

119TH CONGRESS
1ST SESSION

H. R. 3131

To amend and reauthorize the Community Services Block Grant Act.

IN THE HOUSE OF REPRESENTATIVES

MAY 1, 2025

Mr. THOMPSON of Pennsylvania (for himself and Ms. BONAMICI) introduced the following bill; which was referred to the Committee on Education and Workforce

A BILL

To amend and reauthorize the Community Services Block Grant Act.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Community Services
5 Block Grant Improvement Act of 2025”.

6 **SEC. 2. PURPOSES AND GOALS.**

7 Section 672(1) of the Community Services Block
8 Grant Act (42 U.S.C. 9901(1)) is amended to read as fol-
9 lows:

1 “(1) to reduce poverty in the United States by
 2 supporting the activities of community action agen-
 3 cies and other community services network organiza-
 4 tions that improve the economic security of low-in-
 5 come and working individuals and families, empower
 6 them to become fully sufficient, and create new eco-
 7 nomic opportunities in the communities where they
 8 live; and”.

9 **SEC. 3. DEFINITIONS.**

10 Section 673 of the Community Services Block Grant
 11 Act (42 U.S.C. 9902) is amended by striking paragraphs
 12 (1) through (5), and inserting the following:

13 “(1) AGENCY-WIDE STRATEGIC PLAN.—The
 14 term ‘agency-wide strategic plan’ means a plan that
 15 has been adopted by an eligible entity in the pre-
 16 vious 5 years and establishes goals that include
 17 meeting needs identified by the entity in consultation
 18 with residents of the community through a process
 19 of comprehensive community needs assessment.

20 “(2) POVERTY LINE.—

21 “(A) IN GENERAL.—The term ‘poverty
 22 line’ means the official poverty guideline cal-
 23 culated by the Secretary from the most recent
 24 data available from the Bureau of the Census.
 25 The Secretary shall revise the poverty line an-

1 nually (or at any shorter interval the Secretary
2 determines to be feasible and desirable). The re-
3 quired revision shall be accomplished by multi-
4 plying the official poverty thresholds from the
5 Bureau of the Census by the percentage change
6 in the Consumer Price Index for All Urban
7 Consumers during the annual or other interval
8 immediately preceding the time at which the re-
9 vision is made.”.

10
11 (B) ELIGIBILITY CRITERION.—200 percent
12 of the poverty line shall be used as a criterion
13 of eligibility for services, assistance, or re-
14 sources provided directly to individuals or fami-
15 lies through the grant program established
16 under this subtitle.

17 “(3) COMMUNITY ACTION AGENCY.—The term
18 ‘community action agency’ means an eligible entity
19 (which meets the requirements of paragraph (1) or
20 (2), as appropriate, of section 676B) that delivers
21 multiple programs, projects, and services to a variety
22 of low-income individuals and families.

23 “(4) COMMUNITY ACTION PLAN.—The term
24 ‘community action plan’ means a detailed plan, in-
25 cluding a budget, that is adopted by an eligible enti-

1 ty, for expenditures of funds appropriated for a fis-
2 cal year under this subtitle for the activities sup-
3 ported directly or indirectly by such funds.

4 “(5) COMMUNITY SERVICES NETWORK ORGANI-
5 ZATION.—The term ‘community services network or-
6 ganization’ means any of the following organizations
7 funded under this subtitle:

8 “(A) A State.

9 “(B) An eligible entity.

10 “(C) An association with a membership
11 composed primarily of States, eligible entities,
12 or associations of States or eligible entities.

13 “(6) ELIGIBLE ENTITY.—The Term ‘eligible en-
14 tity’ means an entity that—

15 “(A) is an eligible entity described in sec-
16 tion 673(1) (as in effect immediately before the
17 date of the enactment of the Community Serv-
18 ices Block Grant Improvement Act of 2025), or
19 has been designated by the process described in
20 section 676A (including an organization serving
21 migrant or seasonal farm workers that is so de-
22 scribed or designated); and

23 “(B) has a tripartite board described in
24 paragraph (1) or (2), as appropriate, of section
25 686B.

1 “(7) PRIVATE, NONPROFIT ORGANIZATION.—

2 The term ‘private, nonprofit organization’ includes a
3 religious organization, to which section 679 applies.

4 “(8) SECRETARY.—The term ‘Secretary’ means
5 the Secretary of Health and Human Services.

6 “(9) STATE.—The term ‘State’ means each of
7 the several States, the District of Columbia, the
8 Commonwealth of Puerto Rico, Guam, the United
9 States Virgin Islands, American Samoa, and the
10 Commonwealth of the Northern Mariana Islands.”.

11 **SEC. 4. AUTHORIZATION OF APPROPRIATIONS.**

12 Section 674 of the Community Services Block Grant
13 Act (42 U.S.C. 9903) is amended—

14 (1) in subsection (a)—

15 (A) by striking “such sums as may be nec-
16 essary for each of fiscal years 1999 through
17 2003” and inserting “\$1,000,000,000 for each
18 of fiscal years 2026 through 2032”, and

19 (B) by striking “sections 681 and 682”
20 and inserting “section 680”,

21 (2) in subsection (b)—

22 (A) in paragraph (2)—

23 (i) by striking “1½ percent” and in-
24 serting “1 percent”,

25 (ii) in subparagraph (A)—

1 (I) by striking “entities,” and in-
 2 serting “entities and other community
 3 services network organizations”, and

4 (II) by striking “organizations or
 5 associations”, and

6 (iii) in subparagraph (B) by striking
 7 “and” at the end and inserting a period,
 8 and

9 (B) by striking paragraph (3), and
 10 (3) by adding at the end the following:

11 “(c) DISCRETIONARY PROGRAMS.—There are author-
 12 ized to be appropriated \$40,000,000 to carry out section
 13 680(a)(2) and 680(a)(3) for each of the fiscal years 2026
 14 through 2032.”.

15 **SEC. 5. ESTABLISHMENT OF BLOCK GRANT PROGRAM.**

16 Section 675 of Community Services Block Grant Act
 17 (42 U.S.C. 9904) is amended by striking “through” and
 18 all that follows through the period at the end, and insert-
 19 ing “for the purposes described in section 672.”.

20 **SEC. 6. ALLOTMENTS AND PAYMENTS TO STATES.**

21 Section 675B of the Community Services Block
 22 Grant Act (42 U.S.C. 9906) is amended—

23 (1) in subsection (a)—

24 (A) by striking “except—” and inserting
 25 “except as provided in subsection (b).”, and

1 (B) by striking paragraphs (1) and (2),
2 (2) by amending subsection (b) to read as fol-
3 lows:

4 “(b) MINIMUM ALLOTMENTS.—

5 “(1) IN GENERAL.—No State shall receive less
6 than $\frac{1}{2}$ of 1 percent of the amount appropriated
7 under section 674(a) for a fiscal year that remains
8 after the Secretary makes the reservations required
9 by section 674(b).

10 “(2) YEARS WITH GREATER AVAILABLE
11 FUNDS.—Notwithstanding paragraph (1), if the
12 amount appropriated under section 674(a) for a fis-
13 cal year that remains after the Secretary makes the
14 reservations required in section 674(b) exceeds
15 \$900,000,000, no State shall receive under this sec-
16 tion less than $\frac{3}{4}$ of 1 percent of the remaining
17 amount.”, and

18 (3) by amending subsection (c) to read as fol-
19 lows::

20 “(c) GRANTS AND PAYMENTS.—Subject to section
21 677, the Secretary shall make grants to eligible States for
22 the allotments described in subsections (a) and (b). The
23 Secretary shall make payments for the grants in accord-
24 ance with section 6503(a) of title 31, United States Code.
25 The Secretary shall allocate the amounts allotted under

1 subsections (a) and (b) on a quarterly basis at a minimum,
 2 notify the States of their respective allocations, and make
 3 each State’s first allocation amount in a fiscal year avail-
 4 able for expenditure by the State no later than 30 days
 5 after receipt of an approved apportionment from the Of-
 6 fice of Management and Budget and, for subsequent allo-
 7 cation amounts in the fiscal year, not later than 30 days
 8 after the start of the period for which the Secretary is
 9 allocating the funds.”.

10 **SEC. 7. USES OF FUNDS.**

11 Section 675C of the Community Services Block
 12 Grant Act (42 U.S.C.. 9907) is amended—

13 (1) in subsection (a)—

14 (A) in paragraph (1) by striking “for the
 15 purposes described in section 672 to eligible en-
 16 tities” and inserting “to eligible entities that
 17 enable the entities to implement programs,
 18 projects, and services for the purposes described
 19 in section 672”,

20 (B) by amending paragraph (2) to read as
 21 follows:

22 “(2) OBLIGATIONAL REQUIREMENTS.—

23 “(A) DATE OF OBLIGATION.—The State
 24 shall obligate the funds for grants described in
 25 paragraph (1) and make such grants available

1 for expenditure by eligible entities not later
2 than the later of—

3 “(i) the 30th day after the date on
4 which the State receives from the Sec-
5 retary a notice of funding availability for
6 the State’s application under section
7 676(b) for a first or subsequent allocation
8 for a fiscal year; or

9 “(ii) the first day of the State pro-
10 gram year for which funds are to be ex-
11 pended under the State application.

12 “(B) EXCEPTION.—If funds are appro-
13 priated to carry out this subtitle for less than
14 a full fiscal year, a State may request an excep-
15 tion from the Secretary from the requirement
16 to make grants available for expenditure by eli-
17 gible entities in accordance with subparagraph
18 (A), except that a State may not accumulate
19 more than one fiscal quarter’s worth of funding
20 without making such funds available for ex-
21 penditure by eligible entities.

22 “(C) AVAILABILITY.—Funds distributed to
23 eligible entities through grants made in accord-
24 ance with paragraph (1) for a fiscal year shall
25 be available for obligation by the eligible entity

1 during that fiscal year and the following fiscal
2 year.”, and

3 (C) by striking paragraph (3),
4 (2) in subsection (b)—

5 (A) in paragraph (1)—

6 (i) by striking “(subject to paragraph
7 (2)) for activities that may include—” and
8 inserting “for activities described in the
9 State’s application and plan under section
10 676(b), as described in paragraph (2), and
11 for administrative expenses subject to the
12 limitations in paragraph (3).”, and

13 (ii) by striking subparagraphs (A)
14 through (H), and

15 (B) in paragraph (2)—

16 (i) by striking “the greater of
17 \$55,000, or 5 percent,” and inserting “5
18 percent”,

19 (ii) in the 2d sentence by inserting
20 “under section 675B” after “allotment”,

21 (iii) in the 3d sentence by striking
22 “paragraph (1)(A)” and inserting “para-
23 graph (2), other than monitoring”,

24 (iv) by striking the last sentence,

1 (v) by redesignating paragraph (2) as
2 paragraph (3), and

3 (vi) by inserting after paragraph (1)
4 the following:

5 “(2) TRAINING AND TECHNICAL ASSISTANCE.—
6 After the application of subsection (a), the State
7 may use the remaining grant funds for the purposes
8 of—

9 “(A) providing training and technical as-
10 sistance and resources to eligible entities, in-
11 cluding to—

12 “(i) assist eligible entities to respond
13 to statewide or regional conditions that
14 create economic insecurity, including emer-
15 gency conditions; and

16 “(ii) support innovative programs and
17 activities conducted by eligible entities for
18 a purpose described in section 672, includ-
19 ing assistance to eligible entities in build-
20 ing and using evidence of effectiveness in
21 achieving such purpose;

22 “(B) supporting information and commu-
23 nication resources for the comprehensive com-
24 munity needs assessments described in section
25 676(b)(3)(B);

“(C) supporting performance measurement systems consistent with the requirements of section 678E;

“(D) coordinating State-operated programs and services, and at the option of the State, locally-operated programs and services, targeted to low-income children and families with services provided by eligible entities and other organizations funded under this subtitle, to ensure increased access to services provided by such State or local agencies;

“(E) supporting statewide coordination and communication among eligible entities in the State, including supporting activities of a statewide association of community services network organizations; and

“(F) analyzing the distribution of funds made available under this subtitle within the State to determine if such funds have been targeted to the areas of greatest need.”, and

(3) by striking subsection (c).

SEC. 8. APPLICATION AND PLAN.

Section 676 of the Community Services Block Grant Act (42 U.S.C. 9908) is amended—

1 (1) in subsection (a) by amending paragraph
2 (2) to read as follows:

3 “(2) DUTIES.—The lead agency—

4 “(A) shall be authorized by the chief executive officer to convene State agencies and coordinate information and activities funded under this subtitle;

8 “(B) shall develop the State plan to be submitted to the Secretary under subsection (b), which shall be based primarily on the community action plans of eligible entities submitted to the State as a condition of receiving funding under this subtitle;

14 “(C) may revise an existing State plan for submission to the Secretary, subject to the notice and distribution requirements in subparagraph (D)(iii);

18 “(D) in conjunction with the development of the State plan as required under subsection (b)—

21 “(i) shall hold at least one hearing in the State on the proposed plan, to provide to the public an opportunity to comment on the public record on the proposed use and distribution of funds under the plan;

1 “(ii) not less than 15 days before the
2 hearing, shall distribute notice of the hear-
3 ing and a copy of the proposed plan state-
4 wide to the public and directly to the chief
5 executive officer and board chairperson of
6 each eligible entity and other community
7 services network organization in the State;
8 and

9 “(iii) in the case of any proposed plan
10 revision, shall notify and distribute a copy
11 of the proposed revision directly to the
12 chief executive officer and board chair-
13 person of each eligible entity and other
14 community services network organization
15 in the State, before submission of such
16 proposed revision to the Secretary; and

17 “(E) shall conduct reviews of eligible enti-
18 ties under section 678B.”,

19 (2) in subsection (b)—

20 (A) in the matter preceding paragraph
21 (1)—

22 (i) by striking “2000” and inserting
23 “2026”, and

24 (ii) by striking “30” and inserting
25 “60”,

1 (B) in paragraph (1)—

2 (i) by striking “made available
3 through the grant or allotment will be
4 used” and inserting “provided to an eligi-
5 ble entity under section 675C(a) shall be
6 used by such entity for”,

7 (ii) by striking “to support activities
8 that are designed” and all that follows
9 through “will enable the families and indi-
10 viduals”, and inserting “programs,
11 projects, and services that will enable low-
12 income and working individuals and fami-
13 lies”,

14 (iii) in subparagraph (B) by striking
15 “and” at the end,

16 (iv) in subparagraph (C) by adding
17 “and” at the end, and

18 (v) by adding at the end the following:

19 “(D) to address the educational and eco-
20 nomic needs of low-income individuals, families,
21 and communities by providing assistance
22 through trained navigators to help facilitate ac-
23 cess to affordable high-speed broadband service,
24 internet-enabled devices, digital literacy train-
25 ing, technical support, and other services to

1 meet the broadband and digital needs of such
2 individuals, families, and communities.”,

3 (C) in paragraph (2) by striking “related
4 to” and inserting “and the building and use of
5 evidence of effectiveness in achieving”,

6 (D) in paragraph (3)—

7 (i) by inserting “a description summa-
8 rizing the community action plans and”
9 after “(3)”, and

10 (ii) in subparagraph (D) by striking
11 “fatherhood initiatives” and inserting
12 “whole family approaches”,

13 (E) by amending paragraph (11) to read
14 as follows:

15 “(11) an assurance that the State will secure
16 from each eligible entity in the State, as a condition
17 of receipt of funding by the entity under section
18 675C(a), a community action plan that—

19 “(A) contains information on the intended
20 implementation of the entity’s activities;

21 “(B) demonstrates how such activities will
22 meet needs identified in the most recent com-
23 prehensive community needs assessment con-
24 ducted by the entity in the previous three years,
25 which may be coordinated with community

1 needs assessments conducted for other pro-
2 grams; and

3 “(C) demonstrates how such activities will
4 achieve the purposes of this subtitle;”.

5 (F) in paragraph (12)—

6 (i) by striking the comma and “, not
7 later than fiscal year 2001,”,

8 (ii) by striking “promoting” and in-
9 serting “achieving the goals of the State
10 plan and community action plans of eligi-
11 ble entities, respectively, and the purposes
12 of this subtitle, including”, and

13 (iii) by striking “and” at the end,

14 (G) by amending paragraph (13) to read
15 as follows:

16 “(13) an assurance that each eligible entity in
17 the State shall make available to the public on the
18 entity’s publicly available website the entity’s most
19 recent agency-wide strategic plan, comprehensive
20 community needs assessment, and community action
21 plan;”, and

22 (H) by adding the following at the end:

23 “(14) an assurance that State personnel who
24 conduct monitoring activities under section 678B
25 will have expertise in the programs, projects, and

1 services carried out under this subtitle and in the
2 unique structure and role of eligible entities in their
3 local communities;

4 “(15) an assurance that the State will make
5 payments to eligible entities in accordance with sec-
6 tion 675B(a);

7 “(16) an assurance that the State will develop
8 a policy on board vacancies in accordance with sec-
9 tion 676B(d) and provide guidance to assist eligible
10 entities in filling board vacancies; and

11 “(17) information describing how the State will
12 carry out the assurances described in this sub-
13 section.”,

14 (3) by amending subsection (e) to read as fol-
15 lows:

16 “(e) PUBLIC INSPECTION.—Each State plan pre-
17 pared under this section shall be made available on the
18 lead agency’s website and distributed for public inspection
19 and comment. A hearing on such plan shall be held as
20 required under subparagraphs (C) and (D) of subsection
21 (a) (2).”, and

22 (4) in subsection (f)—

23 (A) by striking “2000” and inserting
24 “2026”, and

(B) by striking “Coats Human Services Reauthorization Act of 1998” and inserting “Community Services Block Grant Improvement Act of 2025”.

SEC. 9. DESIGNATION AND REDESIGNATION OF ELIGIBLE ENTITIES IN UNSERVED AREAS.

Section 676A(a) of the Community Services Block Grant Act (42 U.S.C. 9909(a)) is amended to read as follows:

“(a) QUALIFIED ORGANIZATION IN OR NEAR AREA.—

“(1) IN GENERAL.—If any geographic area of a State is not, or ceases to be, served by an eligible entity under this subtitle, the State lead agency may, in consultation with local officials and organizations representing the area, solicit one or more applications and designate a new community action agency to provide programs, projects, and services to the area, that is—

“(A) a community action agency that is a private, nonprofit organization and that is geographically located in an area in reasonable proximity of, or contiguous to, the unserved area and that is already providing similar programs, projects, and services, and that has

1 demonstrated financial capacity to manage and
2 account for Federal funds; or

3 “(B) if no community action agency de-
4 scribed in subparagraph (A) is available, a pri-
5 vate, nonprofit organization (which may include
6 an eligible entity) that is geographically located
7 in, or is in reasonable proximity to, the
8 unserved area and that is capable of providing
9 a broad range of programs, projects, and serv-
10 ices designed to achieve the purposes of this
11 subtitle as stated in section 672.

12 “(2) REQUIREMENT.—In order to serve as the
13 eligible entity for the area, an entity described in
14 paragraph (1) shall agree to ensure that the gov-
15 erning board of directors of the entity will meet the
16 requirements of section 676B.

17 “(3) COMMUNITY.—A service area referred to
18 in this subsection or a portion thereof shall be treat-
19 ed as a community for purposes of this subtitle.

20 “(4) INTERIM DESIGNATION.—If no entity that
21 meets the requirements of subsection (a) is available
22 for designation as a permanent eligible entity, the
23 State may designate a private, nonprofit agency (or
24 public agency if a private nonprofit is not available)
25 on an interim basis for no more than one year while

1 the State completes a selection process for a perma-
2 nent eligible entity that meets the requirements of
3 subsection (a). An agency designated on an interim
4 basis shall be capable of providing programs,
5 projects, and services designed to achieve the pur-
6 poses described in section 672 and have dem-
7 onstrated financial capacity to manage and account
8 for Federal funds, and may be designated as a per-
9 manent eligible entity only if, by the time of perma-
10 nent designation, it meets all the requirements of
11 paragraphs (1) and (2).”.

12 **SEC. 10. TRIPARTITE BOARDS.**

13 Section 676B of the Community Services Block
14 Grant Act (42 U.S.C. 9910) is amended—

15 (1) in subsection (a)—

16 (A) by amending paragraph (1) to read as
17 follows:

18 “(1) BOARD.—In order for a private, nonprofit
19 organization to be considered to be an eligible entity
20 for purposes of 673(6), the entity shall be governed
21 by a tripartite board of directors described in sub-
22 paragraph (C) that fully participated in the develop-
23 ment, planning, implementation, oversight, and eval-
24 uation of the programs, projects, and services car-
25 ried out or provided through the subgrant made

1 under section 675C(a) and all activities of the enti-
2 ty.”,

3 (B) in paragraph (2)(A) by striking “ex-
4 cept” and all that follows through “require-
5 ment”, and inserting “(but if an elected official
6 chooses not to serve, such official may designate
7 a representative to serve as the voting board
8 member); and”, and

9 (C) by adding at the end the following:

10 “(3) COMPLIANCE WITH TAX-EXEMPT AND
11 OTHER REQUIREMENTS.—The board of a private,
12 nonprofit organization shall ensure that the board
13 operates and conducts activities under the subgrant
14 made under section 679(Ca) that complies with—

15 “(A) the requirements for maintaining tax-
16 exempt status under section 501(a) of the In-
17 ternal Revenue Code of 1986 (26 U.S.C.
18 501(a)) regarding the governance of charities
19 under section 501(c)(3) of the Internal Revenue
20 Code of 1986 (26 U.S.C. 501(c)(3)); and

21 “(B) applicable requirements of State non-
22 profit law.”, and

23 (2) in subsection (b)—

24 (A) in paragraph (1)—

1 (i) by redesignating subparagraphs
 2 (A), (B), and (C) as clauses (i), (ii), and
 3 (iii), respectively, and

4 (ii) in paragraph (2) by adding “Ref-
 5 erences under this subtitle to the board of
 6 an eligible entity shall apply to such other
 7 mechanism.” at the end,

8 (B) by redesignating paragraphs (1) and
 9 (2) as subparagraphs (A) and (B); respectively,
 10 (C) by striking “PUBLIC ORGANIZA-
 11 TIONS.—” and inserting, “**BOARD OR OTHER**
 12 **MECHANISM.—(1)**”, and

13 (D) by adding at the end the following:

14 “(2) COMPLIANCE WITH STATE REQUIRE-
 15 MENTS AND POLICY.—The board of a public en-
 16 tity shall ensure that the board operates in a
 17 manner that complies with State requirements
 18 for open meetings, financial transparency, and
 19 State open records policy.”, and

20 (3) by adding at the end the following:

21 “(c) EXPERTISE.—Each eligible entity shall ensure
 22 that the members of the board are provided resources,
 23 which may include contracted services with individuals and
 24 organizations with expertise in financial management, ac-
 25 counting, and law, to support the work of the board.

1 “(d) BOARD VACANCIES.—To fulfill the requirements
2 under this section, an eligible entity shall fill a board va-
3 cancy not later than 6 months after such vacancy arises.
4 In the event that an eligible entity is unable to fill a board
5 vacancy in the 6-month period, the entity shall certify to
6 the State that it is making a good faith effort to fill the
7 vacancy and shall receive one additional 6-month period
8 to fill such vacancy.

9 “(e) OPERATIONS AND DUTIES OF THE BOARD.—
10 The duties of a board described in paragraph (1) or (2)
11 of subsection (a) shall include—

12 “(1) in the case of a board for a private, non-
13 profit organization that is an eligible entity, having
14 legal and financial responsibility for administering
15 and overseeing the eligible entity, including making
16 proper use of Federal funds;

17 “(2) establishing terms for officers and adopt-
18 ing a code of ethical conduct, including a conflict of
19 interest policy for board members;

20 “(3) participating in a comprehensive commu-
21 nity needs assessment conducted at least once every
22 three years, developing and adopting for the cor-
23 responding eligible entity an agency-wide strategic
24 plan, and preparing the community action plan for
25 the use of funds under this subtitle;

1 “(4) approving the eligible entity’s operating
2 budget;

3 “(5) reviewing all major policies such that—

4 “(A) for private, nonprofit organizations
5 that are eligible entities, a review includes con-
6 ducting annual performance reviews of the eligi-
7 ble entity’s chief executive officer (or individual
8 holding an equivalent position); and

9 “(B) for local public entities that are eligi-
10 ble entities, a review includes participating in
11 annual performance reviews of the eligible enti-
12 ty’s chief executive officer (or individual holding
13 an equivalent position);

14 “(6) performing oversight of the eligible entity
15 to include—

16 “(A) conducting assessments of the eligible
17 entity’s progress in carrying out programmatic
18 and financial provisions in the community ac-
19 tion plan; and

20 “(B) in the case of any required corrective
21 action, reviewing the eligible entity’s plans and
22 progress in remedying identified deficiencies;
23 and

24 “(7) concerning personnel policies and proce-
25 dures—

1 “(A) in the case of private, nonprofit orga-
2 nizations that are eligible entities, adopting per-
3 sonnel policies and procedures, including for
4 hiring, annual evaluation, compensation, and
5 termination, of the eligible entity’s chief execu-
6 tive officer (or individual holding a similar posi-
7 tion); and

8 “(B) in the case of local public entities
9 that are eligible entities, reviewing personnel
10 policies and procedures, including for hiring,
11 annual evaluation, compensation, and termi-
12 nation, of the eligible entity’s chief executive of-
13 ficer (or individual holding a similar position).

14 “(f) CONFLICT OF INTEREST.—In establishing the
15 conflict of interest policy described in subsection (e)(2),
16 a board shall ensure that such policy—

17 “(1) requires a board member to recuse
18 themselves from any discussion, deliberations, and
19 votes relating to any contract or transaction from
20 which the following would receive a direct financial
21 benefit from the eligible entity:

22 “(A) such board member;

23 “(B) the immediate family member of such
24 board member; or

1 “(C) an organization or a business from
 2 which such board member, or an immediate
 3 family of such board member, receives a direct
 4 financial benefit;

5 “(2) prohibits a board member from receiving
 6 compensation for serving on the board from the eli-
 7 gible entity other than for reasonable expenses, ex-
 8 cept that a board member’s receipt of an economic
 9 benefit from the eligible entity because such member
 10 is eligible to receive benefits and services under this
 11 subtitle shall not be considered to be compensation
 12 for purposes of this subsection; and

13 “(3) ensures all activities funded under this
 14 subtitle are conducted free of personal or family fa-
 15 voritism.”.

16 **SEC. 11. OFFICE OF COMMUNITY SERVICES.**

17 Section 678(b) of the Community Services Block
 18 Grant Act (42 U.S.C. 9912(b)) is amended by inserting
 19 “, acting through the Director,” after “The Secretary”.

20 **SEC. 12. TRAINING, TECHNICAL ASSISTANCE, AND OTHER**
 21 **ACTIVITIES.**

22 Section 678A(c) of the Community Services Block
 23 Grant Act (42 U.S.C. 9913(c)) is amended to read as fol-
 24 lows:

25 “(c) DISTRIBUTION REQUIREMENT.—

1 “(1) IN GENERAL.—The amounts reserved
2 under section 674(b)(2)(A) for activities to be car-
3 ried out under this subsection shall be distributed di-
4 rectly to eligible entities and other community serv-
5 ices network organizations for—

6 “(A) professional development for key com-
7 munity services network organization personnel;

8 “(B) activities to improve community serv-
9 ices network organization program quality, fi-
10 nancial management, compliance, and govern-
11 ance practices (including practices related to
12 performance management information systems);

13 “(C) activities that train community serv-
14 ices network organizations in building and
15 using evidence of effectiveness in achieving the
16 purposes of this subtitle; and

17 “(D) activities to ensure responsiveness to
18 identified local needs.

19 “(2) ELIGIBLE ENTITIES OR ORGANIZATIONS.—
20 Eligible entities and other community services net-
21 work organizations described in this subsection shall
22 include such entities and organizations (and their
23 partners, including institutions of higher education),
24 with demonstrated expertise in providing training to
25 individuals and organizations on methods of effec-

1 tively addressing the needs of low-income and work-
 2 ing families and communities.”.

3 **SEC. 13. FISCAL CONTROLS, AUDITS, AND WITHHOLDING.**

4 Section 678D of the Community Services Block
 5 Grant Act (42 U.S.C. 9916) is amended—

6 (1) in subsection (a)—

7 (A) in paragraph (1)—

8 (i) in paragraph (A) by inserting
 9 “and, notwithstanding the applicability of
 10 subparagraph (B), issue payment to sub-
 11 recipients on an advance basis.” before the
 12 semicolon at the end, and

13 (ii) by amending subparagraph (B) to
 14 read as follows:

15 “(B) SINGLE AUDIT REQUIREMENTS.—

16 “(i) IN GENERAL.—Audits shall be
 17 conducted under this paragraph in the
 18 manner and to the extent provided in
 19 chapter 75 of title 31, United States Code
 20 (commonly known as the ‘Single Audit Act
 21 Amendments of 1984’), except in the event
 22 a serious financial deficiency is identified.

23 “(ii) SERIOUS FINANCIAL DEFICI-
 24 ENCY.—In the event that such a defi-
 25 ciency is identified, the Secretary shall

1 order an audit conducted as described in
 2 subparagraph (1), or an audit of each of
 3 the accounts involved, in accordance with
 4 subparagraph (2).”, and

5 (B) by amending paragraph (3) to read as
 6 follows:

7 “(3) REPAYMENTS.—If the Secretary, after re-
 8 view of the audit, finds that a State has not ex-
 9 pended an amount of funds in accordance with this
 10 subtitle, the Secretary is authorized to withhold
 11 funds from the State under this subtitle until the
 12 State remedies the improperly expended funds for
 13 the original purpose for which the grant funds were
 14 intended.”, and

15 (2) in subsection (b)(3) by inserting “or a com-
 16 plaint of a serious deficiency concerning any State”
 17 after “any fiscal year”.

18 **SEC. 14. ACCOUNTABILITY AND REPORTING REQUIRE-**
 19 **MENTS.**

20 Section 678E(b) of the Community Services Block
 21 Grant Act (42 U.S.C. 9917) is amended—

22 (1) in paragraph (3) by striking “Labor and
 23 Human Resources” and inserting “Health, Edu-
 24 cation, Labor, and Pensions”, and

25 (2) by striking paragraph (4).

1 **SEC. 15. LIMITATIONS ON USE OF FUNDS.**

2 Section 678F(a)(1) of the Community Services Block
3 Grant Act (42 U.S.C. 9918(a)(1)) is amended by striking
4 “amounts reserved under section 674(b)(3)” and inserting
5 “amounts appropriated under section 674(c)”.

6 **SEC. 16. DISCRETIONARY AUTHORITY OF THE SECRETARY.**

7 Section 680 of the Community Services Block Grant
8 Act (42 U.S.C. 9921) is amended—

9 (1) in subsection (a)—

10 (A) in paragraph (1)—

11 (i) by striking “funds reserved under
12 section 674(b)(3)” and inserting “amounts
13 made available to carry out this section”,
14 and

15 (ii) by striking “through (4)” and in-
16 serting “and (3)”, and

17 (B) by striking subparagraph (4), and

18 (2) in subsection (c) by striking “Labor and
19 Human Resources” and inserting “Health, Edu-
20 cation, Labor, and Pensions”.

21 **SEC. 17. COMMUNITY FOOD AND NUTRITION PROGRAMS.**

22 The Community Services Block Grant Act (42 U.S.C.
23 9922) is amended by striking section 681.

1 **SEC. 18. NATIONAL OR REGIONAL PROGRAMS DESIGNED**
2 **TO PROVIDE INSTRUCTIONAL ACTIVITIES**
3 **FOR LOW-INCOME YOUTH.**

4 The Community Services Block Grant Act (42 U.S.C.
5 9923) is amended—

6 (1) by striking section 682, and

7 (2) by redesignating section 683 as section 681.

