

WATERS

**AMENDMENT TO "VIEWS AND ESTIMATES OF THE COMMITTEE ON
FINANCIAL SERVICES ON MATTERS TO BE SET FORTH IN THE
CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2010-
MARCH 10, 2010-STAFF DRAFT"
OFFERED BY MS. WATERS OF CALIFORNIA**

On page 4, under the heading entitled "Community and Economic Development", insert new paragraph after "distressed communities."

"While the Committee supports the Administration's effort to eliminate ineffective or duplicative programs, the Committee is concerned about the elimination of the Section 108 loan guarantee program. The program --which provides communities with a source of financing for economic development, housing rehabilitation, public facilities, and large-scale physical development projects-- has created over 52,000 jobs in communities that are more distressed than those of average CDBG grantees. The Committee believes that it is unlikely that the program's activities will be funded out of the larger CDBG program because the amount of funds needed for Section 108 projects is up to 5 times larger than a jurisdiction's CDBG allocation. The Committee is concerned about the impact the elimination of this program will have on low-income and minority areas, especially at a time when unemployment is increasing and neighborhood conditions are deteriorating."