

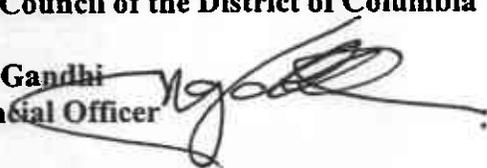
**Government of the District of Columbia
Office of the Chief Financial Officer**



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: MAR 22 2005

SUBJECT: Fiscal Impact Statement: "Fiscal Year 2006 Budget Support Act of 2005"

REFERENCE: Draft Legislation to be Introduced – No Bill Number Available

Conclusion

The proposed legislation implements the FY 2006 through FY 2009 budget and financial plan as introduced by the Mayor to the Council of the District of Columbia. Overall, this bill, together with anticipated Mayoral rulemaking, tax initiatives and agency operational plans, will result in a \$7.2 billion budget. The combined initiatives provide sufficient funds to implement the \$4.9 billion FY 2006 proposed local budget and financial plan.

Federal and District anti-deficiency laws¹ prohibit District officers and employees from exceeding agency appropriations in any fiscal year. Should the District determine that funding is available to absorb any additional costs in FY 2006, then the fiscal impact would be zero. For subsequent years, the additional expenditures must be included as budgeted expenditures.

The proposed legislation, the Fiscal Year 2006 Budget Support Act of 2005, is the legislative vehicle for adopting statutory changes needed to implement the District's proposed FY 2006 through FY 2009 budget and financial plan. The purpose and the impact of each title are summarized in the following pages.

Approval of the proposed legislation will result in the establishment of 10 new non-tax revenue proprietary funds and the redirection of new revenue into 1 existing fund. The table in Figure 1 presents the proposed accounting changes and funding sources.

¹ 31 USCA § 1341 (2000) and D.C. Official Code § 47-355.01 *et sequitur* (2003).

Figure 1.

Treatment of Dedicated Non-Tax Accounts				
Title	Agency	Account Title	Comment	Revenue Stream Structure
I(A)	OCTO E-911	Emergency and Non-Emergency Number Telephone Calling System Fund	Funded from a tax on wireline and wireless exchange carriers. One account for E-911 and one account for 311 non-emergency.	All revenue collected from this source is non-lapsing, non-reverting. All funds remain available until fully expended in two accounts.
I(B)	OPM	(New) DC Leasing Fees Working Fund	Funded from collections of rents and lease fees on District-owned property.	All revenue collected from this source is non-lapsing, non-reverting. All funds remain available less 10% that reverts to the General Fund.
I(G)	OTR	(New) OTR Compliance Administration Fund	Collects fees assessed at 25% of delinquent taxes, interest and penalties.	All revenue collected from this source is non-lapsing, non-reverting. All funds remain available until fully expended.
I(J)	EOM	(New) Fixed Costs Reserve Fund	Repository for unexpended, unobligated appropriations for the Government's consumables.	Funds are transferred at the completion of the fiscal year and remain available without fiscal year limitation.
I(K)	OFT	(New) Dishonored Check Fee Collection Fund	Collects fees charged for dishonored checks given to the District government.	All revenue collected from this source is non-lapsing, non-reverting. All funds remain available until fully expended.
III(A)	OCME	(New) OCME Management Fund	Funded from fees charged for OCME services.	All revenue collected from this source is non-lapsing, non-reverting. All funds remain available until fully expended.
III(D)	DOC	(New) Child Support Enforcement Fund	Captures SSA IV-D funds for Child Support Enforcement Operations.	Funds are non-lapsing and non-reverting. Funds are to remain available until fully expended.
IV(A)	SEA	(New) Site Evaluation Fund	Repository of fees charged to inspect and evaluate licensed educational facilities.	Funds are non-lapsing and non-reverting. Funds are to remain available until fully expended.
IV(C)	CA	(New) Educational Investments Fund	Contains \$21 million for DCPS and \$4.2 million for PCS. Spending plans are required to be submitted to the CA.	Funds are non-lapsing and non-reverting. Funds are to remain available until fully expended.
VI(C)	DDOT	(New) DDOT Operating Fund	Collects funds from Public Space Rentals, taxes on storing vehicles, and parking meter revenue.	All revenue collected from several sources and are non-lapsing, non-reverting. All funds remain available until fully expended.
VI(E)	OCPO	(New) DC Surplus Personal Property Sales Operating Fund	The repository of the net proceeds from the sale of surplus District personal property.	Funds are non-lapsing and non-reverting. Funds are to remain available until fully expended.

It is the policy of the District government to discourage the allocation of such Special Purpose Revenue funds directly to agencies as proprietary receipts to operate programs. As a general rule, all revenues should be allocated through the budget and appropriations process. In certain limited cases, Special Purpose Revenue fund accounts are necessary to support a particular program or activity.

Title I – Government Direction and Support

Subtitle A – E-9-1-1 Support Amendment Act of 2005:

Background

The proposed subtitle increases the surcharge to \$1.25 on exchange access lines, Centrex lines, and private branch exchanges (PBX). Currently the charges are \$0.76, \$0.62, and \$0.62 respectively. The tax is to be levied on each line sold or leased in the District of Columbia. The fund will be partitioned into two accounts for the purpose of supporting both the 311 District government information system and call center, and the emergency E-911 call center. A non-lapsing, non-reverting proprietary account has been established by prior action² and is called the Emergency and Non-Emergency Number Telephone Calling Systems Fund.

Financial Plan Impact

Funds are sufficient in the FY 2006 through FY 2009 budget and financial plan to implement the provisions of the proposed title. No additional staff or resources will be required. The account established in prior action will be the repository of approximately \$6.0 million annually which will be retained until fully expended without fiscal year limitations.

Figure 2.

Estimated Impact to the Financial Plan				
<i>(\$ in millions)</i>				
FY 2006	FY 2007	FY 2008	FY 2009	4 -Year Total
\$6.0	\$6.0	\$6.0	\$6.0	\$24.0

Subtitle B – Working Fund Amendment Act of 2005:

Background

The proposed subtitle establishes a non-tax revenue proprietary fund for the purpose of depositing proceeds from lease agreements of District government property. Currently the proceeds from such leases are deposited into the District's local General Fund. All prior year funds remain available until fully expended less 10 percent that will revert to the local General Fund.

² D.C. Law 14-307, Title VII ; effective November 13, 2003.

Financial Plan Impact

Funds are sufficient in the FY 2006 through FY 2009 budget and financial plan to implement the provisions of the proposed title. No additional staff or resources will be required.

The Office of Property Management (OPM) has a Special Purpose Revenue budget in the amount of \$3,625,000 in FY 2006. This consists of \$375,000 from parking fees and \$3,250,000 from rental fees. The account established in the proposed subtitle will be the repository of approximately \$3.25 million annually which will be retained until fully expended without fiscal year limitations.

Figure 3.

Estimated Reductions in Income Tax Revenue				
(\$ in millions)				
FY 2006	FY 2007	FY 2008	FY 2009	4 -Year Total
\$3.25	\$3.25	\$3.25	\$3.25	\$13.00

Subtitle C – Fiscal Year 2006 Budget Submission Amendment Act of 2005:

Background

The proposed title requires the Mayor to submit the annual budget and financial plan segmented as follows:

1. Identify in the budget submission those amounts that are consistent with prior year spending and in the report on the budget request act;
2. Identify any additional proposed budget amounts that are supported by revenue certified by the District's Chief Financial Officer and not included in the previous provision; and
3. All studies³ are to be submitted by April 18, 2005.

Financial Plan Impact

The proposed title has no impact on the budget and financial plan. No additional staff or resources will be required.

³ The Council requires the Mayor to submit special studies on health and human service agencies, frontline government service employees, and non-performing agency goods and services delivery.

Subtitle D – Expedited Council Contract Review Period Amendment Act of 2005:

Background

The proposed title reduces the Council's review period for contracts to 5 days excluding weekends and holidays. Contracts subject to this provision are those that are worth at least or over \$1 million during a twelve month period or a proposed multi-year contract. The Council will require a summary of the contract 5 days prior to the submission of the contract.

Contracts will be deemed approved after the 5 day review period unless a resolution of disapproval has been signed and introduced by no less than 3 council members. The review period will then be extended to 15 days. The proposed title outlines the elements the contract summary should contain.

This title will expire on December 31, 2007.

Financial Plan Impact

The proposed title has no impact on the budget and financial plan. No additional staff or resources will be required.

Subtitle E – Standard Deduction and Personal Exemption Act of 2005:

Background

The proposed title increases the standard deduction when filing an individual income tax return from \$2,000 to \$2,500. In addition, it increases the personal exemption from \$1,000 to \$1,250.

Financial Plan Impact

Funds are sufficient in the FY 2006 through FY 2009 budget and financial plan to implement the provisions of the proposed title. Although the proposed legislation results in reductions in individual income tax revenue of \$9.2 million in FY 2006, this amount was considered when developing the proposed budget and financial plan. The table in Figure 4 presents the budgeted revenue reductions as they would impact the proposed FY 2006 through FY 2009 budget and financial plan.

Figure 4.

Tax Revenue Reductions Impacting the Financial Plan					
(S in millions)					
Item	FY 2006	FY 2007	FY 2008	FY 2009	4 - Year Total
Increase the Standard Deduction	(\$4.5)	(\$4.6)	(\$4.8)	(\$4.9)	(\$18.8)
Increase to the Personal Exemption	(4.7)	(4.8)	(5.0)	(5.1)	(19.6)
Net Annual Impact	(\$9.2)	(\$9.4)	(\$9.8)	(\$10.0)	(\$38.4)

Subtitle F – Expansion of the Earned Income Tax Credit Act of 2005:

Background

The proposed title allows a tax credit on a full year's income of 50 percent as allowed by Section 32 of the Internal Revenue Code of 1986. If the earned income is less than a full year then the credit is adjusted and calculated as a ratio of the credit in the previous provision. The credit allowed by the proposed title is refundable up to 25 percent of the earned income tax credit.

To be eligible for the tax credit a person must be a District resident, between the ages of 18 to 30 years old, the parent of a minor child with whom the taxpayer does not reside, have a court order to make child support payments through a government-sponsored support collection unit, and have paid an amount in child support in the taxable year at least equal to the amount of child support due during the tax year for which the tax credit is to be applied.

Financial Plan Impact

Funds are sufficient in the FY 2006 through FY 2009 budget and financial plan to implement the provisions of the proposed title. Although the proposed legislation results in reductions in individual income tax revenue of \$9.5 million in FY 2006, this amount was considered when developing the proposed budget and financial plan. The table in Figure 5 presents the revenue reductions as they would impact the current financial plan.

Figure 5.

Estimated Reductions in Income Tax Revenue				
(S in millions)				
FY 2006	FY 2007	FY 2008	FY 2009	4 -Year Total
(\$9.5)	(\$9.5)	(\$10.1)	(\$10.6)	(\$39.7)

Subtitle G – Assessment of Collection Fees Act of 2005:

Background

The proposed title allows the assessment of a fee not to exceed 25 percent on the collection of delinquent taxation. The taxes must be deemed delinquent and the fee is to be applied to taxation due as well as all interest, penalties and other types of fees.

Financial Plan Impact

Funds are sufficient in the FY 2006 through FY 2009 budget and financial plan to implement the provisions of the proposed title. No additional staff or resources will be required. The Office of Tax and Revenue may increase revenue by \$3.8 million in FY 2006. This amount was considered when developing the proposed budget and financial plan. The table in Figure 6 presents the projected revenue as it impacts the financial plan.

Figure 6.

Estimated Reductions in Income Tax Revenue				
<i>(S in millions)</i>				
FY 2006	FY 2007	FY 2008	FY 2009	4 -Year Total
\$3.8	\$3.8	\$3.8	\$3.8	\$15.2

Subtitle H – Establishment of Other Type Revenue Fund Act of 2005:

Background

The proposed subtitle establishes a non-tax revenue proprietary fund for the purpose of depositing proceeds from the assessment of fees on delinquent taxation. The fees are authorized by the proposed legislation and will be dedicated to the collection operations in the Compliance Administration of the Office of Tax and Revenue.

Financial Plan Impact

Funds are sufficient in the FY 2006 through FY 2009 budget and financial plan to implement the provisions of the proposed title. No additional staff or resources will be required. The account established in the proposed subtitle will be the repository of approximately \$3.8 million annually which will be retained until fully expended without fiscal year limitations. The net annual impact to the local General Fund is disclosed in Figure 6.

Subtitle I – Real Property Tax Relief Amendment Act of 2005

Background

The proposed subtitle provides a tax deferral for low-income District resident property owners whose adjusted gross household income is less than \$50,000. Eligible persons may apply for an income tax deferral of up to 25 percent of the assessed value of real property for the tax year the deferral is being requested. In addition, the proposed title increases the Homestead Deduction from \$38,000 to \$60,000.

Provisions of the proposed subtitle extend to disabled persons a 50 percent reduction in their real property tax liability that is currently allowed for senior citizens.

Financial Plan Impact

Funds are sufficient in the FY 2006 through FY 2009 budget and financial plan to implement the provisions of the proposed title. Deferred amounts will decrease revenue collections estimated to be \$2 million in FY 2006. The increase to the Homestead Deduction is estimated to reduce revenue by \$18.7 in FY 2006. The disabled resident real property tax provisions will result in tax reductions of \$1.4 million in FY 2006. These amounts were considered when developing the proposed budget and financial plan. The table in Figure 7 presents the projected revenue reductions as they impact the financial plan. The Office of Tax and Revenue will be required to remain within existing resources when implementing the proposed subtitle.

Figure 7.

Tax Revenue Reductions Impacting the Financial Plan					
(\$ in millions)					
Item	FY 2006	FY 2007	FY 2008	FY 2009	4 - Year Total
Homestead Deduction	(\$18.7)	(\$19.6)	(\$20.6)	(\$21.6)	(\$80.5)
Sr. Citizen and Disabled Resident Deferral	(2.0)	(2.3)	(2.1)	(1.9)	(8.3)
Disabled Resident Property Tax Relief	(1.4)	(1.5)	(1.5)	(1.5)	(5.9)
Net Annual Impact	(\$22.1)	(\$23.4)	(\$24.2)	(\$25.0)	(\$94.7)

Subtitle J – Establishment of the Fixed Cost Reserve Fund Act of 2005:

Background

The proposed subtitle establishes a non-tax revenue proprietary fund for the purpose of depositing appropriations that are unobligated and unexpended from spending authority for fixed costs of all consumption-driven commodities such as electricity, fuel, postage, telephone, etc. The Office of the Chief Financial Officer will transfer the funds at the close of each fiscal year.

Financial Plan Impact

Funds are sufficient in the FY 2006 through FY 2009 budget and financial plan to implement the provisions of the proposed title. No additional staff or resources will be required. All funds deposited will be retained until fully expended without fiscal year limitations.

Subtitle K – Dishonored Check Fee Collection Fund Establishment Act of 2005:

Background

The proposed subtitle establishes a non-tax revenue proprietary fund for the purpose of depositing fees assessed on bank dishonored checks written to the District government. The fund is non-lapsing and non-reverting. Funds may be expended without fiscal year limitation with the exception that 10 percent of the prior year's unexpended balance will be transferred to the District's local General Fund at the end of every fiscal year.

Financial Plan Impact

Funds are sufficient in the FY 2006 through FY 2009 budget and financial plan to implement the provisions of the proposed title. No additional staff or resources will be required. The account established in the proposed subtitle will be the repository of approximately \$450,000 annually which will be retained until fully expended without fiscal year limitations. The net annual impact to the local General Fund is disclosed in Figure 8.

Figure 8.

Estimated Annual Carryover (S in millions)				
FY 2006	FY 2007	FY 2008	FY 2009	4 -Year Total
\$0.45	\$0.45	\$0.45	\$0.45	\$1.80

Title II – Economic Development and Regulation

Subtitle A – District of Columbia Small, Local, and Disadvantaged Business Enterprise Development and Assistance Act of 2005:

Background

The proposed title establishes a new cabinet level position and office for the purposes of monitoring and developing LSDBE involvement in government operations.

Financial Plan Impact

Funds are sufficient in the proposed FY 2006 through FY 2009 budget and financial plan to implement the provisions of the proposed legislation. The proposed title was considered when developing the Mayor's proposed budget. The Table in Figure 8 presents the budget authority required to establish the new office.

Figure 9.

Funding Requirement Impacting the Financial Plan					
(S in 000s)					
Item	FY 2006	FY 2007	FY 2008	FY 2009	4 - Year Total
Personal Services Budget	(\$350.00)	(\$350.00)	(\$350.00)	(\$350.00)	(\$1,400.00)
Non-personnel Services Budget	(0.35)	(0.35)	(0.35)	(0.35)	(1.40)
Net Annual Impact	(\$350.35)	(\$350.35)	(\$350.35)	(\$350.35)	(\$1,401.40)

Subtitle B – District of Columbia Living Wage Act of 2005:

Background

The proposed subtitle applies to all recipients of District government contracts, grants, loans, Industrial Revenue Bonds and Tax Increment Financing agreements in the amount of \$100,000 or more in any 12-month period. Employers will be required to pay their employees no less than \$9.50 per hour if employer-paid health benefits are present. The employer's contribution for health benefits is to be no less than \$1.25 per hour. An employer will be required to compensate their employees at \$10.50 per hour if health benefits are not provided.

Financial Plan Impact

The Department of Employment Services and contracting officers throughout the District government will be required to meet additional monitoring and claims processing requirements. Costs of new contracts are expected to increase, although no specific estimate of this is available. Agencies will have to implement the provisions of the proposed subtitle from within their existing resources.

Subtitle C – Job Opportunity Bank Establishment Act of 2005:

Background

The proposed subtitle establishes a Job Opportunity Board for the purpose of administering funds from a newly established Job Opportunity Bank. The Bank will provide grants and other

forms of financial assistance to help skills deficient and low-income residents in obtaining employment.

The proposed legislation requires recipients of District government contracts, grants, loans, Tax Increment Financing agreements, and payments in-lieu of taxes (PILOT funds) to remit 0.005 percent of the amounts issued or uncollected. These funds will be deposited into a bank account of an institution headquartered in the District. The proposed subtitle establishes instructions for administering the funds collected and expended.

Financial Plan Impact

Funds are sufficient in the proposed FY 2006 through FY 2009 budget and financial plan to implement the provisions of the proposed subtitle. The Department of Employment Services (DOES) will be required to implement the bill's provisions from their existing resources.

Subtitle D – First Source Employment Agreement Act Amendment Act of 2005 [sic]:

Background

The proposed subtitle requires beneficiaries of District financial assistance to escrow 10 percent of amounts awarded up to \$200,000. Contracting Officers reporting breach of agreement may result in forfeiture of escrowed amounts.

Financial Plan Impact

The proposed subtitle will have no impact on the District's budget and financial plan.

Subtitle E – Unemployment Compensation Administrative Funding Assessment Amendment Act of 2005:

Background

The proposed subtitle requires, commencing January 1, 2006, an administrative funding assessment of 0.2 percent of all wages paid employees be collected and deposited into a newly established non-tax revenue proprietary fund for the purpose of administering the Unemployment Compensation System by the Department of Employment Services. All funds will remain available in the new account until fully expended without fiscal year limitation. Collections are limited to \$4 million per year.

Financial Plan Impact

Funds are sufficient in the FY 2006 through FY 2009 budget and financial plan to implement the provisions of the proposed subtitle. No additional staff or resources will be required.

Figure 10.

Estimated Annual Collections				
(S in millions)				
FY 2006	FY 2007	FY 2008	FY 2009	4 -Year Total
(\$4.0)	(\$4.0)	(\$4.0)	(\$4.0)	(\$16.0)

Subtitle F – Youth Employment Services Initiative Amendment Act of 2005:

Background

The proposed subtitle establishes a year round youth employment program to be administrated by the Department of Employment Services (DOES). Resident youths between the ages of 16 and 24 years old would be eligible to participate in the program.

Financial Plan Impact

Funds are sufficient in the proposed FY 2006 through FY 2009 budget and financial plan to implement the provisions of the proposed subtitle. An enhancement of \$20.4 million was added to DOES to cover the Youth Employment Program "Way-to-Work." In addition \$4.8 million has been added the baseline budget for total program resources of \$25.2 million. The table in Figure 11 presents the proposed budget and financial plan.

Figure 11.

Funding Requirement Impacting the Financial Plan				
(S in millions)				
FY 2006	FY 2007	FY 2008	FY 2009	4 -Year Total
(\$25.2)	(\$4.8)	(\$4.8)	(\$4.8)	(\$39.6)

Subtitle G – Transitional Employment Program and Apprenticeship Initiative Establishment Act of 2005:

Background

The proposed subtitle establishes a new program in the Department of Employment Services for the purpose of expanding transition to workforce programs and apprenticeship programs.

Financial Plan Impact

Funds are sufficient in the proposed FY 2006 through FY 2007 budget and financial plan to implement the provisions of the proposed legislation. The provisions of the proposed legislation were taken into consideration when developing the proposed budget and financial plan. The table in Figure 12 presents the proposed funding requirements for the newly established programs.

Figure 12.

Funding Requirement Impacting the Financial Plan					
(S in millions)					
Item	FY 2006	FY 2007	FY 2008	FY 2009	4 - Year Total
Personal Services Budget	(\$2.61)	(\$2.61)	(\$2.61)	(\$2.61)	(\$10.44)
Non-personnel Services Budget	(17.79)	(17.79)	(17.79)	(17.79)	(71.16)
Net Annual Impact	(\$20.40)	(\$20.40)	(\$20.40)	(\$20.40)	(\$81.60)

Subtitle H – District of Columbia Great Streets Development Act of 2005:

Background

The proposed subtitle authorizes the Mayor to grant property tax abatements, employee tax credits, and loans and grants up to an aggregate total of \$25 million over 5 years to qualified businesses that acquire, construct, substantially rehabilitate, expand, or improve commercial and mixed-use facilities situated along and near certain retail corridors in the District.

Financial Plan Impact

Funds are sufficient in the FY 2006 capital improvement plan to implement the provisions of the proposed subtitle. The table in Figure 13 presents the funding requirement included in the proposed budget and financial plan.

Figure 13.

Expenditure Impact to the Capital Improvements Plan				
(S in millions)				
FY 2006	FY 2007	FY 2008	FY 2009	4 -Year Total
(\$5.0)	(\$5.0)	(\$5.0)	(\$5.0)	(\$20.0)

Subtitle J – District of Columbia Special Assessment District Omnibus Authorization Act of 2005:

Background

The proposed subtitle authorizes the Mayor to establish Special Assessment Districts in which property owners will pay additional property assessments to secure bonds issued to support infrastructure development and redevelopment and parking facilities. These activities will stimulate the development and the expansion of business, commerce, housing, the arts or tourism in (1) blighted areas, (2) areas of high employment, (3) areas that are environmentally polluted and not developable without remediation, (4) underdeveloped or (5) previously targeted by the council for redevelopment.

Financial Plan Impact

Funds are sufficient in the FY 2006 through FY 2009 budget and financial plan to implement the provisions of the proposed subtitle. There is no net impact as a result of the proposed subtitle because the title designates a new source of funds to cover costs.

Subtitle K – Housing Production Trust Fund Financing Act of 2005:

Background

The proposed subtitle would authorize the Mayor to issue long-term bonds securitized by revenue dedicated to the Housing Production Trust Fund (HPTF). The proposed subtitle limits the net annual debt service to \$15 million.

Financial Plan Impact

Funds are sufficient in the proposed FY 2006 through FY 2009 budget and financial plan to implement the provisions of the proposed legislation. No additional staff or resources will be required.

Title III – Public Safety and Justice

Subtitle A – Office of the Chief Medical Examiner (CME) Management Fund Amendment Act of 2005:

Background

The proposed subtitle establishes a non-tax revenue proprietary fund for the purpose of depositing proceeds from:

1. Reproducing records and other information for those qualified to receive them;
2. Providing services with regard to records that can be admissible in court and autopsies; and
3. Other funds as appropriated to the fund established by the proposed subtitle.

Currently the proceeds from CME operations previously described are deposited into the District's local General Fund.

Financial Plan Impact

Funds are sufficient in the FY 2006 through FY 2009 budget and financial plan to implement the provisions of the proposed title. No additional staff or resources will be required. The account established in the proposed subtitle will be the repository of approximately \$135,000 annually which will be retained until fully expended without fiscal year limitations. These funds support 2 FTEs and some supplies. The table in Figure 14 presents the budgeted revenue estimate.

Figure 14.

Estimated Annual Collections				
(S in 000s)				
FY 2006	FY 2007	FY 2008	FY 2009	4 -Year Total
(\$135)	(\$135)	(\$135)	(\$135)	(\$540)

Subtitle B – Legal Service Amendment Act of 2005:

Background

The proposed subtitle structures the relationship of any attorney who reports to the Attorney General of the District of Columbia (AG). The subtitle establishes a legal service for independent and subordinate agencies with the AG as the director with hire and dismissal authority. The proposed subtitle clarifies that Senior Executive Attorneys serve at the pleasure of the AG and all attorneys are under the direction, supervision and control of the AG. Counsels for the Chief Financial Officer are excluded from the subtitle's provisions.

Financial Plan Impact

Funds are sufficient in the FY 2006 through FY 2009 budget and financial plan to implement the provisions of the proposed title. No additional staff or resources will be required.

Subtitle C – District of Columbia Housing Authority Police Department Amendment Act of 2005:

Background

The proposed title transfers all the functions, property and personnel of the DC Housing Authority (DCHA) Police Department to the Chief of Police of the Metropolitan Police Department (MPD).

Financial Plan Impact

Funds are sufficient in the proposed FY 2006 through FY 2009 budget and financial plan to implement the provisions of the proposed legislation. The proposed title was considered when developing the Mayor's proposed budget.

MPD's budget is increasing by total of \$7.6 million of which \$4 million is additional local funds and \$3.6 million will be paid by the DCHA. The Table in Figure 15 presents the budget authority required to establish the new office.

Figure 15.

Funding Requirement Impacting the Financial Plan (S in millions)				
FY 2006	FY 2007	FY 2008	FY 2009	4 -Year Total
(\$7.6)	(\$7.6)	(\$7.6)	(\$7.6)	(\$30.4)

Subtitle D – Department of Corrections O-Type Reimbursement Fund Act of 2005:

Background

The proposed subtitle establishes a non-tax revenue proprietary fund for the purpose of depositing proceeds from fee collections for housing, transporting, and handling of Superior Court adult pretrial or sentenced felons.

Financial Plan Impact

Funds are sufficient in the FY 2006 through FY 2009 budget and financial plan to implement the provisions of the proposed title. No additional staff or resources will be required. The account established in the proposed subtitle will be the repository of approximately \$25,000 annually which will be retained until fully expended without fiscal year limitations.

Figure 16.

Estimated Revenue from Charges for Services (S in 000s)				
FY 2006	FY 2007	FY 2008	FY 2009	4 -Year Total
\$25.0	\$25.0	\$25.0	\$25.0	\$100.0

Title IV – Public Education System

Subtitle A – Educational Licensure Commission Amendment Act of 2005:

Background

The proposed subtitle establishes a commission for the purpose of examining educational facilities to be regulated by the proposed commission. The Commission will also examine evaluations made by accrediting associations.

Financial Plan Impact

Funds are sufficient in the FY 2006 through FY 2009 budget and financial plan to implement the provisions of the proposed title. No additional staff or resources will be required. The Educational Licensure Commission is budgeted at the local level at \$0.4 million, federal \$1.9 million with an estimated \$30,000 in examination fees. The account established in the proposed subtitle will be the repository of approximately \$30,000 annually which will be retained until fully expended without fiscal year limitations. The table in Figure 17 presents the budgeted estimate of license fee revenue.

Figure 17.

Estimated Annual Collections				
<i>(S in 000s)</i>				
FY 2006	FY 2007	FY 2008	FY 2009	4 -Year Total
\$30	\$30	\$30	\$30	\$120

Subtitle B – Uniform Per Student Funding Formula for Public Schools and Public Charter Schools Amendment Act of 2005:

Background

The proposed subtitle increases the base funding per student from \$6,903.60 to \$7,115.54.

Financial Plan Impact

Funds are sufficient in the proposed FY 2006 though FY 2009 budget and financial plan to implement the provisions of the proposed legislation. The transfer amount from the District government to the District of Columbia Public Schools and Public Charter Schools is approximately \$788 million. The amount earmarked for District of Columbia Public Schools is approximately \$554 million, and approximately \$234 million is earmarked for Public Charter Schools

Subtitle C – FY 2006 Educational Investments Fund for District of Columbia Public Schools and Public Charter Schools Establishment Act of 2005:

Background

The proposed subtitle establishes a non-tax revenue proprietary fund for the purpose of depositing \$21 million and \$4.2 million for the District of Columbia Public Schools and Public Charter Schools respectively. Funds are to be used for improving academic achievement by District students. Funds will not be expended until the School Superintendent and chartering authorities submit spending plans to the Mayor. The plans are due by December 31, 2005.

Financial Plan Impact

Funds are sufficient in the FY 2006 through FY 2009 budget and financial plan to implement the provisions of the proposed title. No additional staff or resources will be required. The account established in the proposed subtitle will be the repository of approximately \$25.2 million which will be retained until fully expended without fiscal year limitations.

Figure 18.

Estimated Annual Collections				
<i>(S in millions)</i>				
FY 2006	FY 2007	FY 2008	FY 2009	4 -Year Total
(\$25.2)	\$0.0	\$0.0	\$0.0	(\$25.2)

Title V – Human Support Services

Subtitle A – Health Care and Child Development Facilities Licensure Fees Amendment Act of 2005:

Background

The proposed subtitle authorizes the Mayor to establish and adjust licensure fees for certain types of health care facilities in the District.

Financial Plan Impact

Funds are sufficient in the FY 2006 through FY 2009 budget and financial plan to implement the provisions of the proposed title. No additional staff or resources will be required. The fees established in the proposed subtitle will be approximately \$30,000 annually. The table in Figure 19 presents the approximate annual revenue for fees to be later promulgated by the Mayor.

Figure 19.

Estimated Annual Collections (S in 000s)				
FY 2006	FY 2007	FY 2008	FY 2009	4 -Year Total
\$30	\$30	\$30	\$30	\$120

Subtitle B – Clinical Laboratory Act of 2005:

Background

The proposed subtitle regulates hygienic-facility laboratories for that analyze and reporting on biological, microbiological, serological, chemical, immunohematological, hematological, biophysical, cytological, pathological or other examination of items derived from the human body. These facilities provide information for the diagnosis, prevention, or treatment of any disease, impairment or the assessment of the health condition of a human being.

Financial Plan Impact

The proposed subtitle will have no impact on the FY 2006 through FY 2009 budget and financial plan. No additional staff or resources will be required. The District Department of Health (DoH) will be required to remain within existing resources when implementing the provisions of the proposed subtitle.

Subtitle C – Board of Medicine Amendment Act of 2005:

Background

The proposed subtitle makes technical corrections to existing law and clarifies the personnel make-up of the Board.

Financial Plan Impact

The proposed subtitle will have no impact on the FY 2006 through FY 2009 budget and financial plan. No additional staff or resources will be required. The District Department of Health (DoH) will be required to remain within existing resources when implementing the provisions of the proposed subtitle.

Subtitle D – Medical Homes Grant Making Act of 2005:

Background

The proposed subtitle provides the Office of the City Administrator the authority to award grants to certain medical homes in the District. The award amounts are not to exceed an aggregate of \$510,900.

Financial Plan Impact

Funds are sufficient in the proposed FY 2006 through FY 2009 budget and financial plan to implement the provisions of the proposed subtitle. No additional staff or resources will be required. The proposed budget includes sufficient funding in the District Department of Health for the grant awards.

Subtitle E – Child Support Pass-Through Establishment Amendment Act of 2005:

Background

The proposed title diverts \$50 of child support payments passing through the collection entities on their way to their Court-ordered repositories to the minor child's family. Funds will offset the Child Support Enforcement Division (CSED) operations in the Office of the Attorney General of the District of Columbia (OAG).

Financial Plan Impact

Funds are sufficient in the proposed FY 2006 through FY 2009 budget and financial plan. No additional staff or resources will be required. The table in Figure 20 presents the estimated revenue that will be used to offset OAG/CSED operations.

Figure 20.

Estimated Revenue for Child Support Offset				
(S in millions)				
FY 2006	FY 2007	FY 2008	FY 2009	4 -Year Total
\$1.5	\$1.5	\$1.5	\$1.5	\$6.0

Subtitle F – Permanent Guardianship for Caregivers Act of 2005:

Background

The proposed title authorizes a grandparent of a child to be guardian and custodian under special circumstances. Legal custody could be granted by the Courts. The provisions of the title outline the circumstances and require that no abuse or neglect be present.

Financial Plan Impact

The proposed title will have no impact on the budget and financial plan. The proposed title will expedite custodial placements by allowing a new population of guardians to be eligible.

Title VI – Public Works

Subtitle A – Traffic Amendment Act of 2005:

Background

The proposed subtitle increases the motor vehicle booting fee from \$50 to \$75.

Financial Plan Impact

Funds are sufficient in the proposed FY 2006 through FY 2009 budget and financial plan to implement the provisions of the proposed subtitle. No additional staff or resources will be required. The proposed subtitle will increase revenue by approximately \$340,000 annually. The table in Figure 21 presents the estimated annual increase impacting the financial plan.

Figure 21.

Estimated Annual Collections				
<i>(\$ in millions)</i>				
FY 2006	FY 2007	FY 2008	FY 2009	4 -Year Total
\$0.34	\$0.34	\$0.34	\$0.34	\$1.36

Subtitle B – Parking Fines Increase Act of 2005:

Background

The proposed subtitle increases parking fines for nine types of violations.

Financial Plan Impact

Funds are sufficient in the proposed FY 2006 through FY 2009 budget and financial plan to implement the provisions of the proposed subtitle. No additional staff or resources will be required. The proposed subtitle will increase revenue by approximately \$1.3 million annually. The table in Figure 22 presents the estimated annual increase impacting the financial plan.

Figure 22.

Estimated Annual Collections				
(\$ in millions)				
FY 2006	FY 2007	FY 2008	FY 2009	4 -Year Total
\$1.3	\$1.3	\$1.3	\$1.3	\$5.2

Subtitle C – Local Roads Construction and Maintenance Fund Amendment Act of 2005:

Background

The proposed subtitle establishes a non-tax revenue proprietary fund for the purpose of depositing proceeds from:

1. Directing Public Space Rentals into the fund. In addition, the proposed subtitle increases the portion from 33 percent to 100 percent;
2. Directing proceeds from the sales and use tax on parking and storing vehicles into the fund. In addition, the proposed subtitle requires 50 percent of the funds be used for payments to debt service associated with East Washington Traffic Relief; and
3. Directing parking meter revenue into the fund. In addition, the proposed subtitle increases the portion from 50 percent to 100 percent.

Financial Plan Impact

Funds are sufficient in the FY 2006 through FY 2009 budget and financial plan to implement the provisions of the proposed title. No additional staff or resources will be required. The account established in the proposed subtitle will be the repository of approximately \$29.3 million annually which will be retained until fully expended without fiscal year limitations. The net annual impact to the local General Fund is disclosed in Figure 23.

Figure 23.

Estimated Annual Collections				
(\$ in millions)				
FY 2006	FY 2007	FY 2008	FY 2009	4 -Year Total
\$59.3	\$59.3	\$59.3	\$59.3	\$237.2

Subtitle D – Parking Ticket Hearing Amendment Act of 2005:

Background

The proposed subtitle amends existing adjudication authority for traffic violations so that hearings will be conducted either electronically or via mail.

Financial Plan Impact

Funds are sufficient in the FY 2006 through FY 2009 budget and financial plan to implement the provisions of the proposed title. No additional staff or resources will be required. The District Department of Transportation will have to implement the provisions of the proposed subtitle from within their existing resources.

Subtitle E – District of Columbia Surplus Personal Property Sales Operating Fund Amendment Act of 2005:

Background

The proposed subtitle establishes a non-tax revenue proprietary fund for the purpose of depositing the net proceeds from the sales of surplus District government personal property. Currently the proceeds from such leases are deposited into the District's local General Fund. All prior year funds remain available until fully expended and will not revert to the local General Fund.

Financial Plan Impact

Funds are sufficient in the FY 2006 through FY 2009 budget and financial plan to implement the provisions of the proposed title. No additional staff or resources will be required.

The Office of the Chief Procurement Officer (OCPO) will establish a special purpose fund called DC Surplus Personal Property Sales Operating Fund. The account established in the proposed subtitle could achieve approximately \$500,000 annually in net proceeds which will be retained until fully expended without fiscal year limitations. A minimum of \$27,000 will be required to fund contractual services.

Figure 24.

Estimated Revenue from Net of Sales				
<i>(S in millions)</i>				
FY 2006	FY 2007	FY 2008	FY 2009	4 -Year Total
\$0.5	\$0.5	\$0.5	\$0.5	\$2.0

Subtitle F – Support for Voting-Rights Educational and Informational Activities Act of 2005:

Background

The proposed subtitle authorizes the use of \$1 million in the budget of the Executive Offices of the Mayor (EOM) for the purpose of supporting educational operations that advocate voting rights in Congress for District residents.

Financial Plan Impact

Funds are sufficient in the FY 2006 through FY 2009 budget and financial plan to implement the provisions of the proposed title. No additional staff or resources will be required. The proposed budget funds EOM with \$1 million for the implementation of the bill's provisions.