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Testimony Before the District of Columbia Council  
Committee on Transportation and the Environment  
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Public Hearing  
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Department of Energy and Environment

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## **Introduction**

Good morning, Chairperson Allen, and members of the Committee. My name is Makenna Osborn. I am a Policy Attorney at Children’s Law Center and a resident of the District. Children’s Law Center believes every child should grow up with a strong foundation of family, health and education and live in a world free from poverty, trauma, racism and other forms of oppression. Our more than 100 staff – together with DC children and families, community partners and pro bono attorneys – use the law to solve children’s urgent problems today and improve the systems that will affect their lives tomorrow. Since our founding in 1996, we have reached more than 50,000 children and families directly and multiplied our impact by advocating for city-wide solutions that benefit hundreds of thousands more.

Thank you for the opportunity to testify regarding the Mayor’s proposed Fiscal Year 2025 (FY25) budget for the Department of Energy and Environment (DOEE). Conditions in a child’s physical environment, especially their home, can deeply impact their health and well-being.<sup>1</sup> For example, mold contamination, pest infestations, and poor air quality can exacerbate a child’s asthma;<sup>2</sup> ingestion of lead through lead-based paint or lead-contaminated drinking water can inhibit a child’s mental and physical development;<sup>3</sup> and residential energy insecurity<sup>4</sup> can expose children to harmful indoor temperatures, unsafe heating sources, and force families to forgo other basic needs.<sup>5</sup> That is why Children’s Law Center works with hundreds of families each year to secure the

remediation of poor rental housing conditions that are threatening a child's health.<sup>6</sup> We also advocate for policies that will ensure all DC children have access to stable, affordable, and healthy housing.

As the agency responsible for implementing and enforcing the District's lead and mold laws,<sup>7</sup> connecting low-income residents with utility assistance,<sup>8</sup> and supporting transitions to green and energy efficient affordable housing,<sup>9</sup> DOEE plays a critical role in protecting DC children from environmental hazards and promoting healthy housing throughout the District. In a year where the District faces difficult decisions about how to allocate limited resources, adequately funding these important DOEE programs is a strategic investment in the current and future well-being of DC residents. Therefore, Children's Law Center was pleased to see that the Mayor's proposed FY25 budget appears to include an increase of \$591,000 for DOEE's Lead-Safe and Healthy Housing Division (LSHHD).<sup>10</sup> Additionally, in Director Jackson's testimony at the FY25 DOEE Budget Hearing, he confirmed that while there are currently two vacant lead inspector positions at DOEE, the positions had not been cut in vacancy savings and are funded in the Mayor's proposed budget.<sup>11</sup> We hope the Committee will protect the funding for these positions and the LSHHD throughout the rest of the budget process.

Children's Law Center wants to highlight that the Mayor's proposed DOEE relies heavily on federal funds – nearly half of DOEE's FY25 operating budget is made up of federal grants.<sup>12</sup> This is a testament to DOEE's laudable commitment to pursuing all

possible funding sources for its work and skill at applying for federal grants. However, increasing reliance on federal funds is concerning because federal grants often come with restrictions and per project spending caps that make them difficult to use unless they are paired with more flexible local funds. Additionally, the Mayor's proposed budget includes funding from grants that have yet to be awarded and DOEE could ultimately receive a smaller amount than accounted for.<sup>13</sup> To ensure the Council is fully informed as it makes decisions on the FY25 budget, we encourage the Committee to establish 1) where in DOEE's budget one time federal funds are replacing local money, 2) which federal grants included in the budget have not been awarded yet and how the final amount DOEE receives could differ from the budget, and 3) which federal grants come with restrictions that significantly constrain how DOEE can use the funding.

My testimony will detail Children's Law Center's particular concerns that the Mayor's proposed FY25 budget 1) does not appear to include local funding for DOEE's Residential Services Division, which will decrease the Division's capacity to provide effective and efficient lead hazard remediation and energy improvements to low-income households in FY25 and 2) reallocates funds from the Sustainable Energy Trust Fund (SETF), which will decrease the number of low-income households and affordable housing units DOEE can help transition to healthier, greener, and less costly energy sources. Additionally, I will highlight why the Committee should support fully funding the Residential Housing Environmental Safety Amendment Act in the FY25 budget.

## **The Committee Should Restore Local Funding to the Residential Services Division Lead Remediation and Energy Efficiency Improvements in Low-Income Households**

DOEE's Residential Services Division, within the Utility Affordability Administration, provides technical and financial assistance to help low-income residents lower their utility costs and maintain safe and healthy homes, including through lead-based paint hazard remediation, lead pipe replacement, and weatherization and energy efficiency improvements.<sup>14</sup> These services are vital resources for low-income DC families like Children's Law Center's clients. The Residential Services Division's funding comes primarily from a collection of federal sources including the US Department of Housing and Urban Development's (HUD) Lead Hazard Reduction Grant and the US Department of Energy's Weatherization Assistance Program (WAP).<sup>15</sup>

It is Children's Law Center's understanding that prior to FY24, the Residential Services Division also received several hundred thousand dollars in local funding each year.<sup>16</sup> These local funds enabled the Division to 1) bridge the gap between what federal grants could cover per household and total project costs and 2) braid funding streams to efficiently conduct all the remediation services and improvements a home is eligible for at once.<sup>17</sup> For example, the HUD Lead Hazard Reduction Grant has a household cap of \$11,000, which may be sufficient to encapsulate<sup>18</sup> deteriorating leaded paint is but not enough to address the underlying issues that caused the paint to deteriorate in the first place.<sup>19</sup> If the paint deteriorated because an old and dilapidated roof is leaking into the home, effective remediation of the lead hazard should include repair or replacement of

the roof. The Residential Services Division could supplement the \$11,000 from the HUD grant with local funding to accomplish this. Additionally, with the support of local funding, the Residential Services Division consolidated multiple types of assistance – including weatherization and lead hazard reduction – into a single application, streamlining the process for DC residents and allowing the Division to deploy its resources more efficiently in a whole-home approach.<sup>20</sup>

The Residential Services Division does not have its own line item in the DOEE budget, making it difficult to assess how much local funding the Division receives and how funding increases or decreases in other line items impact the Division and its work.<sup>21</sup> However, it is Children’s Law Center’s understanding that the Residential Services Division lost most, if not all, of its local funding in the FY24 budget.<sup>22</sup> The Lead Reduction Program operated by the Division, which provides financial and technical assistance to remediate lead-based paint hazards in low-income households with young children, seems to be the most negatively impacted by the loss of local funding. According to DOEE’s website, the program has been “on hold” since October 1, 2023 (the start of FY24)<sup>23</sup> and according to the pre-hearing Performance Oversight responses DOEE submitted to the Committee, as of February 2024 the Lead Reduction Program had not spent any funds – local or federal – in FY24.<sup>24</sup> This is deeply concerning because the most common source of lead poisoning in children is exposure to lead-based paint hazards, which are prevalent in DC’s housing stock, where 75% of housing was built before 1978.<sup>25</sup>

We urge the Committee to work with DOEE to establish 1) how much funding the Mayor's proposed budget provides to the Residential Services Division in FY25, 2) the sources of that funding (how much from each federal source and any local funding) and 3) how the removal of local funding has impacted the Division's ability to assist DC residents so far in FY24. We hope the Committee will identify and restore the amount of local funding needed in DOEE's FY25 budget to enable the Residential Services Division to efficiently spend down its federal grants and continue providing all its services to low-income households through FY25.

### **The Committee Should Reverse the Mayor's Diversion of Funding from the Sustainable Energy Trust Fund**

Children's Law Center recently embarked on a new project with the National Housing Trust to coordinate whole-building remediation and retrofits of several affordable multi-family rental properties across the District to reduce energy costs and improve health-related housing conditions for low-income families and promote the equitable decarbonization of DC housing.<sup>26</sup> The Sustainable Energy Trust Fund (SETF), operated by DOEE, plays an important role in making projects like this possible.<sup>27</sup> Therefore, we are deeply disappointed with the Mayor's choice to divert a significant amount of money – over \$17 million in FY24 and \$26 million in FY25 and each subsequent year – from the SETF to pay the District's utility bills.<sup>28</sup> Without this money from the SETF, we understand that DOEE will have to make substantial cuts to the number of low-

income households and affordable housing properties it assists with electrification and energy efficiency improvements.

The influx of money from federal grants that DOEE has received in recent years,<sup>29</sup> cannot make up for the cut in local funds available to supplement this work. For example, DOEE received nearly \$30 million from the Inflation Reduction Act's (IRA) to administer Home Electrification and Appliance Rebates, which will provide financial assistance for electrification and energy efficiency improvements in low-income households.<sup>30</sup> However, the Home Electrification and Appliance Rebate funding comes with restrictions, including a per household rebate cap of \$14,000, which is not enough to completely electrify a home.<sup>31</sup> DOEE and the Council had envisioned combining these federally-funded rebates with local dollars to provide residential electrification retrofits at no cost to low-income residents through the Breathe Easy Program established by the Healthy Homes and Residential Electrification Amendment Act (Healthy Homes Act).<sup>32</sup> With the significant decrease in local SETF funds available to DOEE for projects like electrification, the future of the Healthy Homes Act, which would improve the living conditions of at least 30,000 DC households, is in jeopardy.<sup>33</sup>

We are grateful that Chairperson Allen has already been raising the alarm on this important issue<sup>34</sup> and we sincerely hope that the Committee will remove the Budget Support Act subtitles that would divert the SETF funds from their intended purpose. Without the restoration of these funds, fewer low-income families will receive the



benefits of healthier conditions in their home and lower energy bills and DOEE's progress on promoting green and affordable housing across the District will stall rather than expand in the coming years.

### **The Council Should Fund the Residential Housing Environmental Safety Amendment Act of 2020 to Require DOB Inspectors to Enforce the District's Mold Laws**

Mold in rental housing is a serious health equity issue in the District. Exposure to indoor mold has been linked to increased incidence and severity of respiratory problems, including asthma.<sup>35</sup> In fact, doctors have identified indoor mold as one of the primary factors contributing to the District's childhood asthma epidemic.<sup>36</sup> Low-income households and people of color are more likely to live in rental housing with indoor mold, causing disproportionate harm to their health.<sup>37</sup> For example, a child with asthma living in Ward 7 or 8 – the areas of DC with the highest proportions of Black and low-income households – is 20 times more likely to end up in the emergency room due to their asthma than a child living in Ward 3.<sup>38</sup> Despite the Council's action to require safe and adequate remediation of indoor mold, mold remains one of the top housing condition complaints for low-income tenants and a continued barrier to controlling childhood asthma in the District.<sup>39</sup>

In 2014, the Council passed the Air Quality Amendment Act, becoming one of the first jurisdictions in the country to formally recognize indoor mold as a significant health hazard.<sup>40</sup> DOEE was charged with implementing the law and under this authority, DOEE licenses mold professionals to operate in the District, sets indoor mold remediation

standards, and responds to residential mold complaints from District residents.<sup>41</sup> While DOEE does a commendable job with each of these responsibilities, the agency has simply never had enough qualified mold inspectors<sup>42</sup> nor the enforcement infrastructure<sup>43</sup> needed to ensure the District's indoor mold law effectively protects the health of low-income tenants.

Placing responsibility for residential mold enforcement solely with DOEE has also created an unnecessarily confusing process for tenants seeking assistance to address poor conditions in their rental housing. The District messages to tenants that if they are concerned about unsafe or unsanitary conditions in their rental housing, they should contact the Department of Buildings to request a housing inspection.<sup>44</sup> However, if one of the housing conditions they are concerned about is mold, the tenant also needs to contact DOEE to schedule an inspection just for mold. As a result, a family may have two separate inspection and enforcement processes going on at once with two separate agencies and sets of staffs.

Recognizing these shortcomings in the implementation of the District's indoor mold law, in 2020 the Council passed the Residential Housing Environmental Safety Amendment Act (RHESAA) to expand responsibility for mold inspections and enforcement to DOB.<sup>45</sup> The RHESAA requires DOB rental housing inspectors to 1) become licensed mold assessors and 2) issue notices of violation for indoor mold and penalties to landlords who fail to do so.<sup>46</sup> The expansion to DOB was intended to leverage

DOB's existing enforcement infrastructure for a more efficient use of District resources and a streamlined experience for tenants.

However, the RHESAA was passed subject to appropriation and the relevant provisions remain unfunded so this important law has not been implemented.<sup>47</sup> If the RHESAA is not funded in this budget, it could be repealed under Council Rule 736, forcing Council to start from scratch on the bill and further delaying crucial protections for tenants.<sup>48</sup> The Fiscal Impact Statement (FIS) found that DOB would require an allocation of \$3.9 million in the first fiscal year and \$14 million over the four-year financial for implementation.<sup>49</sup> Along with our partners in the Fair Budget Coalition, Children's Law Center calls on the Council to fully fund the RHESAA in the FY25 budget to fulfill the Council's commitment to safeguard District residents from harmful indoor mold.<sup>50</sup> While funding for DOB is not under the purview of this Committee, given its close nexus to DOEE, we ask the Committee to communicate support for funding the RHESAA in the FY25 budget to the Committee of the Whole.

## **Conclusion**

Children's Law Center commends DOEE, and its staff for their efforts in promoting healthy homes in the District. We hope the Committee will ensure that the agency has enough local funding to support this important work in FY25. Thank you for the opportunity to testify, and I look forward to answering any questions you may have.

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- <sup>1</sup> Center on the Developing Child, Harvard University, Place Matters: The Environment We Create Shapes the Foundations of Healthy Development, (2023), *available at*: <https://developingchild.harvard.edu/place-matters-the-environment-we-create-shapes-the-foundations-of-healthy-development/>; Schmeer KK, Yoon AJ. Home sweet home? Home physical environment and inflammation in children. *Soc Sci Res.* 2016 Nov; 60:236-248. doi: 10.1016/j.ssresearch.2016.04.001. Epub 2016 Apr 6. PMID: 27712682; PMCID: PMC5116303.
- <sup>2</sup> National Institute of Health, Household Molds Linked to Childhood Asthma, (August 20, 2012), *available at*: <https://www.nih.gov/news-events/nih-research-matters/household-molds-linked-childhood-asthma#:~:text=For%20a%2010%2Dpoint%20increase,Aspergillus%20unguis%20and%20Penicillium%20v%20ariabile>; Berkley Public Health, New research shows link between childhood exposure to mold and asthma, (April 7, 2021), *available at*: <https://publichealth.berkeley.edu/news-media/research-highlights/new-research-shows-link-between-childhood-exposure-to-mold-and-asthma>; Maria Godoy, *When landlords won't fix asthma triggers like mold, doctors call in the lawyers*, NPR, November 20, 2023, *available at*: <https://www.npr.org/sections/health-shots/2023/11/20/1213555737/asthma-mold-housing-medical-legal-partnership>.
- <sup>3</sup> Centers for Disease Control and Prevention, National Center for Environmental Health, *Preventing Lead Exposure in Children*, *available at*: <https://www.cdc.gov/nceh/features/leadpoisoning/index.html#:~:text=windowsills%2C%20and%20wells,-Exposure%20to%20lead%20can%20seriously%20harm%20a%20child's%20health%2C%20including,and%20hearing%20and%20speech%20problems>; Harvard T.H. Chan School of Public Health, *Study finds link between childhood lead exposure and mental illness*, (2019), *available at*: <https://www.hsph.harvard.edu/news/hsph-in-the-news/childhood-lead-exposure-mental-illness/>; Centers for Disease Control and Prevention, Childhood Lead Poisoning Prevention, *Health Effects of Lead Exposure*, *available at*: <https://www.cdc.gov/nceh/lead/prevention/health-effects.htm>.
- <sup>4</sup> Energy insecurity is generally defined as the “inability to adequately meet basic household energy needs” and measured by whether a household pays (or more accurately, struggles to pay) a disproportionate share of their income toward energy bills, cuts back on other necessities like food and medicine to pay their energy bill, or keeps their home at an unsafe temperature because of energy cost concerns. Diana Hernandez, *Understanding ‘Energy Insecurity’ and Why it Matters to Health*, *Soc. Sci. Med.*, Vol. 167 (October 2016), *available at*: <https://www.sciencedirect.com/science/article/pii/S0277953616304658?via%3Dihub>; see also *Households of Color Continue to Experience Energy Insecurity at Disproportionately Higher Rates*, Office of Energy Justice and Equity, US Department of Energy (July 6, 2023), <https://www.energy.gov/justice/articles/households-color-continue-experience-energy-insecurity-disproportionately-higher>.
- <sup>5</sup> See *Unhealth Consequences: Energy Costs and Child Health*, Child Health Impact Working Group of Boston, Massachusetts (April 2007), <https://www.pewtrusts.org/-/media/assets/2018/07/childhiaofenergycostsandchildhealth.pdf>; *Energy Insecurity is a Major Threat to Child Health*, Children’s HealthWatch (February 2010), <https://childrenshealthwatch.org/energy-insecurity-is-a-major-threat-to-child-health/>.
- <sup>6</sup> Children’s Law Center’s innovative medical legal partnership, Healthy Together, places attorneys at primary care pediatric clinics throughout the city with Children’s National, Unity Health Care, and Mary’s Center to receive referrals from pediatric providers for assistance with non-medical barriers to a child’s health and well-being. See Children’s Law Center, *available at*: <https://childrenslawcenter.org/ourimpact/health/>.
- <sup>7</sup> D.C. Law 20-135. Air Quality Amendment Act of 2013. See also FY2022 DOEE Performance Oversight Responses, response to Q53, *available at*: <https://lims.dccouncil.gov/Hearings/hearings/299>; Department of

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Energy and Environment, Childhood Lead Poisoning Prevention – Identifying and Managing Lead Exposures, *available at*: <https://doee.dc.gov/service/childhood-lead-poisoning-prevention-identifying-managing-lead-exposures>.

<sup>8</sup> The Utility Assistance Division within DOEE’s Utility Affordability Administration “provides direct financial assistance and discounts to low-income residents to help off-set their utility bills.” Department of Energy and Environment, Utility Affordability Administration, <https://doee.dc.gov/service/utility-affordability-administration>.

<sup>9</sup> DOEE’s Energy Administration multi-family residential property developers and owners with “energy efficiency and renewable energy programs, products and services.” Department of Energy and Environment, Energy Administration, <https://doee.dc.gov/page/energy-administration>. The Energy Efficiency and Conservation Branch in the Residential Services Division of DOEE’s Utility Affordability Administration “helps residents reduce their energy consumption by providing technical and financial assistance to help identify and install audit-recommended energy efficiency measures.” Department of Energy and Environment, Utility Affordability Administration, <https://doee.dc.gov/service/utility-affordability-administration>.

<sup>10</sup> The Lead-Safe and Healthy Housing Division of DOEE’s Environmental Services Administration operates the District’s childhood lead poisoning prevention program and “ensures the housing and child-occupied facilities in the District do not pose a health threat” to residents through identification and mitigation of those health risks. Department of Energy and Environment, Environmental Services Administration, <https://doee.dc.gov/page/environmental-services-administration>. Regarding the increased funding for the LSHHD in the Mayor’s proposed FY25 budget, *see* Mayor’s Proposed FY 2025 Budget and Financial Plan, Volume 6 Operating Appendices, Department of Energy and Environment, Schedule 30-CC Division Summary by Office, p. F-40 (Line 60068).

<sup>11</sup> Council of the District of Columbia Committee on Transportation and the Environment, Budget Oversight Hearing for the Department of Energy and Environment (April 29, 2024) at 7:26:00, *available at*: [https://dc.granicus.com/MediaPlayer.php?view\\_id=29&clip\\_id=8847](https://dc.granicus.com/MediaPlayer.php?view_id=29&clip_id=8847).

<sup>12</sup> Director Richard Jackson, Department of Energy and Environment, Testimony Before the District of Columbia Council Committee on Transportation and the Environment (April 29, 2024), p. 3, *available at*: <https://lims.dccouncil.gov/Hearings/hearings/363>.

<sup>13</sup> *Id.*

<sup>14</sup> The Residential Services Division administers programs that connect DC residents with financial and technical assistance to “improve the overall comfort, energy efficiency, and safety” of single and multifamily residential properties. It is comprised of two branches, the Energy Efficiency and Conservation Branch, focused on weatherization and energy efficiency measures, and the Lead Hazard Reduction Branch, focused on facilitating the remediation of lead-based paint hazards and replacement of lead service lines. Department of Energy and Environment (DOEE), Utility Affordability Administration, <https://doee.dc.gov/service/utility-affordability-administration>; For more information on the services provided by the Residential Services Division, *see* Residential Services Division Operations Manual, Beck Pasquale, District of Columbia Department of Energy and Environment (February 17, 2023), [https://doee.dc.gov/sites/default/files/dc/sites/doee/service\\_content/attachments/RSD%20Operations%20Manual%20Fiscal%20Year%202023-2024\\_LJ-DDsigned-signed.pdf](https://doee.dc.gov/sites/default/files/dc/sites/doee/service_content/attachments/RSD%20Operations%20Manual%20Fiscal%20Year%202023-2024_LJ-DDsigned-signed.pdf).

<sup>15</sup> *See* Residential Services Division Operations Manual, Beck Pasquale, District of Columbia Department of Energy and Environment (February 17, 2023), p. 13 [https://doee.dc.gov/sites/default/files/dc/sites/doee/service\\_content/attachments/RSD%20Operations%20Manual%20Fiscal%20Year%202023-2024\\_LJ-DDsigned-signed.pdf](https://doee.dc.gov/sites/default/files/dc/sites/doee/service_content/attachments/RSD%20Operations%20Manual%20Fiscal%20Year%202023-2024_LJ-DDsigned-signed.pdf).

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<sup>16</sup> While the Residential Services Division does not have a line item in DOEE’s budget, in previous communications with Children’s Law Center DOEE staff have indicated that the Division had \$300,000 to \$400,000 in local funding in years prior to FY24.

<sup>17</sup> In its 2023 Performance Oversight responses, DOEE explained how it hoped to use local funds to “leverage federal funding opportunities” and maximize the impact of federal funds for DC residents. The agency said they were “exploring how to stack various funding streams for whole-home retrofits that address multiple issues (e.g. lead/mold, weatherization, energy efficient appliances) – along with whether such work could be expanded to a block or neighborhood level.” DOEE FY2023 Performance Oversight Pre-Hearing Responses Part I, response to Q52, p. 31-32, *available at*: <https://dccouncil.gov/wp-content/uploads/2023/02/DOEE-FY22-Performance-Oversight-Responses.pdf>.

<sup>18</sup> “Encapsulation is the process that makes lead-based paint inaccessible by providing a barrier between the lead-based paint and the environment. This barrier is formed using a liquid applied coating (with or without reinforcement materials) or an adhesively bonded covering material.” See U.S. DEP’T OF HOUS. & URB. DEV., GUIDELINES FOR THE EVALUATION AND CONTROL OF LEAD-BASED PAINT IN HOUSING (2012), *available at*: <https://apps.hud.gov/offices/lead/lbp/hudguidelines/Ch13.pdf>.

<sup>19</sup> See Lead Reduction Program: Frequently Asked Questions, Department of Energy and Environment, [https://doee.dc.gov/sites/default/files/dc/sites/ddoe/service\\_content/attachments/Lead%20Reduction%20Program%20FAQ%283%29.pdf](https://doee.dc.gov/sites/default/files/dc/sites/ddoe/service_content/attachments/Lead%20Reduction%20Program%20FAQ%283%29.pdf); Lead Reduction Program Webinar, Department of Energy and Environment (December 3, 2020), at 21:49, <https://www.youtube.com/watch?v=Tk7MNVsehgw>.

<sup>20</sup> FY2023 DOEE Performance Oversight Responses, response to Q87, *available at*: <https://lims.dccouncil.gov/Hearings/hearings/299>; See also DOEE, EMS-LRP-WAP Application, [https://doee.dc.gov/sites/default/files/dc/sites/doee/service\\_content/attachments/DOEE%20EMS-LRP-WAP%20Application\\_FY24\\_2023.09.29\\_fillable\\_0.pdf](https://doee.dc.gov/sites/default/files/dc/sites/doee/service_content/attachments/DOEE%20EMS-LRP-WAP%20Application_FY24_2023.09.29_fillable_0.pdf).

<sup>21</sup> See Mayor’s Proposed FY 2025 Budget and Financial Plan, Volume 4 Agency Budget Chapters – Part III, Department of Energy and Environment, p. F-20-F-22 (In DOEE’s Budget Chapter in the Mayor’s proposed budget, the Utility Affordability Administration does not even have its own section or line in Table KG0-4. The UAA is referenced in the Division Description for the “Energy” Division (Line 60068); Mayor’s Proposed FY 2025 Budget and Financial Plan, Volume 6 Operating Appendices, Department of Energy and Environment, Schedule 30-CC Division Summary by Office, p. F-40 (Line G2801) (DOEE’s tables in the Operating Appendices do include funding broken down by the Utility Affordability Administration but the Residential Services Division is not included.).

<sup>22</sup> It is Children’s Law Center’s understanding from communications with DOEE staff that the Residential Services Division lost \$300,000 - \$400,000 in recurring local funding in FY24 though it is unclear if this cut happened during the FY24 budget process or in a reprogramming or sweep.

<sup>23</sup> See Weatherization Assistance Program (WAP), Department of Energy and Environment, <https://doee.dc.gov/service/wap> (“Notice: As of October 1, 2023, DOEE’s Residential Services [Division’s] Lead Reduction Program (LRP) is on hold until further notice.”).

<sup>24</sup> FY2023 DOEE Performance Oversight Responses, response to Q56(d), *available at*: <https://lims.dccouncil.gov/Hearings/hearings/299>.

<sup>25</sup> Mayo Clinic, Lead poisoning, *available at*: <https://www.mayoclinic.org/diseases-conditions/lead-poisoning/symptoms-causes/syc-20354717>; District of Columbia, 2022 Healthy Housing Fact Sheet, *available at*: [https://nchh.org/resource-library/fact-sheet\\_state-healthy-housing\\_dc.pdf](https://nchh.org/resource-library/fact-sheet_state-healthy-housing_dc.pdf).

<sup>26</sup> National Housing Trust, Ensuring Healthy, Green and Affordable Housing in D.C., *available at*: <https://nationalhousingtrust.org/sites/default/files/documents/nht-d.c.-hga-housing-project.pdf>.

<sup>27</sup> The Sustainable Energy Trust Fund (SETF) is a special purpose fund legislatively created and funded through an added fee on all gas and electric utility bills in the District. Funding from the SETF is

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dedicated, among other things, to a number of renewable energy and energy efficiency programs operated by the SEU and DOEE, at least 30% of which must “benefit low-income residents [and] may include energy bill assistance, energy efficiency, and weatherization, including programs making improvements to [buildings] that primarily serve low-income residents.” D.C. Code § 8-1774.10(a)(1), (c)(12)(A), Sustainable Energy Trust Fund., <https://code.dccouncil.gov/us/dc/council/code/sections/8-1774.10>.

<sup>28</sup> B24-0784, Fiscal Year 2025 Budget Support Act of 2024 (Introduced Version), Title VI Subtitle P Sustainable Energy Trust Fund Utilization, <https://lims.dccouncil.gov/downloads/LIMS/55181/Introduction/B25-0784-Introduction.pdf?Id=188453>; Fiscal Impact Statement – “Fiscal Year 2025 Budget Support Act of 2024,” Glen Lee, District of Columbia Office of the Chief Financial Officer (April 3, 2024), p. 44, <https://static1.squarespace.com/static/5bbd09f3d74562c7f0e4bb10/t/660d71837324b67e8fedff8a/1712157059867/FIS+Fiscal+Year+2025+Budget+Support+Act+of+2024+Mayors+introduction.pdf>.

<sup>29</sup> See Federal Dollars at Work in the District, Department of Energy and Environment, <https://doee.dc.gov/service/federal-dollars-work-district>.

<sup>30</sup> *Id.* at “Inflation Reduction Act (IRA) funding for energy and environmental projects” table.

<sup>31</sup> See Home Energy Rebates Frequently Asked Questions for Consumers, US Office of State and Community Energy Programs, <https://www.energy.gov/scep/home-energy-rebates-frequently-asked-questions-consumers>; District of Columbia Council Committee on Transportation and the Environment, Report and Recommendations [of the Committee] on the Fiscal Year 2024 Budget for Agencies Under Its Purview (April 27, 2023), p. 105, [https://lims.dccouncil.gov/downloads/LIMS/52615/Committee\\_Report/B25-0203-Committee\\_Report9.pdf?Id=177082](https://lims.dccouncil.gov/downloads/LIMS/52615/Committee_Report/B25-0203-Committee_Report9.pdf?Id=177082) (“By the Committee’s estimates, having spoken with experts, a true retrofit of a home costs closer to \$30,000. As such the Committee intends to fill the gap with local funding in the SETF.”).

<sup>32</sup> B25-0119, Healthy Homes and Residential Electrification Amendment Act of 2023, <https://lims.dccouncil.gov/Legislation/B25-0119>. The Committee added a subtitle to the FY24 Budget Support Act amending the statute governing acceptable uses of the Sustainable Energy Trust Fund to include residential electrification with the intention of funding a pilot version of the Healthy Homes Act followed by Act itself. See District of Columbia Council Committee on Transportation and the Environment, Report and Recommendations [of the Committee] on the Fiscal Year 2024 Budget for Agencies Under Its Purview (April 27, 2023), p. 105, [https://lims.dccouncil.gov/downloads/LIMS/52615/Committee\\_Report/B25-0203-Committee\\_Report9.pdf?Id=177082](https://lims.dccouncil.gov/downloads/LIMS/52615/Committee_Report/B25-0203-Committee_Report9.pdf?Id=177082); Fiscal Impact Statement – Healthy Homes and Residential Electrification Amendment Act of 2024, Glen Lee, District of Columbia Office of the Chief Financial Officer (March 1, 2024), [http://app.cfo.dc.gov/services/fiscal\\_impact/pdf/spring09/FIS%20Healthy%20Homes%20and%20Residential%20Electrification%20Amendment%20Act%20of%202024.pdf](http://app.cfo.dc.gov/services/fiscal_impact/pdf/spring09/FIS%20Healthy%20Homes%20and%20Residential%20Electrification%20Amendment%20Act%20of%202024.pdf).

<sup>33</sup> B25-0119, Healthy Homes and Residential Electrification Amendment Act of 2023, Sec. 2, Lines 40-47, <https://lims.dccouncil.gov/downloads/LIMS/52291/Meeting1/Engrossment/B25-0119-Engrossment1.pdf?Id=188276> (“The [Breathe Easy] Program shall provide residential electrification retrofits at no cost to low-income households . . . in accordance with the following time timeline: . . . 30,000 [retrofits] shall be completed by December 31, 2040.”).

<sup>34</sup> Charles Allen, Ward 6 Update 4-26-2024, at “Kicking the Can: Proposed Budget Defunds Clean Energy and Environment Investments” (posted on April 26, 2024), [https://www.charlesallenward6.com/ward\\_6\\_update\\_4\\_26\\_2024](https://www.charlesallenward6.com/ward_6_update_4_26_2024) (“Specifically, the Mayor’s budget cuts much of the money in the Sustainable Energy Trust Fund (a city fund you chip into every month on your



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utility bill) and uses that funding – which is intended for a whole host of investments and to unlock private and federal funds – to instead literally just pay the District’s electricity bills.”).

<sup>35</sup> Tiina Reponen et al., *Infant Origins of Childhood Asthma Associated with Specific Molds*, PubMed Central, (July 11, 2012), available at: <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC3432137/>; *Mold*, Centers for Disease Control and Prevention (CDC), <https://www.cdc.gov/mold/>, (Last Updated November 14, 2022).

<sup>36</sup> Morgan Baskin, *Doctors Blame D.C.’s High Asthma Rates in Part on Poor Housing Conditions*, Washington City Paper (May 22, 2019), available at: <https://washingtoncitypaper.com/article/180182/doctors-blame-dcs-high-asthma-rates-in-part-on-poor-housing/>. See also Kayla Benjamin, *The Air Inside the House: The Connection Between Our Homes and Asthma*, The Washington Informer (December 12, 2022), available at: <https://www.washingtoninformer.com/the-air-inside-the-house-the-connection-between-our-homes-and-asthma/>.

<sup>37</sup> Jacobs DE. *Environmental health disparities in housing*. Am J Public Health. 2011 Dec;101 Suppl 1(Suppl 1):S115-22. doi: 10.2105/AJPH.2010.300058. Epub 2011 May 6. PMID: 21551378; PMCID: PMC3222490; *Racial Inequities in Housing Fact Sheet, Opportunity Starts at Home*, available at: <https://www.opportunityhome.org/resources/racial-equity-housing/>; Pacheco CM, Ciaccio CE, Nazir N, Daley CM, DiDonna A, Choi WS, Barnes CS, Rosenwasser LJ. *Homes of low-income minority families with asthmatic children have increased condition issues*. Allergy Asthma Proc. 2014 Nov-Dec;35(6):467-74. doi: 10.2500/aap.2014.35.3792. PMID: 25584914; PMCID: PMC4210655.

<sup>38</sup> Jess Arnold, *DC clinic says Black and African American kids still reporting most asthma cases*, WUSA9, February 27, 2022, available at: [https://www.wusa9.com/article/life/holidays/black-history-month/dc-clinic-black-african-american-kids-reporting-most-asthma-cases/65-eee708a6-7c3f-486a-859d-04101975f193#:~:text=Dr.%20Shilpa%20Patel%2C%20the%20clinic%27s%20medical%20director%2C%20said,coincide%20with%20the%20largest%20Black%20populations%20in%20D.C.](https://www.wusa9.com/article/life/holidays/black-history-month/dc-clinic-black-african-american-kids-reporting-most-asthma-cases/65-eee708a6-7c3f-486a-859d-04101975f193#:~:text=Dr.%20Shilpa%20Patel%2C%20the%20clinic%27s%20medical%20director%2C%20said,coincide%20with%20the%20largest%20Black%20populations%20in%20D.C;); BUILD HEALTH DC, available at: [https://childrenslawcenter.org/wpcontent/uploads/2021/07/CLC\\_BUILD\\_Brochure\\_IndvPgs.pdf](https://childrenslawcenter.org/wpcontent/uploads/2021/07/CLC_BUILD_Brochure_IndvPgs.pdf).

<sup>39</sup> At Children’s Law Center, over half of the families we assisted with housing conditions matters in 2023 – 216 out of 406 families – reported having mold in their home. Data compiled internally by Children’s Law Center using reporting from our case management software. An explanation of how we tracked and collected this information is available upon request. Mold is also one of the most common housing problems reported to other legal service organizations in the District. See Beth Mellen, Legal Aid Society of the District of Columbia, Testimony before the District of Columbia Council Committee of the Whole, (March 24, 2022), available at: <https://www.legalaiddc.org/media/273/download>; Eleni P. Christidis, Legal Aid Society of the District of Columbia, Testimony before the District of Columbia Council Committee of the Whole, (January 18, 2024), available at: <https://www.legalaiddc.org/media/3833/download?inline>.

<sup>40</sup> D.C. Law 20-135. Air Quality Amendment Act of 2013.

<sup>41</sup> D.C. Law 20-135. Air Quality Amendment Act of 2013. Sec. 304(a)-(d). Certification of mold assessment and remediation professionals.

<sup>42</sup> Children’s Law Center believes the Chief Financial Officer’s recent estimate that the District should have the capacity to respond to 3,000 mold complaints per year – included in the FIS prepared for the RHESAA– is a reflection of the actual need. Fiscal Impact Statement – Residential Housing Environmental Safety Amendment Act of 2020, District of Columbia Office of the Chief Financial Officer (November 9, 2020), [https://lims.dccouncil.gov/downloads/LIMS/41819/Committee\\_Report/B23-0132-Committee\\_Report2.pdf?Id=113438](https://lims.dccouncil.gov/downloads/LIMS/41819/Committee_Report/B23-0132-Committee_Report2.pdf?Id=113438). DOEE would need far more mold inspectors to conduct that number of mold inspections per year. For example, in FY23 the agency’s mold inspectors received 456 mold complaints and conducted 173 inspections based on those complaints. FY2023 DOEE Performance Oversight Responses, responses to Q53 and Q54(d), available at:



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<https://lims.dccouncil.gov/Hearings/hearings/299> (In addition to the 152 in-person mold inspections reported in Table 2, DOEE indicated that there were 21 virtual mold inspections conducted in FY23).<sup>43</sup> See Makenna Osborn, Children’s Law Center, Testimony Before the District of Columbia Committee on Transportation and the Environment (February 29, 2024), p. 10-11, <https://childrenslawcenter.org/wp-content/uploads/2024/03/2024-DOEE-Performance-Oversight-Hearing-Childrens-Law-Center-Written-Testimony-03.07.2024.pdf>:

Once a mold inspection is completed, DOEE also lacks the authority to penalize landlords who do not comply with the District’s mold law. DOEE takes essentially no enforcement action when property owners fail to clean and remove less than 10 square feet of mold within 30 days; inspectors merely provide the tenant and property owner with written guidance on how to safely address the mold. If a property owner fails to hire a licensed mold professional to abate 10 or more square feet of indoor mold within 30 days, DOEE’s mold inspectors can issue a Notice of Violation (NOV) to property owners but those NOVs are only a “warning.” According to the agency’s pre-hearing responses, “[DOEE’s] mold program cannot issue Notices of Infraction (NOI) until regulations establishing the fine amounts are in place.” The regulations DOEE requires to issue NOIs were proposed in August of 2022 and reportedly scheduled for adoption by the Director of DOEE but subsequently stalled with the Mayor’s office. In DOEE’s pre-hearing responses, they reported that an updated version of the regulations are again “under review by the Office of the Mayor.”

In Children’s Law Center’s experience representing tenants with poor housing conditions, we have observed that the worst landlords are motivated by profit margins above all else, including tenant well-being and compliance with District laws. They will not invest in costly mold assessment and remediation unless they face a meaningful financial penalty for inaction. (Citations omitted).

<sup>44</sup> See e.g., *Housing Code Inspections*, District of Columbia Department of Buildings, <https://dob.dc.gov/node/1616616> (“It is the mission of the Department of Buildings (DOB) to ensure your building and your unit is healthy and safe. DOB needs tenants to report any suspected housing violations. District of Columbia law requires your landlord to provide apartments that are in safe, habitable, and livable condition.”).

<sup>45</sup> D.C. Law 23-188. Residential Housing Environmental Safety Amendment Act of 2020.

<sup>46</sup> D.C. Law 23-188. Residential Housing Environmental Safety Amendment Act of 2020. Sec. 2. The Quality Amendment Act of 2014. (e)(1), (c)(1)-(2).

<sup>47</sup> The Office of the Budget Director, DC Council, Legislation Passed Subject to Appropriation, (January 2024), available at: <https://dccouncil.gov/wp-content/uploads/2024/01/2024-01-18-Subject-to-Funding-Legislation-quarterly-report.pdf>.

<sup>48</sup> RULES OF ORGANIZATION AND PROCEDURE FOR THE COUNCIL OF THE DISTRICT OF COLUMBIA, COUNCIL PERIOD 25, Section 736. REPEAL OF LAWS SUBJECT TO APPROPRIATION.

<sup>49</sup> Fiscal Impact Statement – Residential Housing Environmental Safety Amendment Act of 2020, District of Columbia Office of the Chief Financial Officer (November 9, 2020), [https://lims.dccouncil.gov/downloads/LIMS/41819/Committee\\_Report/B23-0132-Committee\\_Report2.pdf?Id=113438](https://lims.dccouncil.gov/downloads/LIMS/41819/Committee_Report/B23-0132-Committee_Report2.pdf?Id=113438).

<sup>50</sup> Fair Budget Coalition, *Safety is Investing in Community: Shifting Power and Resources to the People*, (2024), available at: <https://fairbudget.org/wp-content/uploads/2024/03/Desktop-View.pdf>.