



## **HUD COMMUNITY DEVELOPMENT BLOCK GRANTS (CDBG) RETAIN FY2014 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 Department of Housing and Urban Development's (HUD) Community Development Block Grant (CDBG) program at the FY2014 Senate proposed level of \$3.3 billion as part of a final FY2014 Transportation-HUD (T-HUD) appropriations measure. NADO supports retaining CDBG formula funds as a flexible, locally driven resource that provide valuable assistance for local community and economic development initiatives, including infrastructure and job creation projects supported by the CDBG State Small Cities Program.

**BACKGROUND:** The HUD CDBG program has faced drastic cuts in recent years, falling from \$3.99 billion in FY2010 to the current level of \$2.94 billion. The program's highest funding level was \$4.36 billion in FY2003.

On March 21, Congress approved a six-month Continuing Resolution or "CR" (H.R. 933) for FY2013, which set 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 CDBG in FY2014, which is a six percent decrease from last year's funding level of \$3.3 billion.

On June 27, the U.S. Senate Appropriations Committee approved its FY2014 T-HUD Appropriations Bill (S. 1243) by a vote of 22 to 8. The bill funds CDBG at \$3.15 billion for FY2014, which is \$350 million above the President's request and \$1.5 billion above the House request.

Also on June 27, the U.S. House Appropriations Committee approved its FY2014 T-HUD Appropriations Bill (H.R. 2610) by a vote of 28 to 20. The bill funds CDBG at \$1.6 billion, which is a cut of \$1.3 billion below the FY2013 enacted level.

On July 31, the U.S. House pulled its FY2014 T-HUD Bill from the floor as it became clear there were not enough votes for passage due to disagreements over spending cuts included in the bill. On August 1, the Senate failed to reach the 60-vote threshold needed to complete consideration of its FY2014 T-HUD Bill.

**LATEST ACTION:** On October 16, Congress approved a 3-month CR (H.R. 2775), which funds the government at the FY2013 post-sequestration funding level of \$986.7 billion through January 15, 2014. The CR requires the House and Senate to negotiate a budget framework for the remainder of FY2014 by December 13. NADO will continue to work to support funding for CDBG at the proposed Senate level of \$3.3 billion in the FY2014 budget and appropriation process.

### **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

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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, please contact Susan Howard, Legislative Director, at 202.624.8590 / [showard@nado.org](mailto:showard@nado.org)  
or Ted Stiger, Legislative Associate, at 202.624.8467 / [tstiger@nado.org](mailto:tstiger@nado.org).**

### U.S. Senate Appropriations Committee

#### Majority:

Barbara Mikulski (D-MD), Full Chair\*  
Patrick Leahy (D-VT)\*  
Tom Harkin (D-IA)\*  
Patty Murray (D-WA)\*, Subcommittee Chair  
Dianne Feinstein (D-CA)\*  
Richard Durbin (D-IL)\*  
Tim Johnson (D-SD)\*  
Mary Landrieu (D-LA)  
Jack Reed (D-RI)\*  
Mark Pryor (D-AR)\*  
Jon Tester (D-MT)  
Tom Udall (D-NM)\*  
Jeanne Shaheen (D-NH)  
Jeff Merkley (D-OR)  
Mark Begich (D-AK)  
Chris Coons (D-DE)

#### Minority:

Richard Shelby (R-AL), Full Ranking\*  
Thad Cochran (R-MS)  
Mitch McConnell (R-KY)  
Lamar Alexander (R-TN)\*  
Susan Collins (R-ME)\*, Subcommittee Ranking  
Lisa Murkowski (R-AK)  
Lindsey Graham (R-SC)\*  
Mark Kirk (R-IL)\*  
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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- HUD Appropriations  
Subcommittee*

### U.S. House Appropriations Committee

#### Majority:

Harold Rogers (R-KY), Full Chair  
C.W. Bill Young (R-FL)  
Frank R. Wolf (R-VA)\*  
Jack Kingston (R-GA)  
Rodney Frelinghuysen (R-NJ)  
Tom Latham (R-IA)\*+  
Robert B. Aderholt (R-AL)  
Kay Granger (R-TX)\*  
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John R. Carter (R-TX)  
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Charles Dent (R-PA)\*  
Tom Graves (R-GA)  
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Steve Womack (R-AR)  
Alan Nunnelee (R-MS)  
Jeff Fortenberry (R-NE)  
Tom Rooney (R-FL)  
Chuck Fleischmann (R-TN)  
Jaime Herrera Beutler (R-WA)\*  
David Joyce (R-OH)\*  
David Valadao (R-CA)  
Andy Harris (R-MD)

#### Minority:

Nita Lowey (D-NY), Full Ranking  
Marcy Kaptur (D-OH)  
Pete Visclosky (D-IN)  
José Serrano (D-NY)  
Rosa DeLauro (D-CT)  
Jim Moran (D-VA)  
Ed Pastor (D-AZ)\*#  
David Price (D-NC)\*  
Lucille Roybal-Allard (D-CA)  
Sam Farr (D-CA)  
Chaka Fattah (D-PA)  
Sanford Bishop (D-GA)  
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Adam Schiff (D-CA)  
Mike Honda (D-CA)  
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)

*+Indicates Chair of the U.S. House Transportation-HUD Appropriations Subcommittee*

*#Indicates Ranking Member of the U.S. House Transportation-HUD Appropriations  
Subcommittee*

*\*Indicates Representative serves on the U.S. House Transportation-HUD  
Appropriations Subcommittee*