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RAHALL SAYS HOUSE COMMITTEE RESTORES U.D.A.G. FUNDING

Washington, D.C. -- U.S. Rep. Nick Rahall (D-WV) said today that the House Appropriations Committee, over the objections of the Administration, has restored full funding of the Urban Development Action Grant program (UDAG), a key element in West Virginia's diversification plans.

The Appropriations committee action came on the heels of a personal lobbying effort by Rahall and his colleagues on behalf of the funding. In a letter to Appropriations chairman James Whitten of Mississippi, Rahall and his colleagues urged the committee to rebuff the President's attempts to cut funding for this program. "We are aware of the UDAG program and its positive impact on job preservation and job creation. This program provides a federal incentive to promote public/private partnerships for economic development," the letter stated.

In the FY88 HUD-Independent Agencies appropriations, some \$225 million was authorized for UDAG -- the same amount as authorized by housing legislation two weeks ago. "The UDAG program has helped create over 500,000 jobs and has more than demonstrated its usefulness, "Rahall pointed out. "When considering the positive impact this program has on employment, particularly here in West Virginia, I feel that the success of this program speaks for itself and clearly merits this funding."

"It is very unfortunate that the Administration does not share the same concern and commitment that I do to putting the unemployed in this nation back to work," Rahall added.

The Appropriations bill will be considered by the full House of Representatives next week.

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