

Budget Markups: DC Council Improved Important Services, But Far Larger Investments are Still Needed

By DCFPI Staff

Last week each DC Council committee had a chance to change the proposed funding for agencies and programs they oversee. The committee markups resulted in some important funding increases for programs that meet the needs of DC residents, but notable gaps remain. As it stands now, the budget for fiscal year (FY) 2019 still falls short of ensuring equitable access to healthcare, funding our critical affordable housing needs, maintaining our commitment to ending homelessness, and providing every child the resources they need to succeed from early childhood through high school graduation.

Committee markups are an important part of the budget process, but not the end. The markup results are sent to the Council for consideration at its vote on the full budget on May 15, where further changes will be made.

DCFPI encourages the Council to better fund services that will help ensure that all DC residents benefit from the city's growth.

Markups Expanded Funding for Some Key Services

- **Youth Homelessness:** The Committee on Human Services identified \$750,000 to provide 13 additional transitional housing beds and 4 additional Permanent Supportive Housing (PSH) beds. The Committee on Education identified \$300,000 for youth homelessness. In FY 2019, these funds will be used to for the new 24-Hour Drop-In Center, allowing the Center to provide mental and physical health, dental, and domestic violence services onsite. In future years, it is anticipated that federal Medicaid funds will cover these costs, so the funding will then be used for PSH and transitional housing. An additional \$608,000 is needed to fully fund Year 2 of Solid Foundations, the Comprehensive Plan to End Youth Homelessness.
- **Jobs and Training:** The Committee on Labor and Workforce Development provided an additional \$990,000 in funding for the LEAP (Learn, Earn, Advance, Prosper) program, allowing it to offer workforce development training and wrap-around services to participants while they earn wages. The Committee also fully funded the Career Pathways Innovation Fund with \$1.5 million in one-time funds.
- **Benefits for Residents with Disabilities:** The Committee on Human Services identified \$1 million in one-time funding for Interim Disability Assistance. IDA provides modest, temporary cash benefits to adults with disabilities who have applied for federal disability benefits and are awaiting an eligibility determination. Due to an expected decline in federal reimbursement and a lack of reserve funds to make up for the loss, the IDA caseload was expected to drop by 415.
- **Health:** The Committee on Health added language continuing the Hospital Provider Tax, which will leverage additional federal dollars and boost payment rates for certain Medicaid providers. The budget reflects a total of over \$16 million in additional local and federal funding attributable to this change. The Committee also made additional investments in food security, teen health, and opioid use disorder treatment.

Markups Provided Only Partial Funding for Many Critical Services

- **Health Care Alliance:** The Committee on Health included a proposal to fully fund, at \$17 million, a [law](#) that would improve access to the DC Healthcare Alliance, a program that provides health coverage to low-income residents who are not eligible for Medicaid. However, the funding source is uncertain. The Committee on Human Services included \$200,000 in funding to partially implement an additional [law](#) to improve access to the DC Healthcare Alliance program. An additional \$6 million is needed to fully implement this helpful legislation.
- **Affordable Care Act Stabilization:** The Committee on Health and Committee on Finance & Revenue included the legal language and \$1.1 million in funding needed to implement a District-level individual mandate for health coverage. The Council should consider devoting more resources to reducing the cost of health coverage for the District's lower- and moderate-income residents.
- **Individual Homelessness** The Committee on Human Services identified funding for an additional 25 PSH units and 12 Targeted Affordable Housing (TAH) units for individuals. The Council should add an additional \$11.5 million to serve 480 more residents in PSH, and \$5.7 million to serve an additional 318 residents in TAH.
- **Shelter and Transitional Housing for Survivors of Domestic Violence:** The Committee on the Judiciary and Public Safety added \$500,000 for shelter and transitional housing for survivors of domestic violence. The DC Coalition Against Domestic Violence and partners asked for \$5.5 million in additional funding for these services.
- **PreK-12 Education:** The Committee on Education made some critical new investments to improve educational equity in the District. This includes providing more supplemental resources for low-income and academically struggling students by increasing the 'at-risk' weight from .219 to .224. While this generates another \$1.2 million for schools, this improvement still falls short of the recommended 'at-risk' weight (.37). The Committee also proposed new measures to improve the transparency of school budgeting—from the elements that shape the Mayor's proposed school funding formula base to the central budget of DCPS. Though the Committee was able to provide FY 2019 funding for the Student Fair Access to School Act, which steers schools away from a costly overreliance on exclusionary discipline, there are two key provisions in the legislation that remain subject to appropriations. The Committee doubled the funding for Restorative Justice programs in OSSE with another \$450,000, increased funding for Community Schools by \$1.4 million, added more funding for Out-of-School Time programs, established the School Safety and Positive Climate Fund, started a pilot program for 10 DCPS schools to self-operate school food services, and expanded services for adults with low-literacy skills. Although these increases will have powerful impacts, far more is needed to ensure all interested schools are able to provide quality Restorative Justice programs, Community School services, and Out-of-School Time programs.

Markups Provided No Additional Funding for a Number of Services

- **Affordable Housing:** The Committee on Housing and Neighborhood Revitalization did not find any new funds to ensure that the Housing Production Trust Fund will create housing affordable to DC's lowest-income residents this year—despite the Committee report's reminder that the Trust Fund *must*

meet its statutory requirements to serve such residents. While 20 tenant-based rent vouchers were added, the budget still falls far short on housing for [extremely low-income residents](#).

- **Health:** The Committee on Health did not include additional funds for the School Based Mental Health expansion beyond the Mayor’s proposed budget. An additional \$319,000 would meet the full estimated cost to fund additional community-based clinicians recommended by the School Based Mental Health Task Force and ensure adequate supervision ratios. The Committee on Health did not add additional funds to support home visiting programs currently administered by Child & Family Services Agency (CFSA) and the Department of Health (DOH). As it currently stands, all CFSA-based home visiting programs will end after FY 2018, while DOH received no additional funding to bolster capacity in their existing programs.
- **Family Homelessness:** No additional funds were identified during markups for families experiencing homelessness. The Way Home campaign calls for 259 additional PSH units for families, so the Council still needs to add \$8.1 million to the budget. Additionally the Council should add funding for TAH for families. The precise need is difficult to measure based on existing data, but the investment falls short of what is called for in the Strategic Plan.
- **Early Childhood Education:** No additional funds were identified for pending DC Council legislation that would change the paradigm for early childhood education. “Birth to Three in DC” charts a path to a comprehensive support system for early childhood education in the District, including full funding of the child care subsidy program, competitive compensation for early educators, and better access to health services, like home-visiting. Early childhood education is an essential tool for improving school readiness and closing the opportunity gaps between higher- and lower-income students. Yet currently, early childhood educators are not paid enough to cover the true costs of providing low-income infants and toddlers with a quality education. The Mayor’s proposed \$10 million increase for child care subsidies is an important first step, but this legislation would put us on the path to a long-term solution.
- **PreK-12 Education:** Five years have passed, and yet we still have not reached the level of school funding recommended in the 2013 Adequacy Study, once adjusted for inflation – let alone the level needed to keep up with all of our system’s changing needs. Budget increases for DC public schools and public charter schools in recent years have been arbitrary. We need a better blueprint, but funds have not yet been allocated in the FY 2019 budget to revise the 2013 Adequacy Study and update our understanding of the cost of a quality education for every student in the District.