



Congressman José E. Serrano

Chairman, House Appropriations Subcommittee on Financial Services and General Government

For Immediate Release: May 14, 2009

Contact: Philip Schmidt, (202) 225-4361

Opening Statement of Chairman José E. Serrano Financial Services and General Government Subcommittee Hearing on the District of Columbia's FY 2010 Budget Request May 14, 2009

Today the subcommittee will hear testimony on the fiscal year 2010 budget request for the District of Columbia. I would like to welcome back Mayor Adrian Fenty, Council Chairman Vincent Gray, and the District's Chief Financial Officer, Dr. Natwar Gandhi. I welcome you all to today's hearing.

We are getting a bit of an early start today because we will be on the House floor later this morning considering the fiscal year 2009 supplemental appropriations bill. I appreciate you adjusting your schedules to be here.

Turning to the District's budget request, I understand that the fiscal year 2010 request is currently being reviewed by the Council and will not be transmitted to Congress until early June. As presented to the Council, the District's fiscal year 2010 request totals \$11 billion, including \$5.4 billion in local-source general funds. For fiscal year 2010, the President's budget recommends Federal payments to the District totaling \$188 million, a net decrease of \$14 million.

The request includes \$27 million for several new initiatives, including \$19 million to provide permanent housing for the homeless, and \$5 million for education and job training opportunities for young people. I look forward to hearing more about these initiatives in your testimony.

The request also includes \$62 million to improve the District's public and charter schools, and \$12 million for the school voucher program.

As I have said at past hearings, I feel a special kinship with the people of the District. As someone born in Puerto Rico, a territory which shares the District's condition of having an undefined political status, I sympathize with your situation. I am a strong supporter of the voting rights bill now pending in Congress. I am

hopeful the legislation will be enacted without unrelated provisions that encroach on local District laws. This legislation is long overdue.

When I became chairman of this subcommittee two years ago, one of my top priorities was to give the District of Columbia more autonomy in managing its fiscal affairs, particularly in deciding how local funds are spent. I am a strong believer that the District is in the best position to set local spending priorities, not Congress. In the last two years we have made progress but I know there is more work to be done. I look forward to working with the District's leadership to see how we can further increase the city's autonomy on local spending matters

In closing, I would like to commend the three of you for your strong fiscal stewardship of the city. The District has completed 12 consecutive balanced budgets, turned deficits into surpluses, and steadily improved the city's credit rating. Even in these difficult economic times with plunging tax revenues and real estate values, the District's finances are sound and that is a credit to the three of you here today. I look forward to working with each of you as we move through the fiscal year 2010 budget process.

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Congressman José E. Serrano has represented the Bronx in Congress since 1990. He is the Chairman of the House Appropriations Subcommittee on Financial Services and General Government.