


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
Chairman, Council of the District of Columbia

FROM: Natwar M. Gandhi
Chief Financial Officer 

DATE: November 24, 2010

SUBJECT: Fiscal Impact Statement - "Fiscal Year 2011 Supplemental Budget Support Act of 2010"

REFERENCE: DRAFT legislation shared with OCFO on November 21, 2010

Conclusion

Funds are sufficient in the proposed FY 2011 through FY 2014 budget and financial plan to implement the proposed Fiscal Year 2011 Supplemental Budget Support Act of 2010. The proposed FY 2011 through FY 2014 budget and financial plan accounts for the expenditure plan described in the subtitles included in the proposed legislation.

The proposed legislation implements the revised FY 2011 through FY 2014 budget and financial plan as proposed by the Mayor of the District of Columbia. Together with the actions in the proposed gap-closing plan, the combined initiatives in the Fiscal Year 2011 Supplemental Budget Support Act of 2010 provide sufficient funds to balance the estimated local fund expenditures of \$5.28 billion in the proposed FY 2011 budget and financial plan.

The proposed legislation, the "Fiscal Year 2011 Supplemental Budget Support Act of 2010," is the legislative vehicle for adopting statutory changes needed to implement the Mayor's proposed gap-closing plan for the FY 2011 through FY 2014 budget and financial plan period. The purpose and the impact of each subtitle are summarized in the following pages.

Contents

TITLE I. GOVERNMENT DIRECTION	3
Subtitle (I)(A) – Health Benefit Plan District Contribution Amendment Act of 2010	3
TITLE II– ECONOMIC DEVELOPMENT AND REGULATION	3
Subtitle (II)(A) – Commercial Revitalization Segregated Fund Second Amendment Act of 2010	3
Subtitle (II)(B) –Adult Job Training Fund Amendment Act of 2010.....	4
Subtitle (II)(C) –Neighborhood Investment Fund Implementation Act of 2010.....	4
TITLE III- PUBLIC SAFETY AND JUSTICE	5
Subtitle (III)(A) – Fire and Emergency Medical Services Department Step Freeze and Cost of Living Adjustment Amendment Act of 2010	5
Subtitle (III)(B) – Delivery of Health Care to Inmates Amendment Act of 2010.....	6
TITLE IV – PUBLIC EDUCATION SYSTEM	6
Subtitle (IV)(A) –Funding for Public Schools and Public Charter Schools Amendment Act of 2010	6
Subtitle (IV)(B) – Healthy Schools Amendment Act of 2010.....	10
TITLE V– HEALTH AND HUMAN SERVICES.....	11
Subtitle (V)(A) – Grandparent Caregivers Program and Long-Term Permanent Guardianship Subsidies Amendment Act of 2010	11
Subtitle (V)(B) – Hospital Assessment Amendment Act of 2010.....	11
Subtitle (V)(C) – District of Columbia Public Assistance Amendment Act of 2010.....	12
Subtitle (V)(D) – Health Professional Recruitment Program Amendment Act of 2010.....	13
TITLE VI. PUBLIC WORKS.....	13
Subtitle (VI)(A) – Streetscape Fund Amendment Act of 2010.....	13
Subtitle (VI)(B) –Clean and Affordable Energy Second Amendment Act of 2010	14
TITLE VII– FINANCE AND REVENUE	14
Subtitle (VII)(A) – Reciprocal State-Federal Offset Act of 2010.....	14
Subtitle (VII)(B) – 800 Kenilworth Avenue Northeast Redevelopment Project Real Property Limited Tax Abatement Assistance Amendment Act of 2010.....	15
Subtitle (VII)(C) – 2323 Pennsylvania Avenue Southeast Redevelopment Project Real Property Tax Abatement Assistance Amendment Act of 2010	16
Subtitle (VII)(D) – 4427 Hayes Street, N.E., Real Property Tax Abatement Act of 2010.....	18
Subtitle (VII)(E) – Renovation Penalty Abatement Amendment Act of 2010	19
TITLE VIII–SPECIAL PURPOSE AND DEDICATED FUND TRANSFERS: Fiscal Year 2011 Transfer of Special Purpose Funds Act of 2010.....	20
TITLE IX– CAPITAL PROJECT MODIFICATIONS: Capital Project Modifications Act of 2010.....	23

TITLE I. GOVERNMENT DIRECTION

Subtitle (I)(A) – Health Benefit Plan District Contribution Amendment Act of 2010

Background

The proposed subtitle would amend the District of Columbia Government Comprehensive Merit Personnel Act of 1978¹ to reduce the share of the subscription charge that the District government contributes to employee health benefit plans from 75 percent of the full cost of the plan to 72 percent.

Financial Plan Impact

Reducing the District’s annual contribution to employee health benefits by 3 percent of the plan cost would reduce general fund expenditures by \$5 million in FY2011 and by \$28.3 million over the financial plan period. This assumes that the new rate is implemented by January 1, 2011, which will require DCHR to notify employees of the change immediately after the Budget Request Act is approved. The impact of the proposed subtitle is incorporated in the proposed revisions to the FY 2011 through FY 2014 budget and financial plan.

It should be noted that given the vote on the Budget Request Act is likely to take place on December 7, 2010, DCHR would have an extremely short implementation period to meet the January 1, 2011 implementation deadline. Each month implementation is delayed, savings will be reduced by \$500,000.

Fiscal Impact of Subtitle (I)(A) – Health Benefit Plan District Contribution Amendment Act of 2010					
Estimated Impact on the General Fund (in thousands)					
	FY 2011	FY 2012	FY 2013	FY 2014	Four Year Total
Total Cost Savings^a	\$5,017	\$7,204	\$7,759	\$8,357	\$28,337

^a The contribution reduction is assumed to be implemented by January 1, 2011.

TITLE II- ECONOMIC DEVELOPMENT AND REGULATION

Subtitle (II)(A) – Commercial Revitalization Segregated Fund Second Amendment Act of 2010

Background

The proposed subtitle would amend the “Commercial Revitalization Segregated Fund Amendment Act of 2010”² (“Act”) to modify the amounts of funding allocated by the Act. Specifically, the proposed subtitle would reduce the amount disbursed from the Commercial Revitalization

¹ Effective October 1, 1987 (D.C. Law 7-27; D.C. Official Code § 1-621.09(a)).

² Effective September 24, 2010 (D.C. Law 18-223; 57 DCR 6242).

Segregated Fund (“Fund”) for Main Street Program operations from \$1 million to \$440,000. The proposed subtitle would also eliminate the requirement that \$1.035 million be allocated from the Fund for business retention, assistance, recruitment, and development activities. The proposed subtitle would apply as of October 1, 2010.

Financial Plan Impact

Reducing the amount of funds disbursed from the Fund from approximately \$2 million to \$440,000 would have no impact on the budget and financial plan. The fiscal impact of the proposed subtitle is incorporated into the proposed revisions to the FY 2011 through FY 2014 budget and financial plan.

Subtitle (II)(B) –Adult Job Training Fund Amendment Act of 2010

Background

The proposed subtitle would amend the “Adult Job Training Fund Act of 2010”³ (“Fund”) to reduce the transfers to the Fund from \$4.6 to \$2.4 million. The subtitle also reduces the expenditures on a qualified adult training provider that has the capacity to serve 300 students from \$2.225 million to \$1.1 million. The proposed subtitle would apply as of October 1, 2010.

Financial Plan Impact

FY 2011 Budget Support Act authorized a transfer of \$4.6 million into the Fund for FY 2011; however the required budget authority was never properly established in the Budget Request Act. The proposed subtitle will reduce the authority to \$2.4 million.

In order to implement the proposed subtitle, \$4.6 million will still be transferred out of the Department of Employment Service, and deposited to the unrestricted balance of the General Fund. Of this amount, \$2.4 will be transferred into the Adult Job Training Fund; the remainder will be used to towards gap closing. The impact of the proposed subtitle is incorporated into the proposed revisions to the FY 2011 through FY 2014 budget and financial plan.

Subtitle (II)(C) –Neighborhood Investment Fund Implementation Act of 2010

Background

The proposed subtitle would amend the Neighborhood Investment Act of 2004⁴ to establish the FY 2011 spending plan. The proposed subtitle would authorize a total of approximately \$8 million Neighborhood Investment Fund (NIF) dollars under the authority of the Deputy Mayor for Planning and Economic Development in FY 2011 to be allocated on a one-time basis as follows:

³ Effective September 24, 2010 (D.C. Law 18-223; 57 DCR 6246).

⁴ Effective March 30, 2004 (D.C. Law 15-131; D.C. Official Code § 6-1071).

The Honorable Vincent C. Gray

FIS: Fiscal Year 2011 Supplemental Budget Support Act of 2010, Draft legislation shared with the OCFO on November 23, 2010

- \$4,587,004 for grants to not-for-profit organizations for project and programs;
- \$380,118 for personnel and administrative costs associated with implementing NIF, including, salary, fringe benefits, and supplies;
- \$1,100,000 to the Career Technical Training Fund; and
- \$2,000,000 for the New Communities Human Capital program.

The proposed subtitle would apply as of October 1, 2010.

Financial Plan Impact

The proposed subtitle would disburse a total of \$8,067,122 in NIF funds in FY 2011. There will be approximately \$8.2⁵ in available NIF Funds for FY 2011, which is adequate to cover the proposed expenditures.

TITLE III- PUBLIC SAFETY AND JUSTICE

Subtitle (III)(A) – Fire and Emergency Medical Services Department Step Freeze and Cost of Living Adjustment Amendment Act of 2010

Background

The proposed subtitle would amend current law⁶ by no longer exempting the Fire and Emergency Medical Services Department (FEMS) from the FY 2011 freeze on all within-grade step increase and cost-of-living adjustments. In addition, any days worked by FEMS employees between October 1, 2010 and September 30, 2011 would not count as creditable service for computing an employee's length of service or waiting period for a within-grade salary increase. This subtitle would apply as of January 1, 2011.

This FY 2011 salary freeze was part of the "Fiscal Year 2011 Budget Support Act of 2010⁷;" however, it did not apply to FEMS or the Metropolitan Police Department at the time of its enactment.

Financial Plan Impact

Implementing the proposed subtitle is estimate to result in cost savings of \$656,779 in FY 2011. This savings comes exclusively from freezing all within-grade step increase and cost-of-living adjustments. In addition, not crediting service provided between October 1, 2010 and September 30, 2011 would mean that the District would not have to catch up with the step increases in FY 2012. The impact of the proposed subtitle is incorporated in the proposed revisions to the FY 2011 through FY 2014 budget and financial plan.

⁵ In FY 2011, \$6.8 million personal property taxes will be transferred to the NIF Fund. Also available is \$1.4 million available in unspent FY 2009 funds.

⁶ Effective September 24, 2010 (D.C. Law 18-223; 57 DCR 6252).

⁷ Effective September 24, 2010 (D.C. Law 18-223; 57 DCR 6252).

Subtitle (III)(B) – Delivery of Health Care to Inmates Amendment Act of 2010

Background

Currently, the Mayor is required to contract for delivery of health care for inmates in the custody of the Department of Corrections (DOC) at the D.C. Jail and Correctional Treatment Facility under a community-oriented healthcare services model, which is defined as “a delivery system in which one entity is responsible for managing DOC inmates through the full healthcare continuum.”⁸ The proposed subtitle would change this definition to simply “a full healthcare continuum delivery system” thereby no longer requiring that one entity be responsible for the delivery.

Financial Plan Impact

Changing the definition of community-oriented healthcare services model could have an impact on the types of contracts for inmate healthcare entered into in the future, but it is not possible to estimate what effect this change would have on any associated costs of these contracts. As a result, no savings are recognized from this proposed subtitle in the proposed revisions to the FY 2011 through FY 2014 budget and financial plan period.

TITLE IV – PUBLIC EDUCATION SYSTEM

Subtitle (IV)(A) – Funding for Public Schools and Public Charter Schools Amendment Act of 2010

Background

The proposed subtitle, which would amend the “Uniform Per Student Funding Formula for Public Schools and Public Charter Schools and Tax Conformity Clarification Amendment Act of 1998,”⁹ would have four major effects.

First, the proposed subtitle would decrease the foundation level per pupil funding from \$8,945 in FY 2011 to \$8,770 (to its FY 2010 level, with a 2 percent decrease).

Second, it would provide the legislative authority for a supplemental allocation¹⁰ for “extended school days.” including its funding requirements among the “General Education Add-ons” with a weight of 0.1. However, implementation of this provision would be subject to the inclusion of its fiscal effect in an approved budget. The Office of the State Superintendent of Education (OSSE) would be authorized to prescribe standards for extended learning time beyond the regular school day for public schools, including public charter schools.¹¹

⁸ This requirement was part of Bill 18-731, “Fiscal Year 2011 Budget Support Act of 2010.”

⁹ Effective March 26, 1999 (D.C. Law 12-207; D.C. Official Code § 38-2901 *et seq.*).

¹⁰ By adding a new paragraph (4) to D.C. Official Code § 38-2905(a).

¹¹ By adding a new paragraph (8A) to D.C. Official Code § 38-2602(b).

Third, the proposed subtitle would disburse funds from the Education Jobs Fund¹² to the District of Columbia Public Schools (DCPS) and public charter schools¹³ to restore the reduction in the local budgets of the public schools and prevent any job loss of teachers or other public school education professionals that might occur due to lowered base funding per-student formula.

Fourth, the proposed subtitle would allow supplemental funding, in addition to the supplemental allocations, to be provided to local education agencies (LEAs)¹⁴ for special education services, including programs that increase the capacity of the LEA to provide special education services,¹⁵ and would authorize OSSE to issue grants from funds under its administration (including the non-public tuition paper agency) to LEAs in support of special education services.

The proposed subtitle would be effective as of October 1, 2010.

The reduced per pupil allocations and supplemental amounts for FY 2011 are shown in the tables below:

Weighting and Per Pupil Allocation, Grade Levels		
Grade Level	Weighting	Per Pupil Allocation in FY 2011
Pre-School	1.34	\$11,752
Pre-Kindergarten	1.30	\$11,401
Kindergarten	1.30	\$11,401
Grades 1-3	1.00	\$8,770
Grades 4-5	1.00	\$8,770
Ungraded ES	1.00	\$8,770
Grades 6-8	1.03	\$9,033
Ungraded MS/JHS	1.03	\$9,033
Grades 9-12	1.16	\$10,173
Ungraded SHS	1.16	\$10,173
Alternative Program	1.17	\$10,261
Special Education	1.17	\$10,261
Adult	0.75	\$6,578

General Education Add-ons			
Level/Program	Definition	Weighting	Per Pupil Supplemental FY 2011
LEP/NEP	Limited and non-English proficient students	0.45	\$3,947
Summer	An accelerated instructional program in	0.17	\$1,491

¹² Established by section 101 of An Act To modernize the air traffic control system, improve the safety, reliability, and availability of transportation by air in the United States, provide for modernization of the air traffic control system, reauthorize the Federal Aviation Administration, and for other purposes, approved August 10, 2010 (Pub. L. 111-226; 124 Stat. 2389) ("Act"). The Act is also popularly known as the Education Jobs and Medicaid Fund Bill, as it imposes an additional tax on bonuses received from certain TARP recipients and authorizes \$10 billion to support school districts to prevent layoffs due to state revenue shortfalls. The fund allocation to the District is \$18 million.

¹³ By amending D.C. Official Code § 38-1804.03(a)(2)(A) and requiring that the funds would be disbursed to public charter schools at such times as are consistent with the requirements of the Act, its implementing regulations, and other applicable federal regulations.

¹⁴ In the District, DCPS and public charter schools are each considered as LEAs.

¹⁵ By adding a new subparagraph (E) to D.C. Official Code § 38-1804.01(b)(3).

General Education Add-ons			
Level/Program	Definition	Weighting	Per Pupil Supplemental FY 2011
	the summer for students who do not meet literacy standards pursuant to promotion policies of DCPS and the Charter Schools		
Extended school day	Extended learning time beyond the regular school day	0.1	n/a ¹⁶

Special Education Add-ons			
Level/Program	Definition	Weighting	Per Pupil Supplemental FY 2011
Level 1: Special Education	Eight hours or less per week of specialized services	0.52	\$4,560
Level 2: Special Education	More than 8 hours and less than or equal to 16 hours per school week of specialized services	0.79	\$6,928
Level 3: Special Education	More than 16 hours and less than or equal to 24 hours per school week of specialized services	1.56	\$13,681
Level 4: Special Education	More than 24 hours per week which may include instruction in a self contained (dedicated) special education school other than residential placement	2.83	\$24,819
Residential	DCPS or Charter School that provides students with room and board in a residential setting, in addition to their instructional program.	1.70	\$14,909

Special Education Residential Add-ons			
Level/Program	Definition	Weighting	Per Pupil Supplemental FY 2011
Level 1: Special Education – Residential	Additional funding to support the after-hours Level 1 special education needs of students living in a DCPS or Charter School that provides students with room and board in a residential setting	0.374	\$3,280
Level 2: Special Education - Residential	Additional funding to support the after-hours Level 2 special education needs of students living in a DCPS or Charter School that provides students with room and board in a residential setting	1.360	\$11,927
Level 3: Special Education - Residential	Additional funding to support the after-hours Level 3 special education needs of students living in a DCPS or Charter School that provides students with room and board in a residential setting	2.941	\$25,793
Level 4: Special Education – Residential	Additional funding to support the after-hours Level 4 special education needs of students living in a DCPS or Charter School	2.924	\$25,643

¹⁶ Implementation of this provision would be subject to the inclusion of its fiscal effect in an approved budget.

Special Education Residential Add-ons			
Level/Program	Definition	Weighting	Per Pupil Supplemental FY 2011
	that provides students with room and board in a residential setting		
LEP/NEP – Residential	Additional funding to support the after-hours Limited and non-English proficiency needs of students living in a DCPS or Charter School that provides students with room and board in a residential setting	0.680	\$5,964

Special Education Add-ons for Students with Extended School Year (ESY) Indicated in their Individualized Education Programs (IEPs)			
Level/Program	Definition	Weight	Per Pupil Supplemental FY 2011
Special Education Level 1 ESY	Additional funding to support the summer school/program need for students who require ESY services in their IEPs	0.064	\$561
Special Education Level 2 ESY	Additional funding to support the summer school/program need for students who require ESY services in their IEPs	0.231	\$2,026
Special Education Level 3 ESY	Additional funding to support the summer school/program need for students who require ESY services in their IEPs	0.500	\$4,385
Special Education Level 4 ESY	Additional funding to support the summer school/program need for students who require ESY services in their IEPs	0.497	\$4,359

Financial Plan Impact

Reducing foundation level per pupil funding by \$175 would reduce the local budgeted funds by approximately \$11 million for DCPS and \$6.8 million for the public charter schools. Thus, General Fund expenditures would decrease by approximately \$17.8 million in FY 2011.

The subtitle proposes that in FY 2011, these local fund reductions could be offset by the disbursements from the Education Jobs Fund. The District has received \$18 million in these funds, but has spent none.¹⁷ OSSE would disburse the funds from the Education Jobs Funds, but can do so only after LEAs provide evidence of expenditure and request for reimbursement, consistent with the requirements of the federal grant.¹⁸ Thus, while local funding cuts could be replaced by federal fund disbursements under the proposed subtitle, unlike per pupil funding, federal funds would not automatically follow the students.

¹⁷ Please see <http://www.ed.gov/sites/default/files/edjobsfund-allocations.pdf>. The funds from the Education Jobs Fund Program federal grant are not permitted to be used directly or indirectly to fund or supplement a rainy-day fund, to reduce of retire debt obligations, or for general administrative expenses or for other support services expenditures, such as for equipment, utilities, renovation, or transportation.

¹⁸ These federal funds cannot be advanced through uniform per student funding formulas. If the federal funds are disbursed prior to evidence of expenditure, they would be considered as advances and LEAs would be required to pay interest.

The proposed supplemental allocation for extended school days with a weight of 0.1 is subject to appropriations; no funding is provided in the proposed revisions to the FY 2011 through FY 2014 budget and financial plan to support this provision. The proposed 0.1 weight would provide an additional \$877 per student to support a 30-minute extended day. The experience of various public charter schools that provide expanded hours of learning suggests that the proposed funding level could be sufficient to cover such costs. However, at present, sufficient information to evaluate the cost of extended school days does not exist since the detailed standards that OSSE would issue under the proposed subtitle could affect the implementation of extended day. Thus, more research and analysis are needed to understand the full fiscal implications of this provision

The provision in the subtitle that allows OSSE to provide supplemental funding to LEAs for special education services is required to support the Mayor's gap closing proposal, which increases local funds to use to pay special education costs by \$31.7 million.

Subtitle (IV)(B) – Healthy Schools Amendment Act of 2010

Background

The proposed subtitle would amend the Healthy Schools Act of 2010¹⁹ to make it subject to appropriations.

Financial Plan Impact

Implementing the proposed subtitle would result in \$5.3 million in cost savings in FY 2011 (assuming it is implemented by January 1, 2011) and \$22.7 in cost saving over the financial plan period. The savings will be realized by delaying the hiring of 4 FTEs at Office of Public Education Facilities Modernization and 6 FTEs at the Office of the State Superintendent of Education; suspending plans to extend recycling contractual services to 64 additional school sites; delaying serving breakfast in the classroom; and stopping incentives for serving healthy meals, no student co-pay for reduced priced meal eligible students, free breakfast, and the farm to school program to all schools starting January, 1, 2011. The impact of the proposed subtitle is incorporated in the proposed FY 2011 through FY 2014 budget and financial plan.

Fiscal Impact of Subtitle IV(B) Healthy Schools Amendment Act of 2010 Estimated Impact on the General Fund (in thousands)					
	FY 2011	FY 2012	FY 2013	FY 2014	Four Year Total
Savings at OSSE	\$4,692	\$5,257	\$5,257	\$5,257	\$20,463
Savings at OPEFM	\$577	\$505	\$507	\$509	\$2,097
Total Cost Savings	\$5,269	\$5,761	\$5,764	\$5,766	\$22,560

^aThis assumes that all reimbursements to schools for serving healthy meals, no student co-pay for reduced priced meal eligible students, free breakfast, and the farm to school program will be paid out in October, November, and December of 2010. It also reflects that no startup costs have yet been incurred.

¹⁹ Effective July 27, 2010 (D.C. Law 18-209; 57 DCR 4779).

TITLE V- HEALTH AND HUMAN SERVICES

Subtitle (V)(A) – Grandparent Caregivers Program and Long-Term Permanent Guardianship Subsidies Amendment Act of 2010

Background

The proposed subtitle would change the calculation of subsidy amounts provided to grandparent caregivers and permanent guardians. First, it would amend the Grandparent Caregivers Pilot Program Establishment Act of 2005²⁰ by striking language that required the subsidy given to grandparent caregivers to be within five percent of the regular daily rate of the subsidy for a long term permanent Level 1 guardianship subsidy.

Second, it would amend Chapter 61 (Permanent Guardianship Subsidies for Kinship Caregivers) of Title 29 (Public Welfare) of the District of Columbia Municipal Regulations to add new language to provide that the long-term subsidy be 1) still based on the applicant's federal gross income; 2) based initially on an amount *that is less than or equal to* the foster care board and care payment received by the applicant for the child's care at the time that the application is approved; and 3) following a review, based on an amount *that is less than or equal to* the foster care board and care payment that would be paid for the child's care if the child were in foster care.

Lastly, it would require that the payment schedule for long-term permanent guardianship subsidy be reviewed annually and no greater than the annual foster care board and care payments for that year. Currently, the payment is to be revised annually, based on the most recent determination of the median family income for the Washington, D.C. metropolitan statistical area, and for children under 12, based on the rates specified in the regulations.

This subtitle would apply as of January 1, 2011.

Financial Plan Impact

Implementing the proposed subtitle would result in an estimated cost savings of \$2,684,000 in FY 2011 due to the reduction of the grandparent subsidy by more than 50 percent. Currently no savings are recognized from any reduction in the long-term guardianship subsidy. The impact of the proposed subtitle is incorporated in the proposed revisions to the FY 2011 through FY 2014 budget and financial plan.

Subtitle (V)(B) – Hospital Assessment Amendment Act of 2010

Background

The proposed subtitle would amend the Hospital Assessment Act of 2010²¹ to increase the per licensed bed assessment for fiscal years 2011 through 2014 from \$1,500 to \$2,000. This assessment was established in Bill 18-732, "Fiscal Year 2010 Balanced Budget Support Emergency Act of 2010,"

²⁰ Effective March 8, 2006 (D.C. Law 16-69; D.C. Official Code § 4-251.04(b)).

²¹ Effective September 24, 2010 (D.C. Law 18-223; 57 DCR 6242).

and Bill 18-731 "Fiscal Year 2011 Budget Support Act of 2010."²² This subtitle would apply as of October 1, 2010.

Financial Plan Impact

Implementation of the subtitle is estimated to increase revenues by \$2.1 million in FY 2011 and \$8.39 million over the four-year budget and financial plan period. These revenues would be deposited into the Hospital Fund, a non-lapsing account within the General Fund used to fund Medicaid services in the District. The impact of the proposed subtitle is incorporated in the proposed revisions to the FY 2011 through FY 2014 budget and financial plan.

Fiscal Impact of Subtitle (V)(B) – Hospital Assessment Amendment Act of 2010					
Estimated Impact of Assessment on the Hospital Fund (in thousands)					
	FY 2011	FY 2012	FY 2013	FY 2014	Four Year Total
Annual Revenues*	\$2,098	\$2,098	\$2,098	\$2,098	\$8,390

* Assumes no change in the current number of licensed beds.

Subtitle (V)(C) – District of Columbia Public Assistance Amendment Act of 2010

Background

The proposed subtitle would amend The District of Columbia Public Assistance Act of 1982, effective April 6, 1982 (D.C. Law 4-101; D.C. Official Code § 4-201.01 *et seq.*) to limit Temporary Assistance for Needy Families (TANF) benefits for an individual who has received TANF benefits for more than 60 months in the District of Columbia, whether or not consecutive, to 80 percent of the current payment level for the assistance unit.²³ It also would amend Title 29 (Public Welfare) of the District of Columbia Municipal Regulations to include the new limits. This subtitle would apply as of February 1, 2011.

Under current D.C. law²⁴ and in accordance with federal law, the only limit is for *federally-funded* benefits: "federally-funded TANF benefits shall not be provided to any assistance unit that includes an adult who has received federally-funded TANF benefits for 60 months (whether or not consecutive)." There is no limit on TANF benefits funded by local monies.

Financial Plan Impact

Implementation of the proposed subtitle is estimated to result in cost savings of \$4,627,427 in FY 2011. This savings is based on two key pieces of data: 1) there are currently 7,733 individuals who have been receiving TANF benefits for over 60 months; and 2) the current average monthly TANF benefits payment is \$374. The impact of the proposed subtitle is incorporated into the proposed revisions to the FY 2011 through FY 2014 budget and financial plan.

²² Effective June 28, 2010 and September 24, 2010, respectively.

²³ Assistance unit means "all individuals whose needs, income, and resources are considered in determining eligibility for, and the amount of, public assistance." (See D.C. Official Code § 4-201.01).

²⁴ See D.C. Official Code § 4-205.11a.

Subtitle (V)(D) – Health Professional Recruitment Program Amendment Act of 2010

Background

The proposed subtitle would amend the District of Columbia Health Professionals Recruitment Program Act of 2005²⁵ to repeal the provision that provides that all loan repayment awards received through the Recruitment Program²⁶ are considered income for federal tax purposes; and to put the District's breach of contract terms on par with federal terms by increasing the amount participants would be required to repay. The latter change is necessary in order for the Department of Health (DOH) to receive an estimated \$245,000 in federal matching funds for FY 2011²⁷ and to be able to access such funds in the future.

Financial Plan Impact

Implementation of the proposed subtitle is estimated to result in \$245,000 in federal matching funds for FY 2011, as well as in unspecified future federal matching funds over the budget and financial plan period. In addition, given that breach of contract repayment amounts would be increased by this legislation, DOH could subsequently see an increase in revenue if such breaches occurred.

Repealing the provision concerning federal taxes would not have a fiscal impact on the District. Payments received under the Recruitment Program are already exempt from income taxation under current D.C. law. The impact of the proposed subtitle is incorporated into the proposed revisions to the FY 2011 through FY 2014 budget and financial plan.

TITLE VI. PUBLIC WORKS

Subtitle (VI)(A) – Streetscape Fund Amendment Act of 2010

Background

The proposed subtitle would eliminate the capital project to support small businesses during construction of any streetscape improvement²⁸ and transfer \$7 million back into the General Fund in FY 2011.

²⁵ Effective March 8, 2006 (D.C. Law 16-71; D.C. Official Code § 7-751.01 *et seq.*).

²⁶ The Program serves as a recruitment tool for health professionals within the District of Columbia. Based on the availability of funds, it pays for the cost of education necessary to obtain a health professional degree. More specifically, it pays toward the outstanding principal, interest, and related expense of loans obtained by the participant for school tuition, required fees, and reasonable educational expenses.

²⁷ DOH has not been able to access the one-to-one federal match to strengthen health care access in underserved parts of the District because it has not met the breach of contract requirements.

²⁸ By amending the Capital Projects Modification Act of 2010, September 24, 2010 (D.C. Law 18-223; 57 DCR 6389).

Financial Plan Impact

The proposed subtitle will transfer \$7 million from Paygo capital to the unrestricted balance of the General Fund in FY 2011. The impact of the proposed subtitle is incorporated in the proposed revisions to the FY 2011 through FY 2014 budget and financial plan.

Subtitle (VI)(B) – Clean and Affordable Energy Second Amendment Act of 2010

Background

The proposed subtitle would²⁹ modify the funding levels for the Sustainable Energy Trust Fund (SETF) and Energy Assistance Trust Fund (EATF) programs in FY 2011. Specifically, it would reduce funding in the SETF for operating the renewable energy rebate program, the activities of the SEU Advisory Board, existing electricity and natural gas programs, and the renewable energy incentive. In addition, the proposed subtitle would reduce funding in FY 2011 for the EATF that supports existing low-income programs.

Financial Plan Impact

This proposed subtitle will reduce the obligations to be paid from the SETF and EATF by approximately \$2.07 million in FY 2011. The impact of the proposed subtitle is incorporated in the proposed revisions to the FY 2011 through FY 2014 budget and financial plan

TITLE VII– FINANCE AND REVENUE

Subtitle (VII)(A) – Reciprocal State-Federal Offset³⁰ Act of 2010

The proposed subtitle would amend Title 47 of the D.C. Official Code to authorize the District of Columbia to enter into an agreement with the United States Secretary of the Treasury (“Secretary”) to participate in the Treasury Offset program (TOP).³¹ The TOP would allow the federal government to collect any debt owed to the District or District agencies by reducing federal payments to vendors, contractors, and taxpayers by the amount of the debt owed, and remitting the funds to the District. The agreement in turn would allow the District to collect any federal debt of District taxpayers, vendors, and contractors by reducing District payments to such recipients and remitting these funds to the federal government.

²⁹ By amending the Clean and Affordable Energy Amendment Act of 2008, effective October 22, 2008 (D.C. Law 17-250; D.C. Official Code § 8-1773.01 *et seq.*).

³⁰ The FY 2011 Supplemental Budget Support Act of 2010 refers to this proposal as the Reciprocal State-Federal Setoff Act of 2010; this fiscal impact statement refers to the intended name, which follows the name of the federal program on which the proposal is based.

³¹ 31 U.S.C. §3716.

As part of the agreement, the Secretary would provide the Office of the Chief Financial Officer with certification of debtors' delinquent, nontax debt owed to the federal government, and the District would provide similar certification to the Secretary.

Financial Plan Impact

The proposed subtitle would allow the U.S. Treasury to collect outstanding debt owed to the District by taxpayers, vendors, and contractors. It is estimated that the District would collect approximately \$1.2 million in FY 2011 and \$14.9 million over the FY 2011 through FY 2014 financial plan period. The fiscal impact of the subtitle is incorporated into the proposed revisions to the FY 2011 through FY 2014 budget and financial plan.

Estimated Fiscal Impact of Subtitle (VII)(A) – Reciprocal State-Federal Setoff Act of 2010, FY 2011-FY 2014 (in thousands)					
	FY 2011*	FY 2012	FY 2013	FY 2014	Four-Year Total
Past debt collection	\$1,250	\$4,750	\$3,750	\$2,250	\$12,000
New debt collection	\$0	\$1,000	\$1,000	\$1,000	\$3,000
Total debt collection	\$1,250	\$5,750	\$4,750	\$3,250	\$15,000
Administrative costs	(\$30)	(\$120)	0	0	(\$150)
Net Fiscal Impact	\$1,220	\$5,630	\$4,750	\$3,250	\$14,850

*Assumes an implementation date of July 1, 2011.

The Secretary identified 1,596 recipients of federal payments who collectively owe the District approximately \$21 million in outstanding debt. It is not known whether the amount of federal payments owed to these individuals is greater or less than \$21 million. Given this and the collection patterns in other states that participate in the program, it is estimated that the District would recoup only a portion of the total outstanding debt each year. In addition, it is estimated that the District would collect \$1 million each year in new debt starting in FY 2012.

The Office of Tax and Revenue (OTR) estimates that they would need approximately \$150,000 in one-time programming costs to implement the program. OTR anticipates that any annual administrative costs would be offset by annual administrative costs savings resulting from implementation of the proposed program.

Subtitle (VII)(B) – 800 Kenilworth Avenue Northeast Redevelopment Project Real Property Limited Tax Abatement Assistance Amendment Act of 2010

Background

The proposed subtitle would remove the subsection to appropriations provision of Bill 18-828, "800 Kenilworth Avenue Northeast Redevelopment Project Real Property Limited Tax Abatement Assistance Act of 2010."³²

³² The final vote on the bill was on November 11, 2010. The bill has been transmitted to the Mayor for signature on November 16, 2010.

Bill 18-828 amends the D.C. Official Code to provide a 10-year real property tax exemption for Lot 8, Square 5058, located at 800 Kenilworth Avenue, NE. This property contains a multi-unit residential apartment complex that was completed in 2006. The building contains 173 rental units affordable to households with incomes at or below 60 percent of the Area Median Income. The property and the building, to date, have not received any District subsidy.

Financial Plan Impact

Implementation of the proposed subtitle is estimated to reduce real property tax collection by \$133,800 in FY 2011 and \$585,324 over the FY 2011 through FY 2014 budget and financial plan. The fiscal impact of the subtitle is incorporated into the proposed revisions to the FY 2011 through FY 2014 budget and financial plan.

Fiscal Impact of Subtitle (VII)(B) – 800 Kenilworth Avenue Northeast Redevelopment Project Real Property Limited Tax Abatement Assistance Amendment Act of 2010, FY 2011 – FY 2014 (in thousands)					
	FY 2011	FY 2012	FY 2013	FY 2014	Four-Year Total
Assessed Value*	\$15,741	\$16,686	\$17,687	\$18,748	\$68,862
Net Fiscal Impact (Tax Liability)	\$134	\$142	\$150	\$159	\$585

* FY 2011 assessed value provided by the Office of Tax and Revenue; the assessed values for FY 2012 through FY 2014 are based on projections for property tax values.

Additionally, because the real property tax exemption would be in effect for ten years, the proposed subtitle would continue to have a fiscal impact beyond the financial plan period. Between FY 2015 and FY 2020 (the last year of the abatement), the proposed subtitle is estimated to reduce property tax collections by an additional \$1,025,356.

Estimated Negative Fiscal Impact outside the financial plan period, FY 2015 – FY 2020 (in thousands)	
FY 2015	\$163
FY 2016	\$166
FY 2017	\$169
FY 2018	\$172
FY 2019	\$176
FY 2020	\$179
Total	\$1,025

Subtitle (VII)(C) – 2323 Pennsylvania Avenue Southeast Redevelopment Project Real Property Tax Abatement Assistance Amendment Act of 2010

Background

The proposed subtitle would remove the subsection to appropriations provision of Bill 18-628, “2323 Pennsylvania Avenue Southeast Redevelopment Project Real Property Limited Tax Abatement Assistance Act of 2010.”³³

³³ This bill passed on second reading on November 9, 2010. The bill was transmitted to the Mayor for his signature on November 16, 2010.

Bill 18-628 amends Chapter 46 of Title 47 of the D.C. Official Code to abate for 10 years real property taxes imposed on Lot 55, Square 5560,³⁴ and any improvements thereto, in any amount in excess of the amount of the real property taxes imposed on the property for tax year 2009.³⁵ As a result, the only property taxes that will be paid on this property for each of the next ten years are the property taxes imposed in 2009.

This property is a mixed-use project that includes *The Grays*—118 rental units that are targeted to individuals and households earning 60 percent of the Area Median Income³⁶—and a *Yes! Organic* grocery store. *The Grays* opened in June 2010 and the *Yes! Organic* grocery store opened in late August 2010. Both of these projects have already received subsidies from the District during the construction phase.³⁷

Financial Plan Impact

Implementation of the proposed subtitle is estimated to reduce real property tax collections by \$87,505 in FY 2011 and \$370,515 over the budget and financial plan period. This estimate excludes any real property taxes for *Yes! Organic*, as they would be exempt from these taxes for the next 10 years under the Supermarket Tax Exemption Act of 2000.³⁸ The impact of the proposed subtitle is incorporated in the proposed revisions to the FY 2011 through FY 2014 budget and financial plan.

Fiscal Impact of Subtitle (VII)(C) – 2323 Pennsylvania Avenue, S.E., Southeast Redevelopment Project Real Property Tax Abatement Assistance Amendment Act of 2010, FY 2011 – FY 2014 (in thousands)					
	FY 2011	FY 2012	FY 2013	FY 2014	Four-Year Total
Property Tax under Current Law (Excludes <i>Yes! Organic</i>)	\$96	\$99	\$102	\$105	\$403
Tax Obligation under Bill 18-628 (equal to FY 2009 Tax Obligation)	\$8	\$8	\$8	\$8	\$32
Negative Fiscal Impact	\$88	\$91	\$94	\$97	\$371

* FY 2011 assessed value provided by the Office of Tax and Revenue; the assessed values for FY 2012 through FY 2014 are based on projections for property tax values.

³⁴ This is a residential property located at 2323 Pennsylvania Avenue, SE and currently owned by 2300 Pennsylvania Avenue LLC Chapman Development.

³⁵ At that time, the assessed value of \$945,000 was equal only to the value of the land.

³⁶ The monthly rent for each of the 110 one bedroom apartments is \$1,155 and \$1,386 for the 8 two bedroom apartments.

³⁷ The District provided \$7.5 million from the Housing Production Trust Fund, \$1.9 million in Low Income Housing Tax Credits, and a \$900,000 Great Streets grant for *Yes! Organic*. Also, *Yes! Organic* is taking advantage of provisions of the Supermarket Tax Exemption Act of 2000, which provide: 1) a 10-year real property tax exemption; 2) a 10-year exemption from business license fees; 3) a 10-year personal property tax exemption; and 4) a sales and use tax exemption on the purchase of all building materials (See D.C. Official Code § 47-3802; also see <http://www.dc.gov/mayor/news/release.asp?id=1906&mon=201005>).

³⁸ The property tax exemption would apply to the total area of the retail space and the 25 parking spaces of *Yes! Organic*. This amounts to approximately 10 percent of the total square footage of the property. Also see previous footnote.

In addition, the proposed subtitle would continue to have a fiscal impact beyond the financial plan period since the real property tax exemption would apply for a total of 10 years. Between FY 2015 and FY 2020, the proposed subtitle is estimated to reduce property tax collections by an additional \$630,041, bringing the total reduction in revenues to \$1,000,556.

Estimated Negative Fiscal Impact outside the Financial Plan Period FY 2015 - FY 2020 (in thousands)	
Year	Value of Abatement
FY 2015	\$99
FY 2016	\$102
FY 2017	\$104
FY 2018	\$106
FY 2019	\$108
FY 2020	\$111
Total	\$630

Subtitle (VII)(D) - 4427 Hayes Street, N.E., Real Property Tax Abatement Act of 2010

Background

The proposed subtitle would amend Chapter 46 of Title 47 of the D.C. Official Code is to abate real property taxes for 4427 Hayes Street, N.E. (Square 5129, Lot 120), and any improvements thereon during tax years 2011, 2012, 2013, 2014, and 2015; provided, that the total tax exemption not exceed \$140,000.

In September 2009, construction began to turn the vacant 29,000 square feet building located on this property into an apartment building with 26 two and three bedroom units. Nine of these units will be reserved for residents currently living in District public housing³⁹ and will be priced accordingly; the other 17 units will be for those earning 60 percent of the Area Median Income. The building is expected to be completed by the end of 2010.

Financial Plan Impact

Implementation of the proposed subtitle is estimated to reduce real property tax collections by \$39,391 in FY 2011 and \$140,000 over the budget and financial plan period. While the proposed subtitle would allow for the property tax abatement in tax years 2011 through 2015, taxes would only be completely abated in FY 2011 and FY 2012 and 87 percent abated in FY 2013 as a result of the \$140,000 cap. The fiscal impact of the subtitle is incorporated into the proposed revisions to the FY 2011 through FY 2014 budget and financial plan.

³⁹ Specifically in the Lincoln Heights/Richardson Dwellings community.

Estimated Fiscal Impact of Subtitle (VII)(D) – 4427 Hayes Street, N.E., Real Property Tax Abatement Act of 2010, FY 2011- FY 2014 (in thousands)					
	FY 2011	FY 2012	FY 2013	FY 2014	Four-Year Total
Property Taxes under Current Law	\$39	\$53	\$54	\$56	\$203
Property Taxes under Proposed Law	\$0	0	\$7	\$56	\$63
Tax Exemption	\$39	\$53	\$47	\$0	\$140

Assumptions

- Property tax abatement begins in January 2011.
- Property is completed in December 2010.
- New assessed value is based on the construction costs.
- Growth in assessed value is based on the Office of Revenue Analysis revenue estimates.

Subtitle (VII)(E) – Renovation Penalty Abatement Amendment Act of 2010

Background

The proposed subtitle would remove the subsection to appropriations provision of Act 18-483, “Renovation Penalty Abatement Act of 2010” (“Act”).⁴⁰

The Act exempts Class 1 Property⁴¹ that has been renovated, has a new or newly renovated addition, is in the midst of construction, or for which a certificate of occupancy has been issued from a supplemental assessment.⁴² Under current law, such Class 1 Property is exempt from a supplemental assessment only if the increase in its estimated market value resulting from the renovation, addition, or construction is less than 10 percent of its assessed value.

Notwithstanding the Act, a supplemental assessment would still be conducted on Class 1 Property that had been renovated, had a new or newly renovated addition, on which 65 percent of ongoing construction had been completed, or that had been converted; *and* had its estimated market value increase by \$100,000 or more as a result of these changes.

Financial Plan Impact

Implementation of the proposed subtitle is estimated to reduce property tax collections by \$34,500 in FY 2011 and \$241,500 over the FY 2011 through FY 2014 budget and financial plan period. The fiscal impact of the subtitle is incorporated into the proposed revisions to the FY 2011 through FY 2014 budget and financial plan.

⁴⁰ Enacted by the DC Council on July 19, 2010, and signed by the Mayor on July 18, 2010. Currently under congressional review.

⁴¹ As defined under § 47-813(c-8)(1).

⁴² A supplemental assessment is conducted in addition to the annual assessment of real property. A supplemental assessment of real property conducted between January 1 and June 30 becomes effective October 1 and payable March 31, and a supplemental assessment conducted between July 1 and December 31 becomes effective April 1 and payable September 15.

Estimated Fiscal Impact of Subtitle (VI)(E) – Renovation Penalty Abatement Amendment Act of 2010 FY 2011- FY 2014 (in thousands)					
	FY 2011	FY 2012	FY 2013	FY 2014	Four-Year Total
Reduction in Property Tax Collections	\$34.5	\$69	\$69	\$69	\$241.5

This estimate is based on data provided by the Office of Tax and Revenue on the additional value assessed through supplemental assessments for Tax Years 2008 through 2010. The residential tax rate of \$0.85 per \$100 of assessed value was applied to the increase in assessed value to determine the reduction in property tax revenue collections.⁴³

TITLE VIII–SPECIAL PURPOSE AND DEDICATED FUND TRANSFERS: Fiscal Year 2011 Transfer of Special Purpose Funds Act of 2010

Background

The proposed title would transfer from certified fund balances, revenues, or both, from various accounts to the unrestricted fund balance of the General Fund to recognize as revenue in the dollar amounts and fiscal years as specified in the following chart:

Account Number	Account Name	FY 2011	FY 2012	FY 2013	FY 2014
Office of the Chief Financial Officer (AT0)					
0602	Payroll Service Fees	\$8,440	\$8,440	\$8,440	\$8,440
0603	Service Contracts	\$12,443	\$12,443	\$12,443	\$12,443
0605	Dishonored Check Fees	\$35,392	\$35,392	\$35,392	\$35,392
Office of the Attorney General (CB0)					
0603	Child Support - TANF/AFDC Collections	\$447,000	\$447,000	\$447,000	\$447,000
0611	Consumer Protection Fund	\$26,000	\$26,000	\$26,000	\$26,000
0612	Antifraud Fund	\$10,000	\$10,000	\$10,000	\$10,000
Office of Contracting and Procurement (PO0)					
4010	Surplus Personal Property Sales	\$29,000	\$0	\$0	\$0
Office of the Tenant Advocate (CQ0)					
6005	Condominium Conversion	\$386,266	\$0	\$0	\$0
Department of Consumer and Regulatory Affairs (CR0)					
6006	Nuisance Abatement	\$101,711	\$101,711	\$101,711	\$101,711
6008	Real Estate Guarantee and Education Fund	\$108,467	\$108,467	\$108,467	\$108,467
6010	OPLA - Special Account	\$81,000	\$81,000	\$81,000	\$81,000
6013	Basic Business License Fund	\$62,056	\$62,056	\$62,056	\$62,056

⁴³As such, the estimate assumes that no properties were subject to an assessment cap, property tax exemption or subject to senior citizen or any other exemptions, and/or subsequently reduced through appeal.

Account Number	Account Name	FY 2011	FY 2012	FY 2013	FY 2014
6030	Green Building Fund	\$208,871	\$208,871	\$208,871	\$208,871
Office of Cable Television (CT0)					
0600	Cable Franchise Fees	\$287,814	\$0	\$0	\$0
Department of Housing and Community Development (DB0)					
0602	Home Purchase Assistance Program Repayment	\$14,224	\$14,224	\$14,224	\$14,224
0610	DHCD Unified Fund	\$29,557	\$29,557	\$29,557	\$29,557
Office of the Deputy Mayor for Planning and Economic Development (EB0)					
0011	Neighborhood Investment Fund	\$1,125,996	\$1,125,996	\$1,125,996	\$1,125,996
0609	Industrial Revenue Bond Program	\$70,800	\$70,800	\$70,800	\$70,800
0632	Economic Development Special Account	\$128,495	\$128,495	\$128,495	\$128,495
Alcoholic Beverage Regulation Administration (LQ0)					
6017	ABC - Import and Class License Fees	\$239,000	\$0	\$0	\$0
Department of Insurance, Securities, and Banking (SR0)					
2100	HMO Assessment	\$32,806	\$0	\$0	\$0
2200	Insurance Assessment	\$878,871	\$0	\$0	\$0
2600	Securities Registration Fees	\$344,639	\$0	\$0	\$0
2800	Captive Insurance	\$53,465	\$0	\$0	\$0
2900	Banking Trust Fund	\$89,045	\$0	\$0	\$0
Metropolitan Police Department (FA0)					
1660	Automated Traffic Enforcement	\$4,000,000	\$4,000,000	\$4,000,000	\$4,000,000
Office of Unified Communications (UC0)					
1630	911 and 311 Assessments	\$3,326,000	\$472,000	\$472,000	\$472,000
District of Columbia Public Library (CE0)					
6110	Miscellaneous	\$60,000	\$0	\$0	\$0
Office of Public Education Facilities Modernization (GM0)					
0603	Lease Income	\$10,000	\$10,000	\$10,000	\$10,000
Department of Health (HC0)					
0612	Food Handlers Certification	\$17,000	\$17,000	\$17,000	\$17,000
0617	Office of Professional Licensing	\$4,000	\$4,000	\$4,000	\$4,000
0632	Pharmacy Protection	\$184,000	\$184,000	\$184,000	\$184,000
0633	Radiation Protection	\$9,000	\$9,000	\$9,000	\$9,000
0638	Animal Control Dog License Fees	\$10,000	\$10,000	\$10,000	\$10,000
0643	Board of Medicine	\$366,000	\$366,000	\$366,000	\$366,000
0649	Health Facility Fee	\$3,000	\$3,000	\$3,000	\$3,000
0661	ICF/MR Fees and Fines	\$6,000	\$6,000	\$6,000	\$6,000
0662	Civil Monetary Penalties	\$7,000	\$7,000	\$7,000	\$7,000
Department of Transportation (KA0)					
6900	DDOT Unified Fund	\$6,090,205	\$6,090,205	\$6,090,205	\$6,090,205
Department of the Environment (KG0)					
0600	General Enforcement Fines and Fees	\$16,594	\$16,594	\$16,594	\$16,594
0607	Underground Storage Tank	\$20,464	\$20,464	\$20,464	\$20,464

Account Number	Account Name	FY 2011	FY 2012	FY 2013	FY 2014
	Fines and Fees				
0609	Leaking Underground Storage Tanks Trust Fund	\$9,600	\$9,600	\$9,600	\$9,600
0634	Soil Erosion/ Sediment Control	\$239,257	\$239,257	\$239,257	\$239,257
0645	Pesticide Product Registration	\$554,541	\$554,541	\$554,541	\$554,541
0646	Storm Water Fees	\$2,040	\$2,040	\$2,040	\$2,040
0648	Asbestos Certification and Abatement Fee	\$73,227	\$73,227	\$73,227	\$73,227
0662	Renewable Energy Development Fund	\$344,459	\$200,000	\$200,000	\$200,000
0664	Adjudication Hearings (Air Quality)	\$6,480	\$6,480	\$6,480	\$6,480
0665	Adjudication Hearings (Water Quality)	\$480	\$480	\$480	\$480
0667	Wetlands Fund	\$600	\$600	\$600	\$600
0668	Lead Poisoning Prevention Fund	\$9,600	\$9,600	\$9,600	\$9,600
0669	Lead Based Certification Fees	\$20,764	\$20,764	\$20,764	\$20,764
0674	Hazardous Generator Fees	\$22,041	\$22,041	\$22,041	\$22,041
6101	Stripperwell	\$7,254	\$7,254	\$7,254	\$7,254
6201	Economy II	\$29,661	\$29,661	\$29,661	\$29,661
6202	Residential Aid Discount	\$19,680	\$19,680	\$19,680	\$19,680
6203	Residential Essential Services	\$22,080	\$22,080	\$22,080	\$22,080
6204	WASA Utility Discount Program	\$28,800	\$28,800	\$28,800	\$28,800
6400	DC Municipal Aggregation Program	\$12,000	\$12,000	\$12,000	\$12,000
6700	Sustainable Energy Trust Fund	\$1,401,187	\$1,401,187	\$1,401,187	\$1,401,187
6800	Energy Assistance Trust Fund	\$635,974	\$635,974	\$635,974	\$635,974
Department of Motor Vehicles (KV0)					
6258	Motor Vehicle Inspection Station	\$424,000	\$424,000	\$424,000	\$424,000
Taxicab Commission (TC0)					
2200	Taxicab Assessment	\$20,529	\$20,529	\$20,529	\$20,529
Tobacco Fund					
n/a	Tobacco Fund	\$3,500,000	\$0	\$0	\$0

Financial Plan Impact

The proposed title will increase unobligated General Fund revenue by \$26.3 million in FY 2011 and by \$78.6 million in the four-year financial plan period. The table below shows the sources by revenue type (special purpose revenue, special purpose fund balance, and dedicated taxes). The fiscal impact of the proposed title is incorporated to the proposed revisions to the FY 2011 through FY 2014 budget and financial plan.

Fiscal Impact of Title VIII – Fiscal Year 2011 Transfer of Special Purpose Funds Act of 2010					
FY 2011 – FY 2014 (in thousands)					
	FY 2011	FY 2012	FY 2013	FY 2014	Four Year Total
Special Purpose Revenue Transfer	\$21,530	\$16,276	\$16,276	\$16,276	\$70,357
Special Purpose Fund Balance Transfer	\$3,668	\$24	\$24	\$24	\$3,740
Dedicated Tax Transfer	\$1,126	\$1,126	\$1,126	\$1,126	\$4,504
Total Revenue Impact to the General Fund	\$26,324	\$17,426	\$17,426	\$17,426	\$78,601

TITLE IX– CAPITAL PROJECT MODIFICATIONS: Capital Project Modifications Act of 2010

Background

The proposed title makes various changes to the Capital Improvement Plan. Specifically, it increases the funding for *11th Street Bridge* (project KA0-EW002 - East Washington Street Traffic Relief) by \$4,171,000 in Paygo capital funds. It also authorizes the District Department of Transportation (DDOT) to expend any funds it receives in relation to any work at the request of or for the benefit of third parties associated with the construction of the 11th Street Bridge project.

The proposed title also adjusts the capital funding for two capital projects at Washington Metropolitan Area Transit Authority (WMATA) as follows (in \$ millions):

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	6-Year Total
Project KE0-SA202 (Metrobus)	\$32.0	\$30.7	\$31.1	\$31.5	\$32.1	\$38.7	\$196.1
Project KE0-SA301 (Metrorail Rehabilitation)	\$33.9	\$33.4	\$34.1	\$34.9	\$36.0	\$29.0	\$201.2

Financial Plan Impact

The proposed title codifies various amendments to the FY 2011 through FY 2014 budget and financial plan consistent with the budget amendment letter submitted to the Congress on September 21, 2010.

The \$4,171,000 increase in budget authority related to the 11th Street Bridge is made possible by a payment from the CSX Corporation (“CSX”) to DDOT to modify its design for the 11th Street, SE Bridges to accommodate CSX right of way near the project. The District was unable to include this

The Honorable Vincent C. Gray

FIS: Fiscal Year 2011 Supplemental Budget Support Act of 2010, Draft legislation shared with the OCFO on November 23, 2010

funding in its original budget request because CSX and the District did not enter into the CSX funding agreement until after the District's budget request had been transmitted to Congress.⁴⁴

The changes to the two WMATA projects include an adjustment for the differences in fiscal years (WMATA fiscal year begins in July, in contrast to the District's fiscal year that begins in October); and an adjustment to meet the projected capital spending plan in the recently approved Capital Funding Agreement between the District, Maryland, and Virginia for FY 2011 through FY 2016. Because the new WMATA funding agreement was not finalized until after the District's budget request was transmitted to Congress, it was not possible to include these capital budget adjustments in that request.

The fiscal impact of the proposed title is incorporated into the proposed revisions to the FY 2011 through FY 2016 Capital Improvement Plan.

⁴⁴ The agreement was finalized in August 23, 2010.