

Trump Block Grant cuts face bipartisan stonewall

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President Trump's budget, which slashes spending on social programs, is chock full of tough sells, and one of the toughest is a proposal to scrap Community Development Block Grants, which pump \$3 billion a year into redevelopment projects throughout the country and is popular on both sides of the aisle.

The battle brewing over turning off the flow of the grant money provides a glimpse of the fierce resistance Mr. Trump must overcome in his effort to shrink the federal government.

It's difficult to find a county, city or town in America that doesn't cash in on the program, known as CDBGs, to do everything from renovating blighted neighborhoods to building parks and community centers to providing afterschool programs for poor children.

That's the kind of federal spending that finds a deluge of support on Capitol Hill.

A bipartisan group of more than 350 mayors sent Congress leaders a letter last week urging them to save the program. They called it "one of the most effective federal programs for growing local economics and providing a lifeline to families and communities with proven results."

More than sparing the grants, the mayors wanted Congress to increase spending on CDBGs to \$3.3 billion next year.

Government watchdogs, however, have long contended that the grant program run by the Department of Housing and Urban Development is rife with fraud and waste.

In a six-month period last year, HUD's inspector general found a half-dozen grants with major problems, including \$15.9 million in unsupported costs for a senior housing project in Honolulu, Hawaii.

The grants, which are designed to be flexible, spread money into a wide range of projects — and often outside the public sector.

The libertarian Cato Institute's Downsizing Government blog in 2009 identified scores of CDBGs that ultimately benefited private businesses and organizations working on projects such as shopping malls, parking lots, museums, colleges and swimming pools.

Those projects included \$588,000 for a marina in Alexandria, Louisiana; \$441,000 to replace a county exposition center in Umatilla, Oregon; and \$245,000 for renovations to awnings at a historical market in Roanoke, Virginia.

Such shortcomings never discouraged supporters from touting a program that's been around since 1974, with the admirable goal of uplifting the poor and boosting urban renewal.

The Trump administration has argued that it's also getting the federal government out of state and local decision-making. To replace the block grants, HUD will expand alternative financing programs that enable state and local governments to partner with the private sector to improve affordable housing, said an agency spokesman.

That didn't satisfy the program's fans, especially among Democratic lawmakers.

"Eliminating the Community Development Block Grant program cuts the main source of federal funding for municipalities to provide critical infrastructure and housing support," said House Assistant Minority Leader James E. Clyburn.

The South Carolina Democrat called nixing CDBGs and cuts to other social programs "an attack on seniors, students, low-income families and rural communities."

"He's absolutely wrong to propose that," Sen. Tammy Baldwin, Wisconsin Democrat, fumed on WDIO-TV Eyewitness News in Duluth, Minnesota. "It has aided the community in job creation and helping small businesses and business districts. It also has a very sharp focus on the availability of affordable housing, fighting homelessness and helping people maintain owner-occupied housing."

Most of the deep cuts proposed in Mr. Trump's \$4.1 trillion budget face a similar uphill battle as the bid to eliminate the grant program. When Mr. Trump pushed these types of cuts in the final spending bill of the current fiscal year, none of them were adopted by Congress.

Nevertheless, the president's attack on waste and attempt to shrink the federal government will force a debate of CDBGs and other sacred cows.

Other programs Mr. Trump wants to kill include the \$3.3 billion program for home heating aid for the poor and the Department of Health and Human Services' Community Services Block Grant, which spends \$333 million a year to address poverty.

The Department of Education would lose nine grant programs totaling \$4.9 billion in cuts, including grants for literacy programs and teacher training. The National Oceanic and Atmospheric Administration would lose \$262 million in grants to education programs.

The budget also seeks to eliminate the popular Energy Star program that identifies energy-efficient home appliances, netting a savings of \$66 million.

The cuts, which help pay for a military buildup and get the budget to balance in 10 years, also will provide powerful ammunition for Democrats looking to take back Congress in next year's midterm elections.

The attacks on the Hill and by politicians back home make it that much more difficult for Mr. Trump's GOP allies to hang tough in favor of reining in federal spending.

Sen. Dean Heller of Nevada, one of the most vulnerable Senate Republicans in 2018, called the cuts "anti-Nevada."

"From slashing funding for important public lands programs to its renewed effort to revive the Yucca Mountain nuclear waste repository, the President's budget request contains several anti-Nevada provisions," Mr. Heller said in a statement. "The President's budget request is just one component of the budget process, and Nevadans can rest assured that I'm committed to fighting for our local priorities as the budget debate continues."