

Council of the District of Columbia



Testimony of Vincent C. Gray

Chairman

The Council of the District of Columbia

Before the

Committee on Appropriations

Subcommittee on Financial Services and General Government

On the

District of Columbia

FY 2011 Budget Request

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Introduction

Good morning, Chairman Serrano, Ranking Member Emerson and members of the Committee on Appropriations' Subcommittee on Financial Services and General Government. I am pleased to speak to you today about the District's appropriations and other operational items.

Budget Proposal

This year the Council along with the Mayor had the difficult task of determining how to continue to provide the services our citizens deserve in an environment of reduced revenue projections. The District is proposing a slightly increased local budget of \$5.3 billion for FY 2011 as compared to the revised FY 2010 budget of \$5.2 billion, a 1.2% increase. The proposed overall budget for FY 2011 is \$8.9 billion. In a time of declining revenue and growing demands the District is proposing its fifteenth consecutive balanced budget.

The budget represents a continued focus of attention and resources in the areas of public education, workforce development, health and human services, and public safety. Even in these difficult times it is important that

the District of Columbia continue to improve the lives of our residents who are most in need.

Education

The Council is committed to improving the educational system in the District and the performance of our students. The Council continues to back the Mayor's efforts to improve and restructure our school system. This is reflected in an increase in the per pupil funding of \$175 per student. The Council supports the continuing efforts to consolidate schools to cut costs, enhance teacher training and aid student learning through a revised and improved curriculum. This will allow for additional teachers in the areas of the arts, music and physical education, along with additional social workers and school psychologists. This year's funding will support the ongoing efforts to enhance test performance, overall academic achievement and graduation rates. This budget continues to recognize the importance of early childhood education by expanding the number of pre-kindergarten classrooms by fifteen (15) which will serve an additional two hundred sixty (260) students. The FY 2011 budget provides full funding for the University of the District of Columbia subsidy. In addition, to the funding for the schools the proposed budget also invests in the education of our

youth by including funding for six (6) new branch libraries and improvements to fourteen (14) parks and recreation centers.

The Council supports the continuation of the Federal payment for school improvement. The payment has been an important source of funds that have enhanced curriculum, educational systems and training. The payment is essential to continuing the enhancements that both the District and Federal Governments want to see in the District schools. Due to the success of this program the President has proposed \$72.4 million for the three-sector funding for FY 2010, \$43 million for DC Public School, \$20 million for Public Charter Schools and \$9.4 million for the opportunity scholarships. Included in the \$43 million for DC Public Schools is \$20 million to help “Jump Start Public School Reform.” This additional funding which has been included in the last two fiscal years’ appropriations has assisted the DC Public Schools in the recruitment, training and development of principals and teachers, and a teacher performance assessment system, development of optimal school programs, improved data reporting, and the ability to measure student gains. The Federal education funding provides funds for training and development of principals and teachers, further development of a teacher performance assessment system which links teacher performance

to student achievement. These funds will also be used to address and improve those schools recognized as failing by the Department of Education. In addition, funds will be used to engage parents in assisting their child with their education experience. The public charter school funds will support facility enhancements, address student and school needs and assist in achieving performance initiatives. The continuation of the three sector education appropriation will go a long way in assisting in the achievement of the objectives of school reform.

The Tuition Assistance Grant Program has been very successful since its inception nine years ago. The students in the program have attended over 300 schools in 47 different states. I want to thank the President for again including funding of \$35.1 million for the program in his FY 2011 budget. This appropriation will provide tuition for over 5,400 students, thus making higher education opportunities a reality for many students who otherwise might not be able to attend college. Sixty-five percent (65%) of grantees are the first to attend college in their families. Although tuition rates are increasing at schools across the country, thus increasing the costs for this program, we support funding at last year's level and will address these cost increases through locally initiated cost containment strategies.

Housing

Last year Congress approved the President's budget proposal for funding our homeless community in permanent housing. Finding permanent housing for the homeless is one of the Council's objectives. This program has been highly successful. Single persons using the District's Emergency Shelter decreased by 10% from 2008-2009 and the number of unsheltered persons-counted decreased by 15%. Housing has been provided to more than 731 households and 92 veterans through this program. It provides a holistic approach to homelessness by providing intensive case management along with permanent housing. The District wants to continue this program because of its impact on reducing chronic homelessness and improving the lives of residents of the District. For FY 2011 the District is requesting continuation of the Federal appropriation for this program so that a site can be established for homeless veterans. The city is working with the Veterans Administration on this initiative. The partnership with the Federal Government will enable the city to house up to 350 additional individuals and 150 families, thus significantly decreasing the chronically homeless population. To assist the District with its efforts in this area the President

has provided \$10 million for permanent supportive housing. I ask for your support of this program funding.

HIV/AIDS Prevention

The District of Columbia is experiencing an HIV epidemic. According to the national HIV/AIDS reporting system, the District has the highest AIDS rate in the country. The city government is working on responding to the epidemic by increasing its outreach and services to those affected by the disease. Federal funding will assist the District in having a robust program that would provide valuable support services to an additional 75,000 District residents. The additional funding will allow the city government to expand community level prevention interventions and services, services to identify those at the highest risk of recent infections, re-establishment of care, treatment and prevention services for those who have fallen out of care, and housing supports for persons living with AIDS. I ask for the Committee's support again this year for the \$5 million appropriation.

St. Elizabeth's Redevelopment Planning

As you know GSA will be constructing a facility on the West Campus of St. Elizabeth's that will consolidate the Department of Homeland Security's offices in one location. In addition, the District plans to redevelop the East

Campus. This development will include residential, small business, government offices, retail and other commercial development. These development projects provide an opportunity for the District Government and the Federal Government to create a well planned, mixed use, mixed income, walkable and livable community. The impact of the Federal and local projects could stimulate economic and community revitalization which is very much needed in this area of the city. This local and Federal collaboration (which includes several Federal agencies) can be a model for similar future efforts across the country. To maximize these collaborative opportunities the District is asking for \$2 million for the Office of Planning for its redevelopment efforts for the East Campus.

Public Safety

The District Government has the unique and important responsibility for protecting the property and personnel of the Federal Government. As the Nation's Capitol, the District is the center for demonstrations and protests against the Federal Government. Therefore, the city's police, fire, emergency management and other city services must expend time and manpower to provide protection and security for the Federal enclave during these demonstrations. In addition, the District's public safety agencies must

provide daily transport/escort service for the President, Vice President, First Lady, and other dignitaries as well as frequent deployments of fire and emergency medical services equipment to helicopter arrivals. The provision of this level of protection and safety due to the Federal presence creates a significant demand on the District's resources particularly those that would otherwise be committed to the city's communities and residents. The costs for providing these services continue to grow particularly as advancements in technology provide new tools to assist in providing public safety and security. I ask this Committee to fully fund the \$15 million in planning and security costs associated with the Federal presence.

Autonomy for the District of Columbia

I would like to request support for two bills currently pending in the House that were introduced by Congresswoman Norton, H.R. 1045, "District of Columbia Budget Autonomy Act of 2009," and H.R. 830/960, "District of Columbia Legislative Autonomy Act of 2009." Because the District's budget must be approved through the congressional appropriations process, the District must formulate a budget nearly a year in advance of a fiscal year. This formulation therefore cannot include revised revenue estimates and newly identified expenditure needs that would affect decision-making. If the

Congress were to determine that a District request to modify its own local budget could not be included in a subsequent supplemental appropriation, service delivery could be disrupted in several troublesome ways. It should be noted that notwithstanding the fact that the District has been included in the congressional supplemental appropriations in prior years, the District still suffers the impact of the delays in the appropriation process.

Last year, after the Council had approved its budget during the normal budget review cycle, the Chief Financial Officer reported a reduction in projected revenues for the upcoming fiscal year. The Mayor had to resubmit a revised budget which the Council approved at the end of July. This rework of our local budget would not have had to occur if the District was operating under its own budget cycle. In addition, it delayed the delivery of our proposed budget to Congress and put in jeopardy the ability to have our local funds approved for the start of the fiscal year.

Allowing the District to implement its local budget without the current congressional review can prevent delays in service funding and therefore, service delivery. The local budget is based on revenues raised by the city. Therefore, the District Government should have the ability to develop and

implement its budget based on its local revenues. It is worth recalling that when the 1997 Revitalization Act was passed, one recommendation was that Congress would not need to review or approve the District's budget because the city would no longer receive any Federal payments.

H.R. 830/960, "District of Columbia Legislative Autonomy Act of 2009" would remove the requirement for a 30 and 60 day review for civil and criminal legislative acts of the District Government, respectively. Currently, the review period causes several months of delay in implementing laws that impact both the services and operation of the District Government.

Congress no longer uses the layover process. The current congressional review of District acts requires the Council of the District of Columbia to operate using a cumbersome and complicated process of emergency, temporary and permanent legislation so that there will be no gap in its laws.

To give some degree of predictability to our process, we must pass emergency acts that remain in effect while our legislation is pending congressional review. A review of the Council's legislation demonstrates that approximately two-thirds of the bills the Council adopts could be eliminated if there was no congressional review requirement.

While removing the review period under the proposed legislation the Congress would still have its oversight authority as provided in Article I, Section 8 of the Constitution. This bill however, would allow the city to operate more efficiently and to apply its laws to current problems in a timely manner.

Closing

In closing I would like to ask that you pass this year's budget request in time for the start of the new fiscal year and that no extraneous riders be placed on the bill.

I thank you Chairman Serrano for this opportunity to share my thoughts on the District's budget and other issues important to the city. I look forward to working with you on the city's appropriations legislation. I am available for any questions you may have.