

COUNCIL OF THE DISTRICT OF COLUMBIA THE JOHN A. WILSON BUILDING 1350 PENNSYLVANIA AVENUE, NW WASHINGTON, D.C. 20004

CHRISTINA HENDERSON Councilmember, At-Large Chairperson, Committee on Health **Committee Member** Hospital and Health Equity Judiciary and Public Safety Transportation and the Environment

November 30, 2023

Dear Colleagues:

I am dismayed to share with you that earlier this week Deputy Mayor for Health and Human Services (DMHHS) Wayne Turnage and Department of Human Services (DHS) Director Laura Zeilinger informed me that the Executive does not intend to implement the Give SNAP a Raise Amendment Act of 2022 as required under the Fiscal Year 2024 (FY 2024) Budget Support Act of 2023. This means that more than 140,000 residents will not receive the expected increase in SNAP benefits starting in January 2024.

As you know, under the FY 2024 Budget Support Act, the Council implemented a funding trigger so that if sufficient excess funds were available based on the September revenue estimate, a one-time increase in SNAP benefits would be automatically funded for FY 2024, with the increase beginning January 1, 2024. On September 30, 2023, the Office of the Chief Financial Officer (OCFO) released the <u>September revenue estimate</u> and indicated that there was sufficient excess revenue to move forward with that provision. In early October, I met with the OCFO and was notified that the required \$39.6 million had been transferred to the appropriate budget line in DHS' budget to fund the Supplemental Nutrition Assistance Program (SNAP) increase. It is fully available for use, but DHS has made no movement in the past two months to prepare to administer this increase in January.

The Executive has cited various budget pressures to explain their decision not to fund the SNAP increase in January as outlined in law. They claim that they must find approximately \$800 million across the government for pressures including union contracts, WMATA, and other expenses. Specifically within DHS' budget, the Executive cited several budget pressures that take priority over increasing SNAP:

- First, I was told that DHS cannot afford to divert sufficient staff to stand up the SNAP increase. This was surprising, as during the process to pass the Give SNAP a Raise Amendment Act of 2022, my office and the then Committee on Human Services worked closely with DHS to craft a Committee Print that minimized administrative costs. As a result, the <u>fiscal impact statement</u> only listed the costs of the SNAP benefit increase and IT systems updates. The FIS for the subtitle Councilmember Lewis-George proposed for the FY 2024 Budget Support Act similarly only contemplated those two categories of cost.
- Second, DHS claims that the Family Re-Housing Stabilization Program (FRSP) Protection Emergency Amendment Act of 2023, passed in July 2023, has created severe spending pressures because the agency cannot exit families from FRSP. In July, the Council Budget Director and the OCFO found that the legislation did not require DHS to

extend FRSP assistance if funding is not available so that the legislation would <u>not have a</u> <u>fiscal impact</u>. As you know, the emergency legislation would have been considered out of order if there was indeed a cost that could not be absorbed in the existing budget and financial plan.

- Third, the Executive pointed to the required¹ 8% cost of living adjustment (COLA) for the Temporary Assistance for Needy Families (TANF) program which was unfunded in the FY 2024 budget. The OCFO reports that this COLA costs \$10.6 million. To be clear, the Executive created this spending pressure for themselves by not including it in the Mayor's FY 2024 proposed budget, even though they were aware of it in January 2023. In fact, it is my understanding that the Mayor has never funded this statutorily required COLA since its creation in 2014, leaving DHS to fund it out of their existing budget each year.
- Finally, the Executive pointed to ongoing costs related to migrants being bused to the District by states on the southern border. While I acknowledge that the federal reimbursement to jurisdictions is not keeping pace with costs, requiring the District to use Emergency and Contingency Case Reserve Funds to ensure continuity of migrant services, this is neither a new nor unforeseen expense.

The Executive proposed that, instead of increasing SNAP, they will fund the necessary administrative costs for Summer EBT, a federal program to provide food assistance to families with school-aged children when school is not in session. The administrative costs would be around \$2 million in local costs, a small percentage of the \$38 million allocated for SNAP, and would only serve families with school-aged children, leaving out the many adults and seniors without children who rely on SNAP benefits. Pitting these two programs against each other, rather than embracing that District families need both supports, is regrettable.

What makes the purposeful under-resourcing of DHS for TANF and SNAP more troubling is the current crisis at DHS regarding timeliness of processing public benefit applications. DHS is currently under a partial hiring freeze, leaving them understaffed while the District is the worst performing state in the country with respect to processing SNAP applications. In Fiscal Year 2022, the District had the lowest rate in the country for application processing timeliness at just 42.86%, with the second worst being Guam at 65.93%. The same understaffed DHS team that processes SNAP applications is also tasked with processing Medicaid renewals. It is then perhaps unsurprising, but no less frustrating, that there are more than 18,500 Medicaid renewal applications pending, and that 43% of renewal applications have been pending for more than 60 days. If you recall, the Council funded 18 new positions at DHS in the FY 2024 budget in response to concerns about staffing for processing vouchers and other public benefit programs. To my knowledge, none of these positions has been filled.

I am exceptionally frustrated by the Mayor's choice to disregard the FY 2024 Budget Support Act in order to fund other programs deemed more important. The Executive has chronically underfunded public benefit enrollment and allotments, and now they claim that they cannot implement Give SNAP a Raise because of spending pressures that they have created. We told District residents this money was coming because it was in the law and certified by the OCFO.

¹ Required by D.C. Code § 4-205.52(d-1).

Now, as we enter the holiday season, residents will learn that this sorely needed support is no longer on the horizon.

I hope you will join me in urging the Mayor to reconsider this decision which is in direct conflict with the law. While the Committees on Health and Housing have a previously scheduled joint oversight roundtable on the DC Access System ("District Direct"), the software DHS uses to determine public benefits eligibility, next Monday, December 4, I believe a separate oversight hearing is needed on the Mayor's refusal to implement this provision of the FY 2024 Budget Support Act, her Administration's failure to budget for the statutorily required TANF COLA, and the crisis facing SNAP benefit eligibility determinations.

Sincerely,

Christina Henderson At-Large Councilmember Chairperson, Committee on Health