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**Testimony of Rachel Rintelmann
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**Before the Committee of the Whole
Council of the District of Columbia**

Budget Oversight Hearing Regarding the Mayor's Proposed Fiscal Year 2025 Budget

May 3, 2024

Legal Aid DC¹ submits this testimony to share serious concerns with Mayor Bowser proposed Fiscal Year 2025 budget. Despite being titled “A Fair Shot: Strategic Investments and Shared Sacrifice,” the budget disproportionately demands sacrifices from low-income Black and brown residents. And, far from its promise of “strategic investments,” the budget critically underinvests in its people.

While there is always more to be done, this Council has created and invested in many laws and programs that strengthen the social safety net for the city’s historically marginalized and overburdened residents. The Council’s efforts are laudable, and have positioned the District to be a national leader in racial and economic justice.

But those programs only work if they are funded. Mayor Bowser has yet again proposed a budget that slashes the social safety net and disproportionately harms low-income Black and brown District residents. She has proposed cuts to critical programs that meet basic needs and help move people out of poverty and achieve economic stability. The budget does include some increased revenues. But even these increases harm low-income residents by raising sales taxes – as opposed to capital gains, property, or

¹ Legal Aid DC is the oldest and largest general civil legal services program in the District of Columbia. The largest part of our work is comprised of individual representation in housing, domestic violence/family, public benefits, and consumer law. We also work on immigration law matters and help individuals with the collateral consequences of their involvement with the criminal legal system. From the experiences of our clients, we identify opportunities for court and law reform, public policy advocacy, and systemic litigation. For more information, visit www.LegalAidDC.org.

income taxes raised from wealthier residents as proposed in the Just Recovery DC Platform of which we are a member.²

We understand that the Mayor, and now the Council, are working in leaner fiscal times than recent years, but now is the time to invest in the District's social safety net and adopt the recommendations such as those proposed by the Fair Budget Coalition,³ not eviscerate it in the name of austerity. We urge the Council to make significant changes to the proposed budget before it becomes final.

The Council Should Restore and Increase Funding to the Emergency Rental Assistance Program

The Mayor's proposed budget cuts funding for the Emergency Rental Assistance Program (ERAP) by \$42 million, which would leave the program with \$20 million – less than half of last year's local budget, and less than a third of total local and federal funds ultimately allocated for rental assistance. Last year, the mayor's budget proposed cutting ERAP funding to just \$8 million. Thankfully, the Council restored program funds to \$43 million and then added \$33.5 million in federal funds, for a total of \$76.5 million, \$62 million of which the Department of Human Services (DHS) allocated for direct assistance.

ERAP is a lifeline for low-income families facing eviction. It is impossible to calculate how many families need ERAP assistance in a given month because DHS has moved to a system in which it opens its ERAP portal only once per quarter and closes down after a set number of applications. However, the year prior, ERAP funds were being spent at a pace of roughly \$7 million *per month*. At that rate, the allocated \$20 million would be sufficient for less than three months of need. Put another way, with an average ERAP award of \$5,853, the allocated \$20 million would serve only 3,400 families, which is fewer than the number of applications DHS takes each time the portal opens. So far in FY 2024 alone, 4,201 families have received ERAP.⁴

² All In for DC's Tax Policy Platform, The People's Tax Plan, <https://justrecoverydc.org/our-platform>; see also Testimony of Jen Jenkins Policy Counsel, Systemic Advocacy & Law Reform Legal Aid DC (April 22, 2024), <https://www.legalaiddc.org/media/3948/download?inline>.

³ Fair Budget Coalition, Safety is Investing in Community, Shifting Power and Resources to the People, <https://fairbudget.org/wpcontent/uploads/2024/03/Desktop-View.pdf>.

⁴ <https://storymaps.arcgis.com/stories/368e676f426241758f4594387e91a262> last visited April 29, 2024, site temporarily down as of May 2.

The sad truth is that ERAP was woefully underfunded year after year even before the pandemic. And expanded eligibility rules and increased award limits – important and necessary reforms this Council implemented during the pandemic – along with rapidly rising rents throughout the District mean the need for ERAP is far greater than ever before. Local funding approved for FY 2025 must be at least consistent with funding amounts for 2024, including the federal funds that were used to bolster the program. As long as rents in the district remain out of reach for so many residents, and as long as the District continues to underinvest in affordable housing, many residents will be unable to maintain their housing without ERAP. Until the District provides families with better options, this Council must fund ERAP to meet the need.

The District Should Invest in the Local Rent Supplement Program

The DC Housing Authority closed its voucher waiting list on April 12, 2013.⁵ Over ten years later there are still over 40,000 families on that list waiting for their chance at affordable housing.⁶ These are families that have waited at least a decade, but many far longer, for the District to make good on its commitment to providing affordable and dignified housing for its residents. And in some ways, those families are on the waiting list are the lucky ones; Legal Aid works with families and individuals who are not on that list, whether it is because they were minors the last time it was open or because they did not need affordable housing in 2013 but need it now. For them, it is not a matter of waiting decades for a voucher. They may be waiting for the rest of their lives.

Despite all of this, the Mayor has proposed no new funding for tenant-based LRSP vouchers to pull families off the waiting list. Given the scope of the need, which is at least 40,000 families, the Council should invest in as many new LRSP vouchers as possible this budget year.

The Council Should Permanently Fund the Give SNAP a Raise Amendment Act of 2022

The Supplemental Nutrition Assistance Program (SNAP) provides nearly 140,000 low-income individuals and families in the District with a monthly benefit to purchase food. However, for most SNAP recipients, the SNAP monthly allotment is only sufficient for two weeks. Now, food prices are soaring and the pandemic-era enhancements to the SNAP

⁵ The Washington Post, D.C. public housing waiting list to close; no new applicants after April 12, available at https://www.washingtonpost.com/local/dc-politics/dc-public-housing-waiting-list-to-close-no-new-applicants-after-april-12/2013/04/03/9cf7abe4-9c96-11e2-a941-a19bce7af755_story.html

⁶ DCHA's FY24 Performance Oversight Responses at p. 36.

program expired in March 2023. As DHS noted in its pre-hearing oversight responses regarding the sunset of federal benefits programs, “[e]very family receiving SNAP will feel the impact of this loss; that represents ~90k households who will now have a harder time accessing food.”⁷ The decrease in SNAP benefits will “affect purchasing power for residents, especially during a period of inflation and high food prices in DC where earned income does not keep up with the cost of living. It will also affect the local economy since this money is generally spent quickly at local food stores.”⁸

We appreciate the steps the Council took last year to pass the Give SNAP a Raise Amendment Act, which would provide a 10% increase to recipients' monthly benefit amounts, and to fund it temporarily with excess revenue. We also applauded the Council for its work pressuring the administration to actually use the allocated funds as directed. But that was a temporary solution to a lasting problem. Now, Legal Aid urges the Council to permanently fund this vital measure to improve food security for SNAP recipients.

The Council Should Restore Funding to the Access to Justice Grants Program

The Access to Justice Grants program funds critical legal services for low-income residents through organizations including Legal Aid DC. The Mayor’s budget proposes a 67 percent cut to this program, reducing funding from approximately \$31.5 million in 2024 to \$10.5 million in 2025. This cut would be an unprecedented step backwards in the District’s, and this Council’s, commitment to ensuring that the courts and legal system work for all District residents, regardless of income. This cut will have a deep and profound impact on Legal Aid, the legal services community writ large, and, most importantly, on the clients we serve.

Access to Justice funds make up 43% of Legal Aid’s annual budget and pay the salaries of 48 of our 112 employees. A substantial cut to ATJ funding will likely impact all of our major practice areas, because the Initiative funds:

- **\$2.87 million and 26 staff members in our housing practice.** Our housing practice represents District residents in eviction proceedings, as well as other important efforts to preserve affordable housing, like helping tenants fight unlawful rent increases and improve housing conditions.
- **\$920,000 and 8 staff members in our domestic violence and family law practice.** Attorneys in our domestic violence and family law practice use ATJ funds to represent survivors of domestic violence to get civil protection

⁷ DHS Oversight Pre-Hearing Responses at pg 9.

⁸ Id.

orders and ensure access to counsel in divorce, custody, and child support proceedings.

- **\$1.55 million and 14 staff in our consumer and public benefits practices**, through which we help District residents secure their economic rights by challenging foreclosures and debt collection efforts and by protecting access to benefits like nutritional assistance and health insurance.

Thanks to the funding that the Council protected last year, we anticipate serving nearly 5,000 District residents in 2024. Unless reversed, the Mayor's proposed cuts to ATJ will necessarily mean that significantly fewer low-income District residents will have a lawyer to help them prevent their eviction, save the home they own, obtain a civil protection order against their abuser, or ensure they get the vital lifeline public benefits they are entitled to. The Council should intervene and ensure that this does not happen.

The Council Should Invest in Low Income Workers and Families

The mayor's proposed budget would devastate a range of programs designed to put more money into the pockets of low-income DC families, including:

- The **Pay Equity Fund** - cuts will lead to salary reductions of up to 40% for 4,000 early childhood educators;
- The **DC Earned Income Tax Credit (EITC)** - the budget puts a halt to planned increases to EITC, resulting in lost potential income to low and moderate wage earners;
- DC's **Baby Bonds Program** – the budget cuts 75% of the funds allocated to the Baby Bonds program, meaning that fewer children will benefit, and that those who do benefit will receive less financial support.

In the past few years, DC has passed groundbreaking laws that, combined with existing safety net programs, create a real opportunity for the District to be a leader in racial, economic and social equality. Instead, the Administration has proposed a budget that is – yet again – balanced on the backs of low-income Black and brown DC residents.

Legal Aid urges the Council to restore critical funding and move the District toward fulfilling its promise.