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REP. RAHALL REVIEWS BUDGET

WASHINGTON, D.C. -- U.S. Rep. Nick Rahall provided an initial reaction to the President's budget proposal for FY 1995 submitted to Congress today. "It is austere, in keeping with the spending caps imposed in the budget Congress enacted last year. It continues cuts in spending and deficit reductions, as agreed to in the 1993 reconciliation agreement. We will get the job done - we may have to take a somewhat different route than that proposed by the President -- such as deeper cuts in foreign aid." said Rahall.

West Virginia would receive, under the President's proposal, \$119,026,000 in U.S. Corps of Engineers projects, as follows:

Construction Funding:

* Tug Fork Flood Control	\$23,000,000
* Moorefield	3,800,000
* Petersburg	4,200,000
* Robert C. Byrd Locks and Dam	13,000,000
* Winfield Locks and Dam	51,000,000

Operation and Maintenance Funding:

* Burnsville Lake \$	1,270,000	
* Bluestone Lake	4,095,000	
* R.D. Bailey Lake	1,297,000	
* East Lynn Lake	1,178,000	
* Beech Fork Lake	778,000	
* Stonewall Jackson Lake	904,000	
* Summersville Lake	1,340,000	
* Tygart Lake	1,957,000	
* Kanawha River Locks and Dam	11,207,000	

Under the Department of Veterans Affairs, the President proposed a \$500 million in crease in 1995, for a funding level of \$16.1 billion.

For Huntington, the President approved \$9.9 million for the VAMC for their research project.

For Clean Water State Revolving Loan Funds, the President proposed \$1.6 billion, which is \$400 million more than in 1994, and the President will seek to apply the SRF to safe drinking water as well, requesting \$700 million for this purpose, provided Congress authorizes safe drinking water programs not now covered by a State Revolving Loan Fund (SRF).

For Agriculture's rural water and wastewater programs, Clinton proposes a reorganization of these programs, renaming them the Rural Utilities Service, and requesting \$1 billion in loan authority for rural water and wastewater facilities, a 17 percent increase over last year, and an additional \$500 million in grants, a \$25 million increase over last year.

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These loans and grants are targeted for low-income communities with populations of less than 10,000.

Another Rural Development Initiative under the President's budget is \$1.5 billion for loans and grants to improve rural water and wastewater disposal systems.

Community facility loans, set at \$375 million, is to finance essential community facilities such as hospitals and fire stations. For business development and job creation, the President requests \$1.1 billion, to be available through USDA'S Business and Industry Guaranteed Loan Program. The President also asked for \$125 million in one-percent interest rate loans for state sponsored rural economic development intermediaries. The intermediaries would re-lend the money to rural businesses and emergency micro-enterprises, and would be administered by existing State Rural Development Councils.

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