

February 4, 2003

The Honorable Christopher Bond
Subcommittee on VA-HUD-IA Appropriations
130 Senate Dirksen Office Building
Washington, D.C. 20510-6032

Dear Chairman Bond:

The undersigned organizations, representing local governments across the country, write to gain your support for several of HUD's program areas during the conferencing of the FY 2003 VA-HUD-IA spending bill.

We thank you for your continued strong support of such programs as the Community Development Block Grant (CDBG) and the HOME Investment Partnerships (HOME) Program. These two superb programs remain the foundation upon which local governments across the country provide neighborhood revitalization, affordable housing, and community services to low- and moderate-income households. Because of their importance to communities across the country, we strongly support the Senate's request for \$5.0 billion in funding for CDBG, with at least \$4.580 provided for formula grants in FY 2003 and the House request for \$2.221 billion for the HOME program, with at least \$1.975 in formula grants in FY 2003. We are opposed to the recommended 2.9% across-the-board cut to all domestic programs. Such a cut would decimate any increases to programs such as CDBG and HOME. We ask that you support no cuts to these programs as part of the FY 2003 appropriation process.

Housing which contains lead-based paint poses a serious health risk to its occupants, particularly to children. Our organizations strongly support the eradication of lead-based paint in deteriorated housing units; however, there are few resources to assist local governments in ridding communities of this serious public health problem. The costs to abate housing units with lead-based paint is enormous in most parts of the country. Local governments are already constrained by tight budgets and have had to use federal resources such as CDBG and HOME to assist them in their abatement efforts. However, this only leads to fewer households being assisted by the CDBG and HOME programs. Therefore, we strongly support the Senate's proposal to develop a \$75 million formula-allocated lead hazard reduction block grant to local governments.

Finally, we are concerned with the provision in the Senate version of the FY 2003 Appropriations bill that proposes to reallocate unused Section 8 budget authority from local housing authorities to State housing agencies. We believe that local housing agencies are in the best position to determine local housing needs, not state agencies. With local budgets already constrained to the breaking point, this provision could divert resources where they are most urgently needed. We ask that this provision be eliminated.

Thank you for your responsiveness to our position.

Sincerely,

National Association of Counties
National Association of Local Housing Finance Agencies
National Community Development Association
National League of Cities
U.S. Conference of Mayors

