

To strengthen
and promote
cities as centers
of opportunity,
leadership, and
governance.



**National League
of Cities**

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April 21, 2005

The Honorable Jerry Lewis, Chair
Appropriations Committee
United States House of Representatives
Washington, DC 20515

The Honorable David Obey, Ranking Member
Appropriations Committee
United States House of Representatives
Washington, DC 20515

Dear Representatives Lewis and Obey:

On behalf of the 18,000 cities and towns of the National League of Cities (NLC), I am writing to you to express NLC's priorities for the 2006 appropriations process. We recognize the enormous pressures on the Appropriations Committee to establish a budget that meets the needs of our country's citizens in a fiscally responsible manner. In acknowledgment of the difficult choices facing your Committee, NLC has identified three priorities for special consideration by the Committee:

1. Full funding for the Community Development Block Grant program at \$4.7 billion in the Department of Housing and Urban Development;
2. Funding for core highway and transit programs at no less than the \$42.478 billion level proposed in the President's Fiscal Year 2006 budget; and continued funding for Amtrak at the Fiscal Year 2005 level of no less than \$1.2 billion; and
3. Funding for Section 8 Housing Vouchers consistent with the President's proposed budget of \$20.917 billion, without recently proposed formula changes.

It is particularly important that these three appropriations priorities – which are so essential to cities and towns across the country – not be pitted against each other in the newly consolidated House Subcommittee on Transportation, Treasury and Housing and Urban Development, the Judiciary, District of Columbia. For this reason, we request that you set the 302(b) allocation for this Subcommittee at a level sufficient to accommodate ample funding for each of these priorities.

Community Development Block Grants. The inclusion in the House Budget Resolution of an additional \$1.1 million for programs such as the Community Development Block Grant is recognition of the demonstrated value of the Community Development Block Grant program to communities throughout this country. This 30-year, flexible, community development program has made a real

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difference in the lives of millions of low and moderate income persons. In 2004 alone, CDBG, among other things, helped create or retain over 90,000 jobs, helped more than 11,000 households become new homeowners, and helped rehabilitate nearly 19,000 rental housing units.

NLC strongly urges support for overall program funding for CDBG of \$4.7 billion (with no less than \$4.350 billion allocated to formula grants) in the Department of Housing and Urban Development.

Transportation Appropriations. Federal investment in highways and transit helps strengthen our nation's economy and homeland security and must remain a top priority for our Nation. NLC urges support for no less than the \$42.478 billion, proposed in the President's Fiscal Year 2006 budget, for core highway and transit programs. NLC also strongly encourages respect for the long-standing precedent of supporting firewall protections for guaranteed annual transit funding. State and local governments are the owners and operators of the U.S. transportation system, which remains the backbone of the American economy. Mobility requires modal options and public transportation is a critical mode for many citizens.

NLC also urges the Committee to reject the President's proposed cut in Amtrak funding, and to fund Amtrak at no less than the \$1.2 billion appropriated for Fiscal Year 2005. Amtrak serves not only metropolitan areas but also hundreds of rural communities for which rail service is their essential transportation link to the rest of our nation. NLC supports reform of Amtrak, but forcing it into bankruptcy, as the President's proposed cuts would do, is not the answer.

Section 8 Housing Vouchers. While NLC supports other federal housing programs, we recognize the particular importance of Section 8 Housing Vouchers to our communities. The bipartisan, congressionally chartered Millennial Housing Commission concluded that the voucher program should be a "linchpin" of the nation's housing policy because it is "flexible, cost-effective, and successful in its mission." In 2004 alone, Section 8 helped nearly two million families find safe, decent and stable housing.

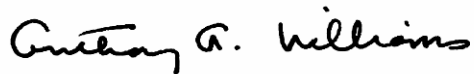
NLC urges support for the President's request for \$20.917 billion for Section 8 Vouchers for Fiscal Year 2006. We also urge the Committee to oppose recent changes to the funding formula that would allocate vouchers based on a fixed dollar amount rather than based on actual market costs. The cost-based allocation is effective, efficient and insures that those eligible to receive assistance are not cut off. NLC also urges opposition to any proposal to convert the voucher program to a block grant.

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Cities and towns benefit from a broad range of federal programs. While NLC will continue to advocate for all programs important to municipalities, we urge the Committee to recognize the particular importance of CDBG, Transportation and Section 8 Vouchers as it goes through the very difficult process of reconciling the many competing demands on limited federal funds.

NLC stands ready to work with the Committee throughout the appropriations process. For further information or questions, please contact Marilyn Mohrman-Gillis, Director, Policy and Federal Relations, at 202-626-3020.

Very truly yours,

A handwritten signature in black ink that reads "Anthony A. Williams". The signature is written in a cursive style with a large initial 'A'.

Anthony A. Williams
President
Mayor, Washington, D.C.

cc: House Appropriations Committee