TOWARDS A THRIVING CITY
A REVIEW OF THE IMPACT OF THE PROPOSED 2018 D.C. BUDGET ON GIRLS, WOMEN AND FAMILIES
About the Washington Area Women’s Foundation

The Washington Area Women’s Foundation helps build pathways out of poverty for women and their families. We help to create economic opportunities that have positive ripple effects across society.

Since 1998, we have awarded nearly $11 million in grants to more than 170 community-based organizations in the Washington, D.C. region and helped women increase their assets and income by more than $57 million.

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On April 4, 2017 Mayor Muriel Bowser released the proposed budget for the District of Columbia for fiscal year 2018. The wide-ranging budget includes support and investments in housing, education, workforce development, and other services that are essential to ensuring that low-income girls, women and families are able to reach their full potential and become economically secure.

The most recent election and uncertainty at the federal level has sparked a renewed focus on states and their ability to provide for citizens in the event funds for vital programs for families are reduced or eliminated. The District of Columbia is no different. Annually, it receives more than $1 billion in federal grants to fund senior nutrition, refugee resettlement, and the arts, among other programs.

As Mayor Bowser attempts to balance fiscal responsibility and the needs of communities ahead of the unpredictability at the federal level, it will be critically important to maintain or increase spending levels for programs and initiatives that help to ease the burden on low-income families in an increasingly economically divided city.

BUDGET OVERVIEW

The District of Columbia’s $13.8 billion 2018 budget is a little more than 3 percent higher than the previous fiscal year’s budget. It includes increased funding for school improvements, $100 million for the Housing Production Trust Fund and additional support to expand the District’s emergency services. In the FY2018 budget, spending in education will increase by a little more than 7 percent and human resources will increase by 3.3 percent.

Education, including funding for DC Public Schools (DCPS), charter schools, DC public libraries, and the University of District of Columbia, among other programs will experience moderate increases across the board in the FY2018 budget. DCPS will receive a 1.5 percent increase in per-pupil payment to schools, lower than the 3.5 percent increase recommended by a working group convened by the DC Office of the State Superintendent (OSSE).
The budget, while reasonable and adequate with respect to economic development, public works, and education, does very little to bridge the gap between the needs of economically vulnerable families and the resources available to them in the city. For example, the budget allocates $15 million to childcare initiatives to create more centers or expanded centers in high-need areas along with credentialing supports, but it makes no new investments to improve the quality of childcare facilities in the District or to bring reimbursement rates for providers serving low-income families up to current market rates.

With regard to housing, the FY2018 budget will commit $100 million to the Housing Production Trust Fund and $10 million to preserve existing affordable housing. While these efforts are noteworthy and will help to address some of the issues related to rising housing costs in the city, the budget does not add any additional funds to move more families off the years-long Housing Authority wait list.

The FY2018 budget will invest in three subsidized job training programs and make modest increases to support implementation of DC’s new plan under the new Workforce Innovation and Opportunity Act (WIOA), which provides employment and training services for adults, dislocated workers, and youth.

Below, please find a detailed analysis of the impact of Mayor Bower’s FY2018 Budget on young women, girls and families in the District.

**TEMPORARY ASSISTANCE TO NEEDY FAMILIES (TANF)**

In 2016, there were more than 15,000 families in the District that received cash benefits or TANF.

In the District, most families that receive TANF benefits are African-American, at 93.5 percent, followed by Latino families at 6.1 percent. White families make up less than .2 percent of families that receive cash benefits. These figures are congruent with the disproportionately high poverty rates in Black communities in the District that have increased by six percentage points since the great recession to 33 percent in some parts of the city. Nationally, African-American families constitute 29% of those who receive TANF benefits, followed by white at 27.5%.

The FY2018 budget takes important steps to protect 10,000 children from being cut off of TANF assistance by providing $8 million to address the issue of time limits for families. Families that have received assistance for 60 months or more will continue to receive income assistance along with other employment and
support services. Previously, all families would lose income and employment assistance in October 2017, regardless of their circumstances.¹

In FY2017, the budget provided an increase in the maximum benefit to families from $441 per month for a family of three to $508 for a family of three. The next increase will be in FY2019, when the maximum benefit will increase by nearly 28 percent to $644 per month for a family of three.²

EARLY CARE AND EDUCATION

In the District, current child care subsidy reimbursement rates to providers cover only 66 to 70 percent of the median cost per child for infant and toddler care in an accredited environment.³ The gap in reimbursement falls directly on families, who are, in most instances, struggling to make ends meet, or to child care centers that must absorb the cost and often operate in a deficit.

The District’s current payment rates for Early Care and Education centers is significantly below market rate, ranging from 55 to 74 percent of the 2012 market rate for infants, depending on quality tier, and from 58 to 74 percent for toddlers.⁴ The FY2018 budget provides $3.3 million to improve the quality of childcare in the District. While a step in the right direction, it does not address the enormous gap in reimbursement rates and quality issues. According to a joint report by DC Fiscal Policy Institute and DC Appleseed, there is a need for $38 million in investments to help cover provider costs and improve quality.⁵

VIOLENCE AGAINST WOMEN AND VICTIM SERVICES

Funding and support for victims of violence will remain level in the FY2018 budget. Additional funding is needed for mental health services, capacity building, and training for police officers and other personnel. Additional support is also needed for comprehensive wrap-around services for women and families in domestic violence shelters and more long-term housing.

PAID SICK LEAVE

On December 20, 2016, the DC City Council voted in favor of the Universal Paid Leave Amendment Act (“Paid Leave Act”). The Amendment would provide eight weeks of paid time off to new parents, six weeks of paid time off to employees caring for sick relatives, and two weeks of paid time off for an employee’s personal medical leave.

The FY2018 budget does not provide any funding to support the startup costs of implementing, maintaining or enforcing the Paid Leave Act. Without adequate funding, the Paid Leave Act will not become a reality or be enforced.

HEALTH AND HUMAN SERVICES

Ninety-three percent of individuals between the ages of 18-64 have health insurance coverage in D.C., a rate slightly higher than the national coverage rate of 90.9 percent. Residents residing in Wards 3 and 6 are more likely to have health insurance compared to residents in other Wards.

With regard to race and ethnicity, 90.4 percent of African Americans; 97.4 percent of non-Hispanic Whites; 91 percent of Hispanics and 87.4 percent of individuals who identify as other races have health care coverage in the District. Despite coverage, on average only about one in four D.C. residents reported being in “excellent health.” Only 16.9 percent of African-Americans reported being in “excellent health” compared to 36.1 percent of Whites.
The FY2018 budget maintains funding levels for Medicaid and Medicare for residents and adds $.9 million to reduce the number of active opioid users, reduce overdose and overdose related fatalities, and improve overall health outcomes in the District. More support could be provided for mental health services, including increasing payment rates to providers and expanding services to victims of violence.

The budget will continue to provide $1 million in support for the Joyful Foods Initiative, which aims to bring wholesome and healthy foods to 49 elementary schools in Wards 7 and 8. Joyful food “pop-up” markets provide free non-perishable food to high-need families.

The budget also provides $3.3 million in support to the Alternatives to Court Experience (ACE) and Parent and Adolescent Support Services (PASS) to provide alternatives to arrest and detention for D.C. youth.

**WORKFORCE DEVELOPMENT**

The unemployment rate for African Americans in Washington, D.C. is 13.6 percent — higher than in any state in the country. The unemployment rate for Latinos in the District is 3.7 percent. The unemployment rate for Whites in the district is just 2.4 percent, a rate less than half the national rate of 5 percent.

The FY2018 budget allocates $79.2 million in local and federal funds for workforce development and subsidized job programs in the Department of Employment Services (DOES), a figure representing a slight increase over the previous year at $76.4 million. In total and across programs, $150-200 million will be dedicated to workforce development in the FY2018 budget.

The budget continues investments in four subsidized job programs: the Mayor Marion S. Barry Summer Youth Employment Program, the Transitional Employment Program, DC Career Connections, and the Learn, Earn, Advance Prosper program (LEAP).

The budget also dedicates $16.8 million to redevelop St. Elizabeth’s into a facility that will provide workforce development training to residents.
AFFORDABLE HOUSING AND RENTAL ASSISTANCE

In most big cities across the country, rents have skyrocketed putting quality, affordable housing out of reach for many low-income families. According to the DC Fiscal Policy Institute, the average income of DC’s extremely low-income residents has not grown in the past decade, adjusting for inflation, while the median rent in in the city rose 35 percent. Additionally, one in five children in DC lives in an extremely low-income household that spends more than half its income on rent.2

Funding for the Housing Production Trust Fund, which is used to build and preserve affordable housing for low-and-moderate income residents, will be maintained at $100 million. This figure is significantly lower than the amount requested by housing advocates of $150 million. The budget also devotes $10 million to a new Housing Preservation Fund to preserve existing affordable housing. An additional $85 million will go towards the New Communities Initiative designed to revitalize severely distressed subsidized housing and redevelop high poverty communities.

The proposed budget also adds $3.9 million for 130 Rapid Re-Housing (RRH) slots for families, $3.8 million for 117 Permanent Supportive Housing (PSH) units, and $1.7 million for 85 Targeted Affordable Housing (TAH) units for families. TAH is for families that have been through RRH but still need housing assistance, or families in PSH that need housing help but no longer need supportive services. The actual need is difficult to measure based on existing information, but based on the original modeling included in the Homeward DC 2015 Strategic Plan, these investments meet only about 40 percent of the PSH and TAH needed in FY2018 to meet the Plan’s goals.

Related to family shelters, the budget proposes to add $50 million over four years to adequately fund the cost of replacing the DC General Family Shelter. It also includes $6 million to cover the costs of improvements to other shelters in the city and for increased personnel and staff.

Related to expanding rental assistance to low-income families, the budget does not adequately address or expand housing assistance to the most economically vulnerable in the city. Outside of homeless services programs, in the FY2017 and FY2018 budgets, no new funding was allocated to support the Local Rent Supplement Program. It also does not provide support for families on the DC Housing Authority waiting list, or new rental assistance linked to units assisted by the Housing Production Trust Fund.

INVESTMENTS IN YOUNG WOMEN AND GIRLS

Compared to other girls in the District of Columbia, girls, young women, and gender non-conforming youth of color are more likely to live in poverty, experience homelessness, become young mothers, or reside in communities with fewer resources or bridge opportunities. They are also 30 percent less likely to complete high school and nine times more likely to be on the receiving end of harsh school discipline practices, such as out-of-school suspensions.

On March 26, 2017, Mayor Muriel Bowser launched REIGN: Empowering Young Women as Leaders, a multi-pronged initiative to support young women of color in DC Public Schools. Seeded with a $1 million investment, the initiative aims to build community, confidence, and leadership skills in young women of color in DC Public schools by increasing student satisfaction, graduation rates, and test scores.
In order to improve outcomes for young women and girls in the city, additional funds should be dedicated to address disparities in discipline practices, violence and harassment, and post-secondary needs and aspirations, including disconnected or disengaged youth.

The FY2018 budget does not extend Kids Ride Free Program to transport youth enrolled in programs throughout the city. The investment in transportation subsidies or supports could go a long way towards ensuring that once enrolled in programs, young people are able to successfully finish.

The FY2018 budget will continue to support the Marion S. Barry Summer Youth Employment Program (MBSYEP) and provide $2.4 million for homeless youth services, including prevention services.

**RECOMMENDATIONS**

**DELAY TAX CUTS IN ORDER TO PROVIDE VITAL SOCIAL SUPPORTS AND FUND EDUCATION.** Delay $100 million in tax cuts set to take effect next year and redirect monies to support services for families and increase spending in education by .5-1 percent. Increased spending in education would provide additional support to schools with significant numbers of at-risk and low-income students.

**PROVIDE INCREASED SUPPORT FOR MENTAL HEALTH AND WRAP-AROUND SERVICES FOR VICTIMS OF VIOLENCE.** There is an increased need to build a continuum of support for victims of violence in the city, including training for law-enforcement and other first-responders.

**INCREASE SUPPORT FOR PROGRAMS THAT PROMOTE THE SAFETY, ECONOMIC SECURITY, HEALTHY DEVELOPMENT, AND WELL-BEING OF LOW-INCOME YOUNG WOMEN AND GIRLS.** Compared to other girls in the city, low-income young girls, women and gender non-conforming youth of color face multiple barriers to success and opportunity. The Mayor and the Council should work with key stakeholders to identify ways to leverage existing resources and identify new opportunities for support.

**EXTEND THE KIDS RIDE FREE PROGRAM (KRFP) TO ALL ADULT LEARNERS AND RE-ENGAGING YOUTH IN THE CITY.** Providing free transportation subsidies will go a long way towards ensuring that adult learners and youth remain enrolled in much needed education and training programs to build their long-term economic security.

**PROVIDE JOB TRAINING AND PROGRAMS FOR LOW-INCOME WOMEN AND MOTHERS.** Low-income women and mothers have unique challenges and barriers to full employment. Chief among them are childcare and other care taking demands, lower wages for traditionally female dominated fields or careers, and lower levels of educational attainment compared to other groups of women. Workforce Development Programs should provide necessary supports, including childcare, transportation or other provisions, to ensure that low-income women and mothers can fully engage and participate.

**INCREASE INVESTMENTS IN EARLY CARE AND EDUCATION.** Provide additional resources to address below market reimbursement rates for providers and improve program quality.

**EXPAND RENTAL ASSISTANCE.** An essential element to building the economic security and well-being of low-income families is quality, affordable housing. The Mayor and the Council should work to expand rental assistance programs through the Local Rent Supplement Program and Housing Authority.
SET ASIDE FUNDING FOR COMMUNITY-BASED ORGANIZATIONS PROVIDING HARD AND SOFT-SKILLS TRAINING FOR THE “HARDEST TO SERVE” RESIDENTS. Currently the budget line item for local adult training remains bundled together and there isn’t a clear way to gauge the amount going to support training offered by community-based organizations. Creating a budget line to designate funding specifically for community-based organizations would enable the District to better measure the scale and scope of training being offered to the hardest to serve residents.

IMPROVE EFFICIENCY OF ADMINISTRATIVE SYSTEMS FOR WORKFORCE DEVELOPMENT PROGRAMS. Workforce development programs should be efficient and streamlined for residents so that they can focus their efforts on job search efforts and other demands.

CONCLUSION

At the Washington Area Women’s Foundation we are committed to building a city that provides the necessary tools and resources that will enable girls, women, and families to reach their full potential and to become economically secure. The proposed FY2018 budget makes critical investments in key impact areas such as housing, workforce development, childcare, and social supports that will go a long way in helping us—and the organizations and communities we work with—achieve these goals. In areas where funding is limited or unavailable, we look forward to working with the Office of the Mayor and other key stakeholders to ensure that no resident is left behind.

4 Ibid.
5 Ibid.