



HUD COMMUNITY DEVELOPMENT BLOCK GRANTS RETAIN FUNDING FOR LOCAL DEVELOPMENT AND INFRASTRUCTURE PROJECTS

ACTION NEEDED: Urge your members of Congress, especially those serving on the House and Senate Appropriations Subcommittees on Transportation, Housing and Urban Development and Related Agencies, to fund the HUD Community Development Block Grant (CDBG) program at the FY2012 House proposed level of \$3.5 billion as part of the final FY12 Transportation-HUD Appropriations bill. In addition, NADO supports the Senate request for \$400 million in CDBG disaster assistance for communities impacted by major disasters in 2011.

ISSUE: The HUD Community Development Block Grant (CDBG) program was cut from \$3.99 billion in FY2010 to \$3.34 billion under the final FY2011 appropriations bill, a cut of 16 percent. This continues a recent downward trend in CDBG funding since the program reached a high of \$4.36 billion in FY2003. For FY2012, the House Appropriations Committee is proposing to restore nearly \$160 million in the CDBG formula account, bringing it up to \$3.5 billion. The Senate Appropriations Committee is recommending only \$2.85 billion in CDBG funding for an additional 15 percent cut or \$492 million reduction. The Senate also requests a separate allocation of \$400 million in CDBG disaster assistance for communities impacted by major disasters in 2011. According to the Senate T-HUD committee report (S. Rpt. 112-083), "The funding may be used by communities to address recovery needs including those related to infrastructure, housing and economic development. The funding will be provided directly to States and local units of government, who will submit a plan for the use of such funds." The House version does not include any additional money for CDBG disaster assistance.

KEY TALKING POINTS:

- CDBG is an important tool used by state and local officials as they tackle their most serious community and economic development challenges, such as providing affordable housing, upgrading and building essential public infrastructure and water systems, creating small business development loan funds for local entrepreneurs and industries, and addressing local planning and technical assistance needs.
- The cornerstone of the CDBG program is its locally driven, flexible and bottom-up approach. The program provides invaluable resources for 1,180 urban counties and cities to meet locally-identified needs. As required by law, 30 percent of CDBG formula funding is reserved for states to assist rural communities with economic development, infrastructure improvements and other fundamental community building blocks.
- State, regional and local officials use the CDBG program to provide valuable seed capital, gap financing and core support for a variety of projects. In addition, CDBG funds are typically used to leverage and attract private sector investments. Every CDBG dollar invested in communities is leveraged, on average, by three dollars in private funding, bringing much needed business investments to distressed areas.

**For more information, contact NADO Legislative Director Deborah Cox
at 202.624.8590 or dcox@nado.org.**

NATIONAL ASSOCIATION OF DEVELOPMENT ORGANIZATIONS
LEGISLATIVE ACTION ALERT: HUD COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

U.S. Senate Appropriations Committee
(Annual Appropriations for HUD CDBG Program)

Majority:

Daniel Inouye (D-HI), Chairman (D-HI)

Patrick Leahy (D-VT)*
Tom Harkin (D-IA)*
Barbara Mikulski (D-MD)*
Herb Kohl (D-WI)*
Patty Murray (D-WA)*
Dianne Feinstein (D-CA)*
Richard Durbin (D-IL)*
Tim Johnson (D-SD)*
Mary Landrieu (D-LA)
Jack Reed (D-RI)
Frank Lautenberg (D-NJ)*
Ben Nelson (D-NE)
Mark Pryor (D-AR)*
Jon Tester (D-MT)
Sherrod Brown (D-OH)

Minority:

Thad Cochran (R-MS), Vice Chairman

Mitch McConnell (R-KY)
Richard Shelby (R-AL)*
Kay Bailey Hutchison (R-TX)*
Lamar Alexander (R-TN)*
Susan Collins (R-ME)*
Lisa Murkowski (R-AK)
Lindsey Graham (R-SC)
Mark Kirk (R-IL)*
Dan Coats (R-IN)*
Roy Blunt (R-MO)*
Jerry Moran (R-KS)*
John Hoeven (R-ND)
Ron Johnson (R-WI)*

**Member of the U.S. Senate Appropriations Subcommittee
on Transportation, Housing and Urban Development*

U.S. House Appropriations Committee
(Annual Appropriations for HUD CDBG Program)

Majority:

Harold Rogers (R-KY), Chairman

C.W. Bill Young (R-FL)
Jerry Lewis (R-CA)
Frank R. Wolf (R-VA)*
Jack Kingston (R-GA)
Rodney Frelinghuysen (R-NJ)
Tom Latham (R-IA)
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Denny Rehberg (R-MT)
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Ken Calvert (R-CA)

Jo Bonner (R-AL)
Steve Latourette (R-OH)*
Tom Cole (R-OK)
Jeff Flake (R-AZ)
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Cynthia Lummis (R-WY)
Tom Graves (R-GA)
Kevin Yoder (R-KS)
Steve Womack (R-AR)*
Alan Nunnelee (R-MS)

Minority:

Norm Dicks (D-WA), Ranking Member

Marcy Kaptur (D-OH)*
Pete Visclosky (D-IN)
Nita Lowey (D-NY)
José Serrano (D-NY)
Rosa DeLauro (D-CT)
Jim Moran (D-VA)
John Olver (D-MA)*
Ed Pastor (D-AZ)*
David Price (D-NC)*
Maurice Hinchey (D-NY)
Lucille Roybal-Allard (D-CA)
Sam Farr (D-CA)
Jesse Jackson Jr. (D-IL)
Chaka Fattah (D-PA)
Steve Rothman (D-NJ)
Sanford Bishop (D-GA)
Barbara Lee (D-CA)
Adam Schiff (D-CA)
Mike Honda (D-CA)
Betty McCollum (D-MN)

**Member of the U.S. House Appropriations Subcommittee
on Transportation, Housing and Urban Development*