

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Office of the City Administrator



Public Hearing on

Bill 26-658, “Fiscal Year 2027 Federal Portion Budget Request Act of 2026”

Bill 26-659, “Fiscal Year 2027 Local Budget Act of 2026”

Bill 26-660, “Local Budget Emergency Act of 2026”

Bill 26-661, “Fiscal Year 2027 Budget Support Act of 2026”

Bill 26-662, “Fiscal Year 2026 Revised Local Budget Emergency Act of 2026”

Bill 26-663, “Fiscal Year 2026 Revised Local Budget Temporary Act of 2026”

Testimony of:
Kevin Donahue
City Administrator

Before the
Committee of the Whole
The Honorable Phil Mendelson
Chairman

May 13, 2026

Good morning, Chairman Mendelson, members, and staff of the Committee of the Whole. I am Kevin Donahue and I have the privilege of serving as the City Administrator. This morning I am providing the Executive's testimony on the Fiscal Year 2027 Budget submission. I know you will have a very long day of public testimony, so I will keep my remarks short.

Four Priorities in Developing the Budget

I want to begin by highlighting the four priorities Mayor Bowser set out for us as we developed the FY26 Supplemental and FY27 Budgets.

- **Enhance education and public safety:** DC's comeback depends on strong schools and a safe city. We're proud of investments we have made – and continue to make – that have led to increased enrollment, graduation rates, test scores, teacher retention, and parent satisfaction in our public schools. We're equally proud of the great improvements to the District's public safety ecosystem, resulting in the lowest violent crime levels and highest case closure rates in 30 years.
- **Preserve core services:** By ensuring these services remain reliable and accessible, we help foster vibrant communities where residents feel supported and engaged. Some of the things that make DC an attractive place to live are our fantastic parks, recreation centers, and libraries. We made sure to maintain these and other core government services our residents rely on, such as trash pickup, Department of Motor Vehicle services, excellent transportation systems, and maintaining capital assets in a state of good repair.
- **Protect healthcare:** The Mayor's budget makes sure our residents can keep their healthcare coverage through the Medicaid and Alliance programs, and adds new dental and vision services beginning October 1.
- **Grow our economy:** One of our biggest challenges is making sure we are responding to the DOGE-inflicted softening of our local and regional economies. Any budget passed by Council must include strategies and tools to attract new businesses, create thousands of new jobs, and keep our existing employers. Growing our economy is how we sustainably create the revenue to fund programs and services our residents count on – not just raising residents' and businesses' taxes and fees on an *ad hoc* basis each year.

While our economy has softened, we still have a strong and solid foundation to grow from. Just a few weeks ago, Moody's Analytics upgraded the District's rating outlook, citing our "very strong fiscal governance and prudent budget management [that] will mitigate federal policy uncertainty and offset expected softer revenue." That validates the hard work we've done to maintain the District's fiscal stability and set up its long-term financial sustainability for future administrations.

I am proud of the work done by my team and our agencies in developing the budget. I am equally proud to work in an administration where so many of our employees go above and beyond in ensuring our residents are well served. FY27 will present many challenges, but I have full confidence the Mayor's budget will let us meet those challenges and keep moving our city forward.

Thank you for the opportunity to testify today about the FY27 Budget. I am available to answer questions.