



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

ACTION NEEDED: Urge your members of Congress, especially those serving on the House and Senate Appropriations Committees, to fund the HUD Community Development Block Grant (CDBG) program at the FY2013 House proposed level of \$3.3 billion as part of a final FY2014 appropriations measure. The members of NADO support retaining CDBG formula funds as a flexible, locally driven resource that provides valuable assistance for local community and economic development initiatives, including infrastructure and job creation projects supported by the CDBG State Small Cities Program.

ISSUE: The HUD Community Development Block Grant (CDBG) program has faced drastic cuts in recent years, falling from \$3.99 billion in FY2010 to \$3.34 billion in FY2011. CDBG is currently funded at \$2.94 billion. This continues a recent downward trend in CDBG funding since the program reached a high of \$4.36 billion in FY2003.

On March 21, Congress approved a six-month Continuing Resolution or “CR” (H. R. 933), which sets HUD-CDBG funding at \$2.94 billion through September 30, 2013. HUD-CDBG funding was also subject to the 5.3 percent, automatic across-the-board cuts (known as “sequestration”), which occurred on March 1, 2013.

The President’s budget requests \$3.1 billion for HUD-CDBG in FY2014, which is a six percent decrease from last year’s funding level of \$3.3 billion.

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.
- At a time when local governments and communities are striving to overcome intensifying global economic competition, upgrade aging public infrastructure, and address the severe housing crisis, it is vital that federal policy makers continue to maintain support for the CDBG program.
- 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 building blocks for job creation and economic development.
- 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 Ted Stiger at 202.624.8467 or tstiger@nado.org

NATIONAL ASSOCIATION OF DEVELOPMENT ORGANIZATIONS
LEGISLATIVE FACT SHEET: HUD COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

U.S. Senate Appropriations Committee

Majority:

Barbara Mikulski (D-MD), Full Chair*
Patrick Leahy (D-VT)*
Tom Harkin (D-IA)*
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)*
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Jon Tester (D-MT)
Tom Udall (D-NM)
Jeanne Shaheen (D-NH)
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Minority:

Richard Shelby (R-AL), Full Ranking*
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Mitch McConnell (R-KY)
Lamar Alexander (R-TN)*
Susan Collins (R-ME)*
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Lindsey Graham (R-SC)*
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Jerry Moran (R-KS)*
John Hoeven (R-ND)
Mike Johanns (R-NE)
John Boozman (R-AR)*

**Indicates Senator serves on the U.S. Senate Transportation and HUD Appropriations Subcommittee which provides annual funding for HUD-CDBG.*

U.S. House Appropriations Committee

Majority:

Harold Rogers (R-KY), Full Chair
C.W. Bill Young (R-FL)
Frank R. Wolf (R-VA)*
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Rodney Frelinghuysen (R-NJ)
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Steve Womack (R-AR)
Alan Nunnelee (R-MS)
Jeff Fortenberry (R-NE)
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Chuck Fleischmann (R-TN)
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Minority:

Nita Lowey (D-NY), Full Ranking
Marcy Kaptur (D-OH)
Pete Visclosky (D-IN)
José Serrano (D-NY)
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John Olver (D-MA)
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Barbara Lee (D-CA)
Adam Schiff (D-CA)
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Betty McCollum (D-MN)
Tim Ryan (D-OH)*
Debbie Wasserman Schultz (D-FL)
Henry Cuellar (D-TX)
Chellie Pingree (D-ME)
Mike Quigley (D-IL)*
Bill Owens (D-NY)

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