

ratio of the community action agency's local initiative funding in federal fiscal year 1981 to the total amount of local initiative money received by the community action agencies in the State in federal fiscal year 1981 so that the present ratio of distribution of these funds among existing community action agencies is maintained.

(iii) The Department may use any remaining federal community services block grant funds to support newly designated community action agencies or for such other appropriate purposes under this section.

(2) A community action agency receiving financial assistance under this subsection shall report at least annually to the Secretary on the use of the funds.]
DISTRIBUTION CRITERIA SET FORTH BY THE SECRETARY IN REGULATIONS.

(2) THE DISTRIBUTION CRITERIA SHALL INCLUDE THE PERCENTAGE OF PERSONS IN POVERTY, BASED ON THE MOST CURRENT CENSUS POPULATION DATA AND MAY INCLUDE SPECIFIC PROBLEMS IN RURAL COMMUNITIES, MINIMUM FUNDING NECESSARY TO MAINTAIN PROGRAM OPERATIONS, AND THE POTENTIAL FOR ADDITIONAL LOCAL AND PRIVATE FUNDING.

(3) THE REGULATIONS SHALL ASSURE THAT, WITH RESPECT TO THE ALLOCATION OF FEDERAL FUNDS, EACH DESIGNATED COMMUNITY ACTION AGENCY RECEIVES FEDERAL FUNDS AT A LEVEL AT LEAST EQUAL TO THAT RECEIVED BY THE AGENCY IN FEDERAL FISCAL YEAR 1994 UNLESS THE FEDERAL FUNDING IS REDUCED.

(4) THE REGULATIONS SHALL ALLOCATE FEDERAL FUNDS REMAINING AFTER THE ALLOCATIONS UNDER PARAGRAPH (3) OF THIS SUBSECTION ONLY TO THOSE COMMUNITY ACTION AGENCIES WHICH RECEIVED A LESSER SHARE OF PROGRAM FEDERAL FUNDS IN FEDERAL FISCAL YEAR 1994 THAN THEY WOULD HAVE RECEIVED BASED ON THE NUMBER OF PERSONS IN POVERTY IN THE LOCAL JURISDICTION AS A PERCENTAGE OF THE TOTAL POPULATION OF PERSONS IN POVERTY IN THE STATE.

(g) In addition to the powers set forth elsewhere in this section, a community action agency may:

(1) Receive and administer:

(i) Financial assistance received under this section;

(ii) Funds and contributions received from private or local public sources for community action programs; and

(iii) Funds received from State or federal assistance programs under which a public or private nonprofit agency may act as a grantee, contractor, or sponsor of projects suitable for community action programs;

(2) Receive and administer federal funds from federal block grants previously designated as anti-poverty funds, subject to applicable federal law or regulation; and