

HOUSE No. 142

The Commonwealth of Massachusetts

PRESENTED BY:

Tackey Chan

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act to address inequality, promote opportunity, and end poverty.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
<i>Tackey Chan</i>	<i>2nd Norfolk</i>	<i>1/15/2015</i>

HOUSE No. 142

By Mr. Chan of Quincy, a petition (accompanied by bill, House, No. 142) of Tackey Chan relative to community action agencies. Community Development and Small Businesses.

The Commonwealth of Massachusetts

**In the One Hundred and Eighty-Ninth General Court
(2015-2016)**

An Act to address inequality, promote opportunity, and end poverty.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 Chapter 23B of the Massachusetts General Laws is hereby amended by replacing
2 section 24 with the following:

3 Section 24.

4 Section 1. As used in this section the following words, unless the context requires
5 otherwise, shall have the following meaning:

6 “Community action agency”, a nonprofit agency which has previously been designated
7 and authorized to accept funds from the federal Community Services Administration for
8 community action agencies under the federal Economic Opportunity Act of 1964, unless such
9 designation is rescinded by the director in accordance with the provisions of this section, or any
10 agency formed as may be designated as a community action agency by the director to succeed
11 any agency that the director determines fails to meet federal requirements, or fair and reasonable
12 requirements established by the director, or any agency designated as a community action agency

13 by the director to serve previously unserved areas in accordance with the provisions of this
14 section; community action agencies are the federally mandated antipoverty agencies in the
15 Commonwealth of Massachusetts and the network of community based organizations they
16 comprise shall be considered the federally mandated antipoverty network operating in the
17 Commonwealth of Massachusetts.

18 “Department”, the Massachusetts Department of Housing and Community Development.

19 “Committee”, the advisory committee established by section 4.

20 “Fund”, The Community Action Trust Fund to Address Inequality, Promote Opportunity,
21 and End Poverty established by section 2.

22 “MASSCAP”, Massachusetts Association for Community Action.

23 “Community services block grant”, funds designated to ameliorate the causes of poverty
24 in communities within the commonwealth, distributed by the federal government to the
25 commonwealth pursuant to section 672(a) et. seq. of the Omnibus Budget Reconciliation Act of
26 1981, or its successor.

27 “Density of poverty”, percentage of total population in area to be served representing
28 persons at one hundred per cent of poverty as defined by the United States Office of
29 Management and Budget.

30 Section 2. A community action agency shall maintain a board structure which consists of
31 the following:

32 (a) one-third of the members shall be elected public officials, currently, holding office, or
33 their representatives, except that if the number of elected officials reasonably available and

34 willing to serve is less than one-third of the membership on the board, membership on the board
35 of appointive public officials may be counted in meeting such one-third requirement;

36 (b) at least one-third of the members shall be persons chosen in accordance with
37 democratic selection procedures adequate to assure that they are representative of the poor in the
38 area served; and

39 (c) the remainder of the members shall be officials or members of the business, industry,
40 labor, religious, welfare, education, or other major groups and interests in the community.

41 Section 3. In order to qualify as a community action agency, such agency must be one
42 which is community based and operated as set forth in this section which: -

43 (a) is designed to provide a comprehensive range of services and activities having a
44 measurable and potentially major impact on causes of poverty in the community or those areas of
45 the community where poverty is a particularly acute problem; plan systematically for an
46 effective community action program; develop information as to the problems and causes of
47 poverty in the community; determine how much and how effectively assistance is being provided
48 to deal with those problems and causes; and establish priorities among projects, activities and
49 areas as needed for the best and most efficient use of resources; in cooperation with community
50 agencies and officials, undertake actions to improve existing efforts to reduce poverty, such as
51 community agencies and officials are responsible; Initiate and sponsor projects responsive to
52 needs of the poor which are not otherwise being met, with particular emphasis on providing
53 central or common services that can be drawn upon by a variety of related programs,
54 developing new approaches or new types of services that can be incorporated into other
55 programs, and filling gaps pending the expansion or modification of those programs; establish

56 effective procedures by which the poor and area residents concerned will be enabled to
57 influence the character of programs affecting their interests, provide for their regular
58 participation in the implementation of those programs, and provide technical and other support
59 needed to enable the poor and neighborhood groups to secure on their own behalf available
60 assistance from public and private sources; build collaborations and coalitions and join with and
61 encourage business, labor and other private groups and organizations to undertake, together
62 with public officials and agencies, activities in support of the community action program which
63 will result in the additional use of private resources and capabilities, with a view to developing
64 new employment opportunities, stimulating investment that will have a measurable impact on
65 reducing poverty among residents of areas of concentrated poverty, and providing methods by
66 which residents of those areas can work with private groups, firms, and institutions in seeking
67 solutions to problems of common concern.

68 (b) has been developed and has organized and combined projects and has integrated and
69 arranged and blended services, also known as “wrap around” services, so called, and has
70 employed comprehensive case management as a fundamental component of its service approach
71 and activities undertaken by the agency in a manner appropriate to carry out all the purposes of
72 this section; and

73 (c) includes, but is not limited to, programs to assist low income participants, including
74 the elderly poor, such as programs to: secure and maintain meaningful employment, attain an
75 adequate education; provide and maintain adequate housing and a suitable living environment;
76 receive energy assistance and weatherization services; obtain financial education; avoid
77 homelessness; develop assets; obtain emergency assistance through loans or grants to meet
78 immediate and urgent individual and family needs, including the need for health services,

79 nutritious food, housing and employment-related assistance; remove obstacles and solve personal
80 and family problems which block the achievement of self-sufficiency; and achieve greater
81 participation in the affairs of the community

82 (d) From time to time, community action agencies, as represented by their association
83 known as the Massachusetts Association for Community Action, shall convene with elected and
84 appointed officials, allied organizations, low-income residents, and others, regional and
85 statewide sessions on addressing poverty, the findings and information from which shall
86 contribute to the adjustment and improvement of existing policies and programs and practices
87 and the development of new policies and programs and practices to address inequality in the
88 Commonwealth of Massachusetts.

89 (e) There shall be established the Interagency Council to Address Inequality, Promote
90 Opportunity, and End Poverty for the purpose of reviewing existing programs and making
91 recommendations to ensure that programs aimed at addressing poverty and inequality, promoting
92 opportunity, and otherwise fostering self-sufficiency among low income and working people are
93 coordinated and provided in a productive manner; the Council shall be coordinated by the
94 Department of Housing and Community and Development and will increase coordination among
95 the several other state agencies and departments including but not limited to the departments
96 within the Executive Office of Health and Human Services and within the Executive Office of
97 Labor and Workforce Development (more to add) that help vulnerable people achieve stability
98 and move on to economic mobility; members of the Council shall meet at least 6 times a year
99 and consult on a regular basis with individuals or groups who have specific expertise in subject
100 areas that the Council is addressing; the Council shall have the authority to review existing
101 programs and recommend improvements to such programs and policies to ensure that such

102 services are provided in an efficient, cost-effective, and productive manner, recommend
103 legislation to improve the operation of the policies of the Commonwealth, recommend changes
104 to regulations of any agency of the Commonwealth, recommend contracts, grants, or other,
105 recommend partnerships with private entities, including corporate, philanthropic, and faith-based
106 organizations, as well as the federal government and municipalities; the Council shall monitor
107 the progress of any initiatives undertaken in response to the Council's recommendations.

108 The Council shall be considered a permanent panel and shall report any findings or
109 recommendations, including any recommendations for legislation or regulation, to the Governor
110 at such periods as determined by the Chair on January 15th of each year.

111

112 Section 4. 7004-xxxx For a program to provide community investment support for
113 community action agencies operating in Massachusetts, as defined in Chapter 23B, Section 24,
114 of the Massachusetts General Laws;

115 Provided that the resources from this line-item be used for the same purposes by
116 community action agencies that the federal fund known as the community service block grant, as
117 defined in Section 24 of Chapter 23B of the Massachusetts General Laws and 42 U.S.C. et seq. is
118 used;

119 Provided further, that the resources from this line-item be distributed to the community
120 action agencies by the department of housing and community development;

121 Provided further, that one percent of the resources from this line item be provided to the
122 Massachusetts Association for Community Action (MASSCAP) to provide training and technical

123 assistance to community action agencies operating in Massachusetts

124 \$XXX

125 Section 5. (a) There shall be a separate fund to be known as the Community Action
126 Trust Fund to Address Inequality, Promote Opportunity, and End Poverty which shall be
127 sited within the Department of Housing and Community Development. The Department
128 shall administer the fund, according to guidelines promulgated by the Department and in
129 consultation with the advisory committee. The fund shall assist in the creation of projects
130 to assist low income individuals and families in the commonwealth out of poverty, for the
131 benefit of households whose incomes are not more than 200 per cent of the federal
132 poverty level as determined by the federal Department of Health and Human Services.

133 The
134 fund shall be an expendable trust fund and shall not be subject to appropriation.

135 (b) There shall be credited to the fund, revenue from appropriations or other monies
136 authorized by the general court and specifically designated to be credited to the fund and other
137 monies including no less than fifty percent of the federal community service block grant (CSBG)
138 special projects funds, so called, as defined in Section 24 of Chapter 23B of the Massachusetts
139 General Laws and 42 U.S.C. et seq., which is administered by the Department of Housing and
140 Community Development, and gifts, grants, private contributions, and all other sources. Money
141 remaining in the fund at the end of a fiscal year shall not revert to the general fund.

142 (c) The agency shall maintain the fund as a separate fund, and shall cause it to be audited
143 by an independent accountant on an annual basis in accordance with accepted accounting
144 principles.

145 (d) The agency shall administer assistance from the fund using only the criteria set forth
146 under this chapter for projects sponsored by MASSCAP or Community Action Agencies. The
147 Department may enter into agreements with MASSCAP or Community Action Agencies to
148 administer assistance from the fund for projects developed and implemented in partnership with
149 other nonprofit organizations, after consulting the advisory committee established by section 7.

150 Section 6. (a) The fund shall finance innovative community based programs and services
151 that address current and emerging needs that to have a measurable impact on alleviating the
152 causes of poverty. Activities eligible for assistance from the fund include, but are not limited to:

- 153 (1) Projects to assist low-income participants;
- 154 (2) Projects to secure and maintain meaningful employment;
- 155 (3) Projects to offer financial education;
- 156 (4) Projects to help families avoid homelessness;
- 157 (5) Projects to offer energy assistance and weatherization services
- 158 (6) Projects to offer emergency assistance to meet immediate and urgent individual
159 and family needs;
- 160 (7) Projects to help individuals attain an adequate education.

161 Section 7. (a) There shall be established an advisory committee to the fund, which shall
162 make policy recommendations to the department of housing and community development
163 regarding the fund's program and funding activities.

164 (b) The committee shall be comprised of the following members: the director of the
165 Department of Housing and Community Development or his designee; the director of
166 Community Economic Development Assistance Corporation (CEDAC) or his designee; two
167 representatives appointed by the Speaker of the Massachusetts House of Representatives; two
168 representatives appointed by the President of the Massachusetts State Senate; two municipal
169 officials appointed by the Massachusetts Municipal Association, one of whom shall be from a
170 city and one of whom shall be from a town; and a representative appointed by each of the
171 following organizations: the Massachusetts Association for Community Action (MASSCAP), the
172 Massachusetts Energy Directors Association (MEDA), the Massachusetts Head Start Association
173 (MHSA). Committee members shall serve at the pleasure of the appointing authorities.

174 Section 8. The department of housing and community development on annual basis shall
175 file a report with the Executive Office of Administration and Finance, the House Committee on
176 Ways and Means, and the Senate Committee on Ways and Means which will detail all
177 expenditures from the fund, including but not limited to the recipient of the funds, the cost of
178 administration, and the number of low-income families and individuals assisted by the fund.

179 Section 9. The commonwealth, acting by and through the director, may enter into
180 contracts with community action agencies, and such other organizations as the director
181 determines, to provide services consistent with the purposes of this section. Any such agency
182 shall comply with such requirements as the director may establish by regulation or otherwise,

183 including, but not limited to, reporting and monitoring requirements, and evaluation procedures,
184 and, in the case of community action agencies, procedures for the designation and the suspension
185 or rescision of designation as a community action agency. Procedures for the suspension or
186 rescision of designation as a community action agency shall include adequate notice and an
187 opportunity for a hearing.

188 Section 10. The director may designate an agency as a community action agency to serve
189 a previously unserved area, if the director finds that: there are sufficient additional community
190 services block grant funds appropriated to provide for the addition and continuing operation of
191 such agency, and that such agency will serve an area having a population in excess of seventy-
192 five thousand and a density of poverty which exceeds seven per cent.

193 Section 11. The provisions of this section shall be applicable to the awarding of contracts
194 by the director under the federal community services block grant program. Not less than ninety
195 per cent of the total of any such community services block grant funds received by the
196 commonwealth during any fiscal federal year shall be contracted directly with community action
197 agencies in existence at the beginning of such fiscal year. Not more than five per cent of the total
198 of any such community services block grant funds received by the commonwealth shall be
199 allocated to the director for administrative expenses. Not more than five per cent of the total of
200 any such community services block grant funds received by the commonwealth shall be awarded
201 by the director for innovative anti-poverty projects or programs operated by nonprofit
202 organizations.

203 Section 13. The commonwealth, acting by and through the director, may, subject to
204 appropriation, provide supplementary funds to community action agencies in accordance with
205 the provisions of this section.

206 Section 14. Recognition of a community action agency by the director shall not preclude
207 the agency from receiving other grants or contracts from federal or local agencies, private
208 organizations, or individuals or state agencies to pay the cost of providing services to the poor.