

## COUNCIL OF THE DISTRICT OF COLUMBIA

## JOHN A. WILSON BUILDING 1350 PENNSYLVANIA AVENUE, NW WASHINGTON, DC 20004

MATTHEW FRUMIN Councilmember, Ward 3 COMMITTEE CHAIR Human Services

COMMITTEE MEMBER Executive Administration and Labor Facilities Housing

September 24, 2025

Nyasha Howard Secretary Council of the District of Columbia 1350 Pennsylvania Avenue, NW Washington, DC 20024

Dear Secretary Howard:

Today, along with Councilmembers Janeese Lewis George, Brianne K. Nadeau, Charles Allen, Zachary Parker, Brooke Pinto, Trayon White, Sr., Robert C. White, Jr., and Anita Bonds, I am introducing the Flexible Rent Subsidy Program Amendment Act of 2025. This legislation would make the Flexible Rent Subsidy Pilot Program, or "DC Flex," permanent. DC Flex provides a fixed annual subsidy that covers a portion of participant households' monthly rent. DC Flex is the District's only "shallow" rent subsidy program, in contrast to "deep" subsidy programs, like housing vouchers, that cover up to 100 percent of households' monthly rent. The Department of Human Services (DHS) has operated DC Flex as a pilot since 2017, and the statutory authorization for the pilot will expire on September 30, 2026. Although there is more to learn about the long-term efficacy of DC Flex, the available evidence suggests the program can end and prevent episodes of homelessness. Additionally, residents currently receiving shallow subsidies need to know whether they will continue to receive assistance beyond September 2026; this bill provides that reassurance.

The Fiscal Year 2017 Budget Support Act of 2016 required DHS to "establish a Flexible Rent Subsidy Pilot Program to subsidize the cost of monthly rent for families receiving, or eligible to receive," homeless services. Participant households receive a fixed deposit into an escrow account at the start of each program year. Households then decide how much of their fixed subsidy to spend on rent each month. Participants can only spend their subsidies on rent, and they cannot withdraw more than is necessary to pay their monthly rent.

The scope and lifespan of the program have expanded over time. The Council initially intended DC Flex to operate as a four-year pilot. Encouraged by the program's initial success, the Council later extended the statutory authorization for DC Flex by five years, to the end of Fiscal Year 2026. Additionally, DHS has expanded the program to serve individuals, as well as families, and now allows households to receive a subsidy for five, rather than four, years. The Council, meanwhile, funded 560 new DC Flex slots in the FY26 budget.

An evaluation of DC Flex's first year conducted by the Urban Institute and The Lab @ DC, as well as more recent data, suggest that a shallow rent subsidy could play an important role in the District's homelessness

continuum of care. The Urban Institute and Lab @ DC report found that participation in DC Flex "caused a statistically significant decrease in participants' use of homelessness services" of 28.6 percent. Eighty-eight percent of program participants remained stably housed after a year in the program, and one out of three participants did not spend down their subsidies, rolling savings over into future program years. DHS recently reported to the Committee on Human Services that no DC Flex participants presented to shelter in FY24.

The introduction of this legislation offers the opportunity for close review of the performance of DC Flex to date, with input from the Executive and other stakeholders. With participation in DC Flex continuing to grow and time running out to reauthorize it, the District is at an inflection point.

Should you have any questions about this legislation, please contact my Committee Director, Dan Passon, at dpasson@dccouncil.gov.

Sincerely,

Councilmember Matthew Frumin, Ward 3 Chair, Committee on Human Services

<sup>&</sup>lt;sup>1</sup>Josh Leopold et al., *DC Flexible Rent Subsidy Program: Findings from the Program's First Year* 35 (2020).

<sup>&</sup>lt;sup>2</sup> *Id.* at X (Executive Summary).

<sup>&</sup>lt;sup>3</sup> *Id*.

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27	IN THE COUNCIL OF	THE DISTRICT OF COLUMBIA
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32 33	To amend the Homeless Services Reform Program permanent.	Act of 2005 to make the Flexible Rent Subsidy Pilot
34 35	BE IT ENACTED BY THE COUN	CIL OF THE DISTRICT OF COLUMBIA, That this
36	act may be cited as the "Flexible Rent Subs	aidy Program Amendment Act of 2025".
37	Sec. 2. Section 31c of the Homeles	ss Services Reform Act of 2005, effective October 8,
38	2016 (D.C. Law 21-160; D.C. Official Cod	e § 4-756.05), is amended to read as follows:
39	"Sec. 31c. Flexible rent subsidy pro	gram.

40	"(a) The Department shall establish a Flexible Rent Subsidy Program (the "Program") to
41	subsidize the cost of monthly rent for individuals and families ("participants") that are homeless
42	or at risk of experiencing homelessness to support achieving stability in permanent housing.
43	"(b) The Department shall provide a subsidy to each participant via dedicated account,
44	which shall be used solely to pay the individual's or family's monthly rent.
45	"(c) The annual subsidy for a participant shall be less than the maximum annual amount
46	that may be provided to a household by voucher under section 26c of the District of Columbia
47	Housing Authority Act of 1999, effective March 2, 2007 (D.C. Law 16-192; D.C. Official Code §
48	6-228). All individuals awarded a subsidy in the same fiscal year shall receive the same subsidy
49	amount. All families awarded a subsidy in the same fiscal year shall receive the same subsidy
50	amount.
51	"(d) For households approved to join the Program after October 1, 2027, the amount of the
52	annual subsidy for a family shall not be less than \$11,300, and the amount of the annual subsidy
53	for an individual shall not be less than \$9,000.
54	"(e) For households approved to join the Program before October 1, 2027, the amount of
55	the annual subsidy for a family shall not be less than \$9,600, and the amount of the annual subsidy
56	for an individual shall not be less than \$8,280.
57	"(f) The amount of a participant's subsidy shall not be reduced unless the participant is
58	exited from the Program under section 22b, terminated from the Program under section 22, or
59	suspended from the Program under section 21.
60	"(g) To be eligible for initial enrollment in the Program, an individual or family must:
61	"(1) Be a Resident of the District;

62	"(2) Have a total annual income less than or equal to 40% of the Median Family	
63	Income for the District for the relevant household size;	
64	"(3) Be found by the Department to have sufficient income, or the potential to grow	
65	income, such that enrollment in the Program would end or prevent an episode of homelessness;	
66	and	
67	"(4)(A) Be homeless;	
68	"(B) Be at risk of homelessness; or	
69	"(C) Have applied for at least one government-funded emergency or	
70	temporary housing or rental assistance program administered by or in the District, including the	
71	Emergency Rental Assistance Program, the Homelessness Prevention Program, the Family Re-	
72	Housing and Stabilization Program, or another rapid re-housing program, within the 48 months	
73	immediately preceding the individual or family's application for the Program.	
74	"(h) The Department shall require Program participants to certify their continued eligibility	
75	for the Program no more frequently than on an annual basis. To remain eligible for continued	
76	participation in the Program, an individual or family must, at the time of recertification:	
77	"(1) Be a Resident of the District; and	
78	"(2) Have a total annual income less than or equal to 60% of the Median Family	
79	Income for the District for the relevant household size.	
80	"(i) The Program shall be a "housing program" exits from which are governed by section	
81	22b.	
82	"(j) An individual or family may be enrolled in a government-funded rental assistance	
83	program administered by the District at the time of applying for the Program.	
84	"(k) No individual, family, or individual member of a family may be enrolled in both the	

Program and another ongoing District- or federal government-funded rental assistance program at the same time. The receipt of Emergency Rental Assistance Funds under section 8f does not constitute enrollment in an ongoing rental assistance program under this subsection.

"(l) Participation in the Program shall not preclude the receipt of shelter or rental assistance after participation in the Program has ended or the receipt of shelter assistance during participation in the Program.

"(m) The Mayor, under subchapter I of Chapter 5 of Title 2, shall issues rules to implement the provisions of this section, including rules establishing the dollar amount of the maximum annual subsidy and the terms of program administration. The Mayor may establish Program time limits no shorter than five years through rule.".

Sec. 3. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 4a of the General Legislative Procedures Act of 1975, approved October 16, 2006 (12 Stat. 2038; D.C. Official Code § 1-301.47a).

Sec. 4. Effective date.

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