

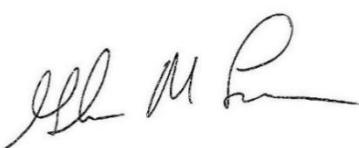
Government of the District of Columbia
Office of the Chief Financial Officer



Glen Lee
Chief Financial Officer

MEMORANDUM

TO: **The Honorable Phil Mendelson**
Chairman, Council of the District of Columbia

FROM: **Glen Lee**
Chief Financial Officer 

DATE: **January 26, 2026**

SUBJECT: **Fiscal Impact Statement – Increasing Support for Grandparent and Close Relative Caregivers Amendment Act of 2025**

REFERENCE: **Bill 26-398, Draft Committee Print as provided to the Office of Revenue Analysis on January 22, 2026**

Conclusion

Funds are not sufficient in the fiscal year 2026 through fiscal year 2029 budget and financial plan to implement the bill. The bill will cost \$6 million in fiscal year 2026 and \$25 million over the four-year financial plan.

Background

The bill increases the subsidy provided to grandparents and relative caregivers in the Grandparent Caregivers Program¹ and the Close Relative Caregivers Program² administered by the Child and Family Services Agency (CFSA). The programs provide monthly financial assistance to low-income grandparents and close relatives who take care of and live with related children who meet eligibility requirements. The programs provide assistance on a first come, first served basis.

Under current law³, the subsidy is set via rulemaking and must be at least 66 percent (and not more than 105 percent) of the regular daily rate of the subsidy for long-term permanent Level 1 guardianship⁴. The daily subsidy rate is based on caregiver family income and the age of the child and is reduced for caregivers receiving other government subsidies such as Temporary Assistance for

¹ D.C. Official Code § 4-251.02.

² D.C. Official Code § 4-251.22.

³ D.C. Official Code § 4-251.04.

⁴ Pursuant to Title 29 DCMR Chapter 61. See 29-6103 for Permanent Guardianship Subsidy rates.

The Honorable Phil Mendelson

FIS: Bill 26-398, "Increasing Support for Grandparent and Close Relative Caregivers Amendment Act of 2025," Draft Committee Print as provided to the Office of Revenue Analysis on January 22, 2026.

Needy Families (TANF). The current daily rate paid to all participants averages approximately \$20.92.⁵

The bill sets the minimum subsidy to \$38 per day beginning fiscal year 2027 and increases it by inflation annually thereafter.

Under current law, financial assistance from TANF or the Supplemental Nutrition Assistance Program (SNAP) is not considered in determination of eligibility for the program for the first 60 months of participation.⁶ The bill eliminates the 60-month limitation.

Financial Plan Impact

Funds are not sufficient in the fiscal year 2026 through fiscal year 2029 budget and financial plan to implement the bill. The bill will cost \$6 million in fiscal year 2026 and \$25 million over the four-year financial plan.

Currently the programs serve approximately 963 children at an average cost of \$20.92 per day, for a total annual cost of \$7.3 million. CFSA expects the number of participants to remain steady. The bill increases the daily rate to \$38, about 81 percent higher than the current average. To accommodate the same number of participants, the cost of the program subsidy will increase 81 percent upon the effective date of the bill. Per the bill, the subsidy will increase according to inflation in subsequent years.

Cost of Bill 26-398, Increasing Support for Grandparent and Close Relative Act of 2025					
FY 2026 - FY 2029					
(\$ in thousands)					
	FY 2026	FY 2027	FY 2028	FY 2029	Four-Year Total
Increase in caregiver subsidy by setting the minimum subsidy to \$38 per day ^(a)	\$6,003	\$6,160	\$6,307	\$6,446	\$24,916

Table Notes:

(a) Assumes number of participants remain steady, but daily rate is increased annually by the Washington Area Consumer Price Index. The September 2025 revenue estimates forecasts CPI increases of 2.6 percent in Fiscal Year 2027, 2.4 percent in Fiscal Year 2028, and 2.2 percent in Fiscal Year 2029.

⁵ Average provided by District of Columbia Child and Family Services Agency.

⁶ D.C. Official Code § 4-251.03.