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**Testimony of Megan Browder
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**Before the Committee of the Whole
Council of the District of Columbia**

**Budget Oversight Hearing Regarding Fiscal Year 2026 Local Budget Act, Budget
Support Act, and Federal Portion Budget Request Act**

June 18, 2025

Thank you for the opportunity to submit testimony on the Fiscal Year 2026 Budget. This fiscal year will be a test of the District's values, and Legal Aid DC¹ urges the Council to enact a budget that promotes the welfare of *all* District residents.

The Mayor's proposed budget includes drastic cuts to several social safety net programs at a time when residents may need them the most. We urge the Council to restore and increase funding for housing, health care, public benefits, and access to justice. To be clear: eliminating or reducing funding for programs our neighbors use to survive will not eliminate the underlying need – it will exacerbate it. Ensuring that people's basic needs – food, shelter, and healthcare – are met will instead improve overall health outcomes, community stability, and public safety.

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.

The Council Should Restore Funding to the ERAP and Invest in Permanent Affordable Housing

We urge the Council to reverse the Mayor's proposed cuts to housing and adequately fund short- and long-term affordable housing. Almost 45% of District renters spend more than 30% of their gross income on rent.² For example, 80% of the DC median income for a family of 4 is \$106,800,³ meaning they should spend no more than \$2,670 on rent. But the average rent for a 2-bedroom in DC is \$3,180 a month and for a 3-bedroom it is \$4,063 a month. For Black renters the disparity is even greater – almost 55% of Black renters paid more than 30% of their gross income on rent.⁴

Adding on all the other expenses a family has, including food, childcare, medical costs, and transportation, it is unsurprising that many District families are one emergency away from eviction. The Mayor's proposed budget, however, cuts funding for the Emergency Rental Assistance Program (ERAP) by 80% to just \$5 million. Combined with recently enacted ERAP changes, this drastic reduction will decrease public safety and destabilize families and communities. We urge the Council to adequately fund ERAP.

We also ask the Council to invest in permanent affordable housing. Some form of emergency assistance may always be necessary. But if the Council ultimately wants to reduce residents' need for ERAP, that can only sustainably happen when there is significant and sustained investment in permanent affordable housing. Legal Aid asks that the Council require the Housing Production Trust Fund to set aside 30% of its funds to preserve already existing affordable housing.

Finally, we urge the Council to remove the RENTAL Act (Title II, Subtitle V) from the Budget Support Act ("BSA"). Legal Aid opposes these proposed changes, which include eviction processes that are unworkable, subvert due process, and will lead to increased homelessness. And including these significant and wide-sweeping changes as part of the BSA, without a hearing or adequate legislative history, removes the opportunity for

² Connor Zielinski and Mychal Cohen, D.C. Fiscal Policy Institute, "Nearly Half of All Renters and More Than Half of Black Renters in DC Struggle to Afford Rent" (April 14, 2025), <https://www.dcfpi.org/all/nearly-half-of-all-renters-and-more-than-half-of-black-renters-in-dc-struggle-to-afford-rent/>.

³ Housing and Urban Development, FY 2025 Income Limits Documentation System, <https://tinyurl.com/yxyc5zszs>.

⁴ Zielinski & Cohen, *supra* n.2.

District residents' voices to be heard in the legislative process and will lead to increased litigation.

The Council Should Reverse the Mayor's Cuts to Healthcare

When some members of Congress threatened to reduce the District's Federal Medical Assistance Percentage earlier this year, Mayor Bowser called for federal lawmakers to reject the proposal because it is not just money – “we are talking about people's real ability to go to the doctor, to access life-saving care” and drastic cuts “will devastate our health care systems” in DC.⁵ For the same reasons, we call on the Council to reject the Mayor's cuts to healthcare for our most vulnerable neighbors. The Mayor proposes eliminating DC Healthcare Alliance (“Alliance”) for any new enrollee adults over 21 while simultaneously reducing the level of care, ending the Immigrant Children's Program, and abruptly shifting some residents from Medicaid to the Basic Health Plan. Each of these is individually harmful but combined they will be devastating to residents and our health care system.

Alliance provides health care for all low-income District residents who have no other health insurance and are not eligible for Medicaid or Medicare. Eliminating this program, which for thousands is the only health insurance they can access, will deepen existing disparities and increase the strain on the city's emergency services and healthcare providers. The Mayor also proposes moving over 20,000 Medicaid participants (nearly 10% of Medicaid participants) from Medicaid to a vague Basic Health Plan without information about what would be covered and which providers would participate. Finally, The Mayor has also proposed ending the Immigrant Children's Program and moving thousands of kids to Alliance, which would reduce their coverage.

Worse still, many of these changes will happen in mere months, leaving people no time to prepare, do research, or find other options. Changing care providers can have catastrophic results for many people, including those battling chronic illness or in the middle of life saving treatment. We applaud the Council's efforts over the years to increase access to healthcare for all DC residents. Because of your support, the District has one of the lowest (if not the lowest) uninsured rates in the country.⁶ The Mayor's

⁵ Mayor Bowser Urges Congress to Preserve DC Medicaid, <https://mayor.dc.gov/release/mayor-bowser-urges-congress-preserve-dc-medicaid> (May 2, 2025).

⁶ KFF, Health Insurance Coverage of the Total Population for 2023, <https://www.kff.org/other/state-indicator/total-population/?currentTimeframe=0&sortModel=%7B%22colId%22:%22Uninsured%22,%22sort%22:%22desc%22%7D>.

proposed budget will undermine those hard-fought efforts and Legal Aid urges the Council to restore these necessary programs.

The Council Should Restore TANF and Support Families

The Mayor's proposed budget not only reduces Temporary Assistance for Needy Families ("TANF") but makes it less accessible when people may need it most. The proposed budget, which effectively cuts the amount families will receive by eliminating TANF's annual cost of living adjustment, will disproportionately impact children in Wards 4, 5, 7, and 8 in particular.⁷ Without Council action, TANF recipients will face stricter work requirements, sanctions for failing to meet the requirements, and will be shut out all together from local TANF funds if they have received federal funding from the program for 60 months. We ask the Council to restore this funding for District residents who are, by definition, most in need.

The Mayor also proposes increasing sanctions to TANF families for noncompliance from 6% to 25%. We urge the Council to reject these draconian measures and instead allow more money to reach families by providing a modest appropriation of approximately \$500,000 to modernize the Office of the Attorney General's child support collections efforts. Under current law, a custodial parent must assign their right to receive child support from the non-custodial parent to the government if they receive TANF. When the government collects child support from the non-custodial parent, that money then largely goes either to OAG (to fund further collection efforts) or the federal Treasury – not to the child's family. District law already allows \$150 of current collected child support to "pass through" to families. Legal Aid asks that the Council increase that amount to \$200 and also allow child support payments on arrears to pass-through to the custodial parent. These changes require a small investment but have the potential to significantly reduce childhood poverty and improve public safety.

The Council Should Restore Access to Justice Funding

For the third year in a row, the Mayor has proposed significant cuts to the Access to Justice Initiative. For Fiscal Year 2026, the Mayor proposes a 67% reduction, a cut that would be catastrophic for low-income District residents and the organizations that serve them, including Legal Aid. The impact of such a cut would be profound in all of our major practice areas because the Initiative funds approximately two-thirds of Legal Aid staff. Without the Council restoring funding, Legal Aid's ability to help domestic violence

⁷ Performance Oversight Responses for the Department of Human Services, at 162 (March 3, 2025), <https://dccouncil.gov/wp-content/uploads/2025/03/DHS-Combined-POH-Responses-3.3.2025.pdf>.

survivors, low-income homeowners, and residents facing debt collection and eviction will be hampered. Having access to a lawyer not only improves residents' outcomes, it also helps the court process move more efficiently and ensures that District residents can access the programs that the Council has funded.

We thank the Council for its support and commitment over the last two years to restore funding for the Initiative. We ask the Council to do so again and urge you to work with the Mayor to create permanent funding for the Initiative so that access to civil legal services can remain a stable, core part of the District's justice system.

Conclusion

Thank you for the opportunity to testify. We urge the Council to reject the Mayor's cuts to social safety net programs at the precise time where people may need them. We understand that you will have to make tough decisions this budget cycle and we support equitable tax reforms such as raising the tax rate on capital gains and on those making more than \$1 million. The answer, however, cannot be taking away from our neighbors with the least. Legal Aid asks that the Council protect stable housing, healthcare, and emergency assistance.