



COUNCIL OF THE DISTRICT OF COLUMBIA

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WASHINGTON, D.C. 20004

ZACHARY PARKER
COUNCILMEMBER, WARD 5

COMMITTEE MEMBER
Facilities and Family Services
Health
Hospital and Health Equity
Housing
Transportation and the Environment

March 21, 2023

Nyasha Smith, Secretary
Council of the District of Columbia
1350 Pennsylvania Avenue NW
Washington, DC 20004

Dear Secretary Smith,

Today, I am introducing the Financial Support for Families with Children Amendment Act of 2023. Please find enclosed a signed copy of the legislation, which is co-introduced by Councilmembers Janeese Lewis George, Charles Allen, Robert White, and Brooke Pinto.

This proposed legislation provides families living in deep poverty a refundable tax credit equivalent to \$1,000 per child annually to support the development and well-being of District children. This bill is slated to go into effect during the 2024 calendar year and will provide families greater assistance to care for children.

The COVID-19 pandemic opened how we live and exacerbated racial and socioeconomic disparities. We know that the District's poorest children lost more learning¹, experienced more socio-emotional strain², and faced even starker health disparities during the pandemic as compared to their peers³. While the District mounts a Come Back Plan, the effects of the pandemic are still being felt daily for vulnerable families and children – and financial support provided to these vulnerable families and children can ensure we assuage or even reverse the negative academic, socio-emotional, and health impacts of the pandemic.

¹ The World Bank, "Learning Losses from COVID-19 Could Cost this Generation of Students Close to \$17 Trillion in Lifetime Earnings" 2021. <https://www.worldbank.org/en/news/press-release/2021/12/06/learning-losses-from-covid-19-could-cost-this-generation-of-students-close-to-17-trillion-in-lifetime-earnings>

² Innovate Public Schools, COVID-19 has harmed students' social-emotional wellbeing, making it even more difficult to learn" 2021. <https://innovateschools.org/research-and-data/learning-loss/covid-19-has-harmed-students-social-emotional-wellbeing-making-it-even-more-difficult-to-learn/>

³ Kaiser Family Foundation, "Headed Back to School: A Look at the Ongoing Effects of COVID-19 on Children's Health and Well-Being" 2022. <https://www.kff.org/coronavirus-covid-19/issue-brief/headed-back-to-school-a-look-at-the-ongoing-effects-of-covid-19-on-childrens-health-and-well-being/>

In 2021, the Biden administration expanded the federal Child Tax Credit, and poverty declined in DC for 25,000 children. Families with children received \$3,000 to \$3,6000 per child and these monthly payments cut the child poverty rate in DC in half during the temporary expansion. Research shows that families spent this money to pay bills and buy food and clothing for their households.⁴

A majority of people living in poverty in the District are Black children. According to the DC Fiscal Policy Institute, “child poverty is higher in DC (22.8%) than nationally (17%), and more than one-third of Black children live in poverty.” Children living in poverty have lower health and educational outcomes. By addressing poverty, we will be able to address several other challenges District children face as well.

We stress through this bill that benefiting families shall not be penalized for receiving this supplemental payment. Through the Financial Support for Families with Children Amendment Act of 2023, the District can ensure our most vulnerable families and children are included in DC’s Come Back Plan.

Please contact my Legislative Director, Kendra Wiley at kwiley@dccouncil.gov if you have any questions.

Sincerely,

A handwritten signature in black ink that reads "Zachary Parker". The signature is written in a cursive style with a large, looped initial "Z".

Zachary Parker
Ward 5 Councilmember

⁴ Global Economy and Development program at Brookings, “The impacts of the 2021 expanded child tax credit on family employment, nutrition, and financial well-being: Finding from the Social Policy Institute’s Child Tax Credit Panel (Wave 2)” 2022. https://www.brookings.edu/wp-content/uploads/2022/04/Child-Tax-Credit-Report-Final_Updated.pdf

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15 A BILL

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18 IN THE COUNCIL OF THE DISTRICT OF COLUMBIA
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23 To amend Title 47 of the District of Columbia Official Code to establish a financial assistance
24 program for low-and no-income earners with children.

25
26 BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this
27 act may be cited as the “Financial Support for Families with Children Amendment Act of 2023”.

28 Sec. 2. Chapter 18 of Title 47 of the District of Columbia Official Code is amended as
29 follows:

30 (a) The table of contents is amended by adding a new section designation to read as
31 follows:

32 “§ 47-1806.17 Financial Support for Families with Children.”

33 Sec. 3. Chapter (b) A new section 47-1806.18 is amended to read as follows:

34 “§ 47-1806.18 Financial Support for Families with Children.

35 “(a)(1) For taxable years beginning after December 31, 2023, there shall be allowed a

36 credit of \$1,000 per qualifying child per year to the head of the family that is the parent or
37 caretaker of a qualifying child.

38 “(2)(A) The amount of the credit allowable under this subsection shall be reduced
39 by \$100 per \$1,000 (or fraction thereof) by which the individual’s income exceeds the threshold
40 amount; except that the reductions cannot reduce the payment below zero.

41 “(B) For purposes of this paragraph, the term “threshold amount” means:

42 “(i) \$20,000 in the case of a joint return; and

43 “(ii) \$10,000 in the case of all other returns.

44 “(iii) If the recipient does not file a tax return, 100% of the federal
45 poverty level as defined in § 4-681.01. Definitions.

46 “(C)” For each year the credit per qualifying child set forth in paragraph
47 (1) of this subsection shall be increased annually pursuant to the cost-of-living adjustment,
48 except that if the adjustment does not result in a multiple of \$5, the increase shall be rounded
49 down to the next multiple of \$5.

50 “(3) The recipient of credit may choose to receive payments in one annual lump
51 sum, or 12 equal monthly payments.

52 “(b) A lump sum or periodic payment made pursuant to this section shall not be
53 considered income for the purpose of determining eligibility or benefit amount for public
54 assistance.

55 “(c) The payments received shall not be included in determining eligibility for the
56 supplemental nutrition assistance program or temporary assistance for needy families pursuant to
57 Section 509 of Title V of the District of Columbia Public Assistance Act of 1982, effective April
58 6, 1982 (D.C. Law 4-101, D.C. Official Code § 4-205.10).

59 “(d) The Mayor shall choose State options and seek all necessary federal approvals or
60 waivers to implement this section.

61 “(e) A qualifying recipient who is a resident of the District but is not a citizen or resident
62 alien of the United States, who would otherwise be allowed the credit under this section but for
63 the fact that the individual is not a citizen or resident alien of the United States, shall be allowed
64 a credit against the tax imposed by this chapter for the taxable year in the same amounts and to
65 the same extent as provided in this subsection.

66 “(f) Beginning on July 1, 2025 and each year thereafter, the Mayor shall annually report
67 to the Council on the outcomes and effectiveness of this section that shall include the following:

68 “(1) The number of persons receiving the basic income payments under this
69 section;

70 “(2) The amount of payments made in the aggregate;

71 “(3) An analysis of the impact the payments are having on child poverty rates;

72 “(4) If applicable, the number of new jobs obtained by recipients and other forms
73 of economic output created as a result of the payments; and

74 “(5) The impact relative to the District’s Upward Mobility Plan.”

75 “(g) The Mayor shall provide outreach and education about the basic income payments
76 allowed in this subsection.

77 “(h) The Mayor, pursuant to Title I of the District of Columbia Administrative Procedure
78 Act, approved October 21, 1968 (82 Stat 1204; D.C Official Code § 2-501 *et. seq.*), shall issue
79 rules to implement the provisions of this act.

80 “(i) For the purposes of this section, the term:

81 “(1) “Qualifying child” shall have the same meaning as provided in 26 USC §
82 24(c)(1).

83 “(2) “Cost-of-living adjustment” shall have the same meaning as provided in D.C.
84 Official Code § 47-3701(1)(A).”.

85 Sec. 3. Title V of the District of Columbia Public Assistance Act of 1982, effective April
86 6, 1982 (D.C. Law 4-101, D.C. Official Code § 4-205.01 *et seq.*), is amended as follows:

87 “(a) Section 505(1) (D.C. Official Code § 4-205.05(1) is amended by striking the phrase
88 “including a periodic payment made pursuant to D.C. Official Code § 47-1806.04(f)(3).” and
89 inserting the phrase “including a periodic payment pursuant to D.C. Official Code § 47-
90 1806.04(f)(3) or payments made under D.C. Official Code § 47-1806.17.” in its place.

91 Sec. 4. Fiscal impact statement.

92 The Council adopts the fiscal impact statement in the committee report as the fiscal
93 impact statement required by section 4a of the General Legislative Procedures Act of 1975,
94 approved October 16, 2006 (120 Stat. 2038; D.C. Official Code § 1-301.47a).

95 Sec. 5. Effective date.

96 This act shall take effect after approval by the Mayor (or in the event of veto by the
97 Mayor, action by the Council to override the veto), a 30-day period of congressional review as
98 provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December
99 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), and publication in the District of
100 Columbia Register.

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