

DCFPI Statements on FY 2020 Budget

Budgets reflect leaders' values. Mayor Bowser's proposed fiscal year (FY) 2020 budget makes important new investments, particularly in the Housing Production Trust Fund, but in many ways missed an opportunity to address the city's most pressing challenges, according to the DC Fiscal Policy Institute. DCFPI highlighted notable funding increases and identified opportunities for the Council to make investments to fill gaps in the Mayor's budget.

Revenue Raisers in the Mayor's Budget Are a Step in the Right Direction

The Mayor's budget raises over \$100 million in new revenue to support important new investments. The Mayor maintains DC's longstanding commitment to using online sales tax revenue to address homelessness and other challenges. The budget also increases the one-time taxes paid when large commercial properties are sold, raising substantial revenues by tapping into DC's vibrant commercial real estate market. Despite these increases, substantial gaps remain in areas like schools, early education, mental health, and affordable housing.

"Too many DC residents are struggling to make ends meet," said Ed Lazere, Executive Director at DCFPI. "This is a good first step for increasing DC's resources, but more is needed to truly address DC's affordable housing challenges, improve DC's schools, and ensure that everyone has a chance to succeed in DC."

Mayor's Budget Takes Steps to Implement Affordable Housing Solutions, But More is Needed

The Mayor's investment of \$130 million in the Housing Production Trust Fund is an important step towards recognizing the need to do more to address DC's critical affordable housing shortage. However, the budget fails to make any meaningful investment in the Local Rent Supplement Program, which means that DC's affordable housing investments will continue to bypass DC's lowest-income families. Black residents, who have been historically shut out of homeownership opportunities, bear the brunt of DC's rising housing costs, and residents of color represent 90 percent of households with the most serious housing needs. Meeting the housing needs of DC's severely rent-burdened residents will require even larger investments.

"The Mayor's increased investment in the Housing Production Trust Fund is an important recognition that we need to do more address DC's affordable housing challenges," said Doni Crawford, Policy Analyst at DCFPI. "Yet, the failure to match that with increases for rental assistance means that DC's lowest-income families will continue to be left out."

Mayor's Budget Missed an Opportunity to Protect DC's Public Housing

The Mayor's budget failed to make any new investments to preserve and strengthen the District's public housing stock. For the 7,300 families that rely on public housing, letting this resource fall into further disrepair is a disservice to District residents who desperately need safe, affordable housing.

"Public housing is a crucial resource for District residents, especially Black residents, who have borne the brunt of housing discrimination and DC's rising housing costs" said Kamolika Das, Policy Analyst at DCFPI. "It's time for DC leaders to step up and preserve this important resource for DC residents."

Mayor's Budget Makes Some Investments Toward Ending Individual and Family Homelessness in DC

The homelessness investments in the Mayor's budget fail to put DC on a clear path to ending homelessness in her second term. The budget provides permanent housing for 600 families and individuals, far below the 1,800 needed this year.

"Housing saves lives," said Kate Coventry, Senior Policy Analyst at DCFPI. "We need a much larger commitment if we are going to completely end homelessness, so that no one has to live without the dignity of a home in DC."

Mayor's Budget Fails to Eliminate Barriers to Health Care Access for Immigrants

The Mayor's budget fails to fund improvements to the DC Healthcare Alliance, which primarily serves immigrants in the District. As a result, thousands of residents will continue to face barriers to accessing the care they need.

"Caring about immigrants in DC means removing barriers that prevent them from accessing health coverage," said Ed Lazere, Executive Director at DCFPI. "Failing to improve health care access will lead to worse health outcomes for residents and cost DC more money in the long run."

Mayor's Budget Missed an Opportunity to Make Substantial Progress on Implementing Early Education Reforms

The Mayor's budget failed to make substantial progress towards implementing early education reforms in the "Birth to Three for All DC" legislation that was passed last year. The budget includes \$5 million to improve child care, well below the \$30 million needed to start building a truly comprehensive support system for early childhood development in the District. As a result, too many District families will continue to face barriers to accessing the quality affordable early education that every infant and toddler deserves.

"Addressing inequities in early education is key to ensuring that all children can develop to their full potential," said Ed Lazere, Executive Director at DCFPI. "The Council should invest significantly more to support the infants and toddlers who need it most, and the hardworking educators who teach them every day."

Mayor’s Budget Includes Small School Funding Increase, But Much More is Needed to Help Students Succeed

The Mayor’s budget fails to give schools the resources they need to keep up with rising costs. With average teacher costs rising 4 percent, the proposed 2.2 percent increase in per-student funding is a step backward. Across DC, and especially east of the Anacostia River, schools are facing staffing cuts despite the city’s prosperity. Inadequate school funding means that the DCPS budget will continue the unfortunate practice of diverting half of “at-risk” funds for high-poverty schools to other purposes.

“The proposed schools budget hurts students across DC, but especially students of color in low-income communities who have been historically marginalized,” said Ed Lazere, Executive Director at DCFPI. “To right this wrong we must target adequate resources to address educational inequities so that all students can succeed.”

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