



**MURIEL BOWSER**  
MAYOR

May 25, 2016

The Honorable Mitch McConnell  
Majority Leader  
United States Senate

The Honorable Harry Reid  
Democratic Leader  
United States Senate

The Honorable Paul Ryan  
Speaker  
United States House of Representatives

The Honorable Nancy Pelosi  
Democratic Leader  
United States House of Representatives

Dear Majority Leader McConnell, Democratic Leader Reid, Speaker Ryan, and Democratic Leader Pelosi:

This week, the House of Representatives is voting on H.R. 5233, the *Clarifying Congressional Intent in Providing for DC Home Rule Act of 2016*. I strongly oppose this legislation as well as any effort to overturn the District of Columbia's budget autonomy law with a rider to any appropriations bill.

Budget autonomy was approved by the voters and upheld in the courts. I have proposed our 21st consecutive balanced budget in accordance with the prevailing law and I expect the Council of the District of Columbia to do the same. As is the case with all DC laws, the approved 2017 DC budget will be submitted to Congress for passive review. The American people expect their congressional representatives to focus on the issues affecting our nation – safety and security, fair wages, and growing the middle class – not on the local budget of DC.

The District has a strong track record of administering our government finances responsibly. We have passed and implemented a balanced budget every year for the last 21 years and our General Fund balance —which currently stands at \$2.17 billion — is the envy of other jurisdictions. Our bond rating is AA by S&P and Fitch and Aa1 by Moody's as a result of the District's strong, institutionalized and disciplined financial management and long track record of balanced budgets and clean audits. Our debt obligations remain within the 12 percent limit of total General Fund expenditures and the District's pension and Other Post-Employment Benefit Plan (OPEB) remain well-funded.

The vast majority of the District of Columbia's budget is locally-generated revenue (such as property and sales taxes) or federal grant funds received in the same manner as any other state. In fact, the vast majority of our \$13.4 billion budget is raised locally. In recent years, only about one percent, or about \$130 million, has been a direct federal payment to the District, and that amount remains subject to active appropriation by Congress. About 25 percent of our budget, or \$3.3 billion, is federal grants and Medicaid payments that are made to every other state.

The District of Columbia operates as a state, county, and city, administering federal block grant programs, health and human services programs, transportation infrastructure, homeland security services, and other governmental duties typically overseen by governors. It is time that Congress recognizes the District's financial maturity and responsibility and allows us to approve our own budget without first seeking a congressional appropriation.

Budget autonomy also supports good government by helping the District of Columbia plan its finances more efficiently. For instance, tying our budgeting process to the congressional appropriations process requires us to rely on outdated revenue and uncertain expenditure projections, which in turn results in more uncertainty and budget reprogramming. Also, Congress has not completed its appropriations process on time since 1996. Without budget autonomy, each time congressional appropriations are delayed, the finalization of the District's budget is also delayed. If the District cannot spend its own locally-raised revenue (as occurred in 2013) by the start of the fiscal year, the operations of the District and the well-being of its residents are put at risk. Budget autonomy relieves us of this inefficiency and uncertainty.

Budget autonomy will also improve our already excellent bond ratings. The rating agencies are keenly interested in predictability. Tying the District's budget to the congressional appropriations process hurts our credit rating which unjustly punishes District taxpayers who have no voting representation in either the U.S. House of Representatives or the U.S. Senate.

Further, it is important to note that budget autonomy does not exclude Congress from the District's budget approval process. Each annual budget for the District of Columbia will be submitted to Congress for a 30-day period of review under the Home Rule Act. During that time period (and, for that matter, even after that time period), Congress is able to reject the District's budget or modify it as Congress sees fit. Budget autonomy does not mean that Congress no longer has a say in the District's budget. It just means that we have a more efficient and productive way of passing our budget and thus a more efficient and productive way to serve the residents, visitors, and businesses in the District.

With the move to pass H.R. 5233, Congress is unnecessarily restricting local government control and further denying democracy to the residents of the District of Columbia. I ask

for your support in putting aside any attempts to overturn local control of our budget and our ability to operate our government more efficiently.

Sincerely,



Muriel Bowser  
Mayor

Cc: The Honorable Eleanor Holmes Norton, Congresswoman for the District of Columbia  
The Honorable Ron Johnson, Chairman, United States Senate Committee on Homeland Security and Governmental Affairs  
The Honorable Thomas R. Carper, Ranking Member, United States Senate Committee on Homeland Security and Governmental Affairs  
The Honorable Jason Chaffetz, Chairman, United States House of Representatives Committee on Oversight and Government Reform  
The Honorable Elijah Cummings, Ranking Member, United States House of Representatives Committee on Oversight and Government Reform  
The Honorable Thad Cochran, Chairman, United States Senate Committee on Appropriations  
The Honorable Barbara Mikulski, Vice Chair, United States Senate Committee on Appropriations  
The Honorable Harold Rogers, Chairman, United States House of Representatives Committee on Appropriations  
The Honorable Nita Lowey, Ranking Member, United States House of Representatives Committee on Appropriations