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Testimony Before the District of Columbia Council  
Committee on Human Services  
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Budget Oversight Hearing:  
*Department of Human Services*

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## **Introduction**

Good morning Chairperson Nadeau and members of the Committee on Human Services. My name is Elizabeth Oquendo, and I am a Senior Policy Attorney at Children's Law Center. 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 almost 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.<sup>1</sup>

## **A Budget for a True Community**

Establishing the District's annual budget may be the Council's most important, and difficult, job. The budget funds the education of our children, supports our most vulnerable community members, and pays for the myriad services the District provides the public. The budget requires hard choices and tradeoffs in allocating limited dollars to the needs of District residents.

It is easy to get lost in the thousands of pages of spreadsheets and line items and hearing testimony. But come August, when the Council gives its final approval, the budget will define our priorities and who we are as a community. What will it say about us? Will it say, in the words of human rights advocate Pauli Murray, that we are

a “true community ... based upon equality, mutuality, and reciprocity” – will it “affir[m] the richness of individual diversity as well as the common human ties that bind us together”?<sup>2</sup>

How do we build a budget for a “true community”? We start by recognizing that different members of our community have experienced the COVID-19 pandemic very differently. It has fallen hardest on Black and Brown members of our community:<sup>3</sup>

<p><b>30,000</b></p> <p>Nearly <b>30,000 of DC’s Black or Latinx residents have been infected with COVID-19</b> compared to just 10,000 white residents</p>	<p><b>5x</b></p> <p>Unemployment East of the River <b>skyrocketed to five times the rate</b> in neighborhoods in Wards 2 and 3</p>	<p><b>4+ months behind</b></p> <p>During the first six months of virtual school, <b>at-risk students fell five months behind in math and four months behind in reading</b></p>
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The stark disparities in the impact of COVID-19 have only exacerbated the deeply imbedded inequities these members of our community have long faced.<sup>4</sup>

A budget for a “true community” would honestly and aggressively confront these inequities. It would fund programs to allow students, especially at-risk students, and students with disabilities, to recover the learning they have lost and ultimately to thrive in school. It would provide the behavioral health supports many students need to manage the stress and trauma they have experienced. It would prioritize the protection and care of children placed in foster care. It would support stable, healthy

housing for families threatened by economic insecurity and dangerous housing conditions. And it would fund these pressing needs not by trading off social programs against each other, but by building a budget that creates a “true community” based on equity and justice.

Throughout the pandemic, many of our clients have relied on the programs and supports administered by the Department of Human Services (DHS). And while for many residents the availability of vaccines has signaled an end to the public health emergency, we know that for a significant proportion of our low-income Black and Brown residents, the economic and physical effects of the pandemic will continue to rage on into FY22. That is why we will focus our testimony on ensuring that the District is making investments in the programs that will help keep children and families safely housed.

### **The District Continues To Waste Valuable Dollars On Ineffective Rapid Rehousing**

Children’s Law Center remains concerned that Rapid Rehousing continues to be the District’s primary tool to address to family homelessness. We have been before the Council many times to testify about the horrible health harming housing conditions that our clients experience while living in Rapid Rehousing properties. These terrible housing conditions issues have persisted throughout the pandemic. Client families

have continued to reach out to us throughout the pandemic to ask for assistance with getting landlords to keep their homes habitable and safe.

Today, we again raise whether Rapid Rehousing actually helps DC residents. Time and time again, DHS's own statistics have shown that Rapid Rehousing's time limited subsidy is not long enough for families to significantly increase their income earning potential to afford to stay in their units once the subsidy ends.<sup>5</sup> Some families even experienced a decrease in income while in the program.<sup>6</sup> The public health emergency has compounded these issues. Many program participants have been unable to find work, had their hours reduced, or remained unemployed due to childcare obligations, supervision of virtual school, and caring for loved ones affected by COVID-19. But the inability for tenant families to afford the rent due once their subsidy ends is not a new problem. Nothing has changed from prior to the pandemic except now more families need housing assistance and families have had even fewer opportunities to earn or increase income than before.

*Now Is The Time To Reimagine Rapid Rehousing And Keep Program Participant*

*Families Stably Housed*

The District has an opportunity to rethink how we use valuable Rapid Rehousing program dollars to support families. First, strict time limits on subsidies have not worked for most families in the program. We should move towards a Rapid

Rehousing model that provides a subsidy based on the household's ability to earn income – not a strict time limit. Each family is different and enters the program with different levels of education, resources, and work experience. Rapid Rehousing should provide them with time limits that reflect their individual situation. For some families, eighteen months or less will be enough to get them back to full earning potential after the economic effects of the pandemic. Other families will need more time in the program than what is currently allowed to gain work experience or participate in career training programs. Continuing to fund Rapid Rehousing in its current form is just kicking a very expensive can down the road. If the District does not reform Rapid Rehousing now most families who enter Rapid Rehousing will not be able to meaningfully increase their income enough to afford their unit at the end of the program and the District will see a surge of evictions in FY22 and beyond.<sup>7</sup>

Second, Rapid Rehousing continues to benefit some of the District's worse slumlords by placing Rapid Rehousing program participant families in deplorable housing conditions. Just a few months ago, we came before this committee to testify about the terrible housing conditions that families in Rapid Rehousing have been subjected to in FY21. Based on information our clients have shared over the past few months we can attest that housing conditions in these properties have been just as bad – if not worse. We get calls about the housing conditions in units mere weeks after families move into, both after virtual and in person inspections. One family moved into

a home and on the very first day our client, the mom, put her hand into the wall because it was so saturated with moisture and mold that you could push your hand through the plaster. The unit had just passed a virtual inspection. Because our client was afraid the mold would trigger an asthma attack in her son, the whole family slept in the car rather than their new apartment that first night out of shelter. She had no Rapid Rehousing case manager assigned yet, and so had no one to call from the program. Although we represented her in an education matter, she called us. The situation was only resolved because we threatened to file a temporary restraining order. Other families have asked for routine maintenance which has been refused by landlords who use the pandemic as an excuse to skirt their responsibilities and who allow their properties to sink further into disrepair. It is unacceptable that the District continues to pay these landlords to house families in such terrible conditions.

Program participant families deserve to live in properties that are habitable and healthy. The District cannot afford to continue to make big payouts to slumlords because we choose to continue to use Rapid Rehousing in its current form as the only solution to family homelessness. If the District is going to continue to invest in Rapid Rehousing, then the program must be modified to ensure that housing providers are maintaining their units in healthy and habitable conditions before families move in.

Finally, Rapid Rehousing program enrollment numbers should be much lower than they are today and even lower than they were prior to the pandemic. We are

concerned that an economic recovery from the pandemic may take years to realize for many low-income District residents while housing costs will continue to skyrocket. Unless we create more opportunities for families to obtain stable housing through vouchers like Targeted Affordable Housing (TAH) or modify the Rapid Rehousing program substantially thousands of families will continue cycle in and out of Rapid Rehousing costing the District millions of dollars.

*A Successful Career MAP Pilot Should Not Require Case Management And Should Make Time Limits Flexible*

Some of the recommendations from the 2019 Family Rehousing Subsidy Program (FRSP) Taskforce report attempted to address what to do when families reach the benefit cliff at the end of their subsidy, however those recommendations have not been implemented as of FY21. This year's FY22 budget attempts to fund one of the Taskforce's recommendations by creating the Career MAP program - a new workforce development program for families in Rapid Rehousing. All we know is that the program, which is budgeted to serve 300 families in FY22, will provide career development support to raise the household's income.<sup>8</sup> It is difficult to comment on this program as little information has been provided about it, including how families will be selected, whether time limits will be lifted on their Rapid Rehousing subsidy, what specialized training their case managers will have, what funding will be available to assist in their career training and job searches, whether transportation assistance is

available, whether there will be assistance with child care subsidies for these families, among other details.

As we mention above, we agree that Rapid Rehousing needs to be re-tooled and there should be new innovative ideas piloted. However, the current iteration of Rapid Rehousing (time limited subsidy and case management) will continually fail to keep families permanently housed once their subsidy ends. and does not provide a long enough period for a career pilot to be successful. We worry that we are setting up families to fail because most families will need a substantial amount of time to gain entry into employment that will generate sufficient income to pay rent in a DC apartment.

Instead, Rapid Rehousing often incentivizes families to make poor choices in the moment. For instance, one of our clients had two children in college when they became homeless together. When they all entered Rapid Rehousing, the children dropped out of college to be able to earn sufficient income to pay their portions of the rent. While this met the program's requirements in the short term, it was certainly not building their long-term earning potential and had they been eligible for a longer time in the program, they could have made different decisions about prioritizing their education.

For this pilot to be successful, we recommend eliminating the time limit from the Rapid Rehousing subsidy. Families will need much more than two years to gain

enough work experience, complete their education, or obtain new skills and credentials to be able to afford market rent. The pilot should be voluntary, a family's individual needs should be evaluated, and the supports should be commensurate with the amount of need that exists, rather than based on a time limited subsidy.

*DHS Acknowledges That Case Management Is Expensive and Not Necessary For Some Rapid Rehousing Participants*

We have learned that the District will no longer be providing case management to some families who have been extended in Rapid Rehousing. Case management has long been a very expensive part of Rapid Rehousing's budget and by far the least effective part of the program.<sup>9</sup> Forcing all families to engage in case management without distinction is one of the more wasteful aspects of Rapid Rehousing. Mandatory case management is also contrary to the national best practice of housing first with voluntary services and is simply a racist practice. Case management cannot and will not solve the systemic problem that many Rapid Rehousing families face – which is that renting a safe, habitable, and affordable apartment in the District is incredibly expensive. Apart from a lack of affordable housing, families experiencing homelessness have a whole host of other obstacles to overcome, some of these even recognized by the last Homeward DC Progress report as “historically poor access to quality education, low literacy rates, high levels of disabling conditions (both physical and behavioral), high rates of trauma, high rates of justice system involvement, and persistent institutional discrimination.”<sup>10</sup> To assume that all families who cannot afford their rent

need case management is racist, misguided, and goes completely against the District's stance as a Housing First jurisdiction.<sup>11</sup> In accordance with the recognition that participants are people who know what is best for them and with national best practices, all case management should be voluntary in all homeless services.

*Ensure There Are Enough Funds To Assist The Thousands Of Families Who Will Be Exited from Rapid Rehousing in FY22*

There is some lack of clarity on what the plan is moving forward for families in Rapid Rehousing. At the Fair Budget Coalition DHS budget briefing on the afternoon of June 4<sup>th</sup>, Director Zeilinger shared information that leads us to believe that beginning August 1<sup>st</sup> families will start to receive 30-day notices to discontinue case management services<sup>12</sup> and will also get a six-month notice for the termination of the subsidy.<sup>13</sup> Because most of the families in Rapid Rehousing have not had the opportunity increase their income during the pandemic, and because we are concerned about further increasing the wave of evictions that is likely coming, we support this extension. However, we know that eventually thousands of families will receive program termination notices, and many will not be able to afford the rent once their subsidy ends, so we will still have to face that problem, but we can buy some families more time to find a solution for their families. We ask that the Council ascertain precisely when families can expect to begin receiving termination letters, how long the notice period will be, whether this will be phased or if all families will receive notice on August 1, and what criteria will be used to determine which families will be terminated from the

program first. Some families have been in Rapid Rehousing since before the pandemic even began and we are not sure if DHS plans to terminate the families that have been in the program the longest first, or if they will consider how COVID-19 has affected the family's ability to successfully exit the program.

Knowing this will provide a better idea of how many families will need additional or ongoing subsidies in Rapid Rehousing and TAH vouchers for FY21 and FY22. We understand that there is a large influx of federal money from the American Rescue Plan Act (ARPA) that will be used for Rapid Rehousing, but we are unclear as to how many of those dollars will be spent in FY22 and how much will be left over to help families in Rapid Rehousing who may still be in the program in FY23. Regardless of DHS's precise timeline to initiate terminations, we urge the Council to ensure that there is enough funding in Rapid Rehousing to prevent the abrupt termination of thousands of family's subsidies in FY22.

### **The Council Should Preserve and Fund Targeted Affordable Housing Vouchers**

Children's Law Center is very concerned the Mayor's FY22 budget does not allocate any funding to the TAH voucher program. As you know, the Council decided to create TAH "to better match families and individuals experiencing homelessness with the correct amount of housing and supporting services".<sup>14</sup> By eliminating TAH, a

Rapid Rehousing family's only option would be to qualify for a Permanent Supportive Housing (PSH) voucher to remain stably housed. To qualify for PSH, a family must have a head of household with a qualifying disability per the HSRA amendments made in 2018, excluding families who had previously qualified based on a child's disability.<sup>15</sup> Often, parents of children with disabilities have caretaking responsibilities and multiple doctors' and school appointments in a month that prevent them from working enough hours to obtain housing stability. For many of our client families, the TAH program is vital because they would not otherwise qualify for a PSH Voucher, either because they themselves are not disabled but they have a disabled child or because they have not been homeless numerous times but are otherwise high risk.<sup>16</sup> The TAH vouchers have been critical for this portion of our client community, and we are highly concerned that this vital program will no longer be available.

Director Zeilinger has announced that the families that would be currently eligible for TAH will be eligible for a newly restructured Permanent Supportive Housing (PSH) program instead.<sup>17</sup> However, we do not have the revised criteria for PSH, and we do not believe that DHS can legally revise them to include most of the families in TAH without amending the HSRA. We also do not think that all families need case management and DHS has not provided any evidence that shows that. We know that many families are successful in the HCVP and LRSP program without this support, and many of these families come into these programs from being homeless as

this is a priority for those vouchers. TAH is another way to help families access permanent housing supports, especially younger heads of households who are unable to access the DCHA waist list since it closed in 2013.

All we know about the restructured PSH program is that it will include different service levels including light touch case management. We are concerned that hundreds of families per year could lose the opportunity to obtain a housing voucher and gain housing stability because of the elimination of TAH. Funding TAH vouchers is more critical in FY22 than ever. With thousands of families in Rapid Rehousing facing program termination at the end of the public health emergency, coupled with the post-pandemic economy still rebounding, we believe that many of those families will end up homeless yet again without a TAH voucher. We ask that the Council fund at least \$23.34 million for TAH Vouchers that would serve 928 families.<sup>18</sup> TAH vouchers are a critical tool to ensuring that Black and brown DC residents are able to stay housed in DC.

### **The Council Must Invest Local Funds in ERAP**

Although the District has received a large federal infusion of rental assistance funds that are being dispersed through the Stronger Together by Assisting You (STAY) DC application, we know that many families will still need to rely on Emergency Rental

Assistance Program (ERAP) funds to stave off eviction. Families that have rental arrears that pre-date the pandemic are going to need to access ERAP funds to stay in their homes, as will families whose debt goes beyond the permissible 15 months, families who otherwise are unable to qualify or whose landlords do not cooperate with STAY DC.<sup>19</sup> The Mayor's FY22 budget proposes a decrease of \$5.5 million dollars of reoccurring funds for ERAP. This will leave the program underfunded.<sup>20</sup> Even before the pandemic, ERAP funds often ran out before the end of the year, post pandemic the need will be greater.

Further, we are unsure of how much of the American Rescue Plan Act (ARPA) funds will be spent down by the end of FY22 since large amounts are being used on programs like Rapid Rehousing, administrative costs, pilot programs, etc. At a minimum, ERAP's reoccurring funds should not be diminished in the FY22 budget in the face of a potential tsunami of evictions and terminations from Rapid Rehousing. We ask the Council to find an additional \$5.5 million in local dollars to maintain the ERAP program at its pre-pandemic levels.

### **The Council Should Permanently Allow Alliance Recipients to Recertify Annually**

Children's Law Center serves many immigrant families through our Medical Legal Partnerships at Mary's Center, Unity Health Care, and other clinics throughout

the city. One of the most onerous public benefits requirements in the District has been the process to recertify for the Alliance every six months in person. This year due to the pandemic, DHS was able to absorb the cost of in person recertifications and provided Alliance program participants with the opportunity to recertify once this year. This decision by DHS allowed for many people to remain covered by the Alliance throughout the pandemic while also keeping clients and case workers safe from gathering in crowded service centers to recertify. We join with many others to urge this Committee ensure DHS has the funding needed to align Alliance recertification and renewal requirements with Medicaid's to ensure that all residents of DC have the same opportunity to access lifesaving health insurance.<sup>21</sup>

## **Conclusion**

This year, families have relied on the services and programs administered by DHS more than ever. Although the pandemic has pushed our social safety nets to the brink, we also have the benefit of a large influx of federal funds to help support District residents by ensuring they stay stably housed as the pandemic ends. Let us not waste this opportunity to budget these funds effectively and improve Rapid Rehousing, adequately fund TAH vouchers and ERAP to keep more families safely and stably housed.

I thank you for the opportunity to testify about the proposed FY22 DHS Budget and I welcome any questions the Committee may have.

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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 almost 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> Pauli Murray: Selected Sermons and Writings, page 210. *See* <https://www.facebook.com/paulimurrayproject/posts/true-community-is-based-upon-equality-mutuality-and-reciprocity-it-affirms-the-r/10153189445686943/> .

<sup>3</sup> *See* Children’s Law Center Annual Report – 2020 at 4, *available at* [https://www.childrenslawcenter.org/sites/default/files/Final.childrenslaw\\_center.annualreport.2020..pdf](https://www.childrenslawcenter.org/sites/default/files/Final.childrenslaw_center.annualreport.2020..pdf) . *See also* Letter from Mayor Bowser to Honorable Phil Mendelson, at 1 (May 18, 2020), *available at* <https://cfo.dc.gov/sites/default/files/dc/sites/ocfo/publication/attachments/DC-GOVT-FY-2021-PROPOSED-BUDGET-VOLUME-1.pdf> (page 21) (recognizing the “distressing health disparities that exist across our nation and within our community”); Perry Stein, “Low Attendance and Covid Have Ravaged D.C.’s Poorest Schools – Fall Will Be About Reconnecting,” Washington Post (May 10, 2020), *available at* [https://www.washingtonpost.com/local/education/in-dc-schools-spring-was-ravaged-by-covid-and-disconnection-fall-will-be-about-catching-up/2020/05/10/60ad1774-8b3f-11ea-8ac1-bfb250876b7a\\_story.html](https://www.washingtonpost.com/local/education/in-dc-schools-spring-was-ravaged-by-covid-and-disconnection-fall-will-be-about-catching-up/2020/05/10/60ad1774-8b3f-11ea-8ac1-bfb250876b7a_story.html) .

<sup>4</sup> *See* President Obama’s commencement speech historically Black colleges and universities (May 16, 2020) (recognizing “the disproportionate impact of Covid-19 on our communities” and stating that “a disease like this just spotlights the underlying inequities and extra burdens that black communities have historically had to deal with in this country”), *available at* <https://www.nytimes.com/2020/05/16/us/obama-hbcu-speech-transcript.html?action=click&module=RelatedLinks&pgtype=Article> .

<sup>5</sup> The average monthly income at program entrance was \$942 per month, and only 76 of approximately 2300 families increased income (with an average increase of \$50 per month) and 54% had a decrease in income during the last fiscal year. *See* DHS 2021 Oversight Answers, p89.

<sup>6</sup> *Id.*

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

<sup>8</sup> The new Career MAP program will serve 300 families. *See* Mayor Bowser’s FY2022 Fair Shot Budget Presentation at p14, *available at* <https://mayor.dc.gov/fy2022-fairshot-budget> .

<sup>9</sup> Clients cannot even access case management services until they have been in the program for months. We know that even when clients do connect to case management services that accessing those services does not usually translate into an increase in income and family stability. Per the DHS 2021 Oversight Responses, p87, the timeframe for assigning a case manager in FRSP was “Families: 62 days in FY19; 124 days in FY20; and 154 days in FY21.”

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<sup>10</sup> See DC Interagency Council on Homelessness, *Homeward DC 2016-2020 Looking Back to Move Forward – Progress and Lessons Learned in the First Four Years of Homeward DC*, (September 29, 2019), *available at*

[https://ich.dc.gov/sites/default/files/dc/sites/ich/page\\_content/attachments/Homeward%20DC%20Progress%20Report\\_Final.pdf](https://ich.dc.gov/sites/default/files/dc/sites/ich/page_content/attachments/Homeward%20DC%20Progress%20Report_Final.pdf) at 32.

<sup>11</sup> From the National Alliance to End Homelessness: Housing First is a homeless assistance approach that prioritizes providing permanent housing to people experiencing homelessness...Additionally Housing First is based on the theory that client choice is valuable in housing selection and supportive services participation, and that exercising that choice is likely to make a client more successful in remaining housed and improving their lives. See <https://endhomelessness.org/resource/housing-first/>.

<sup>12</sup> If that is the case, we have some concerns about mechanics of who participants will contact should problems arise in those final six months. As with other vouchers, there still needs to be an agency point of contact if rent is not paid, something arises with the landlord, or other programmatic issues arise. We do not see that type of management in the budget thus far, but it may be in the federal dollars we do not see.

<sup>13</sup> On the morning of June 4, at the DCFPI budget briefing, Director Zeilinger indicated all participants would get a 60-day notice for termination. It appears that in the hours between the two briefings, the plan for the federal money solidified.

<sup>14</sup> See Committee Report on B21-0157, (May 27, 2015), where the Council initially funds TAH vouchers for FY16.

<sup>15</sup> Previously, PSH eligibility included any household member with a qualifying disability. When those amendments were made in 2018, it was with the assurances that TAH would fill the gap for the families who previously qualified for PSH.

<sup>16</sup> To qualify for a PSH vouchers, individuals must have a qualifying disability and either have experienced chronic homelessness for a year or have had four episodes of homelessness in the previous two years. See <https://dhs.dc.gov/service/solutions-ending-homelessness>.

<sup>17</sup> Director Zeilinger explained this change in TAH at the DHS Budget Briefing hosted by the Fair Budget Coalition on Friday, June 4, 2021.

<sup>18</sup> The number of families needing TAH vouchers in the Way Home campaign is based on last year's number of Rapid Rehousing Program Participants. With the large increase in the number of families currently in the program, we estimate the need is much greater.

<sup>19</sup> As you know, the ESSR I and II funds can only be used on rental arrears that were acquired after March 13, 2020 – at the onset of the Federal Public Health Emergency declaration. See Treasury Guidance at p. 7. <https://home.treasury.gov/system/files/136/ERA2FAQs%205-6-21.pdf>.

<sup>20</sup> FY22 DHS Budget Book, JA0-4 Line 5014.

<sup>21</sup> See Fiscal Impact Statement for the Prescription Drug Monitoring Program Query and Omnibus Health Amendments Act of 2020, (November 23, 2020), *available at* [http://app.cfo.dc.gov/services/fiscal\\_impact/pdf/spring09/FIS%20PDMP%20Query%20Omnibus%20Amendment%20Act.pdf](http://app.cfo.dc.gov/services/fiscal_impact/pdf/spring09/FIS%20PDMP%20Query%20Omnibus%20Amendment%20Act.pdf)