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Testimony Before the District of Columbia Council  
Committee on Human Services  
April 12, 2018

Public Hearing:  
Budget Oversight Hearing, Proposed FY2019 Budget

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## **Introduction**

Good morning Chairperson Nadeau and members of the Committee. My name is Diana Sisson. I am an Equal Justice Works Fellow, sponsored by the Morrison & Foerster Foundation, and Staff Attorney at Children's Law Center.<sup>1</sup> I am testifying today on behalf of Children's Law Center, which fights so every DC child can grow up with a loving family, good health and a quality education. With more than 100 staff and hundreds of pro bono lawyers, Children's Law Center reaches 1 out of every 9 children in DC's poorest neighborhoods – more than 5,000 children and families each year.

Thank you for the opportunity to testify today regarding the Mayor's proposed FY19 budget for the Department of Human Services (DHS). Children's Law Center clients come into contact with DHS in many ways, especially families applying for and receiving public benefits, and families receiving services through the homeless services Continuum of Care.

We support the continued investment in crucial services for low-income District residents through the investment of local funding seen in the proposed budget, particularly the funding of TANF, but we urge continued and expanded local investment in long-term housing supports including Targeted Affordable Housing and Permanent Supportive Housing, as well as increased funding to the Emergency Rental Assistance Program (ERAP). We remain extremely concerned about the proposed

budget's overreliance on funding the Rapid Re-Housing program as the main solution for families experiencing homelessness.

Today, I will provide testimony focused largely on the proposed budget's impact on Homeless Services Program for families, the Economic Security Administration (ESA) and youth programs.

### **Family Homeless Services**

Turning toward our concerns about our family homelessness system, this Committee is aware of our disagreements with the recent passage of the HSRA amendments and our concerns about the Rapid Re-Housing program. For the purpose of this hearing, we particularly want to highlight our disagreement regarding expanding funding for the Rapid Re-Housing program. During the debate on the HSRA amendments, we heard from this Committee and the Council that the problems we have repeatedly raised with Rapid Re-Housing would be better addressed in this budget season. In that vein, we urge the Committee to use the FY19 budget to provide more funding for Targeted Affordable Housing and to begin a graduated, multi-year move away from the Department's overreliance on Rapid Re-Housing.

To be clear, at this time, we are not advocating for the end to all Rapid Re-Housing, but rather a move away from local dollars for the program to ensure that appropriate families are provided more targeted options rather than Rapid Re-Housing being used as a blanket approach for a majority of families. We strongly advocate that

now is the time to begin decreasing the District's overreliance on the program and scaling up other programs that more humanely address family homelessness in DC.

***I. Rather than create new units of Rapid Re-Housing in FY19, Rapid Re-Housing funding should be to be shifted towards the Targeted Affordable Housing and Permanent Supportive Housing Programs***

Homelessness in DC is strongly linked to the lack of affordable housing in the District. The high price of housing, not short-term crises, continue to place families in homelessness or at risk of becoming homeless.<sup>2</sup> Because of this, we have before advocated for a multi-year plan for shifting local funds from Rapid Re-Housing towards other, more permanent subsidies including Targeted Affordable Housing and Permanent Supportive Housing, and we are again advocating for this approach today.<sup>3</sup>

I last testified before this Committee at the Rapid Re-Housing Roundtable on December 14, 2017, voicing Children's Law Center's concerns about, among other things, families in the program receiving little support in searching for housing, living in housing conditions that violate DC law and jeopardize their health and safety, receiving widely variable case manager support, and lacking an ability to pay market rent at the end of the program, thus facing eviction.<sup>4</sup>

At that Roundtable and since, the Department has made steps to acknowledge and address some of these concerns.<sup>5</sup> While we acknowledge these developments and their potential for improving family's experiences in the program, these fixes alone do

not get at the deeper root of our concerns about the program's ability to provide hundreds of D.C. families with meaningful housing stability.

The Department's oversight data supported what has been a main concern we have raised: that families exiting the program cannot afford their rent when they leave the program, again destabilizing their housing. The Department also reported that the average monthly income at the time of program exit was \$541 for FY17, and \$1078 for families who had already exited in FY18,<sup>6</sup> while the average cost of a 2 bedroom unit for program participants in FY17 was \$1,712.10 and in February 2018 was \$1,315.94. For three bedroom units, the FY17 average was \$2,374.75, and for February 2018, \$1,703.95.<sup>7</sup> The Department also reported that in FY17, 74% of program participants did not experience a reported growth in income during their time in the program.<sup>8</sup> These income and rent levels seem to explain the Department's report that among the 755 families leaving the program in FY17, only 83, or 11%, left the program because they were able to afford their full rent.<sup>9</sup> This leaves 672 families who were not able to exit the program for that reason.

For these 11% of families, Rapid Re-Housing may well be the right targeted intervention, and we are not advocating for making Rapid Re-Housing unavailable to these families. This is consistent with the national model for Rapid Re-Housing as a small component of a spectrum of interventions, not a tool used for all families regardless of their circumstances.<sup>10 11</sup> We recognize the program works for some

families, and for those families, we support that there should be some Rapid Re-Housing units funded at an adequate level to allow them to rent good quality housing that is in compliance with the DC Housing Code, and to receive high-quality case management services and supports during their time in the program. But this data raises serious concerns about the amount of stability the program is really providing for most families.

The proposed FY19 budget, in focusing on creating 100 new units of Rapid Re-Housing, 100 units of Targeted Affordable Housing, and 50 units of Permanent Supportive Housing, inadequately addresses this reality by failing to fund more permanent options for families for whom Rapid Re-Housing has not worked, or for families where it is clear from the start that Rapid Re-Housing is an inadequate tool. The Department states that it relies on a “progressive engagement” model where families in need of more supports are able to transition to the appropriate level of services and supports.<sup>12</sup> However, families can only move through a system as far as it is funded. Failing to provide enough Targeted Affordable Housing and Permanent Supportive Housing units at the back-end either traps families in Rapid Re-Housing when it isn’t appropriate, or leaves them exited out of the Rapid Re-Housing program simply because there are not sufficient funded slots available for the levels of support they need to maintain housing.

This is why we support reallocating the \$6.6 million increase for Rapid-Re-Housing in the FY19 proposed budget and instead adding that money to the Targeted Affordable Housing and Permanent Supportive Housing budgets for families. We also support allocating an additional \$3.1 million from Rapid Re-Housing funds towards Targeted Affordable Housing and Permanent Supportive Housing for families. This would amount to approximately a 9% cut in the funding for Rapid Re-Housing. Even accounting for meeting the rising costs of Rapid Re-Housing, this proposal would create more Targeted Affordable Housing and Permanent Supportive Housing units than the net loss of Rapid Re-Housing units. In this proposal, we are joined by Bread for the City, Law Students in Court, Legal Aid Society of the District of Columbia, and the Washington Legal Clinic for the Homeless.

The Department's own numbers confirm what we have advocated before – that Targeted Affordable Housing is less expensive than Rapid Re-Housing. In fact the proposal for an increase in \$6.6 million in Rapid Re-Housing includes \$3.4 million in cost adjustments to account for higher program costs, and \$3.2 million for additional Rapid Re-Housing units.<sup>13</sup> However, an additional 100 units of Targeted Affordable Housing would cost only \$2 million. While the Department has presented that the new units of Rapid Re-Housing would be used to support families exiting from shelter, qualified families could be supported in exiting shelter through Targeted Affordable Housing or Permanent Supportive Housing. In fact, in FY17, the Department reported

that 87 families were in fact moved from emergency shelter or the Homeless Prevention Program into Targeted Affordable Housing or Permanent Supportive Housing, and 8 had already been moved in FY18.<sup>14</sup> If slots were available, additional families could be supported in such shelter exits. It is also our understanding from working with many families in shelter is that families often struggle to leave shelter not because they do not have access to Rapid Re-Housing vouchers, but because they have difficulty finding locating housing that will accept the vouchers.<sup>15</sup>

Our proposal would not fund the level of units that are really required to meet the need in FY19,<sup>16</sup> but it is crucial to note that we make this proposal as Year 1 of a longer-term realignment of our housing priorities and funding for families. In future fiscal years, there would be additional, sustained annual investments and increases in Targeted Affordable Housing and Permanent Supportive Housing for families, with future decreases in over-reliance on Rapid Re-Housing. This shift in the budget would allow the District to fully fund the housing resources recognized in the Homeward DC plan for both FY19 and forward. This is a critical step in ensuring the District is devoting the resources needed, and in the right proportion, to truly make family homelessness in the District rare, brief, and non-recurring.



***II. Funding for the Emergency Rental Assistance Program (ERAP) must be restored and increased beyond proposed FY19 budget***

The proposed budget also includes a \$1 million cut to ERAP funding, bringing funding to \$5.5 million total. This proposed cut to ERAP would further compound major cuts to ERAP made in FY18, when this Committee noted that the program was already arguably underfunded<sup>17</sup>. We urge the Council to appropriate a significantly higher amount of funding for ERAP – the Fair Budget Coalition, of which Children’s Law Center is a member, has recommended an additional \$12 million in funding for ERAP to meet the needs of District residents.<sup>18</sup> This is in stark contrast to the FY19 proposed budget which would cut funding for this crucial safety net. Though the Department of Human Services has reported they will meet the need currently met through ERAP through the use of Local Rent Supplement Program funding to cover the cost of security deposits for some tenants, the homeless prevention program, and negotiating rental arrearage plans with DCHA,<sup>19</sup> we do not believe this funding substitution will come anywhere close to replacing the proposed cut funding to ERAP.

ERAP is a crucial form of assistance for families facing housing emergencies, including eviction and the loss of their housing due to inability to pay their rent. While we believe the Department’s homeless prevention programs do provide valuable services for some families, they are not a replacement or substitute for ERAP. When families are able to secure access to this already limited resource, ERAP allows many families, elderly residents, and people with disabilities to get help before having the

stigma of an eviction judgment issued against them, protecting not only their housing but also their credit and ability to rent for years into the future.

Preventing eviction and displacement also minimizes the well-documented traumatic impact of these events on children's emotional and physical health. Frequent moves are correlated with poor social development for children of all ages,<sup>20</sup> and children who experience housing instability are more likely to regularly miss school, more likely to do worse than their peers in terms of educational outcomes and achievement, and less likely to graduate from high school.<sup>21, 22, 23</sup> Housing instability also makes it harder for children with chronic medical conditions to receive the regular care they need, leading to costly emergency care and long-term health crises.<sup>24</sup> Imminent eviction can also cause toxic stress for both parents and children, and for children this can actually disrupt the brain's physical development.<sup>25</sup> For young children, the lifelong public health costs of toxic stress are enormous, and we know that investment in interventions to mitigate the effects of that stress can generate large and enduring economic returns.<sup>26</sup>

We are very concerned that another huge cut in funding for ERAP will lead to District families experiencing more evictions and the trauma associated with them, as well as increased risk of becoming homeless. In the time of an affordable housing crisis, it is not time to further shrink this safety net.

### *III. Domestic Violence Coordinators at the Virginia Williams Family Resource Center*

We would briefly like to note that the Department has indicated that they intend to use federal rather than local funding to continue to support two trauma-informed Domestic Violence Community Housing Coordinator on-site at Virginia Williams. Given the unique needs of survivors and their children fleeing violence and seeking safe shelter, we support the continued funding of these crucial services whether through federal or local dollars.

### **Economic Security Administration**

#### *I. Investment in TANF Reforms and Customer Service Improvements*

The Mayor has proposed an additional investment of \$10.9 million of local funds to fully support and fund TANF reforms. As this Committee will likely recall, Children's Law Center has repeatedly testified that ending the TANF cliff is a crucial and fundamental step forward in supporting District families.<sup>27</sup> We would like to begin by acknowledging this investment, and we applaud that the budget includes funding for these reforms to be meaningfully implemented. However, given our concerns about cuts in funding to ERAP noted above, we object to \$1 million in funding being shifted from ERAP to fund these reforms.<sup>28</sup> Additional local funds need to be allocated to ensure the fulfillment the TANF commitment without taking funding from ERAP.

Children's Law Center also provided testimony at the most recent Department of Human Services Oversight hearing that we have been receiving a significant increase in referrals for families wrongfully denied benefits or whose benefits were improperly terminated, or who encountered issues such as SNAP benefits never being loaded to a family's EBT card. Especially troubling have been referrals from our partners through our medical legal partnerships with Children's National Health System, Mary's Center and Unity Health Care, for families who only learn at appointments that their Medicaid was never activated or was improperly terminated without any prior warning to the family.<sup>29</sup> We note that the Department's Key Performance Indicators in the FY19 Proposed Budget include a target of 80% timely processing of SNAP applications<sup>30</sup> – this target would leave 20% of applications not processed in accordance with federal statutory timelines.<sup>31</sup> We find this troubling as these public benefits are more than a safety net – they are often a last stop-gap to prevent our low-income residents from experiencing extreme hunger, becoming homeless, or not being able to access healthcare.

Knowing the importance of these supports, we support the proposed budget's investment in 25 additional full-time employees at the Economic Security Administration Service Centers to improve customer service and to allow more residents access to same-day services. While this does not fully address the concerns raised in our Oversight testimony about benefits being improperly processed or not

processed timely, we acknowledge this as a positive step that we hope will allow families better and faster access to benefits.

## **Youth Services**

Finally, we would like to voice support for the proposed investment in services for young people at-risk of entering the juvenile justice or child welfare systems through an additional \$1.4 million to support the Strengthening Teens Enriching Parents Program and serve an additional 300 youth through that program. We also support the proposed \$3.1 million in funding for youth homeless services, including a 24 hour drop-in center, new crisis shelter beds, continued investment in transitional housing beds, and funding for new permanent supportive housing units.

Children's Law Center participates in the ICH's Youth Working Group. As part of that work, we have supported the data-driven, public health approach adopted by the Solid Foundations Plan, which creates a five-year plan to "create a youth system of care that has the capacity to serve all youth experiencing homelessness without referral to adult programming or long waitlists."<sup>32</sup>

We believe the investments in youth programs in the FY19 Proposed Budget are consistent with the objectives identified by the Solid Foundations Plan to ensure fewer youth experience homelessness and that more youth obtain stable, permanent housing faster, including increasing the dedicated supply of shelter and housing options for

youth experiencing housing instability, expanding outreach and prevention efforts, and supporting vulnerable youth to develop health, permanent connections with peers and adults.<sup>33</sup> We support increased and continued investments in these programs to ensure that the District creates and adequately funds a youth system of care that puts youth in stable housing faster and provides youth with supportive networks.

## Conclusion

Thank you for the opportunity to testify about the proposed FY19 budget.

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<sup>1</sup> Children’s Law Center fights so every child in DC can grow up with a loving family, good health and a quality education. Judges, pediatricians and families turn to us to advocate for children who are abused or neglected, who aren’t learning in school, or who have health problems that can’t be solved by medicine alone. With more than 100 staff and hundreds of pro bono lawyers, we reach 1 out of every 9 children in DC’s poorest neighborhoods – more than 5,000 children and families each year. And, we multiply this impact by advocating for city-wide solutions that benefit all children.

<sup>2</sup> For an analysis of the link between the lack of affordable housing and homelessness in the District, see Claire Zippel, DCFPI. *A Broken Foundation: Affordable Housing Crisis Threatens DC’s Lowest-Income Residents*. December 8, 2016. <https://www.dcfpi.org/all/a-broken-foundation-affordable-housing-crisis-threatens-dcs-lowest-income-residents-2/>

<sup>3</sup> Children’s Law Center 2018 DHS Oversight Testimony by Kathy Zeisel is available at: <http://www.childrenslawcenter.org/testimony/testimony-performance-oversight-dhs>

<sup>4</sup> Children’s Law Center 2017 Rapid Re-Housing Roundtable testimony by Diana Sisson is available at: <http://www.childrenslawcenter.org/testimony/testimony-department-human-services%E2%80%99-rapid-re-housing-program>.

<sup>5</sup> As reported by DHS, these measures include tracking housing conditions concerns electronically, entering into Housing Assistance Payment (HAP) agreements with participating landlords, the Rental Partnership Initiative, and a MOU with D.C. Superior Court to track eviction data. DHS 2018 Oversight Written Answers at 80-82.

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<sup>6</sup> *Id.* at 78. For the available FY18 level, it should be noted that families with the highest income may have been the first to exit the program in the fiscal year and this number may not be representative of the final FY18 average.

<sup>7</sup> *Id.* at 72.

<sup>8</sup> *Id.* at 78.

<sup>9</sup> *Id.* at 82

<sup>10</sup> According to the US Department of Housing and Urban Development (“HUD”) and the US Interagency Council on Homelessness, Rapid Re-Housing funds and services are intended for “households who have barriers to housing, but who are likely to sustain housing after the subsidy ends.” Department of Housing and Urban Development. See *Notice of Allocations, Application Procedures, and Requirements for Homelessness Prevention and Rapid Re-Housing Program Grantees under the American Recovery and Reinvestment Act of 2009*, at 26. [https://www.hudexchange.info/resources/documents/HPRP\\_Notice\\_3-19-09.pdf](https://www.hudexchange.info/resources/documents/HPRP_Notice_3-19-09.pdf)

<sup>11</sup> “Program participants who require longer-term housing assistance and services should be directed to programs that can provide the requisite services and financial assistance.” *Id.*

<sup>12</sup> See Testimony of Director Laura Zeilinger, Rapid Rehousing Program Oversight Roundtable, December 14, 2017. Available at <http://lims.dccouncil.us/Download/39508/HR22-0079-HearingRecord.pdf>

<sup>13</sup> Department of Human Services. *FY19 DHS Proposed Budget Summary*. (April 2018). Retrieved from <https://dhs.dc.gov/publication/fy-2019-proposed-budget-one-pager-and-overview>, at 6.

<sup>14</sup> DHS 2018 Oversight Written Answers at 70. It should also be noted that there is no regulatory barrier to placing families directly from shelter into Targeted Affordable Housing as there are currently no regulations for the Targeted Affordable Housing program.

<sup>15</sup> See also DHS 2018 Oversight Written Answers at 82, noting that in FY17, it took families an average of 3 months to move into a unit after being determined eligible for the program.

<sup>16</sup> The Way Home Coalition, for example, estimates that of families currently in shelter or Rapid Re-Housing, 309 should be provided with Permanent Supportive Housing. The Way Home DC. *Budget and Policy Priorities, FY19 Budget Recommendations*. <http://thewayhomedc.org/budgetandpolicypriorities>. The Homeward DC target is 1293, while the proposed budget only creates a total of 1077 family Permanent Supportive Housing units. See Department of Human Services. *FY19 DHS Proposed Budget Summary*. (April 2018) at 11; District of Columbia Interagency Council on Homelessness. *Homeward DC, 2015-2020*, retrieved from <https://ich.dc.gov/page/homeward-dc-ich-strategic-plan-2015-2020>, at 81-85. Creation of space for new families by turnover is very limited; the Department reported that in FY17, only 28 family Permanent Supportive Housing units became available through turnover. DHS 2018 Oversight Written Answers at 70.

<sup>17</sup> Committee on Human Services. *Report and Recommendations of the Committee on Human Services on the Fiscal Year 2018 Budget for Agencies Under Its Purview*, at 46. (May 17, 2017). Retrieved from <http://dccouncil.us/budget/2018>

<sup>18</sup> DC Fair Budget Coalition. *Updated FY19 Budget Platform*. <http://fairbudget.org/fy19-budget-season.html>

<sup>19</sup> See Kate Coventry, DCFPI. *What’s In the Proposed Fiscal Year 2019 Budget for Homelessness Services?* April 4, 2018. <https://www.dcfpi.org/all/whats-in-the-proposed-fiscal-year-2019-budget-for-homeless-services/>

<sup>20</sup> *The Negative Effects of Instability on Child Development: A research Synthesis*, p. 6. Heather Sandstrom and Sandra Huerta, Urban Institute. Sept. 2013. [https://www.urban.org/research/publication/negative-effects-instability-child-development-research-synthesis/view/full\\_report](https://www.urban.org/research/publication/negative-effects-instability-child-development-research-synthesis/view/full_report).

<sup>21</sup> Rebecca Cohen and Keith Wardrip, Center for Housing Policy. *Should I Stay or Should I Go? Exploring the Effects of Housing Instability and Mobility on Children*. Feb. 2011. [http://mcstudy.norc.org/publications/files/CohenandWardrip\\_2009.pdf](http://mcstudy.norc.org/publications/files/CohenandWardrip_2009.pdf)

<sup>22</sup> *Id.* at 4-5.

<sup>23</sup> *Id.* at 7.

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<sup>24</sup> Reid KS, Vittinghoff E, Kushel MB. *Association between the level of housing instability, economic standing and health care access: a meta-regression*. Nov. 2008

<sup>25</sup> *Id.*

<sup>26</sup> *Id.*

<sup>27</sup> See, for example, Children’s Law Center’s testimony by Senior Policy Attorney Damon King regarding the Department of Human Services FY18 Budget, available at <http://www.childrenslawcenter.org/testimony/testimony-department-human-services-fy2018-budget>.

<sup>28</sup> Department of Human Services. *FY19 DHS Proposed Budget Summary*, at 14.

<sup>29</sup> For additional discussion of these issues, see Children’s Law Center testimony at the March 8, 2018 DHS Performance Oversight Hearing by Kathy Zeisel, available at:

<http://www.childrenslawcenter.org/testimony/testimony-performance-oversight-dhs>, at 2-4.

<sup>30</sup> FY19 Proposed Budget and Financial Plan – Department of Human Services, at E-16.

<sup>31</sup> The Food and Nutrition Act of 2008, as codified at 7 USC §2020, sets federal statutory requirements for the processing times of SNAP applications. According to the USDA Food and Nutrition Service, DC’s Application Timely Processing Rate for FY2015 (the most recent year for which data is posted) was 95.08%. Retrieved from

<https://www.fns.usda.gov/sites/default/files/snap/FY2015ApplicationProcessingTimeliness.pdf>

<sup>32</sup> ICH. *Solid Foundations DC: Strategic Plan to Prevent and End Youth Homelessness*. (May 2017). Retrieved from

[https://ich.dc.gov/sites/default/files/dc/sites/ich/page\\_content/attachments/Solid%20Foundations%20DC%20web%201.5.pdf](https://ich.dc.gov/sites/default/files/dc/sites/ich/page_content/attachments/Solid%20Foundations%20DC%20web%201.5.pdf), at 27.

<sup>33</sup> ICH. *Solid Foundations DC: Strategic Plan to Prevent and End Youth Homelessness*. (May 2017). Retrieved from

[https://ich.dc.gov/sites/default/files/dc/sites/ich/page\\_content/attachments/Solid%20Foundations%20DC%20web%201.5.pdf](https://ich.dc.gov/sites/default/files/dc/sites/ich/page_content/attachments/Solid%20Foundations%20DC%20web%201.5.pdf), at 32.