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United States Senate

WASHINGTON, DC 20510-4402

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COMMITTEES:

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JOINT COMMITTEE
ON TAXATION

The Honorable Kent Conrad
Chairman
Committee on the Budget
United States Senate
Washington, D.C. 20510

The Honorable Judd Gregg
Ranking Minority Member
Committee on the Budget
United States Senate
Washington, D.C. 20510

Dear Chairman Conrad and Ranking Minority Member Gregg:

Since the release of President George W. Bush's fiscal year (FY) 2008 budget proposal last month, numerous constituents have communicated to me their concerns about the future of the Community Development Block Grant (CDBG) program administered by the U.S. Department of Housing and Urban Development (HUD). These are concerns I share.

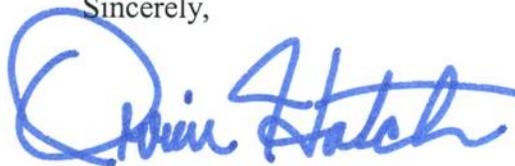
The CDBG program helps state and local jurisdictions tackle their most serious community development challenges, including public works and infrastructure, decent affordable housing, public services, and economic development. Thousands of local governments, counties, cities, towns, and communities are served by the CDBG program each year.

As you are aware, Congress appropriated \$4.1 billion for the CDBG program in FY 2006. Last year, both the House-passed HUD Appropriations bill and the version of the bill approved by the Senate Appropriations Committee included \$4.2 billion for the program. However, the FY 2007 continuing resolution reduced funding for the program by \$400 million, and President Bush's FY 2008 budget proposal would cut funding even further to \$3.04 billion.

While I support the President's efforts to rein in the budget deficit, I do not believe we should balance the budget on the backs of local communities. Utah's communities rely on CDBG funding to help revitalize neighborhoods, and these cuts would severely impact the very communities with the greatest need.

The CDBG program is clearly one of the most effective Federal programs to revitalize neighborhoods, and the program has made a real difference in the lives of countless low- to moderate-income individuals in my state. I request the Budget Committee to fund the CDBG program to the fullest extent possible under the current budgetary constraints.

Sincerely,



Orrin G. Hatch
United States Senator

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