

May 2, 2011

Regulations Division
Office of General Counsel
U. S. Department of Housing and Urban Development
451 7th Street, SW, Room 10276
Washington, DC 20410 – 0500

Re: Executive Order 13563, “Improving Regulation and
Regulatory Review,” Docket No. FR-5506-N-01

Dear Sir/Madam:

The National Association for County Community and Economic Development (NACCED) and the National Community Development Association (NCDA) are pleased to jointly submit the following comments in response to HUD’s invitation to provide recommendations regarding burdensome and obsolete regulations for HUD programs. NACCED is a non-profit, national association that represents county government practitioners who administer HUD’s affordable housing and community development programs. NCDA is also a non-profit, national association that represents city government practitioners of these same programs.

Our joint comments are divided into several areas: General Comments, Comments in response to the Questions set forth in *Federal Register* Notice, Docket No. FR-5506-N-01; and Specific Comments on the Consolidated Plan, Community Development Block Grants, HOME, Fair Housing, Section 3, and IDIS. Although we are mindful that comments are requested on regulations, we have included several statutory provisions, which, if advanced by NACCED, NCDA and HUD and enacted by Congress, would ease implementation of HUD programs.

General Comments

Consistency among HUD Field Offices

Often there is inconsistency among HUD field offices in interpreting the various program regulations. HUD needs to develop standardized training on all CPD programs for field office staff, particularly those that are responsible for working directly with grantees and who are involved in interpreting regulations and monitoring grantees. Field office staff should be required to take the training on a regular basis (e.g., every 2-3 years, or annually, if regulations change). HUD should also establish a fair process whereby grantees can challenge the field office’s interpretation of a regulation. The close relationship between field office and HUD headquarters more often results in HUD headquarters siding with the field office. A third-party entity should be employed to provide a fair review of any regulatory interpretation challenge put forward by a grantee, so that the grantee has the opportunity to have its position heard directly rather than filtered through the interpretation of the field office.

Also, in the past HUD issued various policy memoranda and posted the decisions it makes on the web to ensure consistency in interpretation of various policy issues. Most of these memoranda are old and hard to search. We encourage HUD to update and maintain these memoranda.

NACCED and NCDA also recommend that the Department establish a standard debriefing process for all HUD competitive grants, and that it be required to provide applicants with a summary of the score and a breakdown of how they scored on each rating factor (and sub-factor if appropriate) for which a specific number of points was assigned in the Notice Of Fund Availability (NOFA). The summary should include an explanation for the score received and points deducted for each such factor and sub-factor.

1. How can HUD best obtain and consider accurate, objective information and data about the cost, burdens, and benefits of existing regulations? Are there existing sources of data available that HUD can use to evaluate the effects of its regulations over time?

HUD should ask recipients of funding under the various HUD programs via a survey. This survey should also specifically ask about activities that are eligible under various funding sources that the recipient chooses NOT to undertake because the burden of doing so outweighs the benefit.

HUD collects an enormous amount of information via its reporting systems and the reporting requirements it places upon recipients of funding. HUD needs to determine if all the data collected in IDIS and DRGR is necessary and useful, because from a recipient perspective, much of it is neither.

2. What factors should HUD use to select and prioritize rules and reporting requirements for review?

National organizations such as NACCED and NCDA where membership is primarily comprised of practitioners who work regularly with program rules and reporting, regularly receive input from their membership on what is and is not working with respect to HUD programs. Formalizing a dialogue with the national organizations could assist HUD in developing annual priorities for improving program effectiveness.

Reports should be simple, short and understandable for the intended audience. Grantees are often required to disseminate information to the public that is incomprehensible. Although various efforts have been made to simplify Consolidated Planning (such as the CPMP tool), these efforts have merely added to the volume of the Consolidated Plan documents. The IDIS reports that must be pulled in connection with the CAPER are not understandable to the average citizen, so it is pointless to invite public comment. HUD should *not* require grantees to submit reports to them that HUD can already access.

Reports should not be duplicative. In the name of “transparency” grantees are currently reporting the same data in multiple systems. Some of this will cease after the ARRA funds are expended, but it is a concern going forward with the new Emergency Solutions Grants program mirroring HPRP in many respects.

Reports need to have consistency. For example, grantees were recently asked to submit a 2516 (Contract and Subcontract Activity Report) for CDBG-R that reported only their CDBG-R

funds. If grantees are paying a portion of the cost of a project, the contract with a contractor will, of course, exceed the grant amount. The form instructions state that contract amount is to be fully stated and reported on the 2516. Grantees were instructed to reduce the amount of the contracts to show only the CDBG-R funding.

3. Are there any specific existing HUD regulatory requirements that are ill-advised or so burdensome as to merit elimination?

Although it is a cross-cutting, statutory requirement, administering Davis-Bacon Act wage rates on a large project, when HUD funds are a small piece of financing for the project, is extremely burdensome on staff (see statutory recommendations below).

Grantees have concerns with how area benefit activities will be affected when the 2010 Census Data is released. HUD staff told a national conference last year that perhaps the American Community Survey would now be used and that eligible areas could shift from year to year. HUD needs to work on this issue and clarify, as “shifting eligibility” is not acceptable for projects.

It is “burdensome” at the moment to *not* have the regulations for the HEARTH Act and the Emergency Solutions Grants.

HUD needs to formalize regulations regarding the Lead Hazard Abatement program. The program is operated under the statute and a NOFA. HUD should also develop a streamlined process for renewal applicants that have demonstrated satisfactory performance.

4. Are there any specific existing HUD regulatory requirements that, while necessary, are ineffective and in need of streamlining or other modification to achieve their objectives? Why are these requirements ineffective—are they unnecessarily complicated, burdensome, or outdated? What changes to the regulations would increase their usefulness and meet HUD’s objectives?

Fair housing activities are considered a program administrative cost and are eligible under the 20% administration cap or a public service under the 15% cap. Fair housing activities are undergoing intense scrutiny and demands on funds are increasing for additional fair housing activities, yet there are no additional funds. Fair housing should be made a separate eligible activity (see statutory recommendations below).

Regulations implementing Section 3 of the Housing and Urban Development Act of 1968 (as amended) impose requirements that are ineffective and in need of streamlining or other modification to achieve HUD’s objective of benefiting low- and moderate-income persons. The requirements are ineffective and are unnecessarily complicated for the following reasons: 1) The two-tiered threshold of \$200,000 and \$100,000 was established in 1968 after the act was adopted but does not generate sufficient opportunities in today’s economic environment to reasonably create hiring and subcontracting opportunities; 2) The lack of readily available resources that identify Section 3 residents and Section 3 business concerns create obstacles and excuses for agencies and contractors to not succeed in meeting the hiring, contracting, and subcontracting

goals of this program; and 3) Enforcement is not only ineffective, but it is practically non-existent since there are no sanctions for contractors and awarding agencies that willfully fail to comply.

Also, contractor responsiveness is burdensome for contracts that do not generate sufficient opportunities to expand a workforce through hiring or subcontracting but allow an alternative for compliance by submitting an employment opportunity plan. It is far too common that the reporting accomplishments document a contractor's outreach strategies and/or efforts but do not result in economic opportunities for Section 3 residents or businesses.

The following changes to the regulations would increase the usefulness of Section 3 and meet HUD's objectives: 1) Raising the dollar amount of the CDBG-funded construction activity upon which Section 3 would apply to \$500,000 to more reasonably expect that there may be hiring and subcontracting opportunities based on the higher number of working days and possible construction trades needed to complete a scope of work; 2) Eliminating the two-tiered threshold simplifies the applicability of Section 3 and the staff time to implement, monitor, and enforce the Section 3 requirements; 3) Requiring Workforce Investment Boards (WIB) that receive federal funds to revise project labor agreements to include a Section 3 preferences for training and employment opportunities and to coordinate with local government agencies, including public housing authorities, to identify economic opportunities made available as a result of federally funded construction projects within their jurisdiction; and 4) Strengthening enforcement by imposing standards for penalties and sanctions, such as the option of placing contractors on the Excluded Parties List System (EPLS). Mandatory monetary sanctions could be applied for willful and intentional failure to implement, monitor, and/or to meet Section 3 requirements such as withholding a percentage of the contractor's contract amount for failure to implement the Section 3 preference consideration into their hiring practices and/or a percentage of the awarding agency's allocation amount for failure to monitor and enforce the requirements.

Lastly, the program could be much more effective in meeting HUD's mission of benefiting low-income persons if agencies and contractors could access a data base or other resources that identify Section 3 business concerns and eligible residents. Recently HUD has implemented a 6-month self-certification pilot-program that could provide the resources needed to promote a successful program. A list of resources that allow agencies and contractors to strategically outreach to Section 3 residents and business concerns should be developed within each jurisdiction and made available to assist in the successful accomplishment of Section 3 requirements.

Section 3 activities can be difficult to implement when a jurisdiction has no public housing and, therefore, no existing pool of known individuals with whom to undertake Section 3 activities. HUD guidance on implementing Section 3 has, to date, been unclear. Grantees acknowledge that HUD is making an effort to provide training, but successful examples of Section 3 programs seem to be few and far between. One grantee's staff attended a HUD-approved training that was conducted by a consultant. The consultant seemed more interested in selling services than in training staff on regulations.

5. Are there any HUD regulatory requirements that have been overtaken by technological developments? Can new technologies be used to modify, streamline, or do away with these requirements?

Citizen Participation Noticing - Grant management for CDBG and other HUD programs requires notification to the public for citizen participation and procurement. Required public notification through print media, and newspapers in particular, has become obsolete with the advent of information efficiency that has been achieved by the internet. For example, 24 CFR 91.105 (b)(2) requires publishing a summary of the Consolidated Plan (Con Plan) in a newspaper of general circulation and distribution of the Con Plan to libraries, government offices and other public places. The ability to post a Con Plan summary or the entire Consolidated Plan itself on a grantee's website eliminates the need to distribute hard copy documents to the public. Similarly, public notices posted on a grantee's website are available 24/7 for as long as the grantee determines and are much more effective at outreach than a one-time publication of a notice in a newspaper of general circulation. HUD should follow the practice it used for the American Recovery and Reinvestment Act, allowing grantees to simply post the draft Con Plan substantial amendments on their website for a public comment period for all of its formula grant programs.

Procurement Advertising - Often, HUD's interpretation of a regulation and the subsequent formation of policy around that interpretation can have the same effect as regulation. For example, the procurement regulations at 24 CFR 85.36 (d)(2), state that for sealed bid procurement, "formal advertising" is required, bids must be "publicly solicited" and the invitation to bid must be "publicly advertised". While all of these stipulations can be met effectively and efficiently through internet bid solicitation, the interpretation by local and regional HUD offices has been that, at a minimum, formal advertising and public solicitation must take place through newspaper advertising, a much more costly and inferior means of outreach for procurement. However, the interpretation made by CPD is inconsistent with flexibility in procurement that is provided for on HUD's public housing side as the PHA Handbook at Section 6.5, B.3. allows for internet advertising as long as all other requirements at 24 CFR 85.36 are met.

HUD has made attempts to utilize electronic reporting with the NSP QPRs and APR in DRGR. However, there are unresolved programming issues with DRGR that cause the reports to pull in incorrect numbers. Staff spends an inordinate amount of time trying to fix this report so that it makes sense as far as program income and beneficiaries. In implementing new technologies, HUD needs to make sure they actually work and that HUD staff is prepared to answer questions and troubleshoot issues.

While not a regulatory requirement, we would like to comment that it is sometimes extremely difficult to find information on the "new and improved" HUD website.

IDIS – When IDIS was created the report function changed the formats in which reports could be downloaded by grantees. Format choices for standard reports are now limited to PDF and Excel. Prior to IDIS Online grantees could download reports and save them as WORD files. This permitted grantees to insert the IDIS reports in the CAPER file, thereby making it easier to save

the entire CAPER as one electronic file [WORD and/or Acrobat]. Please return the capability for grantees to download IDIS reports into WORD.

In addition, HUD should reinstitute the “Best Practices Blue Ribbon Awards” as a means of recognizing proven management strategies that could be shared among grantees and HUD field office staff.

6. Are there any existing HUD requirements that duplicate or conflict with requirements of another Federal agency? Can the requirement be modified to eliminate the conflict?

While it is understood that these were limited-time funding programs, a very good example of a tremendous burden placed on grantees to meet HUD’s reporting requirements is the number of separate reporting systems into which data associated with ARRA-funded activities on a quarterly basis had to be entered. This included the Disaster Recovery Grant Reporting and the Homeless Management Information Systems, eSnaps, federal-reporting.gov, and the Integrated Disbursement Information System (IDIS) and also required that the information be entered within 10 days of the close of each quarter. Because of the limited time period and administrative activity associated with these programs, the duplicative reporting burdens had to be absorbed by existing staff to avert future layoffs when the funding was expended or expired.

New technologies can link the necessary or desired data fields within these various systems into a single integrated reporting system. Further modifications of IDIS should include components that allow for the submission, importing and exporting of data related to Section 3, Contract/Subcontract, Minority Business Enterprise Summary Reports, Semi-Annual Labor Standards Enforcement and the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS).

Income eligibility requirements: some Federal programs run on a percentage of poverty basis (CSBG - HHS, LIHEAP - HHS, Weatherization – HHS & DOE), while HUD programs run on a percentage of median family income basis. All Federal programs should run on the same income eligibility basis.

Specific Comments

Consolidated Plan

Issue: 24 CFR 91.415/91.420. HUD provided software to entitlement grantees (Community 2020) which permitted the creation of Action Plans that could be uploaded by HUD into IDIS. HUD has abandoned this practice, resulting in a burden on grantees to manually enter all projects and activities into IDIS.

Recommendation: Permit grantees to upload Action Plan Data directly into IDIS, as with Community 2010. This would make it possible for HUD field staff to perform on-line reviews as is currently being done through the NSP DRGR system.

Issue: 24 CFR 91.520. HUD has a number of performance reporting formats that were designed at different times with different objectives.

Recommendation: HUD headquarters should ask HUD field offices to nominate a representative of an entitlement grantee to serve on a working group to help develop consistent Dashboard Reports for all CPD programs. The reports should reflect meaningful information for each project and activity to be included in the CAPER for easy reading by elected officials and citizens.

Issue: 24 CFR 91.520. CAPER instructions appear to have been designed more to comply with a review checklist by HUD staff than to communicate to the public.

Recommendation: Rewrite the CAPER instructions to help grantees produce a meaningful document that can be better understood by elected officials and the public. The CAPER should be more than a report on funds spent and persons served. It, and the Consolidated Plan, should be a seamless system to report on approved activities.

Issue: 24 CFR 91.520. CAPER instructions specify which reports from IDIS are to be made available for review by the public with the draft CAPER, but the instructions are unclear as to which IDIS reports are to be submitted to HUD as part of the CAPER.

Recommendation: HUD field staff should be better trained on how to obtain IDIS reports from their grantees. It should not be necessary for grantees to print hundreds of pages of IDIS reports for submission to HUD. HUD should only require the submission of those IDIS reports that are essential to the review of the CAPER. Please instruct field staff to refrain from asking grantees “we know it’s not required, but we would really appreciate it if you [the grantee] would print all of the IDIS reports and include them with the CAPER.”

Issue: 24 CFR 92.150. The CAPER contains the original Annual Performance Report form and the Matching Funds Report form that were created by HUD before IDIS.

Recommendation: Craft new IDIS reports that would provide this data to HUD and grantees. Matching funds information should be captured in IDIS in the same level of detail as is required in the HOME Matching Fund Report.

Issue: 24 CFR 91.520. The CAPER requires financial and services data for entitlement programs, but it does not provide a consistent format for the report of the data in the CAPER narrative.

Recommendation: Extract the data from IDIS and produce these data for the CAPER via IDIS reports. CDBG and ESG now have a Financial Summary Report. Add one for HOME. Also add a Matching Funds Report for ESG.

Community Development Block Grant Program

Issue: 24 CFR 570. 208(a)(2)(i)(A). Within the CDBG National Objectives the presumed benefit group includes “abused spouses,” which does not reflect the composition of households in 21st century America. Many abused persons in households have relationships, but they are not married to the abuser. In addition, persons with disabilities should be easier to qualify under this section by using the Fair Housing definition of disability, rather than the Bureau of Census Current Population Reports definition of “severely disabled.” The census bureau information is difficult to find, unwieldy and burdensome to people with disabilities and grantees. With all the Fair Housing emphasis these days, the HUD program regulations should be more friendly to classes protected by Fair Housing law.

Recommendation: Change the term “abused spouses” to “abused adults”, and change the definition of persons with disabilities to that defined by the federal Fair Housing Act.

Issue: 24 CFR 570. HUD uses a “timeliness” expenditure standard for entitlement jurisdictions of 1.5 times the grantee’s entitlement amount and calculated 60 days prior to the end of the grantee’s program year. In recent years the enactment of HUD’s annual appropriations bill has occurred as late as 50% to 75% through many grantees’ program year. This delay hinders HUD’s ability to make grant awards, making it virtually impossible for early grantees to comply with the standard.

Recommendation: Provide automatic waivers to early grantees when grant agreements are not provided to them by the beginning of their program year. In addition, HUD should change the date for performing the calculation from 60 days prior to the end of the grantee’s program year to the end of each grantee’s program year.

Issue: 24 CFR 570. Current regulations allow grantees to use up to 20% of their entitlement amount for program administration only during the grantee’s current program year.

Recommendation: HUD should permit grantees to utilize up to 20% of their allocation without regard to the current program year. If staff losses occur and administration funds are not used in a given program year grantees should be permitted to expend up to 20% in subsequent years.

Issue: 24 CFR 570.203. Special Economic Development Activities. There is a need streamline and simplify the regulations.

Recommendation: HUD should undertake a comprehensive review of economic development activities. CDBG grantees nationally attribute only 10% of their total activities to economic development. The regulations are cumbersome and should be streamlined. The underwriting guidelines can be intimidating and confusing to the typical grantee. It can be challenging in many instances to underwrite and qualify a business for an economic development loan based on the recommended HUD underwriting guidelines but at the same time ensuring that the funds are necessary and the business is unable to obtain conventional financing.

Additionally, the burden of documenting job creation and retention is very time consuming. Grantees are burdened with monitoring job creation activities predicated on the promise that those jobs will be created in the future as a result of that assistance. Job retention documentation is equally difficult to demonstrate that without that assistance those jobs would be lost. There is a reason why economic development activities typically result in the greatest number of findings when monitored by HUD.

Job creation/retention requirements could be simplified if they were modified to parallel some of the job creation/reporting requirements under ARRA. For example, ARRA allows flexibility in the definition of jobs to include placement of workers into new jobs through temp agencies and with construction companies if the worker is in a placement for at least a year.

NACCED and NCDA also support additional comments on CDBG-funded economic development submitted by the Community Development Commission of the County of Los Angeles, CA.

HOME Investment Partnerships Program

Issue: 92.214.a.6. This provision prohibits re-capitalizing an affordable housing project during the period of affordability established in the written agreement to meet HOME requirements in 92.504. This is burdensome and counter-productive to the preservation of affordable housing stock. This regulation causes two types of burdens: 1) many HOME funded projects were underwritten many years ago to different standards and may need re-capitalization to preserve the housing stock; 2) this regulation penalizes long periods of affordability in the written agreement, as a Participating Jurisdiction with a longer affordability period must wait even longer to be able to re-capitalize an older project with HOME funds. The regulations should not serve as a disincentive to long periods of affordability, which is a benefit to the community as critical affordable housing stock.

Recommendation: This provision should be removed or at least changed to allow HOME funds to be used again in a project previously funded with HOME for preservation purposes.

Issue: 92.254 Homeownership Requirements and 92.504 Written Agreements. These regulatory sections in their entirety are not well-written and cause inconsistent interpretations from all levels of HUD staff, including training staff. Grantees have been given different interpretations of the resale/recapture provisions and written agreement provisions in homeownership development projects from training staff, field office staff and headquarters staff (through Field office). Those interpretations are requiring excess documentation that is not efficient or practical in the real world. When grantees have asked trainers for real world examples of how their interpretations play out, they are unable to give any examples at all – they just parrot back regulatory citations. This makes grantees feel like they'd rather not do homeownership projects with HOME funds, an unfortunate result.

Recommendation: The regulations should be redrafted to eliminate inconsistent interpretations so as to bring a good result to the community in terms of affordable ownership opportunities.

Issue: 24 CFR 507.204 Community Based Development Organization and 24 CFR 92.2. Community Housing Development Organizations. The restrictive composition of the governing boards of these entities does not facilitate participation of Community Development Corporations and other non-profits in the CDBG and HOME programs and makes it difficult to create or support CHDOS or CDBOs that are trying to develop new affordable housing in non-low- and moderate-income neighborhoods. Grantees believe it is more important that HUD focus on the outcomes (getting affordable housing built) rather than being overly prescriptive about the composition of the board developing the housing. The “C” in CBDO and CHDO is more important than the low-income component.

Recommendation: Grantees recommend that both the CHDO and CBDO board restrictions be simplified to require that 51% of the board reside in or work in the CBDO’s or CHDO’s geographic service area (without an income requirement) and that at least one-third of the members of the board be low/mod persons, live in public or subsidized housing, live in a low/mod neighborhood or be an elected or appointed representative of a community organization serving low/mod persons or areas.

Uniform Relocation Act

Issue: 49 CFR 24.2(a)(9)(ii)(D) 12 Month Temporary Relocation Cap. Final rules implementing this Section providing assistance for persons temporarily, but not permanently, displaced is limited to 12 months. This 12-month limitation can be quite problematical for grantees undertaking large-scale affordable housing and development or redevelopment projects.

Recommendation: Grantees recommend that the regulations be amended to allow a waiver beyond 12 months and that HUD establish clear criteria for such waivers such as hardship to the resident, financial impact on the development and similar circumstances.

Statutory Recommendations

While NACCED and NCDA recognize that HUD’s invitation is to recommend regulatory changes, we none-the-less feel obligated to recommend that HUD join us in seeking certain statutory changes affecting core HUD programs.

Issue: 42 USC 12701 et seq. The HOME statute in Section 212(C) caps administrative costs at 10% of a Participating Jurisdiction’s (PJs) grant. CDBG’s administrative allowance is set at 20% by statute. Each year PJs have to monitor an increasing number of units for program compliance.

Recommendation: HUD should join with NACCED and NCDA in seeking a statutory change to permit PJs to use up to 20% of their grant amount for administrative costs. This would conform HOME to CDBG

Issue: 42 USC 5301 et seq. The CDBG statute, at Section 110, provides that Davis-Bacon Act prevailing wage requirements do not apply to housing rehabilitation projects of fewer than 8

units. The HOME statute, at Section 286, provides that Davis-Bacon prevailing wage requirements apply to projects of 12 units or more.

Recommendation: HUD should join with NACCED and NCDA in seeking a statutory change to conform the CDBG statute to the HOME statute, i.e. that Davis-Bacon prevailing wage rates apply to projects with 12 or more units.

Issue: 42 USC 5301 et seq. – Fair Housing Activities. Fair Housing activities undertaken to support grantees' certifications to affirmatively further fair housing, are eligible under either as program administrative costs or as a public service activity. Because expenditures under both of these eligibility categories are capped at 20% for administrative costs and 15% for public service activities, grantees' ability and flexibility to fully fund fair housing in the face of competing administrative and public service objectives is substantially limited. This limitation will only become more magnified if funding reductions to the CDBG program continue, thereby detracting from HUD's objective of strengthening fair housing through the elimination of impediments to fair housing choice.

Recommendation: NACCED and NCDA urge HUD to join them in seeking a statutory change to make fair housing a separate eligible activity in Section 105. The statutory change should also include adding fair housing to the national objectives. This modification would eliminate the limitations that grantees currently have when attempting to implement fully effective fair housing programs.

Emergency Solutions Grants

Issue: 42 USC 11373(b), ESG default to state of minimum grants. The threshold that triggers a metropolitan city or urban county's allocation of ESG funds to go to the state instead of the city or the county is much too low, and must be increased or eliminated. One state, for example, will not allow any of those funds to be reallocated back to the urban county. Those funds from cities with allocations that are too small under the formula will be diverted to other parts of the state that do not have the massive numbers of homeless persons as in the county, which is the largest urban county in the state. If those funds came to back to the urban county consortium, they would be very valuable. This default yields the wrong result.

Recommendation: NACCED and NCDA urge HUD to join with them in seeking a statutory change that is responsive to this concern.

Davis-Bacon Prevailing Wage Rates

Issue: Paying Davis – Bacon Prevailing Wage Rates. Current law, enacted more than 70 years, ago requires the payment of prevailing wages on any HUD-funded project whose cost is \$2,500 or larger. This requirement adds excessive costs and administrative burdens to small construction projects and discourages smaller contractors from bidding on projects.

Recommendation: NACCED and NCDA urge HUD to join with them in seeking a statutory change to increase the threshold to at least \$100,000 and index it for inflation thereafter. This

change would enable smaller projects to proceed expeditiously and in a cost-effective manner, while keeping prevailing wage requirements in place for larger projects.

For further information, please contact John Murphy, NACCED, 202-367-1149 and/or Vicki Watson, NCDA, 202-887-5532.

Thank you for your favorable consideration of the recommendations of NACCED and NCDA.

Sincerely,

National Association for County Community and Economic Development
National Community Development Association