Calendar No. 487

117TH CONGRESS
2d Session

SENATE

REPORT
117–148

TARGETING RESOURCES TO COMMUNITIES IN NEED ACT OF 2022

R E P O R T

OF THE

COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS UNITED STATES SENATE

TO ACCOMPANY

S. 3552

TO PROVIDE AN INCREASED ALLOCATION OF FUNDING UNDER CERTAIN PROGRAMS FOR ASSISTANCE IN AREAS OF PERSISTENT POVERTY, AND FOR OTHER PURPOSES

SEPTEMBER 13, 2022.—Ordered to be printed

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Mr. PETERS, from the Committee on Homeland Security and Governmental Affairs, submitted the following

R E P O R T

[To accompany S. 3552]

[Including cost estimate of the Congressional Budget Office]

The Committee on Homeland Security and Governmental Affairs, to which was referred the bill (S. 3552) to provide an increased allocation of funding under certain programs for assistance in areas of persistent poverty, and for other purposes, having considered the same, reports favorably thereon with an amendment (in the nature of a substitute) and recommends that the bill, as amended, do pass.

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I. PURPOSE AND SUMMARY

S. 3552, the Targeting Resources to Communities in Need Act, requires the Office of Management and Budget (OMB) Director to develop and implement a plan to increase the share of federal investments targeted to areas of persistent poverty and other places with high and persistent poverty. In addition, the bill requires OMB to issue guidance to agencies that identifies the scope, share, and manner of targeted investment programs and outlines measures to track these investments over time.

The bill specifies that OMB must include a minimum goal for federal investments in the targeted areas, which is an amount that is greater than the amount proportional to their share of the U.S. population. Additionally, the bill requires OMB to annually report to Congress on programs that received increases in funds, the amount of funds targeted to a covered area, the percentage change of funds from the previous fiscal year, and an assessment of the economic impact of the funding and programs.

The bill also directs the Census Bureau to publish a list of all defined "areas of persistent poverty" within 60 days of this bill's enactment and annually thereafter. Finally, the bill requires GAO to provide a report on the effectiveness of the bill two years after enactment.

II. BACKGROUND AND THE NEED FOR LEGISLATION

According to the U.S. Census Bureau (Census), persistent poverty counties are counties where at least 20 percent of the population have remained at or below the poverty level for the last 30 years.[1] According to some of the most recent Census data on persistent poverty, there are between 355 and 397 counties nationwide that fit the current definition.[2] Further, recent Census data shows that approximately 41 million people live in poverty in the United States.[3] This bill aims to ensure that federal dollars and resources distributed to programs across the government reach communities that need them the most. This bill would ensure that the agencies continuously assess which programs they manage that may be able to provide resources to high poverty areas, in alignment with guidance by OMB.

III. LEGISLATIVE HISTORY

Senator Cory Booker (D–NJ) introduced S. 3552, the *Targeting Resources to Communities in Need Act of 2022*, on February 1, 2022, with Ranking Member Rob Portman (R–OH). The bill was referred to the Committee on Homeland Security and Governmental Affairs.

The Committee considered S. 3552 at a business meeting on May 25, 2022. During the business meeting, a substitute amendment was offered by Chairman Peters and Ranking Member Portman and adopted by voice vote. The Peters-Portman substitute amendment updated the definition of "High-Poverty Census Tract" to include estimates for areas when no survey data from the American Community Survey is available. The substitute amendment also makes technical corrections to align the composition of requirements in the legislation to the text of a companion bill in the House of Representatives.

Senator Scott offered an amendment that would have required the OMB Director to review and study potential guidance and measures to increase the share of federal investments for communities in need, as opposed to issuing guidance and measures within

[1] U.S. Census Bureau Small Area Income and Poverty Estimates Program (https://www.census.gov/programs-surveys/saipe.html) (accessed June 17, 2022).

[2] Congressional Research Service, *The 10–20–30 Provision: Defining Persistent Poverty Counties* (https://sgp.fas.org/crs/misc/R45100.pdf) (accessed June 17, 2022).

[3] U.S. Census Bureau American Community Survey Data Table (https://data.census.gov/cedsci/table?t=Official%20Poverty%20Measure%3APoverty&tid=ACSST5Y2020.S1701) (accessed June 17, 2022).

one year as required by the Peters-Portman substitute amendment. The amendment was not adopted by a roll call vote of 6 yeas and 8 nays. Senators Lankford, Romney, Scott and Hawley voted in the affirmative. Senators Johnson and Paul voted yea by proxy. Senators Peters, Hassan, Sinema, Rosen, Padilla, Ossoff, and Portman voted in the negative. Senator Carper voted no by proxy.

The bill, as amended, was ordered reported favorably by voice vote. Senators Peters, Hassan, Sinema, Rosen, Padilla, Ossoff, Portman, Lankford, Romney, Scott, and Hawley were present. Senators Lankford, Romney, Scott, and Hawley were recorded "No."

IV. SECTION-BY-SECTION ANALYSIS OF THE BILL, AS REPORTED

Section 1. Short title

This section cites the short title of the bill as the "Targeting Resources to Communities in Need Act of 2022."

Sec. 2. Increasing share of Federal resources to areas of persistent poverty and other high-poverty areas

Subsection (a) directs the Director of the Office of Management and Budget (Director), within one year, to implement guidance and measures to increase the share of federal investments targeted to areas of persistent poverty and other places with high and persistent poverty determined by the Director in consultation with other federal agencies.

The subsection also requires the Director to issue guidance to agencies, within 120 days after the date of enactment that identifies the scope, manner, and share of targeted investment programs and outlines measures to track these investments over time. This subsection also specifies that the minimum goal should be to provide funding to areas of persistent poverty and other places with high and persistent poverty at an amount greater than the amount proportional to their share of the U.S. population.

Finally, subsection (a) requires the Director to submit an annual report to Congress that includes a list of agency programs within the plan, the amount and the percentage change of funds allocated to areas of persistent poverty and other places with high and persistent poverty under each program, and an assessment of their economic impacts that includes data on impacted individuals disaggregated by household income, race, gender, age, national origin, disability status, and whether the individual lives in an urban, suburban, or rural area.

Subsection (b) directs the Bureau of the Census (Census) to publish a list of all defined "areas of persistent poverty" within 60 days of this bill's enactment and annually thereafter.

Subsection (c) directs the Government Accountability Office to report to appropriate committees of Congress, as defined in section (e), on the effectiveness and impact of the measures not later than 2 years after the bill's enactment and two more times not later than 10 years after the bill's enactment.

Subsection (d) authorizes $5,000,000 for the fiscal year 2023 for salaries and expenses to carry out this act.

Subsection (e) defines the terms "appropriate committees of Congress," "area of persistent poverty," "covered area," "Director," "high-poverty census tract," and "persistent poverty county." Below are the definitions:

"Appropriate committees of Congress" refers to Senate Committees including Appropriations, Budget, Commerce, Science, and Transportation, and Homeland Security and Governmental Affairs as well House Committees including Appropriations, Budget, Energy and Commerce, Transportation and Infrastructure, and Oversight and Reform.

"Area of persistent poverty" refers to high-poverty census tracts and persistent poverty counties.

"Covered area" refers to an area of persistent poverty or other area of high and persistent poverty described in subsection (a).

"Director" refers to the Director of the Office of Management and Budget.

"High-poverty census tract" refers to a census tract that has a poverty rate of at least 20% measured by the most recent American Community Survey 5-year survey published by the Census or, in cases where no such data is collected from the American Community Survey, a census tract in an area with a poverty rate of at least 20% in the most recent decennial census.

"Persistent poverty county" refers to a county division with a poverty rate of at least 20% in the most recent year for which updates are available and at least 25 of the last 30 years measured by the Small Area Income and Poverty Estimates by the Census or other measure as determined by the Census.

V. EVALUATION OF REGULATORY IMPACT

Pursuant to the requirements of paragraph 11(b) of rule XXVI of the Standing Rules of the Senate, the Committee has considered the regulatory impact of this bill and determined that the bill will have no regulatory impact within the meaning of the rules. The Committee agrees with the Congressional Budget Office's statement that the bill contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

VI. CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, September 7, 2022.

Hon. GARY PETERS,
Chairman, Committee on Homeland Security and Governmental Affairs, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for S. 3552, the Targeting Resources to Communities in Need Act of 2022.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Matthew Pickford.

Sincerely,

PHILLIP L. SWAGEL,
Director.

Enclosure.

S. 3552, Targeting Resources to Communities in Need Act of 2022 As ordered reported by the Senate Committee on Homeland Security and Governmental Affairs on May 25, 2022			
By Fiscal Year, Millions of Dollars	2022	2022-2027	2022-2032
Direct Spending (Outlays)	0	0	0
Revenues	0	0	0
Increase or Decrease (-) in the Deficit	0	0	0
Spending Subject to Appropriation (Outlays)	0	5	5

Statutory pay-as-you-go procedures apply?	No	Mandate Effects	
Increases on-budget deficits in any of the four consecutive 10-year periods beginning in 2033?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No

S. 3552 would direct the Office of Management and Budget to provide guidance to increase the share of funds government agencies target to areas of persistent poverty and to report on that effort. In addition, the bill would direct the Bureau of the Census to report a list of areas of persistent poverty and the Government Accountability Office to report on the results of implementing the bill. Finally, the bill would authorize the appropriation of $5 million in 2023 for salaries and expenses.

S. 3552 would direct federal spending to areas of persistent poverty but would not increase program funding or alter legal authority for specific entitlement programs; thus, enacting the bill would not affect direct spending or revenues. Assuming appropriation of the authorized amount, CBO estimates that implementing the bill would cost $5 million over the 2022–2027 period.

The CBO staff contact for this estimate is Matthew Pickford. The estimate was reviewed by H. Samuel Papenfuss, Deputy Director of Budget Analysis.

VII. CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

This legislation would make no change in existing law, within the meaning of clauses (a) and (b) of subparagraph 12 of rule XXVI of the Standing Rules of the Senate, because this legislation would not repeal or amend any provision of current law.

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