



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

February 4, 2004
(House)

STATEMENT OF ADMINISTRATION POLICY

H.R. 3030 - Improving the Community Services Block Grant Act

(Rep. Osborne (R) NE and 4 cosponsors)

The Administration supports House passage of H.R. 3030, the "Improving the Community Services Block Grant Act" and will work to amend and strengthen certain provisions of the bill as it moves through the legislative process. The Community Services Block Grant (CSBG) program provides Federal funds through States to local Community Action Agencies (CAAs) that operate a wide variety of programs to help lessen the effects of poverty and help families in becoming self-sufficient. This legislation would reauthorize and amend the CSBG Act to provide for quality improvements, including changes that are intended to ensure quality and accountability by grantees. In particular, the Administration will work to further strengthen the bill by requiring a set of national performance measures and opening competition for underperforming CAAs' funding to community and faith-based groups.

The Administration is pleased that the bill would retain current law provisions that protect the hiring autonomy of religious organizations under Title VII of the Civil Rights Act of 1964. This exemption from Title VII liability has been in place for over 30 years, and has been expressly preserved in a series of laws that Congress has enacted since 1996. These laws permit faith-based groups to hire according to their beliefs as they administer federally-funded welfare-to-work, community service, and drug treatment programs without running afoul of Title VII. This bill would preserve this important exemption for such groups providing federally-funded services under this bill.

The Administration understands that an amendment may be offered on the House floor that would remove the current hiring autonomy of religious organizations. The full involvement of the faith community is essential to mobilize America's "armies of compassion" and the House is urged to defeat any such amendment. If such an amendment is part of the bill presented to the President, the President's senior advisors would recommend that he veto the bill.

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