

HUD COMMUNITY DEVELOPMENT BLOCK GRANTS (CDBG)

RESTORE FUNDING FOR LOCAL DEVELOPMENT AND INFRASTRUCTURE PROJECTS IN FY2018

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 \$3.3 billion as part of a final fiscal year (FY) 2018 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 Administered/Small Cities program.

LATEST ACTION: Since the beginning of FY2018 on October 1, 2017, the federal government has been operating under a series of continuing resolutions, the latest of which expires on March 23, 2018.

The House approved an omnibus spending package for FY2018 in September 2017, but the Senate did not complete work on its FY2018 appropriations bills.

On February 12, 2018, the Trump administration released its FY2019 budget proposal, "Efficient, Effective, Accountable: An American Budget." The budget requests \$465 billion for non-defense discretionary spending and \$627 for defense discretionary spending. The proposal includes elimination of CDBG.

Following figures reflect FY2017 final, FY2018 House passed, FY2018 Senate recommended, and FY2019 budget request:

Budget figures are in billions	FY2017 Final	House FY2018	Senate FY2018	Pres FY2019
Community Development Block Grant	\$3.06	\$2.96	\$3	-

KEY TALKING POINTS:

• Funding for the CDBG program should be restored to \$3.3 billion in FY2018. The program has faced drastic cuts in recent years, totaling over \$1.4 billion since FY2001. CDBG funding cuts have already contributed to deficit reduction and further cuts will hurt local job creation and economic development investments.

- 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, please contact Josh Shumaker, Legislative Associate, at 202.624.8482 / <u>ishumaker@nado.org</u>

For a list of members of the Senate and House Appropriations Committees for the 115th Congress, see next page.

U.S. Senate Appropriations Committee

Maiority:

Thad Cochran (R-MS), Chairman Mitch McConnell (R-KY) Richard Shelby (R-AL)* Lamar Alexander (R-TN)* Susan Collins (R-ME), Subcommittee Chair Lisa Murkowski (R-AK) Lindsey Graham (R-SC)* Roy Blunt (R-MO)* Jerry Moran (R-KS) John Hoeven (R-ND)* John Boozman (R-AR)* Shelley Moore Capito (R-WV)* James Lankford (R-OK) Steve Daines (R-MT)* Marco Rubio (R-FL) John Kennedy (R-LA)

Minority:

Patrick Leahy (D-VT), Ranking Member Patty Murray (D-WA)* Dianne Feinstein (D-CA)* Richard Durbin (D-IL)* Jack Reed (D-RI), Subcommittee Ranking Member Jon Tester (D-MT) Tom Udall (D-NM) Jeanne Shaheen (D-NH) Jeff Merkley (D-OR) Chris Coons (D-DE)* Brian Schatz (D-HI)* Tammy Baldwin (D-WI) Chris Murphy (D-CT)* Joe Manchin (D-WV)* Chris Van Hollen (D-MD)

*Indicates Senator serves on the U.S. Senate Transportation-HUD Appropriations Subcommittee

U.S. House Appropriations Committee

Majority:

Harold Rogers (R-KY) Robert B. Aderholt (R-AL) Kay Granger (R-TX) Michael K. Simpson (R-ID) John Abney Culberson (R-TX)* John R. Carter (R-TX) Ken Calvert (R-CA) Tom Cole (R-OK) Mario Diaz-Balart (R-FL) + Charles W. Dent (R-PA)* Tom Graves (R-GA)* Kevin Yoder (R-KS) Steve Womack (R-AR) 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)* Andv Harris (R-MD) Martha Roby (R-AL) Mark Amodei (R-NV) Chris Stewart (R-UT) David Young (R-IA)* Evan Jenkins (R-WV) Steven Palazzo (R-MS) Dan Newhouse (R-WA) John Moolenaar (R-MI) Scott Taylor (R-VA)

Minority:

Rodney P. Frelinghuysen (R-NJ), Chair Nita M. Lowey (D-NY), Ranking Member Marcy Kaptur (D-OH) Peter J. Visclosky (D-IN) José E. Serrano (D-NY) Rosa L. DeLauro (D-CT) David E. Price (D-NC) # Lucille Roybal-Allard (D-CA) Sanford D. Bishop Jr. (D-GA) Barbara Lee (D-CA) Betty McCollum (D-MN) Tim Ryan (D-OH) C.A. Dutch Ruppersberger (D-MD) Debbie Wasserman Schultz (D-FL) Henry Cuellar (D-TX) Chellie Pingree (D-ME) Mike Quigley (D-IL)* Derek Kilmer (D-WA) Matt Cartwright (D-PA) Grace Meng (D-NY) Mark Pocan (D-WI) Katherine Clark (D-MA)* Pete Aquilar (D-CA)*

+Indicates Chair of the U.S. 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