

Congress of the United States
House of Representatives
Washington, DC 20515

11/01/2016

Dear Colleague:

The Community Economic Development (CED) program is unique among federal development programs in that its principal purpose is to target job creation for low income individuals. The CED program is authorized in the Community Services Block Grant Act and is administered by the Department of Health and Human Services.

CED grants are made to local Community Development Corporations (CDCs) that use these funds to finance businesses that commit to creating jobs for low income individuals. CDCs typically leverage \$7 in private sector capital for every \$1 in federal funds to finance a range of businesses, including commercial and industrial facilities, healthy food commercial and distribution facilities, community facilities, mixed use development and small business loan funds. The result is over \$100 million of financing to businesses and projects in some of the poorest urban and rural communities in America and the creation of thousands of jobs for low income people.

With Congress turning to a final HHS appropriations bill for Fiscal Year 2017, the attached letter urges the House Appropriation Committee to maintain the appropriation for CED recommended in the House bill (HR 5926): \$29.88 million. This is the same amount as FY 2016. The Senate did not recommend funding for this important program.

If you wish to sign please contact Ethan Holmes (ethan.holmes@mail.house.gov) or 225-5506.

The closing date for the letter is November 9, 2016.

Sincerely,



Ron Kind
Member of Congress

RON KIND
THIRD DISTRICT, WISCONSIN
SENIOR WHIP
WAYS AND MEANS COMMITTEE
SUBCOMMITTEE ON HEALTH
SUBCOMMITTEE ON TRADE

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The Honorable Hal Rogers
Chairman
Committee on Appropriations
US House of Representatives
Washington, DC 20515

The Honorable Nita Lowey
Ranking Member
Committee on Appropriations
US House of Representatives
Washington, DC 20515

The Honorable Tom Cole
Chairman
Appropriations Subcommittee
on Labor-HHS & Education
US House of Representatives
Washington, DC 20515

The Honorable Rosa DeLauro
Ranking Member
Appropriations Subcommittee
on Labor-HHS & Education
US House of Representatives
Washington, DC 20515

Dear Chairman Rogers, Chairman Cole, Representative Lowey, and Representative DeLauro:

Thank you for your support of Community Economic Development (CED) grants, an important program for communities and low income individuals that is administered through the Administration for Children and Families under HHS. CED funding is used by local Community Development Corporations (CDCs), to provide vital financial assistance for economic development activities. These economic activities are designed to address the economic needs of low-income individuals by creating employment and business development opportunities.

CED grants are the only federal economic development program that places a priority on job creation for low-income individuals. For example, regulations governing the program require that the jobs created pay at least \$20,000 in annual salary, and that at least 75% of the jobs created under CED are targeted to low-income individuals.

This program is successful because of its flexibility and impact on local communities. Specifically, CDCs use CED funds with other sources of public and private capital to finance commercial and industrial facilities, small businesses, and mixed use projects. CDCs leverage \$6 in private capital to every \$1 in federal funds for projects in communities with high poverty and unemployment rates. The result of this targeted approach to job creation is thousands of jobs for low income individuals over \$100 million of investment in rural and urban communities across America.

Like you, we support CED and the local community development corporations that use this important program. We urge you to maintain the House Appropriations Committee recommended level in the final Fiscal Year 2017 HHS appropriations bill.

Sincerely,

Ron Kind
Member of Congress

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