1. Introduction

The FY 2021 Budget and Financial Plan reflects the District of Columbia's progressive values and envisions a more just and equitable future by investing in policies, programs, and services that tackle the root causes of racial injustice and work to alleviate its symptoms. Against a backdrop of declining tax revenues, the Council is proud that the FY 2021 Budget and Financial Plan provides resources to address District residents' most urgent and immediate needs; reallocates funds from policing to community-based interventions; invests in education, health care access, and housing; strengthens the social safety net; and opens new opportunities to businesses. Still, this budget is only possible because of shared sacrifice. The Council reduced or eliminated certain nonessential services, broadened the tax base, tapped into dedicated reserve funds, and thanks District government employees for forgoing cost-of-living adjustments.

The District entered a crisis when coronavirus (COVID-19) reached our jurisdiction and the global economy ground to a near halt. On March 11, 2020, Mayor Muriel Bowser declared a public health emergency, which was still in effect at the issuance of this report. Since then, close to 122,000 residents have applied for unemployment. At the same time that residents' need for social safety net services skyrocketed, the District’s tax revenues plummeted. In April 2020, the Office of the Chief Financial Officer (OFCO) lowered the District's predicted revenue by $721.8 million in FY 2020 and $773.6 million in FY 2021. The OCFO forecasted that it will take three years for revenues to recover to the FY 2019 baseline. Unlike the federal government, U.S. state and local governments are statutorily required to pass balanced budgets, meaning that they cannot spend more money than they bring in during a given year. Fortunately, a decade’s worth of economic prosperity, strong tax revenues, and sizable reserves will allow the District to better weather the storm.

The dual impacts of a viral contagion and historic job loss have laid bare the ubiquity and pemiciousness of racial inequity in the United States. Systemic racism and ingrained stereotypes shape how Black people are perceived in our society and too often limit their access to opportunities. The District and the nation’s work will not be over until race is no longer a predictor of life outcomes. We are far away from achieving this dream, and that is why the work started by this budget is so important.
In response to the death of George Floyd on May 25, 2020 at the hands of Minneapolis police officers, thousands of people gathered in the District and were joined by millions around the world to demand justice and systemic change. Protestors decried the disparities and injustices that Black Americans have been forced to endure for centuries. Federal, state, and local governments have a long history of enacting laws that directly or indirectly target Black Americans: Jim Crow laws, redlining, the war on drugs, and voter I.D. laws are just some examples. Even after many overtly racist laws and policies were overturned, their effects remain. Too often equity is conflated with equality to pacify momentum for systemic change. This must end. Now is the time to address the harm done to Black communities and stride towards true equity in the District.

Racial disparities harm everyone while advancing towards racial justice helps our collective society. Achieving racial equity is not only about closing gaps so that everyone is treated the same. It is about treating everyone fairly. By fighting for racial equity, the District will broaden opportunities for all residents. Studies have repeatedly shown that racial inequity holds everyone back. For instance, racial differences in healthcare access damages the quality of care of all Americans and costs healthcare systems $230 billion. Students develop stronger critical thinking, problem solving, and leadership skills and exhibit more creativity and motivation when their learning takes place in classrooms with racial and socioeconomic diversity. Further, the racial wage gap reduces the U.S.'s gross domestic product (GDP) by $2.1 trillion per year.

Rarely have racial disparities been more apparent or deeply felt than in the context of COVID-19. The virus has dealt a significant blow to the District. As of July 2, 2020, the District had lost 555 residents and recorded a total of 10,435 positive cases. COVID-19 has upended daily life in a myriad of ways, but Black and Latinx residents have borne the greatest devastation. While 44 percent of the District's population is Black, 74 percent of COVID-19 related deaths in D.C. and 50 percent of positive cases are among Black patients. Latinx people make up 11 percent of the District's resident population and 11 percent of COVID-19-related deaths, but they account for 28 percent of positive cases. Thirty-seven percent of the District's population is white, and white residents constitute 13 percent of deaths and 20 percent of positive cases. The racial disparities are also reflected in the virus's geographic impact. The death toll in Ward 8, in which 90 percent of residents are Black, is nearly twice as high as Wards 2 and 3 combined, where 66 percent and 72 percent of the population are non-Latinx white, respectively.
The virus’s economic impacts have also been more damaging for Black than white Americans, and Black and white Americans do not have equitable access to federal relief programs. The virus’s disparate racial impacts are reflected in U.S. unemployment numbers. In April 2020, the U.S. unemployment rate for Black workers stood at 17 percent, compared with 14 percent for white workers. Between February and April 2020 alone, more than one in every six Black workers lost their job; meaning less than half of the adult Black population was employed. Many of those who remain employed work in essential positions that cannot be done remotely, meaning they have a greater risk of contracting the virus and spreading it to family and friends. Forty-one percent of frontline workers are persons of color, including 17 percent who are Black. Black-owned businesses are at greater risk of closing due to the coronavirus than businesses overall. On average, Black-owned businesses bring in one-third as much revenue and are typically smaller than businesses not owned by a Black individual.

Individuals who are Black also face greater barriers in accessing federal COVID-19 relief funds. For example, those without a bank account or stable address may struggle to access Coronavirus Aid, Relief, and Economic Security (CARES) Act’s Economic Impact Payments. Unbanked individuals cannot receive their $1,200 payment via direct deposit and must instead wait to receive the paper check. Nationally, almost 17 percent of Black households do not have a checking or savings account, which is more than double the national average of 7 percent. Further, 40 percent of Black-owned businesses that applied for the Paycheck Protection Program were approved, versus 52 percent of all businesses.

COVID-19 has ravaged Black communities in the U.S. because of inequitable structural conditions that exacerbate health disparities. Race is an important predictor of birth weight, gestational age, and the risk of infant mortality; it is associated with health services access and use; and it is a robust predictor of the timing and nature of mortality. In the District, 20 percent of Black residents report to be in fair to poor health compared with 4 percent of white residents. While the vast majority of D.C. residents have health insurance, those who are Black have an almost 50 percent higher uninsured rate than white residents. When Black Americans seek medical services, they face disparities in the quality of care. The difference in the maternal death rate between Black and white residents is a stark example of the impact of these disparities.
The global pandemic intensified pre-existing employment and income racial inequities. The Black unemployment rate has consistently stayed at least twice the white unemployment rate since 1972, except in periods following recessions. In 2019, Black Americans had an unemployment rate of 6 percent, about 50 percent higher than the national average (3.7 percent) and double the unemployment rate for white Americans (3 percent). On average, Black employees are paid 73 cents for every dollar paid to white employees. The wage gap holds true across education levels and industries. Differences in household income by race in the District are stark. Over 30 percent of Black households in D.C. live in poverty or are teetering on its edge with their income at $25,000 or less in 2018. Just 10 percent of Black households in D.C. earned an income of $150,000 or higher in 2018, compared with 45 percent of white resident households.

Black families and individuals also have more difficulty absorbing COVID-19’s economic shock because generations of structurally racist policies and practices created, maintained, and furthered a vast racial wealth gap. To be able to survive this pandemic and economic downturn, households need savings. However, Black households typically have less access to liquid assets. Black households have an average of $8,800 in liquid assets compared to $49,529 for white households. Over generations, wealth has accumulated for some families while others have been left empty handed. In 2016, the median net worth for white families was $171,000 while the median for Black families was $17,600. Two-thirds of all wealth derives from equity in home ownership, which was inaccessible to black families for decades due to overtly discriminatory housing policy. It is also more difficult for Black families to maintain intergenerational wealth. A 2018 study found that in 99 percent of communities, Black and white boys who grow up in the same neighborhood have drastically different economic outcomes. In a wealthy neighborhood, 39 percent of white boys who grew up in households in the top income quintile maintained this high earning status when they reached adulthood. However, for Black boys the outcome was reversed: only 17 percent stayed in the top earning quintile as adults while 21 percent ended up poor.

The District simultaneously faces the greatest public health crisis in living memory, a social reckoning on the compounded effects of generations of racial injustice, an unprecedented number of residents facing job loss, businesses everywhere on the brink of financial ruin, and declining tax revenues. Further, the disenfranchisement of District residents was felt anew during the week of June 1, 2020 when locally elected officials had little legal recourse to prevent the Trump administration from unleashing battlefield tactics and military weaponry against peaceful Black Lives Matter protestors. The FY 2021 Budget and Financial Plan recognizes that the District has a tough road ahead, but a recovery that gets us back to “normal” is not good enough. “Normal” was not fair, and “normal” was not just. The FY 2021 Budget and Financial Plan guides the District of Columbia towards both financial recovery and racial equity.
2. Criminal Justice Reform

Police Reform

Police brutality and bias have wide ranging effects on not only the direct victim but the community overall. Injustice in our policing systems increases Black Americans’ mortality rate, has significant adverse effects on Black individuals’ mental health and has been shown to cause anxiety, depression, feelings of humiliation, low self-esteem, and chronic stress. Unjust policing practices erode trust between Black communities, the police, and the government in general. Unfair policing practices are also expensive. Costs associated with arrests, incarcerations, legal fees, medical expenses, and funeral services create financial burdens on Black communities and society as a whole.

The District joins 20 states and at least as many municipal governments in legislative efforts to reform and restructure law enforcement. The Council provides $500,000 for the Police Reform Commission, as established in the “Comprehensive Policing and Justice Reform Emergency Amendment Act of 2020.” The Police Reform Commission will offer recommendations on reforming and restructuring public safety and law enforcement in the District of Columbia. The Commission will be comprised of 20 representatives from stakeholder groups, including criminal justice reform, mental and behavioral health, social services, victim services, nonprofit organizations, educational institutions, and Black Lives Matter DC. Further, the Council reallocates $9.67 million and 50 FTEs from MPD to agencies and programs doing violence interruption and prevention, restorative justice, and victim service work, as detailed below.

Criminal Justice Reform and Increasing Access to Justice

While justice is promised to be impartial, history and data have proven otherwise. Black individuals have higher rates of interaction with police, arrests, and incarceration, receive longer sentences, and are more likely to face life in prison, than white individuals. These disparities are even more stark when compared to population numbers - Black Americans make up 40 percent of all inmates but only 13 percent of the total population.
In the U.S., there is a right to legal representation for criminal cases, however this right does not carry over to civil cases, meaning those who cannot afford legal representation must proceed alone. Due to heightened mistrust in the criminal justice system, Black individuals also have a higher level of mistrust of the civil justice system, making them less likely to seek legal assistance. Low-income individuals receive inadequate or no professional legal help for 86 percent of the civil legal problems they face. To address this disparity in the justice system, the Council directs $3.5 million in recurring funds to the Office of Victims Services and Justice Grants (OVSJG) for the Access to Justice Initiative. The Initiative seeks to increase low and moderate-income District residents’ ability to access legal services in civil cases.

The Council continues to work to end inequality in the District’s criminal justice system. To this end, the Council funds the Criminal Code Reform Commission Amendment Act of 2020 with $813,000 and establishes the Criminal Code Reform Commission as a permanent agency. This enhancement will ensure that the independent Commission, whose funding was scheduled to sunset halfway through FY 2021, can continue to pursue criminal code reform and best practices in criminal law. The enhancement will also allow the Commission to continue to prepare criminal code reform recommendations for submission to the Council in 2021.

The Council provides $506,000 to create a new program at the Office of Neighborhood Safety and Engagement (ONSE) called the Restorative Justice Collaborative. Restorative justice programs create a framework and process for the party that has been harmed and the accused party to agree upon a resolution which does not involve incarceration or increased contact with the criminal justice system. The ONSE’s Restorative Justice Collaborative will coordinate and foster restorative justice programming and practices within the District government and in partnerships with District community-based organizations.

The Council makes strides to increase children’s access to justice by providing $200,000 at the Child and Family Services Agency (CFSA) to support programming that prevents District families from unnecessarily entering the child welfare system through targeted legal interventions. Further, the Council funds $181,500 and 2 FTEs for the ATTEND truancy mediation program at the Office of the Attorney General (OAG) to reduce truancy by addressing the underlying issues causing chronic absenteeism and help families avoid prosecution.
Violence Interruption and Victims’ Services

There were 4,170 incidents of violent crime in the District in 2019, including 166 homicides. Violent crime in the U.S. disproportionately affects Black, brown, and low-income communities. Violent crime corrodes the fabric of our society and experiencing and witnessing violence has a negative impact on a person’s mental and physical health and development. Programs that encourage social organization, youth job opportunities, and housing stability can help lower the incidence of crime and improve the well-being of the community. Non-policing programs have been found to have a positive impact on community violence and reduce incidents involving firearms.

The Council continues to support work to interrupt and prevent violence in the District by providing $1.25 million to ONSE for violence prevention and intervention contracts. The Council also adds $200,000 for the Cure the Streets program at OAG, which uses a data-driven, public-health approach to treat violence as a disease that can be interrupted, treated, and stopped from spreading. The Council also directs $189,000 to create a new Gun Violence Prevention Director within the Office of the City Administrator and $150,000 at the Office of the Deputy Mayor for Public Safety and Justice to increase use of the District’s “red flag” law. In addition, to combat hate crimes, the Council directs $408,107 and 1 FTE to the Office of Human Rights (OHR) to support hate crimes education and coordination.

Further, the Council’s invests $336,000 for stipends to support four cohorts in ONSE’s Pathways Program, a transitional wrap-around employment and anti-violence program that aims to decrease participants’ involvement in the criminal justice system and improve their employment, education, and training outcomes. It also redirects $750,000 in capital dollars from MPD to ONSE to build out the Pathway Program’s lower floor to accommodate additional Pathways cohorts.

Exposure to violence has been found to increase the chances of an individual either perpetrating or becoming a victim of domestic violence. Domestic violence perpetrators often also commit other crimes outside the home. In the U.S., one in every four women and one in every six men will experience domestic violence at some point in their life. Black women are particularly vulnerable to domestic violence, with over 40 percent experiencing domestic violence during their life. Over 53 percent of Black women experience psychological aggression, another form of domestic violence, which is higher than the rate for women overall, 47 percent. Domestic violence negatively impacts an individual’s mental and physical health, increasing their usage of medical services, and is significantly detrimental to childhood behavioral and emotional development. The societal costs of relationship violence have been estimated by the federal government to be more than $7 billion. To support domestic violence survivors, the Council directs $3.5 million to fill the D.C. SAFE Space Crisis shelter’s financing gap for a new emergency shelter for survivors of domestic violence and their families. The Council also provides $150,000 to CFSA for an existing program that serves youth between the ages of 11 and 25 years old that are not in CFSA’s care and custody that have been victims of, or are at risk of, becoming victims of sex trafficking.
Services for Incarcerated Residents

The U.S. has the highest rate of incarceration in the world, with 1.5 million Americans imprisoned in 2018. The District of Columbia has the highest incarceration rate of any of the 50 states or territories, at a rate of 1,153 incarcerated people per 100,000 residents. As of June 29, 2020, the D.C. Department of Corrections (DOC) and Central Detention Facility had an average daily population of 2,118, a significant decrease from the average 2019 population of 3,059. Black individuals make up a disproportionate percentage of those incarcerated both nationally (35 percent of men and 44 percent of women) and in D.C. (89 percent of men and 74 percent of women). Incarceration creates many impediments and burdens for those in the system and their families. Incarcerated individuals lose many of their community connections, have increased risk of experiencing violence, and long-term negative impacts on mental and physical health, and many are disenfranchised either because they are serving a sentence for a felony conviction or their facility’s administrators are unaware of their rights.

The Council eliminates $637,516 for 10 new correctional officers from DOC’s proposed budget and reallocates these savings to legal supports and rehabilitative services for incarcerated residents. The Council provides $550,000 for services for residents who are in federal custody. This enhancement includes $350,000 for advocacy and legal support for individuals serving extreme sentences seeking sentencing review. It also includes $200,000 for an organization that supports creative writing and peer support for D.C. youth incarcerated as adults.

The Council directs $225,992 for services for incarcerated persons who are either District residents in federal custody or individuals imprisoned under the District’s custody. This enhancement includes $145,992 and 2 FTEs to the Corrections Information Council. This enhancement will allow the Corrections Information Council to expand its service capacity and continue to provide educational materials. The Corrections Information Council serves as the District’s liaison to the U.S. Bureau of Prisons and inspects, monitors, and reports on the conditions of confinement at facilities where District residents are incarcerated. This enhancement also includes $80,000 to support the continued work of the Jails & Justice Task Force.

Returning Citizens

Returning citizens face many obstacles reentering society, such as difficulty finding employment, trouble adjusting to social structures outside prison, and continuing emotional, mental, and physical health issues. An added barrier to reentry for some returning D.C. residents is that many have been sent to serve out their term in distant federal facilities, far from family and friends. There are currently 4,500 D.C. residents being held in federal prisons around the country. Families also suffer financial and health strains when a member has been incarcerated and then must often provide financial and emotional assistance to those returning members.
To ensure that returning citizens’ needs are recognized and addressed throughout the District government, the Council moves the Office of the Returning Citizens Affairs (ORCA) into the public safety and justice cluster, reporting to the Deputy Mayor for Public Safety and Justice. Until this point, ORCA has been a programmatic office within the Executive Office of the Mayor. This move will provide ORCA with more opportunities for collaboration with cluster agencies, additional support for engagement with the federal Bureau of Prisons around reentry, and empower the agency in its mission to ensure success for returning citizens.

The Council continues to support the transition for returning citizens through several budget allocations including $1 million for a reentry housing pilot program at OVSJG and $468,009 to the D.C. Housing Authority (DCHA) for 18 units of Local Rent Supplement (LRS) Tenant-Based vouchers for returning citizens. The Council also provides $300,000 for community-based reentry grants and $10,000 to the Commission on Re-Entry and Returning Citizen Affairs for public engagement.

The Council recognizes the importance of employment to help returning citizens readjust to life after incarceration and that it reduces the rate of recidivism among returning citizens. The FY 2021 budget restores $568,000 for the successful Paralegal Fellowship pilot program. The program places returning citizen students in a university-based paralegal certification program. The Council also provides $254,000 to the Office on Returning Citizen Affairs to fund the “Access to Jobs Amendment Act of 2020” to subsidize the employment of returning citizens by providing a financial incentive for interested employers who can provide long-term careers.

The Council also helps returning citizens build and maintain healthy parenting skills by directing $160,000 to CFSA to support parenting group sessions and home visitation services to support parents who are homeless or victims of domestic violence and who are reuniting with their children after returning home following a period of incarceration.
3. Investing in Education

Public Education

Education can play an important role in ending racial disparities when every child has access to high quality pre-K through 12th grade school and all residents have meaningful opportunities to pursue post-secondary education and adult learning. The Council recognized the importance of investing in education 15 years ago when it passed legislation and provided funding to make the District one of the first jurisdictions in the U.S. to provide universal pre-kindergarten, and every year the Council increases funding for D.C.’s public and public charter schools. Further, through the capital budget the Council works to fully modernize school facilities to ensure that student learning happens in safe and welcoming environments.

The challenge of ensuring educational equity is formidable. Across the U.S., traditionally underserved students, including minorities and low-income students, complete high school and attend college at lower rates than their peers. During the 2015-2016 school year, Black students in D.C. were on average 4.9 grade levels behind white students, and Latinx students were typically 4.1 grade levels behind. The Council is proud that the racial achievement gap in the District has narrowed every year since then, with Black students’ English Language Arts state assessment results going up by 10.8 percentage points between 2015 and 2019 and Latinx students’ results rising by 15.5 percentage points. Still, there is much work left to be done. The Council continues to fight to end racial disparities in educational outcomes and advancing equity in the classroom. In FY 2021, the Council creates an additional “at-risk” student weight to provide extra services and supports to students that have greater barriers to success, including those students who are homeless, in foster care, eligible for social safety net programs such as SNAP and TANF, or one year or older than the expected age for their enrolled grade level. In FY 2021, the at-risk weight will provide over $100 million for targeted supports to vulnerable students. The Council supports continuing investments in District students, teachers, and schools through the Mayor’s 3 percent increase to the Uniform Per-Student Funding Formula which results in an increase of $76.9 million for D.C. Public Schools (DCPS) and $35.8 million for charter schools.

The Council is committed to providing educational equity across the public education system. However, each year consistent confusion emerges when trying to ensure that goal is being met due to a lack of transparency in the DCPS budget submission combined with the little information provided about school budgets in the charter sector. Therefore, the Council adopts the “School Financial Transparency Amendment Act of 2020” which requires, among other things, common financial reporting standards for both DCPS and public charter schools, the publishing of previous school year’s actual expenditures in both sectors, and places open meetings requirements on public charter schools. The Council provides $435,000 including two new FTEs and directs a small part of the increase provided by the UPSFF for the charter sector to cover the costs associated with this legislation. The Council directs $300,000 to increase the at-risk weight to provide greater support to students in need in both DCPS and the charter sector.
Early Childhood Development

The Council directs $5 million to the Office of the State Superintendent of Education (OSSE) for childcare subsidies to support families with young children and the District's 471 childcare facilities. D.C. has the highest percentage of any state of children under age five receiving such care for at least 10 hours a week at nearly 76 percent. However, childcare in the U.S. is incredibly expensive and especially so in D.C. The estimated average cost of care per child in FY 2019 ranged from $17,011 to $24,416 in the District. The childcare subsidies help families afford childcare and increase access equity. While Black women have historically had the highest rate of employment as compared to other women, they typically earn 20 percent less than white women.

Academic success begins with strong investment in our youth from the earliest possible age, setting children up for success as they grow and thrive. According to the National Assessment of Educational Progress, white fourth graders read at or above proficiency at more than twice the rate of their Black peers, at 45 percent to 18 percent, respectively. Only 30 percent of D.C. fourth graders read at or above proficient level. Early literacy results in long-term positive impacts for children, such as improved academic achievement, future employment opportunities, and increased income. In FY 2021, the Council invests $900,000 to increase support through early literacy grants that improve the reading outcomes of young children through OSSE.

Public Libraries

The District of Columbia Public Library (DCPL) system supports learning from the very youngest to the very oldest District resident. In FY 2019, DCPL checked out over 4.86 million books, movies, and digital items to the 446,000 District residents who had active accounts. In addition, its 28 branches serve as centers of neighborhood engagement and provide learning opportunities to all District residents, including literacy and career readiness training. To further DCPL's mission of providing environments that invite reading, learning, and community discussion, the Council works to restore library operating hours with a $2.7 million enhancement. The Council also provides $1.5 million to allow DCPL to purchase new books, both hardcopy and digital.
4. Social Determinants of Health

Inequities in the health and well-being of the Black community existed long before COVID-19. Residents of Ward 8, where 90 percent of residents are Black, have the lowest life expectancy of any part of the District at 70 years. D.C.’s highest life expectancy is 87 years in Ward 3, where 72 percent of the population is non-Latinx white. African Americans are more likely to die from diabetes, heart disease, hypertension, and obesity than any other major racial group. For example, diabetes affects 13 percent of Black individuals compared with 10 percent of Americans overall; 3 percent of Black Americans have kidney disease versus 2 percent nationally; and while 8 percent of all Americans have asthma, the rate among Black Americans is 9 percent. These comorbidities are a confluence of factors best explained by social determinants of health. Where Black people live, work, and play affect a range of outcomes from health care access to quality of care, availability of healthy foods, and exposure to violence and trauma. A 2018 D.C. Health Equity Report noted that 80 percent of health outcomes are determined by social, structural, and physical determinants of health.

Access to Health Care

The Council is on the verge of approving the construction and operation of a new $383.7 million capital project to build a state-of-the-art community hospital and ambulatory care facility on the St. Elizabeths campus. This hospital will serve as the catalyst for an interconnected health care system of emergency, urgent specialty, ambulatory, and primary care. It will have medical offices, independent physicians, and dentists. This health system will help eliminate health access disparities that pervade Wards 7 and 8.

The Council is also moving towards approval of the “New Howard University Hospital and Redevelopment Tax Abatement Act of 2020,” which will assist Howard University in development of a new Level I trauma and academic teaching hospital. Howard’s College of Medicine graduates more African American doctors than any other university in the country. This investment in training a dedicated health workforce will further the District’s progress towards closing racial disparities in health care access.

The FY 2021 budget invests in health care industry employment training to ensure that District residents have access to the living-wage careers that the hospital projects will create. The Council provides $1.04 million to establish a healthcare sector partnership through the Workforce Investment Council (WIC). The partnership will focus on meeting the staffing needs of the two new District-financed hospitals and increasing the number of District residents employed in the healthcare industry. The partnership will create a sector intermediary to connect business and training providers and help trainees secure jobs with partner employers.
The Council provides $350,000 to fund the “Certificate of Need Fee Reduction Act of 2019” to reduce the financial burden on health care providers by waiving or reducing the Certificate of Need (CON) application fee. The bill streamlines the CON process so organizations like Vision to Learn, which provides free eyeglasses to children and youth in the District, can begin providing necessary services sooner. The CON application fee is something that State Health Planning and Development Agency charge providers for their review of new health services and the obligation of capital expenditures for a medical asset. The Council also adds $401,000 to implement the “Electronic Medical Order for Scope of Treatment Registry Act of 2019,” which will allow terminally ill patients the agency to make thoughtful and comprehensive decisions on their end-of-life care options.

Investing in Mental Health Care

Stressors related to financial security, social conditions, and violence increase psychological burdens such as anxiety and depression among Black families. Interactions with racism, law enforcement, and the criminal justice system can create additional trauma, but there are a variety of barriers to mental health services in the Black community which leads to lower utilization of mental health care. Adolescents and young Black adults experience higher incidences of mental health problems and lower rates of care when compared to white young adults. To that end, the Council invests $9.5 million to reverse the Mayor’s cuts to the Behavioral Health rehabilitation program at the Department of Behavioral Health (DBH). This will allow local behavioral health providers to continue to serve both Medicaid and non-Medicaid District residents who receive mental health rehabilitation services.

D.C. Public Schools (DCPS) does not have enough school-based mental health clinicians to comply with the American School Counselor Association’s recommended ratio one counselor for every 250 students. DCPS has a ratio of one counselor for every 408 students; one psychologist for every 402 students; and one social worker for every 217 students. On the other hand, DCPS has one security officer or special police officer for every 129 students. There are currently about 325 security guards across DCPS’s 116 facilities.

The District’s student arrest figures support the national finding that Black students are more than twice as likely as their white peers to be referred to law enforcement. School resource officers in D.C. arrested 156 public and charter students during the School Year (SY) 2017-2018 and had 123 students in the SY 2018-2019 as of January 31, 2019. Of the arrested students, two were reported as white, seven as Hispanic, and 270 as Black. Students who have been arrested are twice as likely to drop out of school, negatively impacting their future employment opportunities, lifetime earnings, and health, and exponentially increasing the chance they will serve time in prison.
In contrast, greater access to school counselors has been found to increase graduation rates, reduce the number of disciplinary incidents, improved student attendance, and improve other measures of student academic, emotional, and social performance. School counseling is particularly beneficial for Black students, with these students reporting that counselors had the largest impact on their decision to pursue a secondary education. The Council redirects $4.1 million intended for school security guards to DCPS for investments in the social and emotional learning of students.

Further, the Council invests $603,000 to the DBH support the school-based mental health program. The Council provides $150,000 to OSSE for grants to support positive school climate and trauma informed educational settings.

Maternal and Family Health

Nationally, the maternal mortality rate for Black women is two to three times higher than white or Hispanic women. In the District, the disparity is even starker. D.C. is ranked amongst the lowest states in the number of deaths caused during pregnancy and childbirth, yet white women in the District are ranked highest in the country in maternal mortality outcomes, meaning the disparities in outcomes for mothers of color are so grave they impact the overall ranking. In 2018, the Council established the Maternal Mortality Review Committee to investigate the disturbing patterns in maternal health outcomes for racial and ethnic minorities. To support the Review Committee’s work, the Council reverses the Mayor’s proposed reduction of Committee staff and restores $88,265 to the Office of the Chief Medical Examiner. The Council directs $150,000 to the Department of Health (DOH) for home visiting services for lower income mothers on their first pregnancy under the “Leverage for Our Future Act of 2019.” In addition the Council provides $244,000 to OHR for the “Strengthening Reproductive Health Protections Amendment Act of 2020” to prohibit the District government from interfering with reproductive health decisions and from imposing punishments or penalties for a self-managed abortion, miscarriage, or adverse pregnancy outcomes. The Act also outlaws employment discrimination against healthcare professionals who would participate in abortion or sterilization procedures.

Midwifery represents another aspect of maternal health that can help reduce unnecessary complications during pregnancy and childbirth. Historically, midwives have been crucial in the Black community as black mothers preferred home births to avoid being discriminated against by white physicians. The Council provides $105,000 to DOH for the “Certified Professional Midwife Act of 2020” to regulates the practice of midwifery in the District and allow Certified Professional Midwives to supervise services at a maternity birthing center.
The Council directs $213,000 to DOH to continue its investment in a successful teen pregnancy peer education program. In the District, 78 percent of mothers who give birth under 20 years old are Black. Poor prenatal care and maternal mortality are high for teenage pregnancies and even higher for Black teen mothers. Impacts from teen pregnancy, such as not being able to complete secondary education or college, can be detrimental to the socioeconomic outcomes for teen mothers but mentoring programs can help. A study on the long-term outcomes for teen mothers who participated in a mentoring program found that education achievement and employment were high after completion of the program.

Even though nationally Black fathers are more likely to live a part from their children than white fathers, they are just as, if not more so, involved in their children’s lives. Research has found that children who have a father that is active in their lives are more likely to be emotionally secure, self-confident, and have better social connections. To continue the positive trends in fathers’ involvement, the Council directs $150,000 to the Child and Family Services Agency (CFSA) to help fathers gain knowledge and skills to improve their involvement and connection to their children.

Food Security

The Council is committed to ensuring that all residents have access to healthy food options. Proper nutrition improves health outcomes, combats chronic illness, curbs obesity, and decreases the risk of depression. Black low-income families tend to more commonly live in a “food desert” - where limited access to healthy and affordable foods can lead to negative health outcomes and poor eating patterns.

To combat food deserts in the District, the Council funds $421,000 for the “Skyland Tax Exemption Amendment Act of 2020,” to bring a full-service grocery store to Ward 7.

The Council directs $75,000 to DOH to fund an outreach plan for the Women, Infants, and Children (WIC) Nutrition Program. The outreach plan will allow the District to develop strategies to increase WIC participation. The Council also transfers $250,000 of the Produce Rx program from DOH to the Department of Health Care Finance (DHCF) to bring in Medicaid funds and expand the resources available to the program. Under the Produce Rx program, doctors at participating clinics can write prescriptions for their patients who suffer from diabetes, pre-diabetes, or hypertension redeem for fresh produce at the Alabama Avenue Giant Food in Ward 8 at no cost to the patient. The Council further supports food security through $1 million in funding for D.C. Central Kitchen, to build a new training facility and relocate their headquarters to Buzzard Point.

To achieve the Sustainable DC 2.0 Plan goal of putting 20 additional acres under cultivation for growing food by 2032, the Council adds $193,600 and 1 FTE to the Department of Energy and Environment (DOEE) for the “Urban Farming Land Lease Amendment Act of 2020.” This enhancement will allow DOEE’s Office of Urban Agriculture and issue grants to urban farmers in the District for infrastructure and operating support and perform soil testing for the land lease program. The Council also provides $25,000 for an Agricultural Task Force at the Metropolitan Washington Council of Governments.
Academic success requires more than an investment in teachers and students. It also requires significant investment in the learning environment to ensure that students are prepared and able to learn each day, and that includes proper nutrition. Fifteen percent of District households are food insecure and over 23 percent of those households have children. Households headed by a Black individual are more than twice as likely as those headed by a white individual to be food insecure, at 20 percent to less than 10 percent respectively. Food insecurity has devastating and long-lasting effects on children and can result in worse general health, higher rates of acute and chronic health issues, and lower healthcare access. Food insecurity has only been made worse by the COVID-19 pandemic. Half of D.C. households with children were not at all confident, or only somewhat confident, in the ability to afford food over the next four weeks. During the pandemic, schools have continued to provide hungry students with meals. As of July 2, DCPS has distributed 10,108 meals to District students. In FY 2021, the Council funds $2 million to restore and expand nutrition and wellness programs at DC schools, $844,000 to maintain increased reimbursements for school breakfasts, and $1.2 million in grants and programs that promote healthy schools. Additionally, the Council provides $844,000 to maintain full funding for the Healthy Tots Program, to ensure young children at childcare facilities receive nutrition meals and high-quality wellness programming.

Environmental Justice

Air pollution is responsible for up to 30,000 premature deaths each year. But air pollution is a larger threat to Black Americans, who suffer at twice the rate of the overall population. Air pollution increases the risk of asthma attacks, bronchitis, heart attacks, heart and respiratory disease, and lung cancer. Black and brown neighborhoods also typically have fewer recreational and green spaces than white neighborhoods. Green spaces reduce exposure to air pollution, have positive impacts on mental and physical health, and can reduce morbidity and mortality for residents. The Council adds $30 million to the capital budget for the 11th Street Bridge Park, to transform the aged, unused span of the 11th Street Bridge into a signature, elevated park which will span the Anacostia River linking Anacostia with Navy Yard. The park will increase community connectivity and create welcoming and vibrant spaces that enhance the user experience and foster civic and local uses.

The Council also provides $1.2 million in funding for the continued maintenance of Canal and Yards Parks and $500,000 for C & O Canal planning. Other Council capital projects focusing on improving the environment and access to greenspaces and recreation include: $2 million to abate and remove the sources of lead impacting parks and playgrounds across the city, as identified in recent tests; $1.4 million in FY 2021 and 2022 to ensure adequate funding is available to confront the challenge of climate change through building efficiency improvements, while also reducing utility usage; $1.1 million to expand recreational opportunities in the Ivy City neighborhood; $1 million for maintenance and modernization of King-Greenleaf Recreation Center; $1 million
for maintenance and modernization of Kennedy Recreation Center; $1 million for Congress Heights Recreation Center Modernization; $2 million for the Anacostia Recreation Center at Kramer Project; $2 million for the Oxon Run Park Improvements and Modernization; $500,000 for an athletic field and park improvements for Garfield Park; and $250,000 for improvements to the 8th & Massachusetts Avenue NE/Constitution Avenue Pocket Park.

5. Economic Justice

Housing

The overall cost of living in D.C. is higher than in many other American cities, and much of this is due to the price of housing. District renters spend an average of $2,200 a month and homeowners with a mortgage spend over $3,000. The majority, or 58 percent, are renters and 42 percent own their home. To increase the availability of affordable housing, the Council authorizes the Department of Housing and Community Development (DHCD) to submit a loan fund application to the U.S. Department of Housing and Urban Development’s Section 108 Program. By pledging $5 million of the District’s Community Development Block Grant revenues each year, the District will be able to unlock $88 million in FY21 to subsidize the creation of over 600 new units of affordable housing projects. The Section 108 Affordable Housing Fund provides a gap subsidy resource for affordable housing acquisition and rehabilitation that will work alongside the DHCD’s Housing Preservation Fund and Housing Production Trust Fund (HPTF) to advance the execution of projects that are already in the pipeline. The Council also expands HPTF’s capacity to create new units of affordable housing through a $9 million enhancement.

The D.C. Housing Authority (DCHA) maintains more than 8,000 units across 56 public housing developments, providing housing for over 20,000 District residents. However, the federal government’s chronic underfunding of public housing capital and operating expenses has placed public housing inventories at risk of further deterioration. In the FY 2021 budget, the Council provides $50 million in the capital budget to continue performing critical and long overdue repairs to DCHA’s public housing complexes. This enhancement builds upon the Council’s investment of $23.5 million in FY 2020 and will allow the District to increase the number of habitable public housing units and draw families off DCHA’s waitlist.

In the FY 2021 budget, the Council dedicates $6.05 million to create approximately 301 new units of housing for extremely low-income families and individuals through the DC Housing Authority (DCHA)’s Local Rent Supplement Program (LRSP). LRSP is a locally funded subsidy that provides permanent rental supports to housing providers, nonprofit partners, and low-income households to maintain deeply affordable housing. It is modeled after the federal Housing Choice Voucher Program (HCVP) but offers a deeper subsidy. The Council directs $5 million in FY 2021 to Project/Sponsor-Based LRSP for operating subsidies that are tied to new housing developments rather than individual tenants. With this investment, the District will support approximately 258 new units of subsidized housing affordable to households that earn less than 30% of the Area Median Income (AMI). This enhancement allows the HPTF to fulfill its statutory requirement
to spend at least two-fifths of its resources on housing for extremely low-income households, such as a four-person household earning less than $36,400 per year. The HPTF helps pay for the construction costs for new affordable housing units, which Project/Sponsor-Based LRSP compliments by providing an ongoing operating subsidy. This operating subsidy is needed because the rents that extremely low-income households can afford are not enough to fully cover a residential building’s maintenance costs.

LRSP also offers Tenant-Based vouchers, which are given to individuals rather than housing units. Tenant-Based LRSP vouchers are an important tool for providing affordable housing opportunities to those who are living on extremely low incomes. The program provides permanent subsidized housing vouchers to eligible low-income families who have been accepted to DCHA’s housing waiting list. Demand for the program is high. There are over 40,000 families on the waiting list although it has been closed since 2013. The Council dedicates $1.05 million to DCHA to create 43 new LRSP Tenant-Based vouchers. This enhancement includes 18 vouchers for returning citizens, 15 vouchers for seniors, and 10 vouchers for seniors who identify as LGBTQ.

The Council recognizes that housing investments must meet the diverse needs of District residents and the breadth of the jurisdiction’s housing stock. To this end, the Council invests in housing programs and supports that address a variety of housing needs. The Council provides $1.07 million in the Housing Preservation Fund at DHCD for flexible acquisition and predevelopment financing for projects that preserve existing affordable housing in the District. The Council directs $1 million to OVSJG for a pilot program that offers housing supports to returning citizens, as described in the “Criminal Justice Reform” section above. The Council continues its support for the Rent Control Housing Clearinghouse with a $116,000 investment for operating costs. The Council adds $200,000 to the Office of Human Rights (OHR)’s to provide a contract for housing testers for discrimination based on source of income. The Council provides $107,000 to DHCD for the ReMIT program to help seniors citizens on a fixed income to maintain their homes. The Council sends $71,284 to DCHA for the shallow subsidy program that it started in FY 2019 that partially subsidizes the rent of senior-headed, rent-burdened households. The Council also appropriates $10,000 to implement “Housing Conversion and Eviction Clarification Amendment Act of 2020” to protect consumers against housing discrimination based on source of income.

Homeless Services

In January 2020, there were an estimated 6,380 individuals experiencing homelessness in D.C. Of the total, almost 3,947 were single adults, 768 were family households, and over 1,400 were children. Among their ranks were 302 veterans. The majority of adults experiencing homelessness in the Washington metropolitan region identify as Black, or about 86 percent of the total homeless population. Homelessness has a significant negative effect on an individual’s health. For example, those experiencing homelessness have higher rates of diabetes, heart attacks, the human immunodeficiency virus (HIV), hypertension, and depression compared to the general population. They also suffer from mental illness at twice the rate of the overall population. Stable housing has numerous benefits,
including improved health; lower usage of medical facilities, leading to overall system savings; increased employment and income; and improved academic, social, and emotional development of children.

COVID-19 has increased the risk for many people to become homeless. According to the U.S. Census Bureau, nearly 11 percent of households indicated they would not be able to pay their rent or mortgage on time. The Council works to address the impacts of COVID-19 on housing security and the issues facing homeless families and individuals, prevent residents from becoming homeless, as well as increase the number of housing units available through the following budget actions. In the FY 2021 budget, the Council directs a total of $11.06 million to eviction prevention and homeless services.

The Council’s enhancement includes $6.3 million to the Department of Human Services’ (DHS) Emergency Rental Assistance Program (ERAP) to help low-income families and older adults avoid eviction by helping pay overdue rent and assist people experiencing homelessness find secure housing by paying their security deposit or the first month’s rent. With this enhancement, the Council fully reverses the Mayor’s proposed reductions to ERAP and expands the program by $5 million annually. This enhancement is critical because eviction can result in severe trauma and create additional setbacks for those who already struggle to make ends meet. Eviction can worsen a person’s health outcomes, and these negative impacts can persist for years. Many households in the District were at risk of eviction before the pandemic, and COVID-19 will make the need for continued investment in housing supports and eviction-prevention assistance all the more urgent. Two-thirds of low-income renters in the District spend more than half of their income on housing, which can leave families and individuals just one missed paycheck or unexpected bill away from housing instability. In 2016, 4,537 District households were evicted. For every 100 renters, 15.67 faced eviction filings. Moreover, the jurisdiction’s eviction rate surpassed the national average.

Homelessness is not just about housing; it is also about public health. Those who experience homelessness have elevated health and safety risks including higher rates of premature mortality. Dangers are especially great for unsheltered individuals. However, many people who experience homelessness distrust public systems and may be unable or unwilling to seek assistance. Outreach is a critical first step in connecting chronically homeless individuals with the services they need. Over time and through repeated engagement, street outreach teams build trust with homeless individuals to connect them with medical care, day services, shelter, and housing. In the FY 2021 budget, the Council directs $2.08 million for Homeless Street Outreach at DHS. The Council also works to prevent residents from becoming chronically homeless by investing $1.2 million in Project Reconnect at DHS. It is a shelter diversion and rapid exit program for unaccompanied adults experiencing homelessness.

The Council continues its work to make homelessness in the District brief, rare, and nonrecurring through a $1.5 million investment at DHS and the Housing Authority to create 50 new units of Permanent Supportive Housing (PSH) for individuals experiencing chronic homelessness. PSH provides long-term housing and intensive case management to those who are experiencing homelessness who would otherwise have difficulty remaining housed. PSH has been shown to
effectively reduce homelessness, promote housing stability, and reduce expensive emergency room and hospital stays. An evaluation of Los Angeles' PSH program for homeless individuals found that it produced “a dramatic reduction in service use, especially for medical and mental health services” and provided a net cost savings of 20%. The Council also provides $600,000 to DHS for 14 units of transitional housing for LGBTQ youth.

Workforce Development

With the unprecedented rise in unemployment and job loss due to COVID-19, which has had an outsized impact on Black Americans, being a competitive applicant for future employment is more important than ever. Job training is one way to help increase an applicant’s competitive edge. This training has also been found to increase an individual’s ability to move out of poverty, obtain more stable employment, earn higher wages, reduce criminal activity, and helps the economy overall. The Council provides the Workforce Investment Council (WIC) with $100,000 for the Career Pathways Innovation Fund program. This program is used to design, pilot, and scale best practices in the implementation of adult career pathways. The Council also provides the following for the D.C. Infrastructure Academy, $129,000 for the Department of Employment Services (DOES) to hire an Industry Committee Coordinator and $596,000 for Information Technology and Commercial Driver’s License training. The FY 2021 budget includes $916,000 and 2 FTEs for a School Year Internship Pilot Program at DOES that will match District high school students with internship hosts. The Council also provides $1.04 million to create a health care sector partnership, as described above in the “Social Determinants of Health” section.

Many undocumented residents work in the service industries or the informal economy, both devastated by the coronavirus. Prior to the pandemic, many undocumented residents received low wages and had few savings to support households during business closures and quarantine. Also, many forms of financial assistance provided by the federal government are not available to undocumented individuals including Unemployment Insurance and Temporary Assistance for Needy Families. Through this enhancement, the Council provides critical relief to help stabilize undocumented workers and their families during this public health and economic crisis. The Council also understands the need to assist workers who are struggling during these unprecedented times and do not qualify for other means of aide. To do so, the Council provides $5 million for cash assistance program for undocumented workers who have lost their jobs or have had their hours cut during the public health emergency.

The Council also protects workers’ wages, protects jobs, and ensures that businesses can reopen after the public health emergency through the “Shared Work Program Amendment Act of 2020.” By making this legislation permanent, the Council will allow the District to draw down $431,513 in federal grant funds from the U.S. Department of Labor.
Protecting Workers’ Rights

Workers also benefit from knowing their rights, which can be incredibly complex. Only 10 percent of workers are members of unions, whose responsibility it is to educate and advocate for workers’ rights. This means the remaining 90 percent of workers must rely on their employer or themselves to learn and understand their rights. Persons of color face higher rates of workplace violations than their white counterparts, making it even more imperative to understand their rights in the workplace.

The Council provides $3.29 million in the FY 2021 budget to ensure that workers can exercise their hard fought for rights and to educate District employees and employers on workplace protections. The Council’s enhancement includes $2.19 million and 5 FTEs to implement the “Tipped Wage Worker Fairness Amendment Act of 2018.” The Council directs $1.23 million of this enhancement to Department of Employment Services (DOES) and $951,813 to OHR. By funding this law, DOES will now be required to maintain a website that describes all of the District’s wage and hour and anti-discrimination statutes, training on sexual harassment and D.C.’s wage theft laws will be required, and the Mayor will be directed to establish a dedicated phone line for reporting wage and hour violations. Further, every pay period tipped workers will receive a tip-out sheet with their pay stubs. By adding these new protections for tipped workers, the District will further racial equity. Seventy percent of tipped workers in D.C. are persons of color, and studies have shown that tipped workers of color typically earn less than white tipped workers.

Only July 1, 2020, the District’s Paid Family Leave program fully launched. D.C. workers will no longer have to choose between caring for a loved one or themselves and bringing home a paycheck. To ensure that workers can exercise their rights under the “Universal Paid Leave Act of 2016,” the Council provides $1.85 million and 10 FTEs to OHR to enforce this law.

To further the Council’s goal of ensuring that workers in the District are properly compensated and their workplace rights are protected, the Council provides $127,986 for a new wage theft attorney at OAG. The Council also appropriates $750,000 for DOES for a new Workplace Leave Navigators grant program. This grant will provide resources to worker advocacy organizations, business groups, and trade organizations to help workers and businesses navigate workplace leave laws. The Council also provides $100,000 for a public education campaign on tipped workers’ wage rights.
Access to Capital

Entrepreneurship is an important engine of economic growth, wealth accumulation, and job creation. However, Black entrepreneurs simply do not have the same opportunities as white entrepreneurs to build and expand their businesses. Black entrepreneurs face obstacles in accessing capital, markets, and social networks, all of which are essential for any business to increase in size and scale. As a result, Black-owned businesses are consistently smaller and grow at a slower pace. For example, Black business owners have an average of $500 of outside equity, compared with $18,500 among white owners. Black entrepreneurs also do not expect to meet with the same success at the bank’s lending desk as those who are white, even when controlling for credit score and net worth. The great disparities between Black and white American household wealth means that Black entrepreneurs also have fewer personal assets to draw upon for seed capital, as do their social networks. For instance, Black entrepreneurs invest around $19,500 of personal equity to their startups within the first year, versus $34,500 for white entrepreneurs.

The disparity between Black and white business owners will continue unabated unless significant actions are taken to level the playing field. The Council works to build a more equitable future by investing a total of $6.23 million into grants, programs, and services that support disadvantaged enterprises and foster inclusive growth. Through these enhancements, the Council tackles both the root causes and the symptoms of inequity among Black and minority entrepreneurs. Further, by creating opportunities for disadvantaged entrepreneurs, the Council acts to ensure that the economy that we rebuild will be stronger and more just than the one that COVID-19 shattered.

The Council adds $2.12 million to the budget for direct relief to small businesses: $1.25 million to the Deputy Mayor for Economic Development and Planning (DMPED) to establish an Equity Impact Fund through the “Equitable Impact Assistance for Local Businesses Act of 2020”; $599,000 for grants for equity impact enterprises operating in Wards 5, 7, or 8; $200,000 for Dream Grants for Ward 7 and 8 Microbusinesses at the Department of Small and Local Business Development (DSLBD); and $67,086 to fund a property tax abatement for Mypheduh Films DBA Sankofa Video and Books.

The Council adds $2.38 million to attract and retain businesses, strengthen retail corridors, and create job opportunities. This enhancement includes $1.76 million to DMPED for the Washington, D.C. Economic Partnership. This enhancement also provides funding to DSLBD to include $321,740 for new Clean Teams in Ivy City and Eastern Market and expanding an existing Clean Team in Trinidad; $200,000 to create a new Main Street program in Chevy Chase; and $100,000 to expand the New York Avenue NE Retail Priority Area to cover businesses on Montello Avenue, NE in the Great Streets Corridor.
Further, the Council’s dedicaten $2.07 million towards ensuring that locally owned businesses have an equitable opportunity to bid for large contracts and access outside capital. To this end, the Council adds to $870,000 to DMPED and DSLBD’s budget to increase access for disadvantaged businesses to contracts with the District government and fund a disparity study through the “Equity Impact Enterprises Establishment Amendment Act of 2020,” and $200,000 to DMPED for the D.C. Community Anchor Partnership to help prominent institutions leverage their procurement power to support the growth of D.C. minority-owned enterprises. The Council also increases District residents, businesses, nonprofits, and community-based organizations’ access to loans, grants, financial services, and banking products by directing $1 million for the “Deputy Mayor for Planning and Economic Development Grant Making Authority Act of 2020.”

6. Bend the Arc Towards Justice

The Racial Equity Achieves Results Act of 2020

All levels of the U.S. government have a long history of enacting and enforcing laws that either directly or indirectly lead to the disenfranchisement of Americans of color and create or reinforce gaping racial disparities. These bodies instituted and supported this unequitable system so they must be responsible for dismantling it from within. The Council allocates $1.32 million and 10 FTEs to fund the “Racial Equity Achieves Real Change Amendment Act of 2020,” which is also known as the REACH Act. The enhancement includes $817,150 and 6 FTEs to the Office of the City Administrator; $329,475 and 3 FTEs to the Council; and $108,075 and 1 FTE to OHR.

D.C. will join hundreds of jurisdictions in working towards racial equity in government policy and dismantling the racist structures both within and without the political system. To support the work of the REACH Act, the Council allocates $500,000 in the capital budget for the development of a racial equity tool, infrastructure system, and dashboard to track racial disparities in the District. The dashboard will also track and measure how program and policy decisions benefit or burden individuals based on race, sex, or ethnicity.

The Council also directs $5,000 for implicit bias training for Advisory Neighborhood Commissions (ANCs) and provides $10,000 for the Racial Equity Training and Support Grant. Increasing racial equity is a tide that raises all boats, so all D.C. residents and all Americans should demand their government be responsive and accountable on this issue.
LGBTQ Discrimination and Ending Hate Crime

D.C. has the highest percentage of Lesbian, Gay, Bisexual, Transgender, and Questioning (LGBTQ) residents of any U.S. state, at an estimated 10 percent. Forty-three percent of LGBTQ District residents identify as a person of color. Hate crimes targeting LGBTQ individuals have risen over the past three years in the U.S., with nearly 1,200 incidents in 2018. A 2015 survey of U.S. Black transgender and non-binary individuals found that 53 percent have experienced sexual violence, and 56 percent have experienced domestic violence. At least 26 transgender people were reportedly murdered in 2018, of which 16 were Black. Another 27 transgender or gender non-conforming individuals were killed in 2019. Nationally, a significant percentage of LGBTQ individuals have reported workplace discrimination and harassment, at 15 percent to 43 percent of lesbian, gay, or bisexual and 90 percent of transgender individuals. On June 15, 2020, the Supreme Court ruled that Title VII of the Civil Rights Act of 1964 protects gay and transgender workers.

The Council continues to support LGBTQ communities through enhancements in the FY 2021 budget. The Council provides **$834,404 for 29 units of housing supports for vulnerable residents who identify as LGBTQ**. This enhancement includes $600,000 to DHS to provide 14 units of transitional housing for LGBTQ youth, and $348,964 to the Housing Authority for ten Targeted Affordable Housing vouchers for LGBTQ seniors experiencing homelessness at a cost of $234,000 and five Local Rent Supplement Program (LRSP) Tenant-Based vouchers for LGBTQ seniors at a cost of $114,960.

The Council works to ensure that LGBTQ residents and District employees can enter the career of their choice and advance in that profession. To this end, the Council enhances the Office of Victim Services and Justice Grants’ (OVS$JG) budget by **$500,000 to establish a wrap-around workforce development program for transgender, non-binary, and gender non-conforming District residents**. The Council provides **$150,000 the D.C. Department of Human Resources (DCHR) to survey transgender and non-binary District government employees about their workplace experiences and gather information about District government’s hiring and recruitment practices as they relate to individuals who identify as transgender or non-binary.**

To support the wellbeing and strength of the District’s vibrant LGBTQ communities, the Council provides, **$100,000 to the Department of Aging and Community Living for dining supports for LGBTQ seniors and $67,000 to the Department of General Services for rental support for The DC Center for the LGBTQ Community.**
District Cultural and Community Development

With the passage of the “Go-Go Official Music Designation Act of 2020,” the Council recognized the importance of go-go’s cultural contributions. The legislation continued the Council’s work of ensuring that the sounds of go-go continue to fill our streets, music halls, and airwaves for generations to come. Go-go originated in D.C. in the mid-1970s with native son Chuck Brown. Within a decade, the District was home to dozens of go-go bands. The Smithsonian’s National Museum of American History credited Mayor Marion Barry’s role in fostering the genre’s rise by supporting the D.C. Department of Parks and Recreation’s free go-go concerts and encouraging budding musicians through the Summer Youth Employment Program. However, by the late 1980s this distinctly African American music was under attack, and go-go was scapegoated for street violence and other social ills. Go-go became a flashpoint again in 2019, this time in the debate over gentrification and the displacement of long-time Black residents and Black cultural institutions from the Chocolate City. A dispute between a resident of a newly-constructed luxury building and the owner of a Metro PCS outlet over the store’s longstanding practice of pumping go-go music into the intersection sparked a protest movement and gave rise to a broader national discussion. Through the FY 2021 budget, the Council invests $3 million to ensure that go-go’s legacy is preserved, honored, and that its future is secured. These funds are more important now than ever, as musicians and music venues suffer disproportionately from COVID-19 public health closures. The Council’s investment includes $1 million to the D.C. Public Library for the creation of a go-go archives, $1 million to the Office of Cable, Television, Film, Music & Entertainment for “Go-Go Creative Economy and Anchor” to coordinate and advance go-go activities across the District; and $1 million to Events DC to provide grants to support go-go music under the “Events DC Go-Go Grant Making Authority Amendment Act of 2020.”

Due to historic mistreatment by all levels of government, many persons of color distrust government entities and their associated work. About 75 percent of Black Americans do not trust their state level government to do what is considered right just about always or most of the time and around 40 percent feel that government bodies at all levels are a threat to their personal rights and freedoms. To help governments reach these communities and foster trust, some have developed specific government commissions or agencies. These entities go into and interact with the communities, promote their development, and become a bridge between the community and the government. The Council continues to support these communities through the funding of $50,000 for competitive grants at the Mayor’s Office on African American Affairs and $192,000 to establish the Mayor’s Office of Caribbean Affairs.
Elections and Ethics

The Council believes that a government that listens to all of its residents is more inclusive and better equipped to make just and equitable policy decisions. In the prior Council Period, the Council passed the Fair Elections Amendment Act of 2017 and the Campaign Finance Reform Amendment Act of 2018, which strengthens civic engagement; increases government transparency; bolsters the voices of District residents; and reigns in the influence of wealthy donors and corporate contributors in our elections. Trust in electoral systems have been continually tested over the past few years and the Council understands how vital it is that residents trust in their government bodies both federal and local. To continue to improve and foster that trust the Council dedicates $466,535 and 4 FTEs to implement the “Campaign Finance Reform Amendment Act of 2018” that prohibits pay-to-play government contracting. This enhancement includes $392,535 and 3 FTEs to the Office of Campaign Finance and $74,000 and 1 FTE to the Board of Elections.

The Council also directs $175,541 and 1 FTE to OAG to allow the agency to hire an additional public anti-corruption attorney to enforce the District’s government ethics laws. The Council also provides $108,612 and 1 FTE to the D.C. Board of Ethics and Government Accountability (BEGA) to enforce the “Open Meetings Act.”

There is a long and troubling history of disenfranchising persons of color in the U.S. Low-income individuals have difficulty voting for many reasons, one of which is limited voting hours. In this year’s budget, the Council is increasing the enfranchisement of D.C. residents by providing $60,000 and 1 FTE to the Board of Elections to implement the “Paid Leave to Vote Amendment Act of 2020” that allows District residents to take time off from their job with pay for to voting.
7. Revenue Proposals

Impose a Sales Tax on Advertising Revenue and the Sale of Personal Information

Many jurisdictions are exploring new ways to broaden their tax bases to help account for the budgetary blow delivered by COVID-19. One of these new sources is adding the sale of advertisements to the list of those goods and services subject to a sales tax. In this endeavor, the District joins the City of Phoenix, AZ, the Province of Quebec, Canada, seven states, and 29 nations who have either considered or have implemented a sales tax on the sale of advertisements in their jurisdictions. While some of these jurisdictions have focused on digital advertising, the Council’s tax includes the sale of all advertisements, not just digital, and the sale of personal information. The Council set the sales tax rate at 3 percent for the sale of advertisements and expects revenues to increase by $18.4 million in FY21 and $79 million over the financial plan.

Modify the QHTC’s Franchise Tax Exemption

The Qualified High Technology Company (QHTC) tax incentives program is the largest Economic Development Tax Expenditure provided by the District. The QHTC tax incentives were established by the “New Economy Transformation Act of 2000” with the intent of growing the District technology sector. The Office of the Chief Financial Officer has indicated that gains in the District’s high-tech industry and some QHTC payrolls cannot be attributed to the QHTC incentives due to their untargeted nature. Structural issues within the program also pose fiscal risks for D.C. and make administration and compliance enforcement difficult.

Through the FY21 budget, the Council makes changes to the QHTC tax incentives program, by increasing the franchise tax rate for the first five years to 3 percent for companies currently receiving the exemption. All new QHTCs will be able to take advantage of a 6 percent while participating in the program. The Council also extends the tax exemption delay on capital gains from the sale of an investment in a QHTC to tax years beginning on and after January 1, 2025.

Monsanto Co. Settlement

In May 2020, the Attorney General for the District of Columbia filed a lawsuit alleging/stating Monsanto Co. and two affiliated companies knowingly manufactured, promoted, and sold toxic chemicals that polluted the Potomac River and its tributaries. The results of these actions not only caused harm to the District’s ecosystem and residents, it also cost the District millions to remedy. The lawsuit specifically concerns polychlorinated biphenyls (PCB), which were banned in 1979, and the damage PCBs could do to District waterways, wildlife, and residents. The lawsuit will be resolved with a $52 million settlement. Under the
“Monsanto Settlement Act of 2020,” as approved by the Committee of the Whole on __, 2020 (Committee Print of Bill 23-760), $17 million of the settlement will be retained by the Office of the Attorney General to cover attorney fees related to the settlement and for new initiatives, $30 million will be placed into a new capital project within DOEE to support Anacostia River environmental remediation, and $5 million will be used to support other initiatives the FY 2021 Budget and Financial Plan.

Motor Fuel Tax

The Council is raising the District of Columbia’s motor fuel tax in FY 2021. The District’s new rate of $0.338 per gallon will to be lower than Maryland’s rate of $0.367 per gallon and equivalent to Northern Virginia’s 2021 rate. The current DC gas tax is 8% of the wholesale price with a floor of $0.235 per gallon.
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