpose agencies previously funded by the federal Community Services Administration. The law requires the state to distribute the funds through an agreement with the DSS commissioner and CAAs ([CGS § 17b-888](#)). If the department and CAAs cannot reach an agreement by four weeks before the governor submits the CSBG plan to the General Assembly, the governor and the DSS commissioner decide the distribution. (As is the case with other federal block grants, state law

requires the governor to submit to the legislature recommended allocations, which are subject to approval or modification by the Appropriations Committee and any other committee with cognizance over the relevant subject matter, as determined by the speaker and president pro tempore ([CGS § 4-28b](#)).

The state's CSBG allocation plan for 2019 is available [here](#).

Head Start

The Head Start program, established in 1965, provides comprehensive early childhood education and development services to low-income children. HHS administers the program, awarding funds to local entities. Federal laws governing the program, including administrative requirements, monitoring, records, and audits, are generally found at 42 U.S.C. 9831 et seq. (the Head Start Act, as amended). The law generally authorizes the HHS secretary to designate any local public or private nonprofit agency, including community-based and faith-based organizations or for-profit agencies, as a Head Start agency ([42 U.S.C. 9836\(a\)](#)).

According to the [Office of Early Childhood](#) (OEC), Connecticut Head Start programs are administered and operated by CAAs, local education agencies, and other nonprofit agencies. State law establishes a committee to advise the OEC commissioner on coordination, priorities for allocation and distribution, and use of Head Start funds. Membership may include directors from CAA program sites and must include a member designated by the Connecticut Association for Community Action (CAFCA) ([CGS § 10-16n](#)). (CAFCA is an umbrella organization that, among other things, provides training, advocacy, and outreach for Connecticut's CAAs.)

Low Income Home Energy Assistance Program (LIHEAP)

LIHEAP authorizes annual federal grants to states to operate home energy assistance programs for low-income individuals. According to CRS, in the years before LIHEAP was established, CAAs administered federal energy assistance funds and this relationship continued when LIHEAP was established in 1981. Federal law requires states that designate local agencies to administer the program to agree to "give special consideration" to public or private nonprofit agencies that received funds for low-income energy assistance or weatherization before LIHEAP's enactment, but only after determining that the agency meets program and fiscal requirements established by the state ([42 U.S.C. § 8624\(b\)\(6\)](#)). If there is no such agency because of changes to public assistance programs, the state must give special consideration to a successor agency that meets certain qualifications.

According to [HHS](#), 30 states report that CAAs are their primary local administrator; 13 states report that counties are the primary local administrators; and, among other states, administration is centralized at the state level or provided through a mix of nonprofits.

In Connecticut, DSS administers the Connecticut Energy Assistance Program, funded by LIHEAP, through CAAs. The department provides more information on [its website](#). State law includes provisions related to reporting and timeliness of CAAs' payments to energy vendors ([CGS § 16a-41a](#)). CAAs are also represented on the Low-Income Energy Advisory Board, which advises various executive branch agencies on energy-assistance related programs and policies ([CGS § 16a-41b](#)). State law subjects LIHEAP allocation plans to the same legislative approval process described above for CSBG plans ([CGS § 4-28b](#)).

Social Services Block Grant (SSBG)

Created in the same federal legislation that created CSBG, the SSBG is a flexible source of funds administered by HHS and used by states to support social services activities that meet program goals. There are no federal eligibility criteria for SSBG participants and states have broad discretion over the use of funds. Federal provisions on SSBG are found at [42 U.S.C. 1397 et seq.](#)

DSS is the principal state agency administering SSBG. The 2019 allocation plan is available [here](#). It describes a number of SSBG-funded services provided by or through CAAs. SSBG funds also support the state's Human Services Infrastructure initiative (see below). State law subjects SSBG allocation plans to the same legislative approval process described above for LIHEAP and CSBG plans ([CGS § 4-28b](#)).

Weatherization Assistance Program

The Weatherization Assistance Program (WAP) is federally funded, state administered, and locally operated. The U. S. Department of Energy funds WAP, awarding grants to states to improve the energy efficiency of the homes of low-income families. States contract with local agencies to deliver WAP. Federal provisions on program purpose, administration, limitations, monitoring and reporting are found at [42 U.S.C. § 6861 et seq.](#)

In Connecticut, the Department of Energy and Environmental Protection (DEEP) administers WAP in partnership with a CAA. According to DEEP, the CAA determines eligibility and coordinates services, while DEEP provides overall program management and technical assistance. For more information about WAP in Connecticut, see [OLR Report 2017-R-0262](#).

State History of CAAs

Consolidation and Mergers

According to [CAFCA](#), most of Connecticut’s CAAs were formed in the mid-to-late 1960s. At that time, the focus of federal legislation was on inner-city youth. As the program evolved, the 20 urban CAAs in Connecticut in 1969 were reduced to 14 by 1988, 13 of which were regional, serving urban, suburban, and rural populations. Today there are 9 CAAs serving various geographic territories in the state, as described in Table 1.

Table 1: CAAs in Connecticut (2019)

CAA	Area Served
Action for Bridgeport Community Development, Inc.	Bridgeport, Easton, Fairfield, Monroe, Norwalk, Stratford, Trumbull, Westport
The Access Community Action Agency	Andover, Ashford, Bolton, Brooklyn, Canterbury, Chaplin, Columbia, Coventry, Eastford, Ellington, Hampton, Hebron, Killingly, Mansfield, Plainfield, Pomfret, Putnam, Scotland, Somers, Stafford, Sterling, Thompson, Tolland, Union, Vernon, Willimantic, Willington, Windham, Woodstock
Community Action Agency of New Haven, Inc.	East Haven, Hamden, New Haven, North Haven, West Haven
The Community Action Agency of Western Connecticut, Inc.	Bethel, Bridgewater, Brookfield, Canaan, Cornwall, Danbury, Darien, Greenwich, Kent, New Fairfield, New Milford, Newtown, New Canaan, North Canaan, Redding, Ridgefield, Roxbury, Salisbury, Sharon, Sherman, Stamford, Warren, Washington, Weston, Wilton
Community Renewal Team, Inc.	Avon, Branford, Bloomfield, Canton, Chester, Clinton, Cromwell, Deep River, Durham, East Granby, East Haddam, East Hampton, East Hartford, East Windsor, Enfield, Essex, Glastonbury, Granby, Guilford, Haddam, Hartford, Killingworth, Madison, Manchester, Marlborough, Middlefield, Middletown, North Branford, Newington, Old Saybrook, Portland, Rocky Hill, Simsbury, South Windsor, Suffield, Westbrook, West Hartford, Wethersfield, Windsor, Windsor Locks
New Opportunities, Inc.	Barkhamsted, Berlin, Bethlehem, Cheshire, Colebrook, Goshen, Hartland, Harwinton, Litchfield, Meriden, Middlebury, Morris, Naugatuck, New Hartford, Norfolk, Prospect, Southbury, Southington, Thomaston, Torrington, Wallingford, Waterbury, Watertown, Winchester, Wolcott, Woodbury
Human Resources Agency of New Britain, Inc.	Bristol, Burlington, Farmington, New Britain, Plainville, Plymouth
Thames Valley Council for Community Action, Inc.	Bozrah, Colchester, East Lyme, Franklin, Griswold, Groton, Lebanon, Ledyard, Lisbon, Lyme, Montville, New London, North Stonington, Norwich, Old Lyme, Preston, Salem, Sprague, Stonington, Voluntown, Waterford
Training, Education and Manpower, Inc.	Ansonia, Beacon Falls, Bethany, Derby, Milford, Orange, Oxford, Seymour, Shelton, Woodbridge

Source: [CAFCA](#), CAA websites

Financial Issues

Some CAAs in Connecticut have recently struggled financially. [For example](#), in the winter of 2018, the Community Action Agency of New Haven, Inc. had to close briefly due to a reported inability to make payroll. [As another example](#), in 2016, New Opportunities, Inc. was subject to an audit and additional scrutiny after reports noted a potential misuse of LIHEAP funds. According to the then-DSS commissioner, the CAA used the funds for administrative and program expenses unrelated to LIHEAP.

State Programs and Requirements

General Provisions

Chapter 319yy of the Connecticut General Statutes defines CAAs, their functions, duties, and powers, among other things ([CGS § 17b-885 et seq.](#)). This chapter has seldom been substantively amended since its enactment in 1982 (PA 82-84).

Definitions

Under state law, a CAA is a public or private nonprofit agency previously designated by and authorized to accept funds from the federal Community Services Administration for CAAs under the Economic Opportunity Act of 1964 or a successor agency ([CGS § 17b-885\(b\)](#)). The law defines “community action program” (CAP) as a community based and operated program that:

1. includes enough projects or components to provide a range of services having a measurable and potentially major impact on the causes of poverty in the community,
2. organizes and combines its component projects and activities in a manner consistent with state law, and
3. conforms to any other criteria the DSS commissioner may prescribe consistent with state law ([CGS § 17b-885\(c\)](#)).

Under state law, CAP priorities may include component projects designed to assist participants in various objectives, including securing and retaining meaningful employment, obtaining adequate education, providing for education and care of young children, and making better use of available income ([CGS § 17b-890](#)). This is similar to provisions on CSBG state plans in federal law ([42 U.S.C. 9908\(b\)\(1\)\(A\)](#)).

Board Structure

State law requires CAAs to have a tripartite board structure (similar to the structure required under the federal Green amendment and CSBG statutes). The law also requires CAA boards to have between 15 and 51 members ([CGS § 17b-886](#)).

Powers and Duties

Under state law, CAAs' duties and functions include the following:

1. plan and evaluate their CAP ([CGS § 17b-887\(1\)](#));
2. encourage other agencies engaging in activities related to the CAP to plan for, secure, and administer assistance from various sources ([CGS § 17b-887\(2\)](#));
3. undertake actions to improve existing efforts to attack poverty ([CGS § 17b-887\(2\)](#));
4. initiate and sponsor projects responsive to unmet needs of the poor ([CGS § 17b-887\(3\)](#));
5. provide technical assistance and other support to enable poor and neighborhood groups to secure available assistance from public and private sources ([CGS § 17b-887\(3\)](#));
6. join with and encourage business, labor, and other private groups and organizations to undertake activities in support of the CAP, resulting in additional use of private resources and capabilities (e.g., developing new employment opportunities, stimulating investment to reduce poverty) ([CGS § 17b-887\(4\)](#));
7. establish procedures to assure maximum feasible participation of neighborhood-based organizations, community residents, and others the agency serves in prioritizing, planning, and evaluating the CAP ([CGS § 17b-889](#)); and
8. comply with federal, state, and local civil rights laws ([CGS § 17b-894\(b\)](#)).

Among other things, state law authorizes CAAs to:

1. enter into contracts with private and public nonprofit agencies ([CGS § 17-888](#));
2. receive and administer funds, including contributions from private and local public sources and funds under state and federal assistance programs to which the CAA can act as grantee, contractor, or sponsor ([CGS § 17-888](#));
3. transfer funds and delegate powers to other agencies, with approval of its governing board ([CGS § 17-888](#)); and
4. delegate administration of component projects to other agencies ([CGS § 17b-891](#)).

Loss of Designation to Serve

If the DSS commissioner finds that a CAA has materially failed to comply with the provisions described above, the agency loses its designation to serve a political subdivision. In order to make this finding, the commissioner must provide adequate notice, a written statement of reasons, and a fair hearing held in the community the agency serves. The law authorizes DSS to provide financial assistance to other public or private nonprofit agencies to aid them in establishing a CAA in the area no longer served ([CGS § 17b-892](#)).

State Requirements Subsequent to Elimination of CSBG

Under state law, if the CSBG is eliminated, each CAA must be given due consideration in the distribution of federal, state, or municipal funds available to support antipoverty programs administered by the CAA on or after July 1, 1981 ([CGS § 17-888](#)).

Human Services Infrastructure Initiative

DSS adopted the Human Services Infrastructure (HSI) initiative in 2003. Under HSI, CAAs help clients with application processing, outreach, and other pre-screening activities related to connecting clients with state and federal human services programs that DSS administers (e.g., Supplemental Nutrition Assistance Program (SNAP) or Temporary Assistance for Needy Families (TANF)).

Resources

Bok, Marcia. [“The Current Status of Community Action Agencies in Connecticut.”](#) *Social Service Review*, September 1988.

CAFCA, [Impact and Outcomes: 2018 Annual Report](#), 2018.

CRS, [Community Services Block Grants \(CSBG\): Background and Funding](#), January 2018.

CRS, [Head Start: Overview and Current Issues](#), October 2018.

CRS, [LIHEAP: Program and Funding](#), June 2018.

CRS, [Poverty: Major Themes in Past Debates and Current Proposals](#), September 2014.

CRS, [Social Services Block Grant: Background and Funding](#), March 2016.

U.S. HHS, [History and Structure of CSBG](#), date unknown.

Office of Legislative Research, [Community Action Agencies \(CAA\)](#), May 1999.

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