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Missed Budget Opportunities: The FY 2020 Budget through a Racial Equity Lens

By DCFPI Staff

The DC budget is our greatest tool for addressing the District's persistent economic and racial inequities.

People of color—longtime Black residents, immigrant families, and others—have built this city, shaped its culture, and made significant contributions to the economy. Yet decades of systemic barriers have denied full opportunity to the District's residents of color, particularly Black residents, blocking them from homeownership, job opportunities, quality education, and health care.

The impacts are still evident today: in our affordable housing challenges, income disparities, distressing educational differences, and health outcomes. DC's prosperity is not reaching many lower-income, Black long-



time residents, and the rising cost of living means that many cannot afford to stay here. The median income of Black households didn't budge over the past decade, while the median white household income rose notably. Meanwhile, DC experienced the <u>highest rate of gentrification</u> among major cities, including displacement of 20,000 Black residents.

A <u>new DCFPI analysis</u> examines the proposed fiscal year (FY) 2020 budget through a racial equity lens, highlighting missing pieces that may not be evident otherwise. This lens can tell us who is—and isn't—benefitting from the District's current investments, and identifies steps the District can take now, in the FY 2020 budget, towards a more equitable DC.

This analysis comes as the District considers new steps to improve racial equity through policymaking. This week, the DC Council is considering the Racial Equity Achieves Results Amendment Act (REAR Act), which would help bring a racial equity focus to the District's policymaking approaches.

This focus shows that DC needs to take more action to correct the impacts of decades of systemic racism. The DC Council can take meaningful steps now, as they work on the FY 2020 budget, to move DC towards a more equitable future:

- Affordable Housing: Instead of creating a new housing program for residents with above-average incomes, devote funds for public housing repairs and vouchers, so that more DC residents facing housing instability will have access to a safe, affordable home
- **Education:** Reverse budget cuts that disproportionately impact schools in Wards 7 and 8, and ensure that all funds intended to address education inequities are used as intended

- **Health:** Eliminate barriers DC imposes on immigrant access to health care through the Healthcare Alliance
- **Public Safety:** Significantly increase funds for core elements of the NEAR Act, by re-directing funds for increasing the size of the police force
- **Transportation:** Re-direct the funds for a proposed free Circulator to instead help residents who face barriers to accessing DC's transportation systems
- Taxes: Re-direct proposed child care tax credit, which would be available to very-high-income households, to improve the quality of care for infants and toddlers in low-income families

Read DCFPI's full report, <u>Budgeting for Equity: How to Advance Opportunity for People of Color in DC.</u>

DC FISCAL POLICY INSTITUTE 2