

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



**Natwar M. Gandhi**  
Chief Financial Officer

**MEMORANDUM**

**TO:** The Honorable Vincent C. Gray  
Chair, Council of the District of Columbia

**FROM:** Natwar M. Gandhi  
Chief Financial Officer 

**DATE:** MAY -4 2007

**SUBJECT:** Fiscal Impact Statement: "Eastern Market and Georgetown Public Library Disaster Relief Emergency Act of 2007"

**REFERENCE:** Draft – Bill Number Not Available

---

**Conclusion**

Funding for the proposed legislation will be contingent on additional certified revenues for FY 2007 and FY 2008 and therefore would not affect the Mayor's proposed FY 2008 through FY 2011 budget and financial plan. However, a revenue loss of approximately \$17,000 would occur in FY 2007 as a result of the sales tax exemption provision in the legislation.

**Background**

The proposed legislation would allocate additional revenue from revised quarterly revenue estimates in FY 2007 and FY 2008, up to a total of \$40 million, to rebuild Eastern Market and the Georgetown Public Library. Large portions of the Eastern Market and Georgetown Public Library were destroyed by fire on April 30, 2007. The legislation would allocate up to \$25 million for the rebuilding of Eastern Market and up to \$15 million for the rebuilding of the Georgetown Public Library. Allocations would be pro rata if funds were not sufficient to provide the full \$40 million for reconstruction.

In addition, the proposed legislation would amend Title 47 of the D.C. Official Code to provide an exemption from the remittance of any sales taxes collected for the February 1, 2007 through April 30, 2007 period by any vendor doing business at Eastern Market.

### **Financial Plan Impact**

The Mayor's proposed FY 2008 through FY 2011 budget and financial plan will not be affected by the proposed legislation. Funding for the proposed legislation is contingent on additional revenues certified through future quarterly revised revenue estimates. Funding for the existing FY 2007 and the proposed FY 2008 budget and financial plan is based on previous, rather than future, revenue estimates. However, a reduction of approximately \$17,000 is estimated for FY 2007 due to the loss of three months of sales tax revenue from Eastern Market vendors.