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From _____

CONGRESSMAN

Nick Rahall

WEST VIRGINIA-4th DISTRICT

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RAHALL AGAINST PRESIDENT'S RECISSION OF GRANT FUNDING

WASHINGTON, D.C. - U.S. Rep. Nick J. Rahall (D-W.Va.) said today he will be an original co-sponsor of legislation which rejects President Reagan's plan to rescind money appropriated to the Community Development Block Grant program for Fiscal Year 1987.

"The Community Development Block Grant is a key component that enables localities to develop and redevelop," Rahall commented. "With these funds, cities of all sizes can undertake projects such as housing and economic development. They cannot do this on their own, and now the President wants to cutback even more."

The proposal by the President would be a 12-percent cut, in dollar terms, \$375.2 million, an amount Rahall said will cause hardships for many localities that have already counted the funds in their budgets.

"Many towns and cities are counting on the CDBG's as a vital part of their operating budget," Rahall said. "Such a recission would create havoc from Huntington to Bluefield, from Williamson to Welch and all in between. Necessary services that rely on CDBG may have to be curtailed because the President believes them to be unnecessary and a waste of government money. Let him tell the homeless he has cut funds and cannot allocate money to construct housing for them."

Rahall hopes the legislation reaches the House sometime in the near future.

"We have to get on this now," Rahall added. "The beneficiaries of the funds could feel the effect immediately."

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