

**GOVERNMENT OF THE DISTRICT OF COLUMBIA**



Fiscal Year 2020 Local Budget Act of 2019  
Fiscal Year 2020 Federal Portion Budget Request Act of 2019  
Fiscal Year 2020 Budget Support Act of 2019

Testimony of  
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Before the  
Committee of the Whole  
Council of the District of Columbia  
Phil Mendelson, Chair

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1350 Pennsylvania Avenue, NW  
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## Introduction

Good morning, Chairman Mendelson and members of the Council. For the record, my name is Rashad Young, and I am the City Administrator of the District of Columbia. I am pleased to testify before you today on the Fiscal Year 2020 Local Budget Act of 2019, the Fiscal Year 2020 Federal Portion Budget Request Act of 2019, and the Fiscal Year 2020 Budget Support Act of 2019.

Washington, DC is a growing city. Recently, we celebrated the fact that we are now 700,000 residents strong. Our local economy is one of the strongest in the nation. And because of our growth and prosperity, in recent years, we have been able to make unprecedented investments in our residents and neighborhoods—in education, affordable housing, and more. But, in order to ensure all Washingtonians get the fair shot they deserve, we know that there is more work to do. The Fiscal Year 2020 Budget Acts and the Fiscal Year 2020 Budget Support Act continue this important work.

## FY19 Budget Acts

The Fiscal Year 2020 budget totals \$15.5 billion in operating authority, including \$8.6 billion in local funds and \$2 billion for capital improvements. That budget authority is established by the Fiscal Year 2020 Local Budget Act of 2019,

and the Fiscal Year 2020 Federal Portion Budget Request Act of 2019 supports a small portion of the budget by requesting direct payments from the federal government in areas such as funding school improvements, the testing and treatment of HIV/AIDS, and emergency planning and security costs.

Despite the strength of the city's finances, we are always faced with tough choices when putting together the District's budget. To guide us in the FY2020 budget formulation, we focused on funding programs and services that provide the greatest benefits to our residents. Specifically, we focused on providing District residents a fair shot by concentrating our resources across the following priority areas:

1. Affordable housing;
2. A safer, stronger DC;
3. Schools;
4. Transit; and
5. Families.

Because the Council has already held a number of hearings on the budget, and Mayor Bowser and agency directors have provided extensive testimony on our FY2020 proposals, I will not go into further detail on the budget bills during my

testimony. However, I would like to discuss concerns we have with potential changes to the budget that the Council appears to be considering.

There has been some discussion of a potential cut to the budget of the Metropolitan Police Department (“MPD”). Mayor Bowser’s FY20 budget proposal for MPD reflects critical investments in an agency that has worked to continually improve its efficiency in the delivery of public safety. Almost all of MPD’s local budget, 91 percent, is for personal services, which means that 91 cents of every dollar goes directly to pay for officers on the street, the civilians that support them, or the young cadets will become officers in the years to come. Any cut to MPD’s budget will have a direct impact on public safety. It will mean fewer officers to respond to crime victims, investigate crimes, or safeguard the city during major events. It will mean fewer civilians to do the work that doesn’t require police powers, such as analyzing crime patterns, pulling CCTV video for investigations, or conducting background checks on the next generation of police recruits. And to be clear, even if a funding cut targets civilian positions, someone at MPD still must do the work the civilian was handling—if a civilian is not doing it, then a police officer will have to be taken off the street to do it.

The Mayor’s proposed investments in MPD will allow us to continue to build upon our success last year, when we finished with approximately 2,200 fewer

violent crimes in 2018 than in 2015. Nevertheless, in a year in which the District is contending with an increase in homicides, it is counterintuitive to contemplate cutting the police budget. While many of our investments contribute to public safety, none is more critical or direct than our police force. I therefore urge you to retain the proposed funding level for MPD.

There has also been discussion of eliminating Mayor Bowser's proposal to make the Circulator free during Fiscal Year 2020. Cutting the funding for free Circulator rides would be wholly inconsistent with our efforts to reduce reliance on passenger vehicles, reduce carbon emissions, and improve safety for pedestrians and bicyclists. We have already seen an impressive increase in DC Circulator ridership during the current free-ride pilot period. There were 20,000 more riders in February and 77,000 more riders in March compared to the same months last year.

That means thousands of fewer cars on our roads each day. As the Mayor has stated, by making the Circulator free, we're putting money back in the pockets of residents, we're incentivizing the use of public transportation, and we're thinking outside the box about reducing congestion on our roads. Ultimately, a free DC Circulator is one more way we are building a greener, more sustainable, and more equitable DC.

Finally, I wanted to discuss the potential cut to the facilities and personnel budgets of the Department of General Services (“DGS”). The Facilities Management Division of DGS provides comprehensive maintenance, custodial and repair services to ensure District properties are maintained in a safe, clean, and functional state. When new school locks are needed, the employees of this Division ensure they are in place to keep our children safe. When swimming pools open in the summer, this Division ensures that all our swimming pools are in clean and working order. When a pipe breaks in the middle of the night, a call goes out to the Facilities Management Division to have the leak fixed before the building opens its doors the next morning.

Given the District’s aging facilities portfolio, with over 60% of our approximately 800 properties over 50 years old, it is imperative that the FY20 budget fully funds the Facilities Management Division. A cut to the Division’s budget will have direct impacts on District residents. For example, repairs to playground equipment would be delayed, limiting the playground’s use by neighborhood children. Maintenance of pools and spray parks would be delayed, potentially forcing the District to temporarily close one or more of these facilities during the summer while we wait for repairs to be made. Roof repairs and maintenance could be put on hold, potentially leading to building damage and

negatively affecting indoor air quality for schools and government buildings. Inspections of and changes to fire alarms and life safety equipment would be delayed, putting the lives of District residents at risk. We worked hard to develop a budget for the Facilities Management Division that is efficient, while also meeting the needs of District buildings and residents. A cut to the Division's funding would have real impacts on the state of our facilities and on the public health, safety, and welfare.

We also understand that the Council may be considering eliminating the Keep Child Care Affordable tax credit. This program provides up to \$1,000 per child per year to District families with a child between the ages of 0 and 3, if the child is enrolled in a licensed child care facility, does not receive a child care subsidy, and is not eligible for universal pre-K. Early childhood education is critical to improving outcomes for our children—but it is also expensive, and we need to provide a range of supports to make it available to District families. I understand there is concern that the tax credit disproportionately benefits high-income families, but the statistics show otherwise. Over one-third of the families claiming the credit last year made less than \$50,000 annually and almost half made less than \$100,000 annually. The Keep Child Care Affordable tax credit is one element of our multi-pronged approach to address the need for high-quality child

care across the District, and it is important to provide this direct relief to families not receiving a child care subsidy or benefitting from universal pre-K.

Mr. Chairman, I want to acknowledge the substantial amount of work the Council puts into reviewing the budget, and I hope we can continue to work together to address these concerns, and other proposed changes to the proposed budget.

#### Fiscal Year 2020 Budget Support Act

The Fiscal Year 2020 Budget Support Act of 2019 (FY2020 BSA) supports the FY2020 budget by amending District laws to facilitate the implementation of the policies and initiatives included in the budget and financial plan. The BSA supports key priorities of Mayor Bowser's budget in the areas of government operations, economic development, public safety, public education, health and human services, public works, and finance and revenue.

There has already been a substantial amount of discussion about many of the Budget Support Act subtitles during the Council's agency budget hearings, so I will not discuss the bill in detail, but I would like to take this opportunity to describe the major titles of this year's BSA.



The **Government Direction and Support** subtitle includes provisions that support the day-to-day operations of the District government, including the activities of DGS and the Office of Risk Management.

The **Economic Development and Regulation** title contains a number of subtitles that will advance neighborhood development and affordable housing across the District, including the new Workforce Housing Fund and key investments in cultural facilities and innovators.

The **Public Safety and Justice** title supports our efforts to create and sustain safe and secure neighborhoods across the District, and includes support for MPD, victims of crime, our 9-1-1 system, and the Office of Neighborhood Safety and Engagement.

The **Public Education** title makes amendments to existing law that will help improve outcomes for children in the District. It also increases the amount of funding provided to DCPS and public charter schools through the uniform per student funding formula to a historically high level.

The **Health and Human Services** title supports the provision of critical services to residents throughout the District, with a focus on underserved communities and residents, and includes subtitles related to Families First DC, adult protective services, and the flexible rent subsidy program.

The **Transportation, Public Works, and the Environment** title includes provisions related to the built and natural environments, including the implementation of CleanEnergy DC and the continuation of the Clean Rivers Impervious Area Charge assistance program.

Finally, the **Finance and Revenue** title includes provisions related to taxes and revenue, including an increase to the Schedule H tax credit, a permanent extension of the tax credit for child care, and the elimination of the sales tax on diapers.

### Conclusion

As I close, I want to thank the many residents who participated in the budget process and provided their opinions and insights. The FY2020 budget and BSA are designed to meet the needs of Washingtonians across all eight wards. Together, Mayor Bowser's FY20 proposed budget is focused on ensuring that District residents in all eight wards have a fair shot that includes access to a strong public education system, affordable housing, robust public safety services, and comprehensive and high quality health care.

Thank you for the opportunity to provide testimony on these bills, and I am happy to answer any questions you may have.