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Testimony of Kate Coventry, Senior Policy Analyst At the Joint Performance Oversight Hearing on the Department of Human Services DC Council Committees on Human Services and on Housing and Neighborhood Revitalization January 29, 2020

Chairperson Nadeau, Chairperson Bonds, and other members of the Committees, thank you for the opportunity to testify today. My name is Kate Coventry, and I am a Senior Policy Analyst at 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 would like to focus my testimony on the need for homelessness prevention for individuals and the need to increase the number who can receive Interim Disability Assistance (IDA) benefits.

Homelessness Prevention for Individuals

Despite doubling the Permanent Supportive Housing (PSH) inventory, creating Target Affordable Housing (TAH), and expanding Rapid ReHousing (RRH), the number of individuals experiencing homelessness has increased from 3,683 in 2016 to 3,875 in 2019. This is in part because the number of individuals experiencing homelessness for the first time increased by 24 percent between 2015 and 2018. To slow this inflow, the District needs to create a flexible prevention program for individuals like the one that already exists for families.

This program should be designed like the Homeless Prevention Program (HPP) for families. It should target individuals who are on the verge of becoming homeless—that is, those who have a safe place to stay for a short period. The program should offer mediation services and financial assistance to see if their current place of stay could become permanent. It should offer housing search assistance, move in costs, first month's rent/security deposit, and short-term rental assistance. Additionally, case management should be offered and include referrals to employment, health, and other services.

The best way to prevent inflow into homelessness, however, is to increase the supply of housing affordable to the lowest income households, those earning 0 to 30 percent of the area median income (AMI). Thus, DCFPI recommends that the fiscal year 2021 budget allocate:

- \$250 million to build at least 1,500 affordable homes through the Housing Production Trust Fund (HPTF);
- \$24 million in the project/sponsor-based Local Rent Supplement Program (LRSP) so that the Housing Production Trust Fund serves extremely low-income residents;
- \$15 million to preserve 1,350 affordable homes through the Preservation Fund;

May 2019. https://www.mwcog.org/documents/homelessnessreport/

¹ Metropolitan Washington Council of Governments. Homelessness in Metropolitan Washington: Results and Analysis from the Annual Point-in-Time (PIT) Count of Homeless Persons.

- \$10.4 million to provide tenant vouchers to 500 families; and
- \$60 million to repair and preserve public housing, so that residents have a safe place to live.

IDA Not Reaching All Who Need It

IDA serves as a vital lifeline for DC residents with disabilities who cannot work and have no other income or other means to support themselves. It provides modest, temporary cash benefits to adults who have applied for federal disability benefits (Supplemental Security Income (SSI) or Social Security Disability Insurance (SSDI)) and are awaiting an eligibility determination. The wait time for federal benefit determination has skyrocketed in recent years, from 350 days in 2012 to nearly 600 days in 2017, leaving residents too sick to work but lacking benefits.¹

IDA allows recipients to pay for basic needs such as transportation, medicine, toiletries, and food. In addition, the steady modest monthly income allows recipients to access some housing programs that are administered by nonprofit organizations and require residents to have some kind of income.

IDA is similar to interim assistance programs offered in 38 states, including Maryland and Virginia. IDA is paid for with a combination of local funding, reimbursement from the federal government, and funds from the SSI Payback Fund. When an individual is approved for SSI, the federal government reimburses the District for the IDA benefits the individual received. These reimbursement dollars are used to support the annual budget, and unspent funds are put into the SSI Payback Fund at the end of the year so the District can provide benefits for future IDA applicants.

Unfortunately, the FY 2020 budget cut \$1 million in local funds from the IDA budget. This budget could provide benefits to only 673 individuals per month, but DHS found additional funding so that 925 residents can receive benefits. DCFPI applauds this effort to provide these critically needed benefits to more residents, but there are many more individuals in need of assistance. The current caseload is about a third of what it was when all those in need received benefits, around 2,750 residents in FY 2009. Without the budget cap, DCFPI estimates that the same number of residents need benefits today. DCFPI recommends that the Mayor and Council add additional funding to IDA over the next four years to bring the IDA caseload to the 2009 level.

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

¹ "597 Days and Still Waiting." Terrence McCoy. *The Washington Post.* 11 Nov. 2017. http://www.washingtonpost.com/sf/local/2017/11/20/10000-people-died-waiting-for-a-disability-decision-in-the-past-year-will-he-be-next/