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**Testimony of Qubilah Huddleston, Policy Analyst
At the Joint Budget Oversight Hearing with
the Committee on Education and Committee of the Whole
June 4, 2020**

Chairperson Grosso, Chairperson Mendelson, and members of the committee, thank you for the opportunity to testify today. My name is Qubilah Huddleston and I am an Education Policy Analyst at the DC Fiscal Policy Institute (DCFPI). DCFPI is a non-profit organization that promotes budget choices to address DC's economic and racial inequities and to build widespread prosperity through independent research and policy recommendations.

Today I will focus my testimony on how DC Council can improve the budget to:

- Stabilize the childcare industry;
- Strengthen investments in student mental health resources;
- Shore up investments in school technology;
- Preserve investments in out-of-school time (OST) programs; and,
- Raise revenue for a just recovery.

Childcare Providers Need Immediate Stabilization Funding

DC needs to provide immediate public investments to stabilize the childcare sector during this economic downturn. As a member of the Under 3 DC (U3DC) Coalition, **DCFPI recommends the Council provide at least \$10 million in stabilization funds in the supplemental fiscal year (FY) 2020 budget to help struggling providers cover rent, utilities, insurance, and more.** Our childcare system was already financially fragile before the pandemic — with many programs operating on thin margins — and will not survive unless policymakers provide dedicated recovery funding.

While OSSE continues to pay childcare subsidies, several childcare centers rely on a mix of subsidies and private tuition payments. Many families are unable to continue making tuition payments during the pandemic shut down, and as a result, some childcare centers are at risk of closing their doors permanently. This would harm opportunities for our children, these small businesses, and our economy. Fewer than one-fourth of respondents to a survey of childcare providers sponsored by the U3DC Coalition received a Paycheck Protection Program loan. **Without dedicated public funding support, DC may lose more than 6,500 early learning seats, which represents 20 percent of the city's childcare supply.**

"We are becoming increasingly aware that reopening will be a more costly model. For example, reduced class sizes to meet new CDC guidelines and increases in cleaning costs are expenses we cannot simply transfer to families. Early education in D.C. is already costly and families are

also facing various challenges themselves. We will need support to continue to provide a safe space and quality care and education for children, families, and our staff.” - Berna Artis Head of School, School for Friends

The Mayor’s Proposed Budget Does Not Go Far Enough to Meet Families’ Childcare Needs

Adequate investments in our early learning system are a necessity for reopening the District and supporting long-term economic recovery. Without childcare, parents cannot get back to work. DCFPI applauds the Mayor’s capital investments in the FY 2021 budget to create 540 new childcare seats that will be available in several years. However, this investment fails to address the immediate need to stabilize the childcare industry now and protect existing slots so parents can get back to work.

The Mayor’s proposed FY 2021 budget holds funding for the District’s Child Care Subsidy/Voucher Program flat over FY 2020, yet we know that childcare providers will need more resources to re-open their doors for increased staff to accommodate smaller classes sizes, increased sanitization efforts, and other pandemic-induced safety and social distancing guidelines. To meet these increased needs, **the DC Council should invest at least \$10 million more in childcare subsidies for FY 2021 to increase reimbursement rates.**

The Council must act to ensure that thousands of workers—especially low-income and single mothers—with young children are not forced to quit their jobs or give up new work opportunities due to limited availability of safe and affordable childcare.

“I have kids and all of them have asthma. That’s a big issue for me. I have a 13-year-old, 5-year-old and 5-month old. My biggest concern for them going back to school and childcare is that I want them to be safe and want to make sure that they don’t come home with anything. I just started a job, and I’m going to have to go back to work eventually.” - Ty Wright, Ward 8 Parent

Per-Student Funding Is A Step in the Right Direction, But Still Inadequate

We applaud the Mayor for prioritizing strong investments in PreK-Adult education by committing to a three percent increase in the Uniform Per Student Funding Formula (UPSFF). At a time when states across the country are slashing education budgets due to large budget shortfalls, we are thankful this budget does not propose a reduction in the overall school budget.

However, just because local education agencies (LEAs) will operate with a UPSFF increase, doesn’t mean that schools will have enough. A three percent increase will increase the base funding to \$11,310 per student from \$10,980 per student. When adjusted for inflation, per-pupil funding is still \$820 below what school finance experts agree is adequate.¹ As the economy recovers over the next two years and student inequities worsen due to COVID-19, we must commit to a two-year plan to close the seven percent gap between current funding and the recommendations of the 2013 Adequacy Study.²

The Mayor Fails to Make Much Needed Investments in Student Mental Health

The pandemic has significantly disrupted students' lives, compounding existing mental health challenges and ushering in newfound stressors, trauma, and anxiety. We are very concerned that the Mayor's proposal includes no new funding for the Department of Behavioral Health's school mental health program, despite indications from Dr. Bazron that the department may move forward with expanding the program to potentially 60 additional schools next year. **DCFPI calls on the Council to provide at least \$4 million to adequately support this expansion—2.5 million that could be reallocated from the Mayor's proposed increase for 17 additional school resource officers.**

Strong mental health and positive social-emotional skills can help reduce behavioral challenges and help students feel safe and excited about learning.³ Yet, while the Mayor made a point of highlighting \$1.5 million in "new" federal funds for expanding school based mental health, this money supplants rather than supplements local investments – leaving the program's funding flat from FY20 to FY21. DC students and families should not have to choose between getting adequate mental health or academic supports when our city reopens and begins the journey to recovery.

If the Council fails to provide additional mental health resources, students with the highest needs—particularly low-income students and Black and Latinx students—may experience reductions in the quality and quantity of mental health care they receive.⁴ These students and their families are already shouldering the devastating health, social, and economic burdens of the pandemic. The Council needs to ensure that community-based organizations that partner with our schools have the resources they need to meet the growing, targeted mental health needs of these students.

The Digital Divide Persists

The District's rapid shift to distance learning to save lives in the wake of the pandemic has laid bare the longstanding inequities in access to educational resources. While DCPS and public charter LEAs have acted swiftly to get more students laptops or tablets and internet access, we've heard from our partners that hundreds of students are still without these critical distance learning tools. **Thus, the Mayor's proposal of \$6 million in devices and technology support for schools, while laudable, is inadequate to address current needs.**

To address these inequities, LEAs need sufficient resources to develop technology infrastructures that supports in-school and at-home learning for every student, such that high-quality, consistent learning can take place regardless of where a student is located. Additionally, DC needs a whole-of-government approach to expanding free Internet access. More devices will do our students no good if they cannot also connect to the internet. LEAs should not have to shoulder the burden of closing the digital divide as many are facing already constrained education budgets.

Teachers in both sectors must be provided the tools and support to effectively navigate distance learning and integrate new online tools critical to a hybrid school model. Without needed support, we risk overwhelming our teachers, contributing to the teacher turnover problem in the city.⁵

Preserving Out-of-School Time (OST) Programs

DCFPI, along with our partners in the DC Alliance of Youth Advocates (DCAYA), applaud the Mayor for maintaining the city's progress in investing in our most vulnerable children through strong investments in OST programming despite anticipating significant revenue loss. **Today, we are asking Councilmembers to maintain proposed grant-making funding for OST programs.**

OST programs continue to play a vital role in social and emotional functioning of children and youth. Now, more than ever, this matters. The rapid shift to learning from home has resulted in many students experiencing isolation, exposure to adverse childhood experiences, and loss of academic and social opportunities. Looking forward, students must have safe and familiar ways to connect with each other and caring adult mentors and process the seismic and traumatic disruptions of this year and years to come.⁶

While DC's more affluent families will likely continue teleworking or pay for private after-school options as the city reopens, low-income families who work essential jobs will need access to low-cost or free before and aftercare for their children. OST programs will be critical in providing safe places where children can be supervised and engaged. Before the pandemic, more than 19,000 youth were alone and unsupervised during after school hours.⁷ We cannot let this number grow further as we work toward a new normal.

A Just Recovery Requires a Smart Revenue Strategy

Through a mix of cost-saving strategies (including freezing COLAs for city workers), the Mayor balanced her budget proposal without making deep budget cuts to essential programs and social services. Yet, more investments are needed to ensure children and families have the resources they need as the city reopens and our economy begins to recover.

The DC Council should enact a common-sense revenue strategy, including making wealthy residents pay their fair share in taxes. Currently, a teacher making \$60,000 in taxable income in DC pays the same tax rate as someone earning \$350,000. Millionaires in DC pay a tax rate that is less than half a percent higher. Targeted tax increases on the wealthiest residents would allow the city to generate much needed revenue to stabilize the childcare industry, for instance, which is needed to get families back to work and reboot our economy. The Council should also repeal or eliminate ineffective tax breaks—such as the Qualified High Tech Company and Qualified Supermarket Tax breaks—and redirect the revenue to much needed food, cash, or housing assistance programs.⁸

DCFPI is a member of the Fair Budget Coalition and we strongly support the revenue raisers outlined [here](#) to ensure a just recovery in D.C.⁹

Thank you for listening, and I am happy to answer any questions.

¹ The Finance Project, Augenblick, Palich and Associates, "[Cost of Student Achievement: Report of the DC Education Adequacy Study](#)," DC Deputy Mayor for Education, December 20, 2013.

² Alyssa Noth, "Educational Equity Requires an Adequate School Budget," DC Fiscal Policy Institute, December 2, 2019, <https://www.dcfpi.org/all/educational-equity-requires-an-adequate-school-budget/>.

³ Shannon M. Suldo et al., "[The Impact of School Mental Health on Student and School-Level Academic Outcomes: Current Status of the Research and Future Directions](#)," *School Mental Health*, 6(2), 84-98, 2014.

⁴ Currently, the school mental health program serves two cohorts that include schools DBH identified as being in greatest need. Should DBH decide to expand the program to the third cohort of schools without more funding, DBH will be unable to award contracts to community-based organizations that sufficiently enable the CBOs to hire adequate staff. Other aspects of the program are at-risk due to no new funding including the Community of Practice and evaluation program, and the DCPS and OSSE staff positions that support the implementation of the program.

⁵ Bayne LLC, [2020 D.C. Teacher Attrition Survey](#), DC State Board of Education, March 12, 2020.

⁶ Afterschool Alliance, [Afterschool and Summer COVID-19 Response: Helping to Meet Students' Learning Needs](#).

⁷ Afterschool Alliance, [Afterschool in District of Columbia](#).

⁸ Amy Lieber, [Revenue Revealed: It's Time to Amend DC's Tax Expenditure Programs, DC](#) Fiscal Policy Institute, March 26, 2019.

⁹ Fair Budget Coalition, "Tax Revenue Recommendations FY21," May 28, 2020, <http://fairbudget.org/blog.html>.