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DCFPI Statements on FY 2019 Budget

The fiscal year (FY) 2019 budget is an opportunity to use the city's resources to create a promising future for all District residents. Mayor Bowser's FY 2019 budget took steps in the right direction, but more needs to be done, according to the DC Fiscal Policy Institute. DCFPI highlighted a number of important services that were left under-funded in the budget, while also highlighting notable funding increases.

Mayor's Budget Takes a Critical Step to Advance Early Education for DC's Infants and Toddlers

DC's current subsidized childcare system does not pay educators the true cost of providing a quality education for low-income infants and toddlers. The Mayor's budget takes a critical step towards solving this problem by investing an essential \$10 million in new funding. But this is only the first step of many needed to build a truly comprehensive support system for early childhood development in the District. DC Council should adopt and set aside funds for the pending "Birth to Three in DC" legislation, which charts a path to fully funding the costs of a quality early education, including competitive compensation for early educators.

"When we invest in early childhood education, we provide the District's youngest residents with a foundation for a lifetime of learning," said Marlana Wallace, Education Policy Analyst at DCFPI. "We are thrilled to see the Mayor invest \$10 million in child care subsidies for the infants and toddlers who need it most, and the hardworking educators who teach them every day. We hope she continues to prioritize the District's youngest learners."

Mayor's Budget Does Right by Special Education Students and Finally Funds the 2014 Reforms

The Mayor's Budget funds three critical special education reforms that align services with best practices, which have been on hold since 2014 due to lack of funding. Many special education students in DC do not get the supports they need to succeed; one year after graduating or leaving school, two-thirds of youth with disabilities in DC are not in college or working.

"With the 2014 special education reforms fully funded, more toddlers with developmental delays will receive early intervention services and get back on track, families will benefit from faster evaluation timelines, and high school students with disabilities will have adequate time to plan how to achieve their aspirations for college, career and independent living," said Marlana Wallace, Education Policy Analyst at DCFPI.

Mayor's Budget Shows Strong Support for Out-of-School-Time Learning in Afterschool and Summer School, And Yet More is Still Needed

The Mayor's budget allocates a total of \$19 million for Out-of-School-Time learning, including an increase of \$9.6 million across two agencies. This is a big improvement that reverses nearly a decade of slashed and stagnant funding for afterschool and summer school programming.

"We are excited by the Mayor's investment in Out-of-School-Time programming. We hope that DC Council protects and builds on this investment by increasing funding to \$25 million, so that every student at-risk of academic failure because of poverty benefits from the same kind of enriching, out-of-school-time opportunities as their higher-income peers," said Marlana Wallace, Education Policy Analyst at DCFPI.

Mayor's Budget Increases School Funding, But Not Enough to Give All Students the Resources They Need to Succeed

The Mayor's education budget increases school funding by more than what is necessary to cover the new teacher contract, but more resources are still needed to give all students a quality education. In a year dominated by realizations of the many ways we are failing our students, school budgets will continue to be too tight. As a result, schools will likely still need to staff their classrooms using money that should be dedicated to targeted services for low-income and academically struggling youth.

"We're taking a hard look at our education system, and we need to include a hard look at what it really costs to provide a quality education for every student," said Marlana Wallace, Education Policy Analyst at DCFPI. "This education budget shows important progress, but to truly set our students up for success, District leaders must continue to invest far more resources in the education of DC's youth, in and out of the classroom."

Mayor's Budget Leaves Out Those Most in Need of Affordable Housing

Mayor Bowser's proposed budget does not make enough progress in addressing the city's affordable housing challenges. While \$100 million for the Housing Production Trust Fund and \$10 million for affordable housing preservation are critical investments, they're simply not enough. Without substantial new funding for rental assistance programs, DC's extremely low-income households will continue to struggle to keep a roof overhead and a foothold in the city amid rising housing costs.

"We're pleased that the Mayor continues to invest in affordable housing programs, but the proposed budget does not bring the city closer to making a dent in the 26,000 affordable units needed by DC's extremely low-income residents, including workers in low-paying jobs and seniors on fixed incomes," said Claire Zippel, Housing Policy Analyst and Research Coordinator at DCFPI.

Mayor's Budget Makes Significant Investments in Homelessness, But More is Needed to Reach Our Goals

While the Mayor's proposed budget makes some much-needed investments, it falls short of what is needed to reach DC's goal of making homelessness rare, brief, and nonrecurring. The budget includes necessary funding for shelter and other services for residents experiencing homelessness. However, it fails to provide enough funding for programs that prevent and end homelessness.

"We're pleased to see the Mayor making some of the investments called for in the Strategic Plan to End Homelessness, but the budget falls short of what is necessary to meet our goals," said Kate Coventry, Senior Policy Analyst for Homelessness at DCFPI. "The Council should put additional funding toward housing our homeless neighbors, so that more residents will be able to live with the dignity of a home."

Mayor's Budget Misses Opportunity to Recapture Federal Tax Cuts for Investments in DC

The Mayor's budget includes a 0.25% increase to DC's sales tax, which hits lower-income residents hardest, while still underfunding critical needs like affordable housing and homeless services. Meanwhile, last December's federal tax cuts will put hundreds of millions of dollars into the pockets of DC's wealthiest residents and businesses each year.

"DC's wealthiest residents and corporations are getting hundreds of millions of dollars in federal tax cuts this year," said Kitty Richards, Acting Executive Director at DCFPI. "We should use DC's income tax system to put some of that money to use here at the local level, for things like creating more affordable housing for our lowest income residents."

Mayor's Budget Maintains Burdensome Requirements for DC Immigrants Seeking Health Insurance

The Mayor has failed to fund crucial improvements to the DC Healthcare Alliance program, which covers residents with low incomes who aren't eligible for Medicaid, many of whom are immigrants. This means that thousands of residents will continue to face barriers to staying in the Alliance. An investment of \$17 million would fund legislation already passed unanimously by DC Council to simplify the enrollment process and make it easier for residents to maintain their coverage.

"DC is a sanctuary city, but the budget doesn't ensure that our immigrant neighbors can access critical health services, like routine check-ups and immunizations," said Jodi Kwarciany, Health Policy Analyst at DCFPI. "Council should ensure that all residents have access to quality, affordable health coverage."

Mayor Bowser Takes a Critical Step Toward Protecting Health Coverage Affordability and Stability, But Not Enough for Lower and Moderate Income Residents

The Mayor's proposed budget takes an important step to protect gains from the Affordable Care Act in the District. The budget includes \$1.1 million to implement a local individual mandate for health insurance, which will help offset federal actions that could otherwise increase the cost of health coverage and the number of DC residents who are uninsured. When more residents have coverage, it helps keep costs lower for everyone and maintains DC's health insurance market stability. The Council should go further, and fund other recommendations from the Health Benefit Exchange Authority's Affordable Care Act Working Group, including ways to reduce the cost of health insurance for low- and moderate-income District residents up to 400 percent of the federal poverty level.

"When people have health insurance, they can better manage their health needs and focus on other things like their families, education or jobs," said Jodi Kwarciany, Health Policy Analyst at DCFPI. "We're pleased that DC continues to be a national leader in providing health coverage for residents, and we hope the Council will include more investments to bring down costs for residents."