

OFFICE OF POLICY AND LEGAL ANALYSIS

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To: Joint Standing Committee on Health & Human Services

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LD 343 An Act To Set Aside Funds from Federal Block Grants for Certain Communities

SUMMARY: This bill requires the Department of Health and Human Services to annually set aside 20% of each federal block grant it receives for the most vulnerable communities in the State and at least 12% of each federal block grant it receives for federally recognized Indian nations, tribes and bands in the State.

ISSUES FROM TESTIMONY: this public hearing took place on March 24, 2021 (a work session was held on May 20 and the bill was tabled)

- Commenters noted that a significant percentage of certain block grants supports state lines carrying out public health work (for example, a large percentage of the Maternal and Child Health Block Grant represents DHHS salaries for public health nurses and care coordinators) and that redirection of this funding could have consequences for the state.
- Commenters raised concern over potential cuts in funding to current grantees.
- Commenters testified about generational trauma and associated health problems within Tribal communities, as well as the importance in allowing Tribes to self-determine how public health funds will be used.
- Commenters testified about the need for improved communication between Tribal communities and the State.
- It was stated that block grants often involve advisory committees that help determine priorities for funding and that these advisory committees often lack diversity, including Tribal members.
- DHHS expressed concerns about the difficulty of defining vulnerable communities
- DHHS noted that under federal regulation, federally recognized Tribes can apply to the US Department of Health and Human Services to administer their own TANF programs and if approved would use a portion of the State's TANF funds, but that absent such a approval, it was not federally allowable for a state to delegate TANF administration to a Tribal government.

- DHHS noted that some block grants have federally required set asides.
- Commenters described the health impacts of systemic racism on individuals and communities

DRAFTING ISSUES:

- As regards the 20% for vulnerable communities, it is not clear to whom funds would be provided. Organizations representing vulnerable communities? Local governments located within vulnerable communities?
- It is not clear if the 20% set aside for vulnerable communities includes Tribes, or if it is intended to apply only to vulnerable communities who are not Tribes. Also, there are Tribal members who could fall into vulnerable communities that are defined other than by Tribal membership. How would the set aside treat such individuals?

LEGISLATIVE HISTORY

- [LD 1134](#), *An Act To Set Aside Funds from Federal Block Grants for Certain Communities* was considered in the 129th. The bill requires the Department of Health and Human Services to annually set aside 20% of each federal block grant it receives for the most vulnerable communities in the State and 10% of each federal block grant it receives for federally recognized Indian nations, tribes and bands in the State. An [amended version](#) of the bill, the majority report of the committee, remove the set aside amount to vulnerable communities, changed the set aside for Tribes to at least 12%, and provides that the administration of the grants be by the tribal district. A [separate amendment](#), the Committee's minority report, replaced the bill with a resolve requiring DHHSS to enter into an MOU with Tribes to define and implement consultation for all block grants. The bill ultimately died at the conclusion of the 129th.

ADDITIONAL INFORMATION

DHHS receives 8 block grants:

1. Child Care Development Fund Block Grant
2. Substance Abuse Prevention and Treatment Block Grant
3. Social Services Block Grant
4. Community Services Block Grant
5. Community Mental Health Services Block Grant
6. Maternal and Child Health Services Block Grant
7. Preventive Health Services Block Grant
8. Temporary Assistance for Needy Families Block Grant

FISCAL IMPACT: The [preliminary fiscal note](#) for this bill indicates a potential current biennium cost increase to