



The District's Dime

Going Beyond the Budget Book

The DC Fiscal Policy Institute blog
www.dcfpi.org

October 9, 2013

MAYOR GRAY: KEEP DC ESSENTIAL AND KEEP SPENDING DC TAX DOLLARS TO DO SO

By Elissa Silverman

Mayor Gray made the right decision to keep DC government working and tap into the contingency reserve fund while our city's budget, along with the federal budget, remains hostage to Congressional gridlock. Yet this does not mean the District is unaffected and operating like normal. Due to the federal shutdown, the Gray administration is making choices each day about what city bills to pay, and some very important services are not making the essential list.

DCFPI, along with DC Vote, DC Jobs With Justice, and the Metropolitan Washington Council, AFL-CIO, sent a letter yesterday to Mayor Gray urging him to spend DC's local tax dollars whether or not he has federal authorization to spend these funds, and we ask our readers to consider signing onto the same letter below.

It's important to understand how the city is financially operating under the shutdown. Given that the District's budget is still wrapped up in the federal appropriation and needs Congressional approval—the budget autonomy referendum affirmed by voters last April has not yet taken effect—Mayor Gray is not authorized to spend even our local tax dollars sitting in the city's general fund. This is unlike any other city or state in the country. That's why the mayor tapped into our reserves—which can keep the city going for about another week with the mayor and city administrator picking and choosing what to fund.

Payments to medical providers that accept Medicaid, government-funded health insurance for low-income residents, is one of the services NOT being funded as a result of the shutdown. Community health organizations such as [Mary's Center](#) have been impacted, and the consequences of delaying payments could be devastating for both patients and providers. As of October 4, the District stopped reimbursing medical and mental health providers for services provided under Medicaid. This means that organizations that are at the front-lines of giving care to our most vulnerable residents soon could have trouble paying their own bills, including for staff and services.

Even with use of the reserves, the District faces a crisis, and this will get even worse if the contingency funds are exhausted before a shutdown is ended. **Given the unfairness of tying the District up in the federal budget shutdown and its dire impact on serving DC residents, DCFPI urges Mayor Gray to fully utilize local funds to maintain services, even without congressional authorization.** DCFPI has signed on to a letter to the mayor, and we urge residents to sign on as well.

Here is the letter. We will send a copy of the letter with additional sign-ons to the mayor soon.



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www.dcvote.org

CFC #66340
DC One Fund #9501

Mayor Vincent C. Gray
1350 Pennsylvania Avenue, NW
Suite 316
Washington, DC 20004

October 8, 2013

Dear Mayor Gray:

Thank you for advancing DC self-determination by refusing to allow the federal budget shutdown to suspend District government operations. We commend you and the DC Council for clearly reaffirming that our local tax dollars will not be held hostage by a dysfunctional Congress.

We look forward to 2014 when the budget autonomy law backed by our elected leaders and 83 percent of District voters, will assert the District's authority to spend local tax dollars.

The use of local contingency funds to avert a complete shutdown is a prudent action, but is also an approach that in a way validates an unjust budget arrangement with our federal managers. Indeed, even with use of contingency reserves, your administration has not been able to fully fund DC government operations and has had to make painful choices over which services to provide and which ones to deny. Most notably, the District has been forced to halt all Medicaid payments to providers, not because the District lacks resources but because the lack of federal approval of our budget prevents us from fully using our own tax resources. This puts the health care of hundreds of thousands of DC residents at risk.

We as a city have a duty to keep our local tax dollars flowing – and our local government working – both as a matter of simple justice and good policy. It is simply wrong to have Congress back us into a corner to deny critical services to DC residents when resources are available, only because the federal government has not given us permission to spend our own funds.

We know you will continue to stand with the people of DC – and send the proper signal to the Congress and the nation – but we ask you to expend local funds immediately in order to continue funding services and keep the government fully operating, even once the contingency funds are exhausted.

The injustice of Congress denying services to DC residents should compel you to set aside the unfair federal restrictions placed upon the District. Moreover, based on public statements by key members of Congress, and the lack of public push back from administration officials, it is clear the practical, real world risks posed by this action are substantially less than the theoretical risks outlined by several officials.

The District's shutdown strategy was forged from the resolve by our leaders to address injustice head on. Our organizations, and the thousands of District residents we represent, trust you will continue to challenge an unjust, illogical and archaic budget arrangement – both during the shutdown and as we move to implement our new budget autonomy law.

Sincerely,

Kimberly Perry, Executive Director, DC Vote
Ed Lazere, Executive Director, DC Fiscal Policy Institute
Joslyn Williams, Metropolitan Washington Council AFL-CIO
Nikki Lewis, Executive Director, DC Jobs With Justice

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