



D.C. POLICY CENTER

Education Policy Initiative

FISCAL YEAR 2027 BUDGET OVERSIGHT HEARING

OFFICE OF THE STATE SUPERINTENDENT

COMMITTEE OF THE WHOLE

May 7th, 2026 at 9:30 am

Hearing Room 412 (Track B)

John A. Wilson Building

Testimony of Anoosha Imran

Data Analyst, Education Policy Initiative

D.C. Policy Center

Good morning, Chairman Mendelson and members of the Committee of the Whole. My name is Anoosha Imran, and I am a data analyst at the D.C. Policy Center, an independent think tank focused on advancing policies for a growing, vibrant, and compelling District of Columbia. **My focus today is on the need for stable, affordable childcare and why that investment is not only a matter of family support, but of economic survival for our city.**

Fewer people are choosing D.C. as their place of residence. Although the District has been recovering from the population losses brought on by COVID-19, D.C.'s population growth has since slowed, from 1.3 percent in 2024 to 0.3 percent in 2025. We also saw domestic outmigration rise sharply from 0.6 to 6.0 per 1,000 residents, while international migration—a key driver of the District's recent population growth—declined from 9.2 to 5.7 per 1,000 residents¹ Natural change (births minus deaths) also witnessed a slight decrease.

Fewer people moving to D.C. coupled² It signals a fundamental demographic shift: fewer young families are putting down roots in D.C. Affordable, accessible childcare is one of the most powerful signals we can send to support the next cohorts of young families to stay.

¹ D.C. Policy Center (January 2026). Chart of the week: D.C.'s population growth slowed in 2025—and key trends are concerning. Burge, D. <https://www.dcpolicycenter.org/publications/chart-of-the-week-dc-population-growth-slowed-key-trends-concerning/>

² In school year 2025-26, we saw an overall enrollment decline of approximately 0.1 percent, ending three consecutive years of growth. Critically, this was driven almost entirely by a 3 percent drop in pre-kindergarten enrollment. The data from My School DC's 2026-27 common lottery foreshadows more of the same. PK3 applications declined by 8 percent. D.C. Policy Center (April 2026). Chart of the Week: D.C. School Enrollment Decreased in 2025-26. Coffin, C. <https://www.dcpolicycenter.org/publications/chart-of-the-week-enrollment-trends-for-2026/>

At the same time, weakening finances is putting a strain on childcare subsidies. The program currently supports 7,500 families to afford childcare³ DC Action estimates that the proposed budget, which only invests \$114 million in the subsidy program, will leave out around 1,300 families without the subsidy⁴ That is, 1,300 families may have to make impossible choices between work and childcare, or between staying in D.C. and moving somewhere more affordable.

Subsidies are necessary and must be preserved, but subsidies alone cannot create affordable and widely available childcare. As highlighted in *A City That Works* by the D.C. Policy Center, subsidies are essential but must be paired with policies that increase supply. The Budget Support Act could consider including a regulatory review of childcare facilities to identify potential opportunities to reduce costs and increase availability without sacrificing quality. This might include reviewing licensing and permitting requirements that may place unnecessary burdens on providers, as well as exploring ways to make underutilized government-owned buildings available for childcare use. The intent would be to better align public spending with efforts that expand system capacity, rather than primarily offsetting underlying constraints on supply.

Affordable childcare is more than a social service – it is economic infrastructure. The District's own competitiveness depends on it. Many working parents continue to face

³ Edwards, J. (2026, March 13). *Facing deficit, D.C. to wait-list families seeking child care subsidies*. The Washington Post. <https://www.washingtonpost.com/education/2026/03/13/child-care-subsidy-wait-list-deficit/>

⁴ DC Action. (2026, April 17). *What's in the FY27 budget proposal for kids?* <https://wearedcaction.org/publications/whats-in-the-fy27-budget-proposal/>

barriers in finding affordable, high-quality childcare, a challenge that significantly costs the state's economy⁵ When families can access affordable, quality childcare, parents can remain in or return to the workforce. This means more workers filling jobs across D.C.'s economy, more income earned and taxed in the District, and more spending circulating through local businesses. Childcare access is one of the most direct levers available to increase labor force participation, especially among women with young children.

Between January 2023 and March 2024, the District's employment growth has lagged both the national and regional average since the pandemic, and average real wages have fallen. At the same time, the city is facing demographic headwinds, with fewer families choosing to live here and fewer young children entering pre-kindergarten. In this context, childcare should be understood as essential economic infrastructure – a competitive tool that helps attract and retain families, while also increasing labor force participation and strengthening the reliability of the workforce for employers. I urge this Council to:

- Fully fund childcare subsidies to eliminate the waiting list and protect the approximately 1,300 families at risk of losing support; and
- Pair subsidy funding with supply-side reforms such as periodic regulatory review and expanded access to public spaces so that public investment expands capacity rather than compensates for its absence.

⁵ According to FIRST FIVE YEARS FUND, the estimated cost to the economy is around \$1.0 billion each year. <https://www.ffyf.org/states/district-of-columbia/>

Thank you for the opportunity to testify and I am happy to answer any questions you have.

Sources

DC Action. (April 2026). *What's in the FY27 budget proposal?*

<https://wearedcaction.org/publications/whats-in-the-fy27-budget-proposal/>

D.C. Policy Center (December 2025). *Is the District of Columbia Still Competitive?* Sayin, Y.

& Burge, D. <https://www.dcpolicycenter.org/publications/is-the-district-of-columbia-still-competitive/>

D.C. Policy Center (April 2026). *Chart of the Week: D.C. School Enrollment Decreased in*

2025-26. Coffin, C. <https://www.dcpolicycenter.org/publications/chart-of-the-week-enrollment-trends-for-2026/>

D.C. Policy Center. *Chart of the Week: Projecting Future Births and Young Children in D.C.*

<https://www.dcpolicycenter.org/publications/chart-of-the-week-projecting-future-births-and-young-children-in-dc/>

D.C. Policy Center (April 2026). *A City That Works.* Sayin, Y.

<https://www.dcpolicycenter.org/publications/city-that-works-yesim-sayin-april-2026/>

First Five Years Fund (FFYF). (n.d.). *District of Columbia.*

<https://www.ffyf.org/states/district-of-columbia/>

D.C. Policy Center. (2026). *Chart of the week: D.C. lags in total job growth.* Burge, D

<https://www.dcpolicycenter.org/publications/chart-of-the-week-dc-lags-in-total-job-growth/>

Edwards, J. (2026, March 13). *Facing deficit, D.C. to wait-list families seeking child care subsidies.* The Washington Post.

<https://www.washingtonpost.com/education/2026/03/13/child-care-subsidy-wait-list-deficit/>