

Progress

Fall 2023



Fiscal Year 2024 Budget Fails to Address Racial and Economic Inequities

Each year, the DC Fiscal Policy Institute (DCFPI) advocates for racially-just budget investments that help residents who face economic hardship. Despite restoring funding for critical programs to reverse course on Mayor Bowser's austere budget proposal, DC Council's final budget didn't go far enough to meet the residents' urgent needs and address extreme inequity. The DC Council left critical programs partially funded or unfunded, stalling progress in key areas. For example, the Council provided minimal support for permanent supportive housing — the key tool to ending chronic homelessness — despite a surge in the number of people experiencing homelessness. With slower than expected growth in revenue and another tight budget likely on the horizon, DC leaders need to look to raise new resources that dismantle longstanding inequities and ensure economic security for all residents.

The FY 2024 Budget:

Restored vital lifelines and expanded some investments that promote racial equity:

- **Restored nearly \$43 million for the Emergency Rental Assistance Program (ERAP)**, which is short of the \$117 million estimated to meet the need in the District but equal to the prior year's level of funding and significantly more than the \$8.2 million allocated by the mayor.
- **Reversed the mayor's proposed elimination of funding for DC's "baby bonds" program**, which will help reduce intergenerational poverty and close the racial wealth gap.
- **Expanded child care affordability** to an additional 2,220 children and their families by increasing the income eligibility level for the child care subsidy program.

Backtracked on commitments and locked in a costly giveaway:

- **Cut a recurring \$4.4 million from the Pay Equity Fund**, which undermines the District's ability to sustain the growing costs of pay increases for early educators primarily caring for young children and expand the program to directors of child development facilities.
- **Failed to lock in \$20 million in cash assistance** to about 15,000 workers who are excluded from unemployment assistance and other forms of federal pandemic aid. This aid was promised in last year's budget, contingent on revenue growth that was met, but then was swept in the mayor's budget. Council again set aside that funding contingent on revenue growth rather than locking it into the budget and leaving it at risk of being swept again.
- **Approved an expansion to an unproven 20-year property tax break for developers, with major concessions.** The property tax abatement for commercial property owners to convert office buildings to housing downtown has a massive jump in size outside of the four-year budget window, which amounts to a budget gimmick that kept the mayor and Council from having to make tough choices about how to fund it. In addition, the tax break contains no safeguards to ensure the responsible use of public dollars, partially rolls back requirements to prioritize DC residents in hiring, undercuts tenant rights in converted properties, and has modest affordable housing targets.



Introducing Momentum for Change: A 2023 Fund Development Campaign

As longstanding inequities continue to stifle the economic, social, and political power of the District's Black and brown residents, DCFPI is digging deeper by working with community partners, policymakers, and other advocates to advance an antiracist, equitable future. **To support this push, we launched [Momentum for Change 2023](#), DCFPI's fund development campaign aiming to raise \$200,000 by December 31, 2023.**

[By joining \[Momentum for Change 2023\]\(#\)](#), you will stand with us as we work to foster change by shaping racially-just tax, budget, and

policy decisions that create healthy, thriving communities where everyone has the nurture, sustenance, and safety every person inherently deserves.

Change can't wait. [Become a Momentum for Change ally today!](#) All allies receive special benefits, including access to exclusive events, print and digital recognition, opportunities to engage with our team, and more.

To learn more about *Momentum for Change*, contact Todd Gray, Director of Institutional Advancement, at todd@dcfpi.org.



Momentum for Change: The Road Ahead

Later this fall, DCFPI will host **Momentum for Change: The Road Ahead**. This ecosystem conversation will lay out the principles of preventing displacement while elevating the lived experience of impacted community members to shape the public narrative and broaden awareness on the harms of displacement. Stay tuned for more information.



DC's Black-White Unemployment Gap is Worst in the Nation

New DCFPI analysis finds that Black workers in DC experience chronically higher levels of unemployment and are much more likely to be underemployed than white workers. While DC's average unemployment rate of 4.6 percent in 2022 was down from 7.9 percent in 2020 — the peak during the pandemic — the average unemployment rate masks extreme racial inequity. Black unemployment in DC was nearly 7 times higher than white unemployment, the worst in the nation.

The District's deep history of exploitation and discrimination against Black workers led to present-day racial disparities in employment levels, occupations, wages, benefits, and opportunities to grow wealth. Glaring inequities between Black and white workers are longstanding, across good and bad economic times. Transformative change is necessary to address the deep, longstanding structural issues that continue to harm Black workers. [Read the full blog here.](#)

DCFPI In the News

- [D.C.'s Black-White Unemployment Gap Is The Worst In The Nation](#)
(source: DCist)
- [D.C. home buyers' assistance program is out of funds, officials say](#)
(source: Washington Post)
- ['A pile of assumptions': How a long-delayed database project affected decision-making on rent caps](#)
(source: The DC Line)



DCFPI Receives \$1M Grant from the Community Foundation's Health Equity Fund

DCFPI is the recent recipient of a four-year \$1 million grant from the Community Foundation's Health Equity Fund. We will use the funds from this grant to advance a liberatory policy agenda that roots out anti-Blackness and repairs racist harms that have led to consistently poorer economic and health outcomes for Black and brown communities. Over the grant period, DCFPI, in collaboration with partners rooted in impacted communities, will pursue two critical areas of policy change: establishing guarantees for a liberation economy and building Black wealth.

[Read the full announcement here.](#)

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SUPPORT DCFPI FROM YOUR DONOR-ADVISED FUND

Did you know you can double your impact to DCFPI through the [#HalfMyDAF](#) movement?

Since starting in 2020, the [#HalfMyDAF](#) community has awarded over \$33 million in grants. If you are a DAF holder and committed to spending down half of the money that was in your DAF on March 1st by September 29, 2023, you can make a grant to DCFPI that is eligible for a dollar-for-dollar match up to \$5,000 from [#HalfMyDAF](#).

Make a commitment to DCFPI by Sept. 29th and do twice the good for DC. You can learn more about [#HalfMyDAF here](#).

Thank you for your continued support and partnership.

New Mailing Address



Please take note of DCFPI's new mailing address.



Anne Gunderson

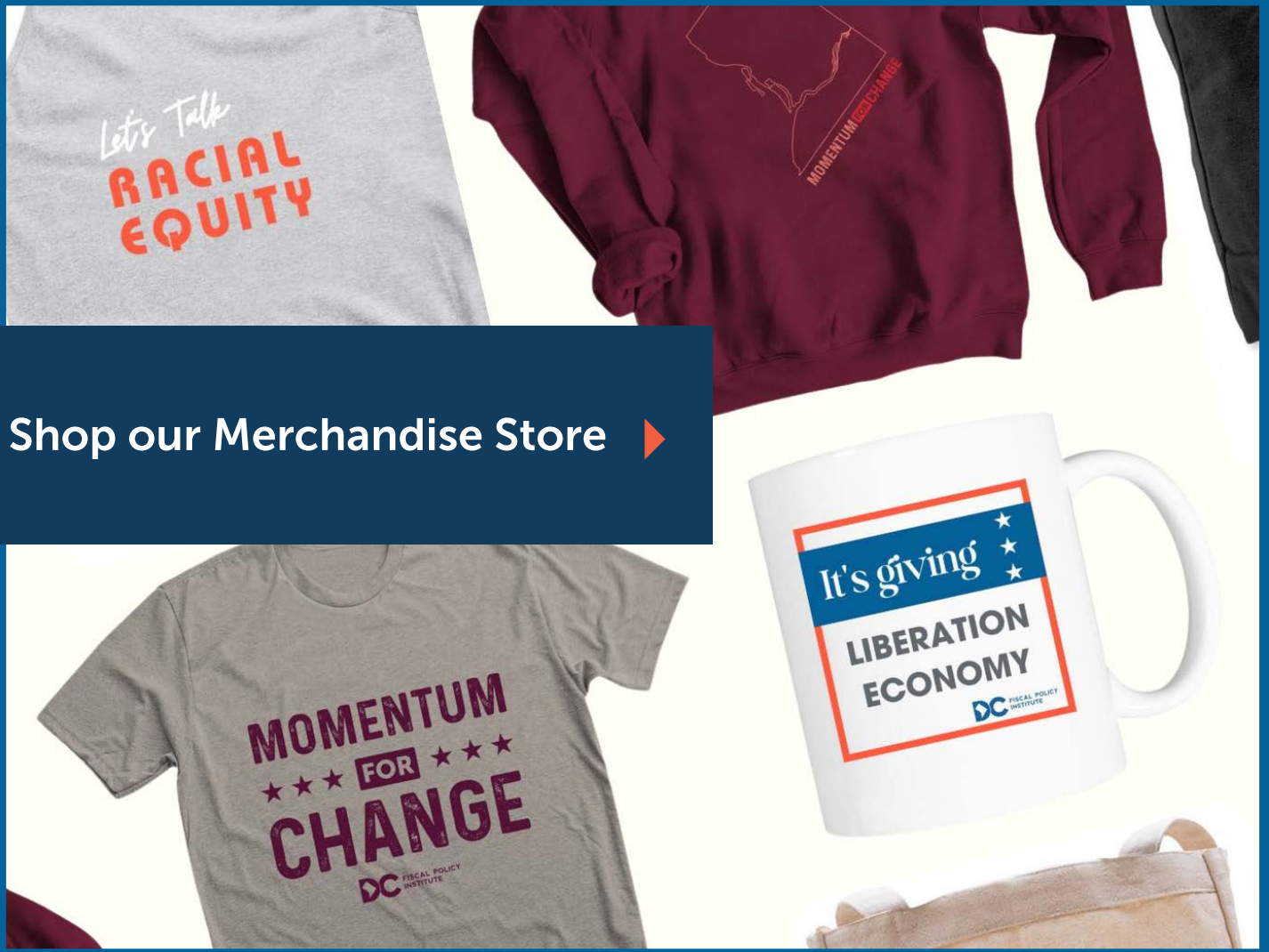


Erika Roberson

Welcome Anne & Erika

Anne Gunderson joins DCFPI as our new **Senior Policy Analyst**. Her focus is on bolstering the District's early childhood system by conducting research and providing expertise on advocacy and workforce issues facing the field. [Learn more about Anne here.](#)

Erika Roberson joins DCFPI as our new **Policy Analyst**. Her focus is on eliminating racial and income inequities in student experiences and outcomes by conducting education research and analysis to support advocacy. [Learn more about Erika here.](#)



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