



**MURIEL BOWSER**  
MAYOR

July 16, 2024

The Honorable Phil Mendelson  
Chairman, Council of the District of Columbia  
1350 Pennsylvania Avenue, NW, Suite 504  
Washington, DC 20004

Dear Chairman Mendelson:

I am returning unsigned the Fiscal Year 2025 Local Budget Act and Fiscal Year 2025 Budget Support Emergency Act. As I discussed with Councilmembers, stakeholders, and residents, I cannot support a budget that needlessly increases our residents' property and income taxes, raises the paid family leave tax to untested levels, or harms our public schools.

In developing the FY 2025 Fair Shot Budget, we were guided by our values: protecting core city services and preserving programs that protect the health and safety of our community; prioritizing programs with a track record of success and that focus on equity; and investing in the pillars of our long-term growth – public safety, public education, and Downtown DC's recovery.

The Council's budget does not recognize the reality of our fiscal environment: revenues are growing at two percent per year while the costs of doing the basics are growing even faster. Indeed, the Chief Financial Officer's revenue estimates, which were unchanged in June, project slow growth this year and throughout the four-year financial plan.

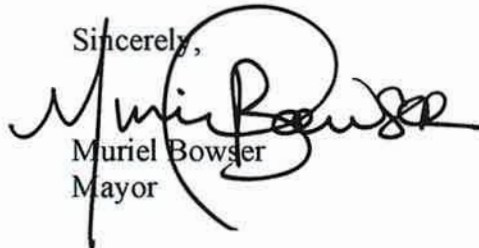
My submitted budget included nearly \$1 billion in savings from program efficiencies and another \$1 billion in savings from thoughtful program reductions – most of which the Council chose to reverse. Instead, the Council created a new property tax category for so-called "high value" homes, raised taxes on our businesses to untested levels, and once again raised utility taxes on our residents and businesses. ***Let's be clear: the Council's fiscal decisions are setting the stage for additional tax hikes for our residents and businesses next year.*** This approach is unsustainable.

Despite increasing \$530 million in new taxes and fees, the Council's proposed budget makes our DC Public Schools students less safe, leaving students and teachers with less security, fewer meals, reduced online access, fewer alternatives for students with behavioral challenges, and without the benefit of advances in the teaching of math. Federal stimulus funds are not available next year to blunt these impacts; there will be real cuts to services and people.

During its summer recess, I encourage Councilmembers to pick areas of spending each is willing to tackle and work with us. ***This is not the job of an unelected or unaccountable commission; it is ours.*** Without a dramatic change in our revenue growth, many of the programs the Council is championing this year will be on the chopping block in a few short months. By working together on this important task, we can do the work needed before next year's budget formulation.

We must take seriously the task at hand and work together on these critical issues facing our city as we continue the District's comeback.

Sincerely,

A handwritten signature in black ink, appearing to read "Muriel Bowser". The signature is written in a cursive style with a large, prominent "B".

Muriel Bowser  
Mayor

cc: Members of the Council of the District of Columbia  
Glen Lee, Chief Financial Officer, Office of the Chief Financial Officer