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Testimony of Kate Coventry, Senior Policy Analyst
At the Budget Oversight Hearing on the "Fiscal Year 2020 Local Budget Act of 2019,"

"Fiscal Year 2020 Federal Portion Budget Request Act of 2019" and
the "Fiscal Year 2020 Budget Support Act of 2019"

DC Council Committee of the Whole
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Chairman Mendelson and other members of the Council, thank you for the opportunity to testify today. My name is Kate Coventry, and I am the Senior Policy Analyst of the DC Fiscal Policy Institute. DCFPI is a non-profit organization that promotes budget choices to address DC's economic and racial inequities and to build widespread prosperity in the District of Columbia, through independent research and policy recommendations.

I'm here today to discuss how the fiscal year (FY) 2020 budget provides opportunities to take meaningful steps towards addressing historic and ongoing racial injustices. I will focus particularly on the services needed to help children in low-income families succeed and the gaps in these services in the FY 2020 budget—PreK-12 education but also early education, housing, homeless services, and mental health.

People of color—longtime Black residents, immigrant families, and others—have built this city, shaped its culture, and made significant contributions to the economy. At the same time, decades of systemic racism created barriers that blocked Black residents from homeownership, job opportunities, quality education, and health care, and are still evident today in our affordable housing challenges, income disparities, distressing educational differences, and health outcomes. As DC is changing, its 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 FY 2020 budget presents an opportunity to work toward our shared responsibility to right these wrongs and shift the District further towards an equitable future.

The proposed budget shortchanges students of color in low-income communities by not providing the resources needed to address historic inequities in education access. A majority of schools in Wards 7 and 8 face budget cuts, a clearly inequitable outcome. Beyond that, DCPS will continue to inappropriately divert half of "at-risk" funds intended for high-poverty schools to other purposes. The Council should reverse these budget cuts and ensure that all funds intended to address education inequities are used as intended.

The Council should also address the other factors that contribute to education inequities. Supporting the success of children of color in low-income families requires investing in their development and stability beyond investing in their schools.

The period from birth to age three is critical for social, emotional and cognitive development—it's the foundation on which all future learning rests. Good health care, strong family supports, and

affordable quality early learning environments are instrumental to the well-being of young children. Yet too many children in families with low incomes and children of color face barriers to academic achievement beginning at birth. Research shows that children in low-income families "often receive early care of such poor quality that it diminishes their potential" but that investments to improve the quality of care they receive has "positive effects that can endure into the early adult years." DC's "Birth to Three for All DC" legislation (Birth to Three) is intended to strengthen and expand services and provide comprehensive supports to pregnant women and families with young children. **The Council should invest \$25 million to fully fund Birth to Three.**

Additionally, having a safe and affordable place to call home is <u>intrinsically connected</u> to positive life outcomes in school performance. About 19,000 DC children face housing instability that affects their ability to succeed in school. Housing instability is correlated with lower <u>cognitive achievement test scores</u> and lower measures of <u>behavioral school readiness</u>. Children who move frequently often fall behind and <u>drop out of school</u>. The proposed budget provides no new tenant-based vouchers for the approximately 40,000 families on the DC Housing Authority waiting list. The proposed budget for project-based LRSP is enough only to have 8 percent of the Housing Production Trust Fund serve families below 30 percent AMI. And the budget underfunds Targeted Affordable Housing (TAH) for families experiencing homelessness. **The Council should invest more in project-based LRSP, tenant-based LRSP, and TAH.**

We support and applaud the \$6 million in the proposed budget for school-based mental health, but believe that much more is needed. 1 in 5 children in DC have experienced trauma or have a mental health disorder. Students of color who have a mental illness disproportionately make up the school to prison pipeline. Students who use mental health services in school-based health centers are two times more likely to stay in school than students who do not, and social emotional learning programming has been found to improve student test scores significantly. **The Council should invest more in mental health supports based in schools.**

I also want to address an important issue of equity beyond services for children. The proposed FY 2020 budget keeps in place barriers to health care access through the DC Healthcare Alliance—a local program for residents who do not qualify for other health coverage, nearly all of whom are immigrants. Many immigrants in the District are Latinx, and DC's immigrant population also includes people from African countries and China.² This means that maintaining a strong Alliance program is a matter of immigrant and racial equity—and that DC's unequal treatment of Alliance participants represents government-sanctioned inequity against residents who are immigrants. The Council should eliminate these barriers and commit funding to serve more residents through the Alliance.

Thank you for the chance to testify and I'm happy to answer any questions.

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¹ See Zero to Three, "Infant-Toddler Child Care Fact Sheet" 2017.

² Data USA, Washington, DC