



*An Affiliate of the  
Center on Budget and Policy Priorities*  
820 First Street NE, Suite 460  
Washington, DC 20002  
(202) 408-1080 Fax (202) 325-8839  
www.dcfpi.org

## **DC Will Be A Stronger City if Everyone Succeeds: DCFPI's FY 2014 Budget Priorities**

The mayor's proposed budget for fiscal year 2014 includes notable investments that will support DC residents and communities — including investments in affordable housing, libraries, education, public safety, public works, and human services. At the same time, many DC residents have not felt the benefits of the recovery, and a number of programs aimed at helping these residents remain underfunded. Identifying additional resources for these programs and services could help the District fully recover from the impacts of the Great Recession. The DC Council should identify resources in the FY 2014 budget for:

### **A Budget that Helps DC Residents in Crisis**

#### **Create TANF Time Limit Exemptions for Families with Barriers Who Are Not Expected to be Looking For Work**

- **What is needed?** \$4 to \$7 million investment.
- **Why is this important?** DC exempts some families from looking for work, such as those dealing with domestic violence; yet the families'60-month time limit clocks continue to run, putting them at risk for steep benefit cuts. Funding these time-limit exemptions would bring DC in line with the majority of states that provide exemptions to families with barriers.
- **How many residents would be assisted?** Up to 3,900 families.

#### **Invest in Interim Disability Assistance (IDA) to Serve Residents who are Unable to Work**

- **What is needed?** \$3.9 million investment.
- **Why is this important?** IDA provides \$270 a month to residents who have disabilities that prevent them from working and who are waiting to qualify for federal Supplemental Security Income benefits. The caseload has been cut 67 percent since 2008.
- **How many residents would be assisted?** 1,200 additional residents.

### **A Budget that Gives Children a Safe Place to Learn and Grow**

#### **Invest in child care to ensure a robust network of high quality providers**

- **What is needed?** A 10% increase for infant and toddler child care reimbursement rates.
- **Why is this important?** Subsidy reimbursement rates have not been revised since 2006, making it difficult for child care providers to provide quality care for low-income families.
- **How many residents would be assisted?** \$8.2 million would raise rates for about 2,971 infant and toddler slots.

### **A Budget that Gives Parents the Tools to Succeed in the Job Market**

Invest in job training for TANF parents.

- **What is needed?** Further investment in TANF employment services to reduce wait time.
- **Why is this important?** TANF parents referred to employment services face average wait times of 4 to 6 months. This wait time is likely to increase as DHS plans to assess 9,000 parents by July 2013.
- **How many residents would be assisted?** All families eligible for services could be assisted.

**Invest in Adult Literacy to help DC Residents prepare for major changes to high school equivalency exams**

- **What is needed?** A \$4 million investment in OSSE’s Pathways to Adult Literacy Fund
- **Why is this important?** Without the funding, adult educators will not have sufficient resources to help residents prepare for the changes to the high school equivalency diplomas.
- **How many residents would be assisted?** A \$4 million investment will help 1,000 residents obtain a high school equivalency diploma or post-secondary credential as well as increase professional development and certification among adult educators.

**A Budget that Helps Residents Cope with the Rising Costs of Housing**

**Invest in Permanent Supportive Housing (“Housing First”) to help end chronic homelessness**

- **What is needed?** \$4.3 million investment as recommended by the Interagency Council on Homelessness Permanent Supportive Housing (PSH) Subcommittee.
- **Why is this important?** PSH ends homelessness by providing housing and supportive services to the city’s chronically homeless, who typically suffer from life-threatening health conditions and/or severe mental illness. PSH is cost effective, reducing reliance on more expensive crisis-related services like emergency rooms, psychiatric hospital, and jail.
- **How many residents would be assisted?** 187 households in FY 2014, the first step in a plan that will end chronic homelessness by FY 2020.

**Invest in Homeless Youth to help give children a safe place to stay and the tools to succeed independently**

- **What is needed?** \$5.1 million.
- **Why is this important?** Nearly 300 youth seeking emergency shelter were turned away in February. As homelessness as a youth can lead to chronic homelessness as an adult, we must help these youth transition into successful adults. This funding will support shelter beds to meet emergency needs as well as Independent Living Programs that provide longer term housing and support services.
- **How many residents would be assisted?** The \$5.1 million investment would create 125 beds and spaces in the independent living program. As some of the youth are reunited with their families, the shelter beds turn over serving more than one youth. So the total served would be at least 125, but likely higher.

**Invest in Tenant-Based Local Rent Supplement Program (LRSP) to help create affordable housing options now.**

- **What is needed?** A \$7.5 million investment in tenant-based LRSP to help create affordable homes for very low-income families, now.
- **Why is this important?** While the mayor’s budget includes increases to a number of affordable housing programs, the increases are largely focused on the affordable housing

*production* and a substantial share of these units will not likely be available until at least FY 2015. Tenant-based vouchers, by contrast, will be ready to be used immediately.

- **How many residents would be assisted?** \$7.5 million could help make 500 homes affordable for very low-income families.

### **A Budget that Ensures Residents Have access to Health Care**

#### **Invest in school mental health services to expand availability of a critical service for kids**

- **What is needed?** \$1.9 million to expand the number of mental health clinicians in traditional public and public charter schools.
- **Why this is important?** Mental health clinicians offer a range of on-site services — from prevention and early intervention to treatment of more severe issues — and there are waiting lists both for schools to participate and for students needing services at participating schools.
- **How many residents would be assisted?** The funds will add mental health clinicians in 19 additional schools.

#### **Invest in the DC Healthcare Alliance ensure eligible residents remain with critical health care coverage**

- **What is needed?** A reinvestment of the \$2 million saved from declining Alliance enrollment to increase the number recertification staff and ensure adequate language training.
- **Why this is important?** The six month, face-to-face interviews are more frequent, time consuming, and staff intensive than other public benefit programs in the District, causing long-wait times and making it difficult for eligible residents to maintain Alliance coverage. The District also has too few bilingual staff to serve Alliance enrollees.
- **How many residents would be assisted?** The staff will serve the 15,400 existing Alliance enrollees, plus eligible residents not already enrolled.

### **Revenue Changes**

#### **Invest in Improvements to Schedule H (\$5 million) to help make housing affordable.**

- **What is needed?** A \$5 million investment to implement legislation passed in December 2012 that made needed updates to Schedule H.
- **Why is this important?** Schedule H, DC's property tax credit for both homeowners and renters, has not been updated for 35 years and has several problems that result in very few residents claiming the credit. The legislation passed last year addresses those problems.
- **How many residents would be assisted?** As many as 125,000 residents would be eligible for the updated Schedule H credit based on income, according to DC's Chief Financial Officer.

#### **Reject Restoration of Tax on Out of State Bonds.**

- **What is needed?** Reject the restoration of the tax on out-of-state bonds
- **Why is this important?** This proposed tax break would not be focused on lower-income seniors, since only 2 percent of residents with out-of-state bond income are retirees with incomes under \$50,000. Bringing back this tax break, which no other jurisdiction offers, ultimately would cost the District \$30 million per year.
- **How many residents would this impact?** DC law grandfathers investments made before January, so rejecting this budget proposal only affects new investments.

## **Budget Support Act changes:**

**Remove changes to the Homeless Service Reform Act (HSRA) to allow time for adequate review and input.**

- **What is needed?** Remove HSRA changes from the Budget Support Act (BSA) and consider instead through the regular legislative process.
- **Why is this important?** The proposed changes impact the rights and responsibilities of homeless residents and deserve careful consideration through the regular legislative process to give stakeholders, including the Interagency Council of Homelessness (ICH), time for careful review. In addition, the proposed changes have no fiscal impact according to the CFO and are not germane to the budget.

**Further discussion of changes to Local Rent Supplement Program (LRSP) referral system are needed**

- **What is needed?** Remove language from the BSA that directs that all newly funded Local Rent Supplement vouchers to be filled with referrals from various DC government agencies.
- **Why this is important?** While the goal of the language is to ensure slots are filled with those who DC's leaders feel are in the highest need of housing, there is nothing in the BSA to say how this would be achieved. There is no language on how housing would be prioritized and how the District would work with to ensure that housing that is being built matches the current needs of the District.

**Outcome measures for two important DC programs that impact the lives of thousands of vulnerable low-income DC residents.**

- **What is needed?** Performance measures that track outcomes for the Family Stabilization and Rapid Re-housing (FSRP) and New Communities programs.
- **Why is this important?** FSRP provides short-term housing assistance and supportive services for homeless families; but little information is tracked on their housing stability once they leave the program. New Communities removes and rebuilds public housing in four areas of the city. These two programs impact these lives of very vulnerable families in DC but little information is collected on the outcomes of the program on these residents' lives. Outcome measures can help ensure programs are working as they are intended and flag where improvements may need to be made.
- **How many residents could this help?** Hundreds of residents that are impacted by both FSRP and New Communities could be impacted.