



Testimony Before the District of Columbia Council  
Committee on Human Services  
March 31, 2022

Budget Oversight Hearing:  
*Department of Human Services*

Kathy Zeisel  
Senior Supervising Attorney  
Children's Law Center

Good morning Chairperson Nadeau and members of the Committee on Human Services. My name is Kathy Zeisel and I am a DC resident and a Senior Supervising Attorney at Children's Law Center, which fights so every DC child can grow up with a stable 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. Thank you for the opportunity to testify about the Department of Human Services' proposed budget. Today I will urge the Council to continue on the path that it started on last year in creating permanent housing supports for homeless DC families, and to go further to begin to reimagine Rapid Rehousing.

***We Applaud the Inclusion of Permanent DC Alliance Annual Recertification in BSA***

Before I turn to Rapid Rehousing, I want to first turn to DC Alliance. We are very happy to support the language in the Budget Support Act (BSA), which appears to permanently fix the longstanding issue wherein DC Alliance recipients had to recertify twice a year, while Medicaid recipients had to recertify only one time per year.<sup>1</sup> Fixing this will help to address the health inequities we know face the immigrants and returning citizens who utilize DC Alliance, and will help to address some of the structural inequities between DC Alliance and Medicaid. We hope that the Council will

support this permanent fix and allow the DC Alliance recertifications to continue to occur annually.

### ***No Rapid Rehousing Terminations in FY22***

The Council made historic investments in permanent housing resources in the FY22 budget. Having done so, it is far from clear why we must terminate almost 900 families from Rapid Rehousing in FY22 without providing them permanent housing resources. DHS stated that all families terminated thus far had been reviewed for permanent housing resources and found ineligible, but the majority of families we are aware of who appealed their terminations are eligible for a permanent housing resource.<sup>ii</sup> We ask that DHS withdraw all time-limit termination notices that are currently pending and extend the families through the end of this fiscal year. Funding for this could come both from the surplus funds and from reprogramming any unused DC Flex subsidies.

### ***Additional Permanent Housing Resources are Needed in FY23 Budget***

We applaud the Mayor for increasing the available Permanent Supportive Housing (PSH) vouchers for both individuals and families. But, there are no new Targeted Affordable Housing (TAH) vouchers included in this budget. TAH is a critical tool for families because many families do not need the extensive case management of Permanent Supportive Housing (PSH) and/or while there may be factors limiting the

ability of the head of household to work, it may not be their own disability, or they may not meet the legal definition of chronically homeless because of their time in Rapid Rehousing,<sup>iii</sup> and so they may not be statutorily eligible for PSH. It is important to draw this distinction because both DHS and the Interagency Council on Homelessness have repeatedly tried to blend TAH and PSH together, but legally that is problematic because it would severely limit who would be eligible for TAH and there is no legal basis for that limitation. Additionally, in spite of having another year to do so, DHS has still failed to promulgate any regulations for TAH. This means the only legal criterion for the selection for TAH is what was in the FY22 BSA, namely the length of stay in Rapid Rehousing.<sup>iv</sup>

Instead, rather than looking to ensure that families have permanent housing solutions, the Mayor proposes to continue to grow Rapid Rehousing this year by over \$44 million dollars, for a total budget of \$74,873,000.<sup>v</sup> Yet, we know that at least 90% of families cannot afford their rent at the time of exit. By DHS' own data, 66% of families in FY22 and 74% of families in FY21 have TANF and in FY21 5% and in FY22 4% had a head of household with SSI/SSDI as their main source of income.<sup>vi</sup> DHS provided data about whether income increased for exiting families in FY21 and 22, and it shows that even though some families marginally increased their income, the average income on exit was still only \$867 in in FY21 and \$852 in FY22.<sup>vii</sup> In FY21 the rent burden for families at exit was an average of 289% of income and in FY22 it was an average of

350% of income, meaning that most families could not afford the rent at exit from rapid rehousing no matter how much they worked on a family budget<sup>viii</sup>

DHS has long contended that it is only responsible for the homeless system, but even if this Mayor refuses to think about DC residents more broadly, we ask this Council to continue what it began last year and to recognize that we are setting up families for failure by continuing to grow Rapid Rehousing when we know that the vast majority of families cannot afford rent at the end.

We are also setting up Rapid Rehousing case managers to fail by giving them the impossible task of increasing income in a year. And, instead of giving families more time to get the education and training they need to increase their income, we are doubling down by pouring money in the new Career MAP pilot without lifting the time limit requirements in Rapid Rehousing.<sup>ix</sup> While very little information has been released about the new Career MAP pilot, if we do not lift time limits in Rapid Rehousing, we are not setting up families for success in the new program because they simply do not have enough time to increase their income sufficiently to afford rent.<sup>x</sup>

DC should instead focus its resources on permanent housing supports for families. At this time, we are calling for 1040 new TAH vouchers to meet the anticipated need in FY23. We believe this can meet the need and prevent new terminations with no permanent housing to go to next year, giving DC time to meaningfully plan to restructure Rapid Rehousing.

### *Increase in ERAP is Laudable, but Insufficient*

We appreciate that the Mayor has increased the local funds going to ERAP through the FY22 supplemental budget and the FY23 budget.<sup>xi</sup> As this Committee is aware, the demand for STAY DC funds was very high during the pandemic, and that was when the eviction moratorium was in place.<sup>xii</sup> We expect that with the eviction moratorium lifted and the increase in terminations in Rapid Rehousing, there will be an even higher demand for ERAP. We join our colleagues in asking for \$200 million in ERAP in the FY23 budget.

### *Conclusion*

While DHS may regard its job as only looking at the homeless system narrowly, that should not and cannot be the job of the Council. We know that when we count homeless children under the broader McKinney Vento educational definition, we have almost 5900 homeless students in DC<sup>xiii</sup> instead of the 746 children (405 families) under the HUD/DHS Point in Time count.<sup>xiv</sup> The housing instability for those 5900 children is a trauma and that is why we give schools at risk funding to help serve those children. We should be creating policies that will lead to permanent housing for families in DC rather than putting homeless families into a one year program that leads to housing instability at the end. If the agencies are not going to work together to create a vision for that, then it is up to the Council to take leadership to do so through this budget.

We ask the Council to continue on the path it started down last year with permanent housing supports and to fund the 1040 TAH vouchers needed and to keep Rapid Rehousing participants who cannot afford their rent housed. We must reimagine the system in DC, and now is our opportunity.

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<sup>i</sup> Language passed in last year's FY22 Budget Support Act of 2021 stopped in-person interviews in FY22 but allowed them in FY23-FY25. It also required six-month recertifications before phasing them out after April 1, 2025. Fiscal Year 2022 Budget Support Act of 2021, Enrolled August 10, 2021, at 139. Available at: <https://lims.dccouncil.us/downloads/LIMS/47312/Meeting3/Enrollment/B24-0285-Enrollment12.pdf> The FY23 Budget Support Act amends this FY22 BSA language. Specifically, it removes language allowing in-person interviews in FY23-FY25, as well as the delayed implementation of the annual recertification schedule. New language specifies that Alliance participants would be "required to recertify enrollment on an annual basis." The effect of the FY23 BSA language, if passed, would be to permanently end in-person interviews and shift to annual recertifications beginning in FY23. Fiscal Year 2023 Budget Support Act of 2022, Introduced March 16, 2022, at 36-37. Available at:

<https://lims.dccouncil.us/downloads/LIMS/49079/Introduction/B24-0714-Introduction.pdf>

<sup>ii</sup> We would note that on the eve of this hearing, our office received identical emails in three Rapid Rehousing cases on appeal that denied housing resources to clients who have documented disabilities for themselves or family members stating that they do not have documented disabilities. These statements were inaccurate and confusing, and do not change the fact that the clients, in our assessment, should be eligible for TAH at a minimum. In addition, separate from these cases, there was an issue at the Office of Administrative Hearings in December of 2021 when many families would have needed to file appeals to keep benefits pending. For a period of several days, it was not possible to file cases by phone or even to leave a message with the shelter appeal phone line. The notices that DHS provides does not provide any alternative means to file. This alone should be reason enough to re-issue the notices for families who were provided termination notices in December. To our knowledge, no corrective action has been taken by DHS regarding these families even though we raised this issue in Oversight and at the FRSP Advisory meeting.

<sup>iii</sup> **(6C)** "Chronically homeless" means:

**(A)** An individual who:

**(i)** Is homeless and lives in a place not meant for human habitation or in a shelter;

**(ii)** Has been homeless continuously for at least one year or on at least 4 separate occasions in the last 3 years; and

**(iii)** Can be diagnosed with one or more of the following conditions: substance use disorder, serious mental illness, developmental disability (as defined in [§ 21-1201\(3\)](#)), post-traumatic stress disorder, cognitive impairments resulting from brain injury, or chronic physical illness or disability;

**DC Code § 4-751.01(6C)**

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<sup>iv</sup> Budget Support Act FY22, p34

“(3) The Department of Human Services shall promulgate emergency and final rules governing the referral of applicants to the Authority for tenant-based voucher assistance, including eligibility criteria for Targeted Affordable Housing. In Fiscal Year 2022, such eligibility criteria for Targeted Affordable Housing shall include a prioritization for families that have been in rapid re-housing the longest but are not eligible for Permanent Supportive Housing. Emergency rules shall be issued by November 1, 2021. Final rules shall be subject to Council approval.

Budget Support Act FY22, p34

<sup>v</sup> FY2023 Proposed Budget and Financial Plan, Volume 2 Agency Budget Chapters Part 1, DHS E-68.

<sup>vi</sup> DHS FY21-YTD22 Oversight Answers, Q70b-c, p87. Importantly, this does not capture families who have child SSI as a main source of income, overlooking families with disabled children who may not qualify for TANF.

<sup>vii</sup> DHS FY21-YTD22 Oversight Answers, p91-92. This data is hard to interpret because DHS did not exit families during this period, so it is unclear why these families exited the program. However, it is consistent with the data from prior to the pandemic which showed that 90% of families who were exited from the program did not increase their income, and those that did only increased it by an average of \$50 per month to a level below that needed to rent independently. DHS 2021 Oversight Answers, p89.

<sup>viii</sup> DHS FY21-YTD22 Oversight Answers, p105.

<sup>ix</sup> FY2023 Proposed Budget and Financial Plan, Volume 2 Agency Budget Chapters Part 1, DHS E-76.

<sup>x</sup> Increased income from earnings will likely take the place of public benefits for many families. By DHS' own data, 66% of families in FY22 and 74% of families in FY21 have TANF and in FY21 5% and in FY22 4% had a head of household with SSI/SSDI as their main source of income. DHS FY21-YTD22 Oversight Answers, Q70b-c, p87. Importantly, this does not capture families who have child SSI as a main source of income, overlooking families with disabled children who may not qualify for TANF. If we are simply replacing TANF or SSI income, it is not clear how much we will be increasing income and how stable those increases will be, especially in such a 12 month time period.

<sup>xi</sup> There is a 27,687,000 increase in ERAP in the FY23 Budget. FY2023 Proposed Budget and Financial Plan, Volume 2 Agency Budget Chapters Part 1, DHS E-68.

<sup>xii</sup> The high demand for Stay DC is well documented in the DHS reports to the DC Council Committee on Human Services, posted at the website for Brianne Nadeau at [brianneknadeau.com](http://brianneknadeau.com) (search for “stay dc”).

<sup>xiii</sup> See OSSE SY20-21 Homeless Student Count available at:

[https://osse.dc.gov/sites/default/files/dc/sites/osse/page\\_content/attachments/SY20-21%20Homeless%20Student%20Counts%20%28Final%29.pdf](https://osse.dc.gov/sites/default/files/dc/sites/osse/page_content/attachments/SY20-21%20Homeless%20Student%20Counts%20%28Final%29.pdf)

<sup>xiv</sup> The Community Partnership 2021 Point in Time Count data.