

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Office of the Chief Financial Officer

Natwar M. Gandhi
Chief Financial Officer



MEMORANDUM

TO: The Honorable Linda W. Cropp
Chairman, Council of the District of Columbia

FROM: Natwar M. Gandhi
Chief Financial Officer

DATE: May 30, 2002

SUBJECT: Fiscal Impact Statement: "First Source Employment Agreement Non-Profit Exemption Repeal Emergency Amendment Act of 2002"

REFERENCE: Draft Legislation as Introduced - Bill Number Not Available

Conclusion

Funds are sufficient in the FY 2003 through FY 2006 budget and financial plan to implement the provisions of the proposed legislation. Implementing the proposed legislation will not require any additional staff or resources and will not impact local General Fund revenue.

Background

The proposed legislation repeals a portion of the First Source Agreement Act of 1984 (D.C. Official Code § 2-219.03(f)) that results in exempting non-profit entities from 51 percent District resident 'new hire' provisions. Non-profit entities that receive public benefits such as Industrial Revenue Bond funds or Tax Increment Financing will be required to fill 51 percent of all new staff positions with residents of the District of Columbia.

Financial Plan Impact

Funds are sufficient in the FY 2002 budget and the proposed FY 2003 through FY 2006 budget and financial plan to implement the provisions of the proposed legislation. Implementing the proposed legislation will not require any additional staff or resources. All costs will be absorbed by existing resources of the Department of Employment Services.