

February 3, 2026

Dear Members of Congress:

On behalf of First Focus Campaign for Children, we write to strongly oppose H.J. Res. 142 by Rep. Brandon Gill (TX) and S.J. Res. 102 (Sen. Rick Scott (FL)), the resolutions of disapproval that would overturn the District's decision to decouple portions of its local tax code from recent federal tax changes.

These resolutions would have two deeply harmful and unnecessary consequences:

- (1) they would blow a substantial hole – nearly \$700 million – in DC's local budget; and,
- (2) they would **repeal** recently enacted District policies that are projected to reduce child poverty by roughly **20 percent**, including the **establishment of a \$1,000 Child Tax Credit (CTC) and an expansion of the Earned Income Tax Credit (EITC)**.

Congressional action here would not change federal tax law. High-income households would still receive the federal tax cuts enacted under H.R. 1 and related provisions. Instead, the resolutions would force DC to replicate those costly federal tax changes locally, despite the District's clear determination that doing so would significantly weaken its fiscal position and crowd out investments that benefit children and families.

DC's decision to decouple followed a well-established practice used by states and localities across the country when federal tax changes would otherwise reduce local revenues in ways that lawmakers did not anticipate or cannot afford. The District planned to use the resulting fiscal stability to take a proven, evidence-based step: reinvesting in refundable tax credits for families with low and moderate incomes.

According to analysis by the DC Fiscal Policy Institute, the District's restored Child Tax Credit – providing up to **\$1,000 per child** – combined with the expanded EITC, is expected to reach approximately **78,000 children** and lift **one in five children** in DC out of poverty. These credits are among the most effective anti-poverty tools available, with strong evidence showing they improve child health, educational outcomes, and long-term economic mobility.

The District of Columbia is required by federal law (the Home Rule Act of 1973) to pass a balanced budget every year. Overturning the District's local law to decouple its tax code would clearly reverse/deny local revenue gains – increasing fiscal instability – and raising the risk of future cuts to education, health, housing, and child welfare programs that children rely on every day.

We respectfully urge you to oppose these resolutions of disapproval and to allow the District of Columbia to manage its own local tax policy and budget responsibly. At a time when child poverty remains unacceptably high nationwide, Congress should not be taking action that knowingly increases child poverty and strips away effective tools that help children thrive.

Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink that reads "Bruce Lesley". The signature is written in a cursive style with a prominent flourish at the end of the word "Lesley".

Bruce Lesley
President