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:	**October 8, 2009**
SUBJECT:	**Fiscal Impact Statement: "Fiscal Year 2010 Budget Support Second Emergency Act of 2009"**
REFERENCE:	**Bill Number 18-443, Enrolled Original**

Conclusion

Funds are sufficient in the proposed FY 2010 through FY 2013 budget and financial plan to implement the proposed Fiscal Year 2010 Budget Support Act of 2009 and Fiscal Year 2010 Budget Support Emergency Act of 2009. The proposed FY 2010 through FY 2013 budget and financial plan accounts for the expenditure plan described in the subtitles included in the proposed legislation.[1,2]

The proposed legislation implements the FY 2010 through FY 2013 budget and financial plan as proposed by the Council of the District of Columbia. The combined initiatives in the Fiscal Year 2010 Budget Support Act of 2009, together with anticipated Mayoral rulemaking and agency operational plans, provide sufficient funds to balance the estimated expenditures of $5.99 billion in the proposed General Fund FY 2010 budget and financial plan.

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[1] Subtitle (II)(I) of Bill 18-203, Fiscal Year 2010 Budget Support Act of 2009, which requires the merger of the Washington Convention Center Authority and the D.C. Sports and Entertainment Commission (DCSEC), would expunge the DCSEC's payroll liability to the District in the amount of approximately $3.9 million, and result in a $3.9 million write-off of a receivable. This subtitle would not affect the proposed FY 2010 through FY 2013 budget and financial plan, which is the subject of Bill 18-203, but its negative fiscal impact of $3.9 million must be absorbed by the FY 2009 budget.

[2] Subtitle VII(X) of the proposed legislation increases excise taxes on gasoline purchases, resulting in additional revenues of $3.5 million in FY 2010 and $14.5 million in the four year financial plan period. The FY 2010 through FY 2013 budget is balanced assuming that the incremental revenues from this increase would accrue to the General Fund, and not to the Highway Trust Fund as it would under current law. Subtitle VII(D) of the proposed legislation transfer $3.5 million in FY 2010 and $14.5 million in the four year financial plan period from the Unified Fund into the General Fund. Additional legislation might be required to ensure that the Unified Fund remains intact.

Additionally, the proposed legislation provides sufficient funds to close the FY 2009 projected budget gap stemming from revised revenue estimates released on June 22, 2009, and estimated spending pressures. After accounting for these adjustments and other Mayoral initiatives, the FY 2009 estimated expenditures would equal $6.19 billion.

The proposed legislation, the "Fiscal Year 2010 Budget Support Second Emergency Act of 2009," is the legislative vehicle for adopting statutory changes needed to implement the District's proposed FY 2010 through FY 2013 budget and financial plan. The purpose and the impact of each subtitle are summarized in the following pages.

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TITLE I – GOVERNMENT DIRECTION AND SUPPORT

Subtitle (I)(A) –Technology Services Support Emergency Act of 2009

Background

The proposed subtitle would authorize a nonrefundable fee of $5 for the replacement of DC One Cards that include electronic chips. The fee would be deemed the "DC One Card replacement fee." Fees would be collected by the agencies issuing the cards and all revenue would be deposited into the Local General Fund.

Financial Plan Impact

The replacement fees are expected to generate $10,000 in FY 2010 and $40,000 over the FY 2010 through FY 2013 budget and financial planning period.

Fiscal Impact of Subtitle (I)(A) – Technology Services Support Emergency Act of 2009 Estimated Impact of Proposed Fees on the Local General Fund					
	FY 2010	**FY 2011**	**FY 2012**	**FY 2013**	**Four Year Total**
Replacements Cards Issued	2,000	2,000	2,000	2,000	
Proposed Fee per Card	$5	$5	$5	$5	
Total Revenue	**$10,000**	**$10,000**	**$10,000**	**$10,000**	**$40,000**

Subtitle (I)(B) – Unemployment Compensation Modernization Emergency Amendment Act of 2009

Background

The proposed subtitle amends Section 3(m) of the District of Columbia Unemployment Compensation Act[3] to postpone the implementation of the $4 million cap on the taxes collected in the Unemployment Insurance Administrative Assessment Account (UI AAA). Current rules require that starting January 1, 2009, the tax rate for collections dedicated to the UI AAA (currently at 0.2 percent of taxable wages) would be readjusted every year so that the collections in this account would not exceed $4 million.

The proposed subtitle would postpone the implementation of the $4 million cap to January 1, 2014.

[3] Approved August 28, 1955 (49 Stat. 947; D.C. Official Code § 51-103 (m)(3)).

Financial Plan Impact

By postponing the $4 million cap on total tax collections, the proposed subtitle would increase the amounts collected in the UI AAA by $4.15 million in FY 2010 and by $20.74 million in the FY 2010 through FY 2013 financial plan period.

Fiscal Impact of Subtitle (I)(B) – Unemployment Compensation Modernization Emergency Amendment Act of 2009 Additional Collections in the Administrative Assessment Account (In millions of $)					
	FY 2010	FY 2011	FY 2012	FY 2013	Four Year Total
Projected Collections – with Cap[a]	$5.38	$4.00	$4.00	$4.00	$17.38
Projected Collections – no Cap	$9.53	$9.53	$9.53	$9.53	$38.12
Additional Collections in UI AAA	$4.15	$5.53	$5.53	$5.53	$20.74

[a] Assumes that the annual collections would be capped at $4 million starting January 1, 2009.

Subtitle (I)(C) –Documents Emergency Amendment Act of 2009

Background

The proposed subtitle repeals section 2(f) of the D.C. Code §2-611[4] which requires that the D.C. Office of Documents be staffed with at least seven employees, with salaries and personal benefits totaling at least $150,000.

Financial Plan Impact

The proposed subtitle is a technical change to the D.C. Official Code. The FY 2010 baseline budget for the Office of Documents is approximately $3.0 million and includes funding to support 28 FTEs.

Subtitle (I)(D) – Telecommunication Accountability Emergency Amendment Act of 2009

Background

The proposed subtitle would amend Section 1814 of the Chief Technology Officer Establishment Act of 1998[5] to authorize the Office of the Chief Technology Officer, Department of Telecommunication Governance (OCTO-DTG) to disconnect inactive and unused landlines, wireless phone lines, and data circuits at District Government agencies.

[4] District of Columbia Documents Act of 1978, effective March 6, 1979 (D.C. Law 2-153; D.C. Official Code § 2-611(f)).
[5] Effective March 26, 1999 (D.C. Law 12-175; D.C. Official Code § 1-1403).

The proposed subtitle would also require District agencies to annually re-certify all agency inventories of active landlines, wireless phone lines, and data circuits. In addition, the proposed subtitle would authorize OCTO-DTG to disconnect landlines in favor of wireless devices and vice versa based on usage and in consultation with agency Directors. OCTO-DTG would also have the authority to review and reject requests for telecommunication services that do not comply with the technology standards set up by OCTO-DTG.

Finally, OCTO-DTG's authority to implement changes to telecommunications would not apply to the D.C. Council; determinations made by OCTO-DTG regarding the D.C. Council's telecommunications usage and inventory must first be approved by the Council before implementation.

Financial Plan Impact

By disconnecting unused telecommunication services, the proposed subtitle would result in cost savings to the District of Columbia of approximately $2 million in FY 2010 and $8 million in the FY 2010 through FY 2013 budget and financial plan period.

Fiscal Impact of Subtitle (I)(D) – Telecommunication Accountability Emergency Amendment Act of 2009 Estimated Telecom Cost Savings Due to Eliminating Unused Services (In millions of $)					
	FY 2010	**FY 2011**	**FY 2012**	**FY 2013**	**Four Year Total**
Savings from Disconnecting Unused Telecom Services	$2.00	$2.00	$2.00	$2.00	$8.00

Source: OCTO

Subtitle (I)(E) - Smart Lighting Study Emergency Act of 2009

Background

The proposed subtitle would require the District Department of the Environment (DDOE) to conduct and submit a "smart lighting study" to the D.C. Council within 270 days after the effective date of this subtitle. The report would include recommended strategies and standards for optimal lighting methods and levels in the District, and specifically address public safety, energy efficiency, cost efficiency, effects on environmental health, and aesthetics. In preparing the report, DDOE would be required to:

- Consult civil servants who have technical expertise at certain District agencies, such as the Office of Planning, the Office of Property Management, and the Department of Housing and Community Development, among others;
- Solicit public input; and
- Evaluate recognized lighting standards.

Financial Plan Impact

The proposed subtitle would have no impact on the budget and financial plan, as the cost of implementing the study would be paid for with federal funds available from the American Recovery and Reinvest Act of 2009. DDOE would receive $100,000 in federal stimulus funds to conduct the proposed study.

Subtitle (I)(F) – Election Reform Fund Establishment Emergency Amendment Act of 2009

Background

The proposed subtitle would establish the Election Reform Fund ("Fund"), a non-lapsing, local fund that would be administered by the Board of Elections and Ethics used solely to implement election reform initiatives enacted by the D.C. Council.[6]

Additionally, the proposed subtitle would transfer a total of $300,000 into the Fund on or about October 1, 2009. Under the proposed subtitle, no funds could be authorized for expenditure until the Council approves, by resolution, a September 2010 primary election preparation plan, which must be submitted to the Council by March 31, 2010.

Financial Plan Impact

The financial impact of the proposed subtitle is incorporated in the proposed FY 2010 through FY 2013 budget and financial plan.

The proposed subtitle would transfer a total of $300,000 in the Fund by redirecting $289,000 of the Board of Elections and Ethics' personal services budget into the Fund for implementing election reform initiatives. Additionally, it would transfer $17,000 from Office of Campaign Finance's personal services budget into "Fund." The OCF's personal services budget would be reduced by $17,000.

Subtitle (I)(G) – Campaign Finance Electronic Signature Emergency Amendment Act of 2009

Background

The proposed subtitle would amend D.C. Official Code § 1-1103.03(1)[7] to authorize the Director of the District Office of Campaign Finance (OCF) to accept electronic or digital

[6] The proposed subtitle amends D.C. Official Code 1-1001.01 *et seq.* by adding a new subsection 6a.
[7] District of Columbia Campaign Finance Reform and Conflict of Interest Act of 1974, approved August 14, 1974 (88 Stat. 456; D.C. Official Code § 1-1103.03(1))

signatures. The signatures could be used for any filings made to the OCF, including conflict-of-interest disclosures.

Financial Plan Impact

Providing authority to the Director of OCF to accept digital and electronic signatures would have no impact on the budget and financial plan. If implementation of the proposed amendment would require additional resources, funds would need to be indentified and included in an approved budget and financial plan.

Subtitle (I)(H) – Summer Youth Employment Emergency Amendment Act of 2009

Background

The proposed subtitle would amend the Youth Employment Act of 1979[8] to establish additional implementation parameters for the District's summer youth jobs program, also known as the "Summer Youth Employment Program," administered by the Department of the Employment Services (DOES). Specifically the proposed subtitle would:

- Cap the number of youth served by the program at 21,000;
- Require DOES to establish a registration time period beginning January 2 and ending April 1 of each year; and
- Limit the length of the program to 6 weeks.

Financial Plan Impact

The proposed FY 2010 through FY 2013 budget and financial plan appropriates $23 million in FY 2010 for a six-week program. This proposed budget could serve at least 10,000 youth for six weeks.[9]

Subtitle (I)(I) – Legislative Branch Budget Submission Emergency Act of 2009

Background

The proposed subtitle would amend Chapter 3 of Title 47 to require that at least 20 days prior to the Mayor's submission of the annual budget to the Council, the Chairman of the D.C. Council transmit to the Mayor an detailed estimate of funds required for the Council, the Office of the Auditor, and the Office of the Advisory Neighborhood

[8] Effective January 5, 1980 (D.C. Law 3-46; D.C. Official Code § 32-240).
[9] The Mayor's proposed FY 2010 budget appropriated approximately $43 million to serve 21,000 youth for ten weeks.

Commissions for the ensuing year.[10] Additionally, the Mayor would be required to submit the same in his annual estimate of appropriations for the District, with recommendations the Mayor deems proper.

Financial Plan Impact

The proposed subtitle would require the Mayor's annual budget proposal to include budget authority for the Council, the Office of the Auditor, and the Office of the Advisory Neighborhood Commissions equal to the estimated funding request for these agencies submitted by the D.C. Council.

Subtitle (I)(J) – Criteria for Council Review of Contract Options Clarification Emergency Amendment Act of 2009

Background

The proposed subtitle would amend the District of Columbia Procurement Practices Act of 1985[11] to clarify that the Council's approval of contract options expires 12 months after the contract has been awarded thereby requiring the Mayor's office to obtain the Council's approval to extend the contract option after the 12-month expiration date. The 12-month expiration date, however, would not apply to any contract that is in excess of $1 million and is funded from an appropriation available for more than one year. Additionally, the Council may approve a contract containing a provision that would provide the District the option of continuing or amending the contract beyond the initial base period; thus the Mayor would not be required to resubmit the contract for approval of any options or modifications made to the contract, so long as the Council previously approved these options.

Financial Plan Impact

The proposed subtitle clarifies the time period for which the Council's approval of a contract option applies. This clarification would have no impact on the budget and financial plan.

[10] The proposed subtitle would amend Chapter 3 of Title 47 of the D.C. Official Code by adding a new subsection, § 47-318.01b.
[11] Effective February 21, 1986 (D.C. Law 6-85; D.C. Official Code § 2-301.01 *et seq.*).

Subtitle (I)(K) – Independence of Legislative Branch Information Technology and Personnel Authority Emergency Amendment Act of 2009

Background

The proposed legislation would amend D.C. Official Code[12] to prohibit any person employed by the Office of the Chief Technology Officer, or any person employed by the Executive branch of D.C. Government to monitor, access, review, intercept, obtain, use or disclose any record or electronic communication of a legislative branch agency without obtaining prior written consent of the Chairman of the D.C. Council, or the District of Columbia Auditor. The proposed subtitle would also authorize a fine of no more than $10,000 or imprisonment of not more than 5 years, or both, for violation of the proposed legislation.

The proposed subtitle would also authorize the legislative branch, defined as the D.C. Council and the D.C. Auditor, to invest in, acquire, use, and manage, independent of the Executive branch, information technology and telecommunication systems and resources, email messaging systems and services, internet access services, and information technology security systems and services.

Finally, the proposed subtitle would amend the District of Columbia Government Comprehensive Merit Personnel Act of 1978[13] to provide personnel authority to the Chairman of the Council for employees of the Council.

Financial Plan Impact

The provisions of the proposed subtitle would not impact the District's budget and financial plan. Authorizing the legislative branch of D.C. Government to purchase and manage its own information technology and telecommunication systems, internet, and email services would not commit District resources to these activities. Should the legislative branch choose to invest in such systems, it must do so with its existing resources. Any personnel policies and procedures adopted by the Chairman of the Council should also be implemented with the Council's existing resources.

Subtitle (I)(L) – Energy Reduction Planning Emergency Act of 2009

Background

The proposed subtitle would require the Mayor to develop and submit to the Council by December 31, 2009 a plan that would result in a 15 percent reduction in energy usage in

[12] Council of the District of Columbia Independence Act of 1982, effective July 24, 1982 (D.C. Law 4-127; D.C. Official Code § 1-301.44 *et seq.*).
[13] D.C. Official Code § 1-604.06 (3).

each District agency and instrumentality. The plan must include recommendations on implementation, including resources necessary to implement the recommendations outlined in the report, as well as the expected time-frame for implementation.

Financial Plan Impact

The Mayor will promulgate rules to implement the proposed study; at that time, the costs associated with developing the plan would either need to be absorbed within existing resources or funding would need to be identified and included in an approved budget and financial plan.

Subtitle (I)(M) –Grant-Making Authority Emergency Amendment Act of 2009

Background

The proposed subtitle would amend Chapter 3 of Title 47 of the D.C. Official Code to clarify that an agency with grant-making authority ("GMA") is prohibited from issuing grants using any funds it receives through an intra-district transfer, a memorandum of understanding, or a reprogramming from any agency that does not have grant-making authority ("non-GMA").[14]

Financial Plan Impact

Prohibiting GMAs from using funds they receive from non-GMAs as grants could have a program impact, but would not adversely affect the District's budget and financial plan.

Subtitle (I)(N) – Reprogramming Policy Second Emergency Act of 2009

Background

The proposed subtitle would amend the D.C. Official Code to expand the definition of "Budget Category" to include control centers and responsibility centers, as well as capital projects, capital sub-projects, and, in a performance-based agency, programs, activities, and object classes.

The proposed subtitle would increase the dollar threshold for reprogrammings that require Council approval from $400,000 to $500,000, would make responsibility centers

[14] Current law (D.C. Official Code § 47-363) requires the Mayor to submit to the Council for approval any reprogramming request(s), which, individually or combined with similar reprogramming requests or actions, would result in a change to the original appropriation or budget authority of more than $400,000 or 10 percent, whichever is less. Council approval shall not be required for any reprogramming of up to $25,000.

and, in a performance-based agency, programs, and activities subject to these reprogramming thresholds.

Finally the proposed subtitle would repeal the requirement that the minimum dollar threshold amounts for reprogramming that require Council approval be indexed for inflation.

Financial Impact

Expanding these subject-to-reprogramming-approval requirements and increasing the dollar amount threshold for reprogramming approvals would have no impact on the budget and financial plan.

Subtitle (I)(O) – Capital Project Clarification Second Emergency Act of 2009

Background

The proposed subtitle would amend the District of Columbia Code[15] to require the Mayor to prepare and include in the annual budget a multiyear capital improvements plan for all agencies the following information:

- A description of the scope of the project;
- A description of the purpose;
- Estimated full funded cost;
- Estimated impact on the operating budget;
- Description of its geographic location, including the address and Ward; except in certain cases[16]; and
- A facility name or identifier, if applicable.

The proposed subtitle would also allow a capital project to include multiple public betterments or improvements, so long as the betterments or improvements are 1) at more than one location. 2) of a similar type or purpose, and 3) do not involve construction of new facilities or substantial rehabilitation of government buildings.

Additionally, the proposed subtitle would require the above information be separately provided for any public betterment or improvement greater than $500,000 in cost or more than 10 percent of the approved budget for the capital project.

[15] D.C. Official Code §§ 1-204.43 and 1-204.44.
[16] This provision would not apply to planning studies and other studies set forth § 103(8)(A) of the District of Columbia Home Rule Act, or to projects established solely to procure capital equipment under the Master Lease program.

Under the proposed subtitle, the Mayor would be required to provide this information for all capital projects where funds have been appropriated, in full or in part, beginning in fiscal year 2008, with the annual budget until the project is complete.

Finally, for projects already included in the fiscal years 2008, 2009, and 2010 budgets, the Mayor would be required to provide the Council with the required information on each project by February 1, 2010.

Financial Plan Impact

The proposed reporting requirements for the Mayor to provide to the Council certain information about capital projects can be done with existing resources and does not impact the budget and financial plan.

Subtitle (I)(P) - Intern Anti-Discrimination Emergency Amendment Act of 2009

Background

The proposed legislation would amend the D.C. Human Rights Act (DCHRA) to change the definition of employee to include unpaid interns.[17] Currently, the definition of "employee" under the DCHRA is based on the Title VII of the Civil Rights Act of 1964, which defines employee as an individual receiving some form of compensation from an employer.

The DCHRA protects individuals from discrimination for any reason other than that of individual merit, such as discrimination by reason of race, color, religion, national origin, sex, and age. If enacted, unpaid interns would have the same protections as employees from forms of discrimination prohibited under DCHRA by employers and, therefore, would have the same legal recourse as an employee under the law, if they were unlawfully discriminated against.

Currently, the D.C. Office of Human Rights (OHR) receives and investigates all complaints filed by individuals or organizations that believe they have been unlawfully discriminated against, and is required to close all employment-related cases within 210 days of the complaint being filed.

While no reliable estimate of the number of interns, paid or unpaid, is readily available to help assess the size of this population, there is wide consensus that the number of interns working in the District each year is substantial, likely well into the thousands. Therefore, it is likely the agency would see an increase in the number of employment-related cases

[17] Effective December 13, 1977 (D.C. Law 2-38; D.C. Official Code § 2-1401).

resulting from the enactment of the proposal. It is estimated that the proposed subtitle could generate an additional 30 to 60 cases each year. [18]

The OHR has seen a 56 percent increase in the number of cases filed with the agency in the first five months of FY 2009 when compared with the number of cases filed during the same time period in FY 2008. The inventory of cases currently stands at 400, compared with an average of 300 in previous years. Currently, the OHR staffs eight officers to conduct investigations, with an average of about 50 cases per officer. In prior years when the OHR experienced a backlog of cases, the average caseload per officer was 60 to 70 cases.

The recent increase in employment-related cases filed with OHR combined with the current average caseload suggests that the agency's ability to absorb an additional increase in cases as a result of the proposed subtitle with existing resources could be compromised. Therefore, the OHR would need to hire an additional officer to help manage the increase in the caseload and prevent a backlog of cases from developing.

Financial Plan Impact

Implementation of the proposed legislation would require an additional full-time equivalent staff at $73,748 annually, plus $5,000 in one-time funds for mandatory training, for a total of $80,960 and $309,981 over the proposed FY 2010 through FY 2013 budget and financial planning period. To fund the cost of one additional FTE, the Council proposes reducing the Office of Community Affairs' Community Relations and Services Activity (RPO Code 3001) by $80,960 ($5,000 of this is for one-time, mandatory training) and redirecting these funds to the Office of Human Rights' personal services budget to fund 1 FTE.

Fiscal Impact of Subtitle (I)(P) Intern Anti-Discrimination Emergency Amendment Act of 2009 Estimated Costs and Funding Sources					
	FY 2010	FY 2011	FY 2012	FY 2013	Four Year Total
Compensation for Additional Officer[a]	$75,960	$75,960	$76,340	$76,721	$304,981
One-time Mandatory Training[b]	$5,000	-	-	-	$5,000
Total Costs	$80,960	$75,960	$76,340	$76,721	$309,981
Transfer of funds from Community Affairs[c]	$80,960	$75,960	$76,340	$76,721	$309,981

[a]Total compensation for an additional full-time Officer (Grade 12/Step 1), including fringe benefits. The salary is expected to remain constant in FY 2011 and increase by 0.5 percent annually afterwards. [b]Mandatory training is required for the position.[c] $80,960 ($5,000 of this is for one-time, mandatory training) was transferred from the Office Community Affairs' personal services budget to fund the required

[18] According to the Washington Internship Institute (WII), reliable data on the number of interns working in the District does not exist, and it would be difficult to obtain an accurate estimate. WII has seen estimates ranging from 20,000 to 40,000 interns coming to the District each summer. Applying the high end of the implied complaint rate of 0.2 percent derived from the increase in cases OHR experienced as a result of the enactment of A16-220 "Human Rights Clarification Amendment Act of 2005," would yield an estimated caseload of approximately 30 to 60 every year.

1 FTE in the Office of Human Rights. The Office of Community Affairs personal services budget was reduced by $80,960 in FY 2010, $75,960 and by $76,340 for the remainder of the financial plan period.

Subtitle (I)(Q) - Reallocation of Capital Budget Funding Second Emergency Act of 2009

Background

The proposed subtitle would reallocate approximately $88,770,000 in capital funds for the following capital projects:

- $19.106 million for Project PL105C, Archives Recorder of Deeds Pool, would be reallocated as follows:

Agency	Project #	Project Name	Amount (in thousands)
Fire and Emergency Medical Services Department	CTV10C	Tactical Village	$1,000
Office of Property Management	CR006C	Renovation of DC Jail Sallyport	$850
	MA218C	Inmate Showers	$500
	MA223C	Staff and Visitors Entrance	$800
	CR007C	Inmate Processing Center	$4,000
Office of the Deputy Mayor for Planning and Economic Development	EB407C	Baseball Academy	$8,300
Department of Parks and Recreation	QA501C	Stoddert Recreation Center	$2,156
	QJ901C	Purchase and Maintain Boys & Girls Clubs	$1,000
Department of Transportation	EDL15C	Connecticut Avenue, NW Streetscape (K Street to N Street)	$500
		Total	**$19,106**

- $60.384 million for Project PL106C, Government Centers, would be reallocated to the following projects.

Agency	Project #	Name	Amount (in thousands)
Department of Parks and Recreation (HAO)	QJ901C	Purchase & Maintain Boys & Girls Club	$4,000
Office of Public Education Facilities Modernization (GM0)	YY132C	Elementary Middle Schools Modernization	$3,600
Office of Public Education Facilities Modernization (GM0)	YY230C	School Stabilization	$13,500
District of Columbia Public Library (CE0)	CWM01C	Reserve for African American Civil War Records	$4,000
Office of Property Management (AM0)	new	DPW Parking Enforcement branch headquarters (former Meyer ES)	$5,000
Department of Mental Health	HX501C	Improvement to Mental Health	$2,100

Agency	Project #	Name	Amount (in thousands)
		Hospital Complex	
Office of Public Education Facilities Modernization (GM0)	YY630C	Planning	$2,200
Office of Public Education Facilities Modernization (GM0)	SG303C	ADA Compliance	$3,500
Office of Public Education Facilities Modernization (GM0)	SK120C	Athletic Fields and Playgrounds	$2,484
Office of Public Education Facilities Modernization (GM0)	YY133C	Selected Additions	$20,000
		Total	**$60,384**

Additionally, the proposed subtitle would reallocate capital funds between the following projects:

- $2.0 million from Project CRV00C, entitled "Master Equipment Lease – Department of Consumer and Regulatory Affairs" would be reallocated to Playground Renovation (Shepherd Park ES), project RG003C at the Department of Parks and Recreation ($1.5 million) and the Upshur Hamilton Community Parks ($500,000).
- $145,000 from Project ISMO8C entitled "Records Management" in DCRA would be reallocated to Ft. Stevens Rehabilitation, project QN301C in Parks and Recreation.
- $1.5 million from Project EB403C, entitled "Howard Theatre" would be reallocated to O Street Market (Grant), project EB410C in Office of Deputy Mayor for Planning and Economic Development.
- $991,000 million from Project Z0600C, entitled "Firefighting Apparatus Replacement" in the Fire Department would be reallocated to Tenley Library, project TEN37C in DC Public Library.
- $900,000 project from SA301C Metrorail Rehab to the Cleveland Park Streetscape project (KA0 ED310C) ($400,000) and Lot 59 Improvements (KA0 EDL14C) ($500,000)

An amount of $50 million from the accounts listed below for the purposes of the WMATA Fund Act of 2009:

Agency	Project #	Name	Amount (in thousands)
Department of Motor Vehicles	RID01C	Real ID	$9,479
Department of Transportation	GFL02C	Salt Dome	$2,800
Office of Property Management	PL-106C	Government Centers	$2,475
DC Public Schools	NM937C	Rudolph School (former)	$1,880
DC Public Schools	NK537C	Luke Moore HS	$370
DC Public Schools	SG138C	General Improvements	$1,323
DC Public Schools	NF937C	Hardy MS	$121

Department of Transportation	EDL08C	4th Street Improvements	$778
WMATA	SA301C	MetroRail Rehab	$21,454
WMATA	SA302C	MetroRail Name Change	$500
Department of Transportation	CDTE2A	Jefferson Davis Bridge Rehab	$1,112
Department of Transportation	CDT47A	Benning Road Bridge Over Anacostia River	$3,725
WMATA	SA203C	Metrobus	$2,006
WMATA	SA204C	Metrobus	$1,030
WMATA	SA205C	Metrobus	$10
Office of Property Management	CR004C	No Title	$937
Total			**$50,000**

Finally, the proposed subtitle states that project funding provided under this subsection and included in the "Fiscal Year 2009 Office of Public Education Facilities Modernization Funding Emergency Amendment Act of 2009" ("Act") must be allocated as directed by that Act and any funds not designated for specific school locations can not be used for demolitions, repairs, or improvements to facilities no longer in use as schools or not scheduled to be put back in use as active schools within the next three years.

Financial Plan Impact

The financial impact of the proposed subtitle is already incorporated into the proposed FY 2010 through FY 2013 budget and financial plan.

Subtitle (I)(R) – WASA Grant Clarification Emergency Act of 2009

Background

The proposed subtitle would require the Office of the Deputy Mayor for Planning and Economic Development (DMPED) and the DC Water and Sewer Authority to execute a memorandum of understanding for the expenditure of funds allocated for FY 2010 to mitigate operational challenges in ensuring water supply for fire protection at the Klingle Road location.

Financial Plan Impact

The impact of the proposed subtitle is incorporated in the proposed FY 2010 through FY 2013 budget and financial plan, with a transfer of $30,000 from Office of Risk Management to DMPED to support a wire transfer to WASA for capital improvements to mitigate operational challenges in insuring water supply for fire protection at Klingle Road location. Once executed, any additional cost associated with the MOU would have to be incorporated in the approved budget and financial plan or absorbed with existing resources.

Subtitle (I)(S) – District of Columbia Supply Schedule and Purchase Card Fund Emergency Act of 2009

Background

The proposed subtitle would amend D.C. Official Code § 2-311.03 to establish the District of Columbia Supply Schedule and Purchase Card Fund ("Fund"), a non-lapsing, non-reverting fund. The proposed subtitle also authorizes the Office of Contracting and Procurement (OCP) to collect and deposit rebates from its Purchase Card Program into the Fund.[19] In FY 2008, $15,300 in rebates and fees were collected and deposited into the General Fund. The proposed subtitle also specifies that revenues collected under the DC Supply Schedule (DCSS)[20]; cooperative purchasing agreements; or any other revenue, rebates or fees generated by programs administered by OCP would be designated to the Fund and used to pay for the costs associated with operating and maintaining the DCSS, the Purchase Card Program, cooperative purchasing agreements, or other existing OCP programs[21].

Finally, under the proposed subtitle, for FY 2010 through FY 2013, OCP would transfer the first $15,000 in revenue that accrued to the Fund to the Local General Fund

Financial Plan Impact

The proposed subtitle would result in total net revenue of approximately $450,000 in FY 2010, and $2.3 million over the FY 2010 through FY 2013 financial period.

The proposed legislation would transfer the fund balance[22] and future revenues from the existing D.C. Supply Schedule Sales Discount/Operating Fund (PO0 6102), a non-lapsing, non-reverting O-type funds administered by OCP to the new Fund, and all future revenues collected from Purchase Card Program rebates.[23] The proposed subtitle would also transfer the first $15,000 in revenue that accrues to the Fund to the Local General Fund. The table below details the impact of the proposed subtitle.

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[19] The Purchase Card Program is a credit card program under which agencies are authorized to makes purchases for supplies or services. The District receives credits in the form of rebates from its bank partner, the credit card issuer, based upon the District's prompt payment and volume of transactions.

[20] The District of Columbia's Supply Schedule or DCSS is a multiple award schedule procurement program for providing commercial products and services to the District government agencies.

[21] Currently, the OCP programs that would generate revenue that would be deposited to the Fund are the DCSS and the Purchase Card Program.

[22] The FY 2008 end-of-year fund balance for the DCSS Fund (PO0 6102) is $953,473.

[23] In FY 2007 and FY 2008, the Purchase Card program generated approximately $15,000 annually; however, in the second quarter of FY 2009, OCP received approximately $48,000 in revenue from rebates; therefore the amount revenue generated from the P-Card program in FY2009 could be as high as $192,000, if OCP's spending level remains constant.

Estimated Impact of Subtitle (I)(S) District of Columbia Supply Schedule and Purchase Card Fund Emergency Act of 2009					
Impact to "Revenue, Rebate, and Fee Operating Fund"	**FY 2010**	**FY 2011**	**FY 2012**	**FY 2013**	**Four Year Period**
Supply Schedule Sales Discount/Operating Fund (PO0 6102	$450,000	$525,000	$627,012	$720,000	$2,322,012
Purchase Card Program[a]	$15,000	$15,000	$15,000	$15,000	$60,000
Total Revenue Transferred to Fund	$465,000	$540,000	$642,012	$735,000	$2,382,012
Total Revenue Transferred from Fund to Local Fund	-$15,000	-$15,000	-$15,000	-$15,000	-$60,000
Total Impact to Fund	**$450,000**	**$525,000**	**$627,012**	**$720,000**	**$2,322,012**
Impact to General Fund					
Purchase Card Revenue transferred to Fund	-$15,000	-$15,000	-$15,000	-$15,000	-$60,000
Total Revenue Transferred to the Local Fund from the Fund	$15,000	$15,000	$15,000	$15,000	$60,000
Total [a]	**$0**	**$0**	**$0**	**$0**	**$0**

[a] Projections are based on FY 2008 and FY 2007 revenue collections. In FY 2007 and FY 2008, the Purchase Card program generated approximately $15,000 annually; however, in the second quarter of FY 2009, OCP received approximately $48,000 in revenue from rebates; therefore the amount revenue generated from the Purchase Card program in FY 2009 could be as high as $192,000, if OCP's spending level remains constant.

Subtitle (I)(T) – Transportation Procurement Practices Emergency Amendment Act of 2009

Background

The proposed subtitle amends District of Columbia Procurement Practices Act of 1985[24] to provide that for FY 2010, the annual capital program of Federal Highway Aid Projects would not be approved if the Capital Improvement Plan and budget for the Highway Trust Fund has not been submitted to the Council for review and approval in the same format and same detail as required in the FY 2010 Proposed Capital Improvement Plan and Budget.

Financial Plan Impact

The proposed legislation makes technical changes to ensure that that the detailed descriptions of Capital Improvement Plan and budget for the federally supported

[24] Effective March 8, 1991 (D.C. Law 8-257; D.C. Official Code § 2-301.05a(h)).

transportation projects would be submitted to the Council at the same detail level as the local transportation projects, and at the same time with the Mayor's budget. These requirements do not have an impact on the District's proposed FY 2010 through FY 2013 budget and financial plan.

Subtitle (I)(U) – District Retirement Program Post-Employment Health and Life Insurance Benefits Emergency Amendment Act of 2009

Background

The proposed subtitle changes the post employment health benefits for the District of Columbia retirees. These changes would become effective as of October 1, 2009.

The proposed subtitle amends the D.C. Official Code § 1-601.01 *et seq.* to redefine the term annuitant to include employees reaching 62 years of age and having completed 10 years of District government service.

Summary of Health Benefit Changes District Retirement Program Post-Employment Health and Life Insurance Benefits Emergency Amendment Act 2009		
Annuitants younger than 62[25]...		
Creditable District Service	*District's Contribution for the annuitant*	*District Contribution for the family member*
N/A	No contributions are made	No Contributions are made
Annuitants older than 62...		
Creditable District Service	*District's Contribution for the annuitant*	*District Contribution for the family member*
Less than 10 years	No contributions are made	No Contributions are made
Between 10 and 30 years	25% of the plan Plus 2.5 % per each year of creditable District service over 10 years Capped at 75%	20% of the plan Plus 2.0% per each year of creditable District service over 10 years capped at 60%
Greater than 30	75%	60%

Under the proposed subtitle, in order to be eligible for health benefits, annuitants must retire while enrolled in a Health Benefits Plan, have been continuously enrolled in such a plan for a period of at least five years preceding the annuitant's retirement date, and remain continuously enrolled in such a plan after retirement.

Upon enactment of the proposed legislation, annuitants under age 62 would be required to pay 100% of the cost of their selected Health Benefits Plan. Additionally, the proposed

[25] In the case of an annuitant who retired pursuant to the Teachers' Retirement System (D.C. Official Code §§ 38-2001.01 to 38-2023.16), the Police and Fire Retirement System (D.C. Official Code §§ 5-707 to 5-730), the Judges' Retirement System (D.C. Code §§ 11-1561 to 11-1571), or the Teachers' Insurance and Annuity Association programs, the District government will pay the portion of the cost of any health benefit plan selected by the annuitant in accordance with subsection (g) of this section.

legislation would introduce a new sliding scale contribution system that would take effect once the annuitant attains age 62 as outlined in Table 1. The proposed subtitle, however, would exempt those annuitants who are injured or killed in the line of duty from the new sliding scale contribution.

Financial Plan Impact

Funds are sufficient in the FY 2010 through FY 2013 budget and financial plan to implement the provisions of the proposed legislation. The proposed legislation would reduce the District's required annual contributions to the Annuitants' Fund as well as the required annual payments from this fund.

Table 2 outlines the impact of the proposed legislation on the required contributions for the Annuitants' Fund.

Subtitle (I)(U) – District Retirement Program Post-Employment Health and Life Insurance Benefits Emergency Amendment Act of 2009
Impact on the Required Contributions to the Annuitants' Funds Plan (In millions of $)

Baseline	**FY 2010**	**FY 2011**	**FY 2012**	**FY 2013**	**Four Year Total**
General	$70.7	$76.6	$83.0	$89.8	$385.2
Police	$38.7	$41.5	$44.6	$47.9	$208.7
Fire	$14.4	$15.6	$16.9	$18.3	$78.4
Teachers	$17.7	$19.0	$20.3	$21.8	$95.2
Total	$141.4	$152.7	$164.8	$177.8	$767.5
New Policy					
General	$41.0	$43.9	$47.0	$50.3	$182.1
Police	$27.9	$29.6	$31.4	$33.4	$122.3
Fire	$10.1	$10.9	$11.7	$12.5	$45.3
Teachers	$11.7	$12.4	$13.1	$13.9	$51.1
Total	$90.7	$96.7	$103.2	$110.2	$400.8
Reductions in Contributions Under Bill					
General	$29.7	$32.8	$36.0	$39.5	$203.1
Police	$10.8	$11.9	$13.2	$14.5	$86.4
Fire	$4.2	$4.7	$5.2	$5.7	$33.1
Teachers	$6.0	$6.6	$7.2	$7.9	$44.1
Total	**$50.7**	**$55.9**	**$61.6**	**$67.6**	**$366.7**

Source: Calculations provided by Cheiron, the District's consulting actuary. Actuarial valuation as of September 30, 2008.

The proposed eligibility rules would reduce the District's annual required contribution amounts, bringing these amounts in line with the District's budgeted contribution levels for FY2010 through FY2013.

The proposed FY 2010 through FY 2013 budget and financial plan fully incorporates the required contributions for the Annuitants' Fund under the proposed plan

Table 3 Budget Contributions to the Annuitants' Fund (In millions of $) FY 2010 - FY 2013 Budget and Financial Plan					
	FY 2010	**FY 2011**	**FY 2012**	**FY 2013**	**Four Year Total**
Budget Contributions	$90.7	$96.7	$103.2	$110.2	$400.8

By reducing the eligible pool and the contribution requirements for the District, the proposed subtitle would also reduce the pay-as-you-go cost of the post-employment health benefits. The fiscal impact of the changes in the pay-as-you-go costs is already reflected in the changes in the required contributions.

Impact on the Required Payouts from the Annuitants' Fund (In millions of $)					
Baseline	**FY 2010**	**FY 2011**	**FY 2012**	**FY 2013**	**Four Year Total**
General	$4.00	$5.70	$7.80	$10.40	$27.90
Police	$1.10	$1.50	$1.90	$2.50	$7.00
Fire	$0.30	$0.40	$0.50	$0.60	$1.70
Teachers	$2.60	$3.60	$4.70	$6.00	$16.80
Total	$8.00	$11.10	$14.90	$19.50	$53.50
New Policy					
General	$2.50	$3.50	$4.70	$6.30	$17.10
Police	$1.10	$1.40	$1.80	$2.30	$6.50
Fire	$0.20	$0.30	$0.40	$0.60	$1.60
Teachers	$1.90	$2.50	$3.30	$4.10	$11.90
Total	$5.80	$7.80	$10.30	$13.30	$37.10
Reduction in Payments Under the Bill					
General	$1.50	$2.20	$3.00	$4.10	$10.80
Police	$0.10	$0.10	$0.10	$0.20	$0.50
Fire	$0.00	$0.00	$0.00	$0.10	$0.10
Teachers	$0.70	$1.00	$1.40	$1.90	$5.00
Total	**$2.20**	**$3.30**	**$4.60**	**$6.20**	**$16.40**

Source: Calculations provided by Cheiron, the District's consulting actuary. Actuarial valuation as of September 30, 2008.

Subtitle (I)(V) – Old Naval Hospital Grant Emergency Act of 2009

Background

The proposed subtitle amends the Office of Property Management Establishment Act of 1998[26] to authorize the Office of Property Management (OPM) to make a grant of up to $5.5 million to the Old Naval Hospital Foundation ("Foundation") for renovating and making improvements to the Old Naval Hospital, Carriage House, and adjacent grounds, located at 921 Pennsylvania Avenue, S.E. The grant agreement and amount are in accordance with plans approved by OPM and pursuant to a grant agreement between the District and the Foundation. Additionally, the Foundation would be required to use the property for the purposes specified in the lease. The ability of OPM to make the grant to the Foundation is contingent upon the inclusion of the funds in an approved budget and financial plan.

Financial Plan Impact

The proposed legislation authorizes a grant of up to $5.5 million to the Foundation subject to the appropriation of available funds. The fiscal impact of this subtitle has been incorporated in the budget and financial plan. The OPM has already issued a $1 million grant to the Foundation from the Old Naval Hospital Capital fund balance, pursuant to emergency and temporary legislation enacted in 2008.[27] The Old Naval Hospital Capital budget fund balance is currently $4,560,077.92. The proposed subtitle would allow OPM to authorize a grant for the remaining fund balance, resulting in a total grant to the Foundation of $5.5 million.

Subtitle (I)(W) – Approval of Change in Use of Certain Properties Formerly Titled in the United States Government Emergency Act of 2009

Background

The proposed subtitle would require the use of any property transferred to the District from the United States Government pursuant to the Fiscal Year 2010 Budget Request Act of 2009 (FY 2010 BRA) not be modified unless the new use permitted is authorized by District law.

The title of several properties currently held by the United States Government will be transferred to the District pursuant to the enactment of the FY 2010 BRA. The majority of these properties are already used by the District for various purposes, and included in the Office of Property Management's land portfolio. There are a few properties that will

[26] Effective March 26, 1999 (D.C. Law 12-175; D.C. Official Code § 10-1001 *et seq.*).
[27] Old Naval Hospital Grant Emergency Act of 2008 (D.C. Law 17-0877) effective October 26, 2008); and Old Naval Hospital Grant Temporary Act of 2008 (D.C. Law 17-0264;) effective November 19, 2008). As of May 22, 2008, the Old Naval Hospital Capital budget had a fund balance of approximately $5.5 million.

be transferred to the District that are not yet included in OPM's portfolio. The largest of these properties is Fort Dupont, located in Southeast, Washington DC.

Financial Plan Impact

Requiring the use of real property transferred from the United States to the District to be authorized by District law would not have a negative impact on the District's budget and financial plan.

Subtitle (I)(X) – District of Columbia Environmental Protection Enhancement Emergency Amendment Act of 2009

Background

The proposed subtitle would amend the District of Columbia Municipal Regulations[28] to double the fine amounts imposed for all Class 1, Class 2, Class 3, Class 4, and Class 5 civil infractions.[29] The fines range from $100 for the first offense up to $16,000 for multiple offenses. The additional revenue generated from the fine increases would be redirected to the General Fund. Currently, the revenues collected from these civil infractions are deposited into O-type funds administered by the Department of the Environment, such as the General Enforcement Fines and Fees fund (0600).

Financial Plan Impact

Doubling the fine amounts for all Class 1, Class 2, Class 3, Class 4, and Class 5 civil infractions is estimated to generate an additional $33,125 in FY 2010 and $132,500 over the FY 2010 through FY 2013 budget and financial plan period.[30]

[28] The fine amounts for infractions classified under sections **Error! Main Document Only.**16-3637, 16-3644, 16-3645, 16-3646, 16-3650, 16-3651, and 16-3662 would be double the amounts provided in subsection 3201.1 of D.C. Municipal Regulations.

[29] Sections 16-3637, 16-3644, 16-3645, 16-3646, 16-3650, 16-3651, and 16-3662 refer to hundreds of various infractions pertaining to air quality, water quality, and underground storage tanks infraction, among several others.

[30] The estimate is based on average revenues collected from civil infractions in prior years; in FY 2008, DDOE collected $150,000 in civil infraction fines and approximately $115,000 in FY 2009 to date. It is conservatively assumed the fine increases would increase revenue collections by 25 percent. Because fine increase could result in higher compliance in some instances, the District could see a decline in the number civil infractions each year. Additionally, some violators may be less likely to pay the fine if it is deemed by the violator to be too onerous.

Subtitle (I)(Y) – Retail Service Station Transfer Tax Emergency Amendment Act of 2009

Background

The proposed subtitle would amend the D.C. Official Code[31] to authorize an additional transfer tax of 5 percent on the deed that is subject to tax under current law and that transfers an interest in real property upon which a retail service station is located, as defined under the Retail Service Station Act of 1976, where such retail service station had or should have had a business license or endorsement to operate as same within 6 months before the date the deed was timely recorded. The additional transfer tax collected pursuant to this subtitle, if enacted, would be deposited into the General Fund. The additional transferred tax imposed under this subtitle would apply to deeds recorded on or after June 1, 2009.[32]

Financial Plan Impact

The proposed subtitle could result in approximately $2,700,500 million in FY 2009.[33] The fiscal impact of this provision has been incorporated in the budget and financial plan.

Subtitle (I)(Z) –District of Columbia Employee Parking Program Fund Second Amendment Act of 2009

Background

The proposed subtitle would amend the Office of Property Management Establishment Act of 1998 to authorize the Office of Property Management to charge District government employees within the employee parking program the same parking rate as market-rate parking, but not more than $160 per month, for employee parking spaces. For fiscal years 2010 through 2013, all additional revenue realized as a result of the increase in parking rates would be deposited into the General Fund.

Financial Plan Impact

Charging District government employees the market rate for parking would have a positive fiscal impact on the budget and financial plan. The fiscal impact of the proposed subtitle has been incorporated in the budget and financial plan.

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[31] D.C. Official Code §36-301.01)
[32] Effective as of April 19, 1977 (D.C. Law 1-123; D.C. Official Code §36-301.01(15)
[33] In June 2009, several retail service stations located in the District were sold in June 2009. The total sale price was approximately $54.1 million.

Subtitle (I)(AA) – Capital Project Support Fund Establishment Second Emergency Act of 2009

Background

The proposed subtitle would establish the Capital Project Support Fund ("Fund") to be used to provide funding for qualified capital projects; within the Fund, two separate accounts would also be established: the Bond Account and the Non-Bond Account.

The proposed subtitle would authorize the Office of the Chief Financial Officer (OCFO) to deposit all surplus bond funds indentified by the OCFO into the Bond Account and all surplus non-bond funds into the Non-Bond Account, including Local Street Maintenance Fund, Master Equipment Lease/Purchase financing, Sale of Assets and Pay-as-You-Go capital funding, except for federal grants and Federal Highway Trust Fund.

Funding for an approved capital project may be provided through redirection in an approved budget and financial plan or through reprogramming[34], with certification from the OCFO that the funds are available and the expenditures to support the project is in compliance with the proposed subtitle.

Additionally, the OCFO would be required to submit a written report to the Mayor and the Council on a quarterly basis regarding the status of the Fund.

The proposed subtitle would also authorize the budget authority for an approved capital project to be reprogrammed to the Washington Metropolitan Area Transit Authority project, pursuant to the Washington Metropolitan Area Transit Authority Fund Act of 2006[35], so long as:

- The project has been completed or no longer considered necessary and budget authority remain available;
- For a project with a balance of more than $250,000, no funds have been expended or encumbered for 3 consecutive years, and the agency has not notified the Chief Financial Officer within 30 days of the end of the 3 year period, that the agency intends to use the funds to implement the project within 18 months (extension); or
- For a project with a remaining budget authority of $250,000 or less, the project has not been funded for 3 consecutive years.

[34] Pursuant to Chapter 3 of Title 47 of the D.C. Official Code.
[35] Effective July 16, 2009 (D.C. Law 16-132; 53 DCR 4727)

Financial Impact

Authorizing the reprogramming of available capital funds for other capital projects, specifically the Washington Metropolitan Area Transit Authority project would not negatively impact the budget and financial plan. Moreover, under the proposed subtitle, the OCFO would certify the availability of the funds prior to any reprogramming.

Subtitle (I)(BB)- District of Columbia Campaign Finance Reform and Conflict of Interest Emergency Amendment Act of 2009

Background

The proposed subtitle would amend the District of Columbia Campaign Finance Reform and Conflict of Interest Amendment Act[36] to require that paid lobbyist required to register with the District of Columbia pursuant to D.C. law37 also pay a registration fee. The fee would be $50 for lobbyists who lobby solely for non-profit organizations and $250 for all others.

Financial Impact

Implementing a registration fee for lobbyist would have a small positive but unknown impact on the District's budget and financial plan.

Currently, there is no fee for registering as a lobbyist in the District of Columbia. Because the imposition of a fee may impact an individual's decision to register with the District, and the Office of Campaign Finance does not track and report the non-profit status of its registrants, it is not possible to reliably estimate the amount of revenue that would be generated from the proposed registration. However, it is expected that there would a small positive fiscal impact based on prior year registration.

According to the Office of Campaign Finance, in 2009, 322 lobbyists registered with the District and in FY 2008, 309 lobbyists registered.[38] For illustrative purposes only, assuming a total of 300 lobbyists registered with the District in 2010 and half of those registered represented non-profit organizations, the proposed subtitle could result in an additional $45,000 in fiscal year 2010 and $180,000 over the fiscal year 2010 through fiscal year 2013 budget and financial planning period.

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[36] Approved August 14, 1974 (88 Stat. 462; D.C. Official Code § 1-1105.02)

[37] Pursuant to D.C. Official Code § 1-1105.02 individuals are required to register with the District if they receive compensation or expend funds in an amount of $250 or more in any 3-consecutive-calendar-month period for lobbying. Additionally persons who receive compensation from more than 1 source are required to register under if such they receive an aggregate amount of $250 or more in any 3-consecutive-calendar-month period for lobbying.

[38] Source: Office of Campaign Finance

Subtitle (I)(CC) - Bonus Pay Restriction Emergency Act of 2009

Background

The proposed subtitle would prohibit in fiscal year 2010 the use of any funds for special pay or bonuses.

Financial Impact

Prohibiting funds to be used for special pay or bonuses in fiscal year 2010 would have no negative impact on the budget and financial plan; the fiscal impact of the proposed subtitle has been incorporated in the budget and financial plan.

Subtitle (I)(DD) - DCPL Capital Project Fund Designation Second Emergency Act of 2009

Background

The proposed subtitle would require all capital funds for the District of Columbia Library be reported in the budget by individual library project with available balances for each project and funding priority shall be given to wards where no renovation project exceeding $2.5 million in value has been undertaken since fiscal year 2006.

Financial Impact

The proposed capital budget reporting and priority requirements for library projects would have no negative impact on the District's budget and financial plan.

Subtitle (I)(EE) – Purchase of 225 Virginia Avenue, S.E., Second Emergency Act of 2009

Background

In December 2006, the Office of Property Management entered into a 20-year sublease for the property at 225 Virginia Avenue, S.E. The intent at the time was to utilize the building for the Metropolitan Police Department (MPD) for use as holding cells, evidence processing, office space and storage and an operations command center. MPD subsequently chose alternate locations for these purposes. However, the District's lease obligations remain. The District currently budgets $9.4 million annually for this building, although the facility is vacant and not used by the District.

The current sublease includes a District option to purchase the property during the first five years of the lease. If exercised in the first three years of the lease, or by December 14, 2009, the purchase option is $80 million plus additional expenses; after that it is $85 million plus additional expenses.

The Office of Property Management is working to purchase the property and move other District agencies into the building, after a substantial rehabilitation. If successful, the District could experience both annual cost savings and would own the property.

This subtitle would authorize the Mayor to exercise the option to purchase the property, in a total amount not to exceed $85 million, exclusive of the costs of settlement, subject to the availability of budgeted and appropriated funds. Subsequent to exercising a purchase option, the District would finance the renovation of the building.

Financial Plan Impact

Implementation of the proposed subtitle would have no impact on the FY 2010 through 2013 budget and financial plan.

The subtitle provides the authority, but not the funds, to execute the purchase option. Exercising the purchase option approved by this subtitle would require the Mayor to identify currently budgeted or appropriated funds, or would require additional Council action.

TITLE II – ECONOMIC DEVELOPMENT AND REGULATION

Subtitle (II)(A) – Administrative Abatement and Proactive Abatement Fee Emergency Amendment Act of 2009

Background

The proposed subtitle would amend D.C. Municipal Regulations § 14-220.1(c)(d) to modify the administrative fee assessed when the Department of Consumer and Regulatory Affairs (DCRA) abates housing code violations on privately-owned properties.[39] The fee would increase from a $122 per abatement to a base fee of $175 plus $30 for each additional hour.[40] The proposed subtitle would also authorize a biennial fee of $35 per unit on all rental properties of three units or more to cover the cost of "proactive inspections" performed by DCRA. The biennial fee could not exceed $2,000 per property.

All fees would be deposited into the Nuisance Abatement Fund, a non-lapsing, non-reverting segregated account.[41]

Financial Plan Impact

The proposed legislation is expected to generate $342,241 additional revenues in FY 2010 and approximately $1.37 million over the proposed FY 2010 through FY 2013 budget and financial plan. These funds would accrue to the Nuisance Abatement Fund.

Fiscal Impact of Subtitle (II)(A) - Administrative Abatement and Proactive Abatement Fee Emergency Amendment Act of 2009 Estimated Revenue Collections from Administrative Abatement and Proactive Inspection Fee					
	FY 2010	**FY 2011**	**FY 2012**	**FY 2013**	**Four Year Total**
Administrative Abatement Fee (net increase)[a]	$42,241	$42,241	$42,241	$42,241	$168,964
Proactive Inspection Fee Increase	$300,000	$300,000	$300,000	$300,000	$1,200,000
Total Impact to Nuisance Abatement Fund	**$342,241**	**$342,241**	**$342,241**	**$342,241**	**$1,368,964**

[a] This estimate assumes the same number of properties abated in FY 2008 (797) would be abated in FY 2010 through FY 2013.

[39] An Act to Provide for the Abatement of Nuisances in the District of Columbia by the Commissioners of the District, and for other purposes, approved April 14, 1906 (34 Stat. 115, ch. 1626). .
[40] The $30 per hour fee would be charged after the first hour of work.
[41] See D.C. Official Code § 42-3131.01(b)(1)(A).

Subtitle (II)(B) – Expedited Advisory Neighborhood Commissions Notification Emergency Amendment Act of 2009

Background

The proposed subtitle would ensure the Department of Consumer and Regulatory Affairs (DCRA) provides each affected Advisory Neighborhood Commission, the Commissioner representing the affected single member district, the affected ward Councilmember, and the Office of the Advisory Neighborhood Commission (ANC) a current list at least twice a month of applications for construction, demolition, raze and public space permits; the Office of Zoning would provide notice of applications, public hearings, proposed actions, and actions on all zoning cases to the same stakeholders.[42] The list could be provided by electronic mail or first-class mail, except for notices sent to the relevant ANCs. Notices sent to ANCs would be sent by first-class mail, unless the affected ANC requests in writing to be notified via electronic mail. Current law requires DCRA provide a list of construction and demolitions permits to all the aforementioned parties by first-class mail.

Financial Plan Impact

By providing DCRA the option of using electronic mail to provide notification would reduce DCRA's annual postage and processing costs, resulting in small annual cost savings.[43]

Subtitle (II)(C) – Zoning Enhanced Customer Services Emergency Amendment Act of 2009

Background

The proposed subtitle would authorize the Department of Consumer and Regulatory Affairs (DCRA) to charge a fee for preparing and issuing zoning compliance letters requested for a property.[44] Currently, DCRA's Office of the Zoning Administrator prepares zoning compliance letters upon request for no charge. The proposed subtitle would authorize a $25 fee for letters on a single lot property and a $100 fee for letters on more complex requests (e.g., multiple lots, planned unit developments, and lots containing a zoning boundary) in order to recoup the cost of processing the letters. All monies generated from these fees are to be deposited into the Construction and Zoning

[42]The proposed subtitle would amend the Advisory Neighborhood Commission Act of 1975, effective March 26, 1976 (D.C. Law 1-58; D.C. Official Code § 1-309.10(c)).
[43] The agency had estimated a cost savings of approximately $1,500 per year if all notifications were sent via email.
[44] The proposed subtitle would amend D.C. Official Code § 6-1406.01 and § 6-1406.02..

Compliance Management Fund ("Fund"), a non-lapsing, non-reverting segregated account.[45]

Financial Plan Impact

The proposed fees would generate approximately $15,500 in revenue in FY 2010 and $62,000 over the FY 2010 through FY 2013 budget and financial plan period.

Fiscal Impact of Subtitle (II)(C) - Zoning Enhanced Customer Services Emergency Amendment Act of 2009 Estimated Impact to the Construction and Zoning Compliance Management Fund					
	FY 2010	**FY 2011**	**FY 2012**	**FY 2013**	**Four Year Total**
Avg. Number of Single Lot Letters per year ($25)	260	260	260	260	1040
Avg. Number of Complex Letters per year ($100)	90	90	90	90	360
Total Impact	**$15,500**	**$15,500**	**$15,500**	**$15,500**	**$62,000**

Source: Department of Consumer and Regulatory Affairs

Subtitle (II)(D) – Surveyor and Special Review Requests Enhanced Customer Services Emergency Amendment Act of 2009

Background

The proposed subtitle would authorize increases in existing fees and establish new fees for services provided by the Office of Surveyor in the Department of Consumer and Regulatory Affairs (DCRA) relating to building plats, subdivision plats, wall examinations, street and alley closures, and registered land surveyors.[46] The proposed fee schedule is detailed in the table below.

Additionally, the proposed subtitle would establish the Enhanced Surveyor Function Fund ("Fund"), a non-lapsing, non-reverting segregated account to be administered by DCRA. All revenue received from fees (new and existing) for services provided by the Office of the Surveyor, with the exception of $29,750 in fees collected from Elevator Permits, would be deposited into the Surveyor Fund, and used, for the purposes of maintaining and upgrading the surveying systems, as well as enhancing customer service. Under the proposed subtitle, an amount equal to $29,750 would be transferred to the Local General Fund.

[45] Established pursuant to The Construction Codes Approval and Amendments Act of 1986, effective March 21, 1987(D.C. Law 6-216: D.C. Official Code § 6-1401 *et seq.*)

[46] The proposed subtitle would amend An Act to Establish a Code of Law for the District of Columbia, approved March 3, 1901 (31 Stat. 1426) by amending the codification found at D.C. Official Code, §1-1329 *et seq.*

Proposed Fee Structure for the Office of the Surveyor		
Service	**Current Fee**	**Proposed Fee**
Building Plats (up to 3 usual-shaped lots)	$30	$50
Subdivision of Land Plats (up to 3 usual-shaped lots)	$196	$400
Subdivision of Land Plats (more than 3 usual-shaped lots)	$196	$400
Private Surveyor's Plat (Wall Examination)	$39	$50
Street and Alley Closures (initial processing stage)	$1,870	$2,500
Registered Surveyor Application	$91	$125
Registered Surveyor Renewal	$33	$75
Preliminary consulting sessions with Office of Surveyor staff (per hour)	$0	$30
Optional Preliminary consulting sessions with the District Surveyor (per hour)	$0	$50
Optional Electronic Building Plat	$0	$5
Optional Expedited Building Plats	$0	$75
Designation of New Address (per address)	$0	$25
Plan review and inspection of Fire Suppression Systems for Hoods and Ducts- 1 to 50 nozzles (per nozzle)	$0	$6
Plan review and inspection of Fire Suppression Systems for Hoods and Ducts- Each nozzle thereafter	$0	$3
Plan review and inspection of Fire Suppression Systems for Hoods and Ducts- Minimum Fee	$0	$33
Construction Modification Requests filed pursuant to 12 DCMR § 104.10	$0	$175
Specialized shop drawing review requests	$0	$20
Elevator Repair Permit	1% of construction cost	1% of construction cost
New Elevator Permit	$85	$85

Financial Plan Impact

The proposed fees would generate additional revenues of approximately $337,227 in FY 2010 and $1.35 million over the FY 2010 through FY 2013 budget and financial plan period. These funds would accrue to the Fund established by the proposed subtitle. The proposed subtitle would have a negative impact on the Local General Fund of approximately $204,052 in FY 2010 and $816,232 over the FY 2010 through FY 2013 budget and financial planning period, resulting from the transfer of revenue collected from existing fees that under current law would accrue to the Local General Fund to the new Fund.

Fiscal Impact of Subtitle (II)(D) - Surveyor and Special Review Requests Enhanced Customer Services Emergency Amendment Act of 2009 Estimated Impact to the Enhanced Surveyor Function Fund					
	FY 2010	**FY 2011**	**FY 2012**	**FY 2013**	**4 Year Total**
Enhanced Surveyor Function Fund					
Total new revenue to Fund	$337,227	$337,227	$337,227	$337,227	$1,348,908
Transfer to Fund from Local	$233,808	$233,808	$233,808	$233,808	$935,232
Transfer out of Fund to Local	($29,750)	($29,750)	($29,750)	($29,750)	($119,000)
Total Impact to Fund	**$541,285**	**$541,285**	**$541,285**	**$541,285**	**$2,165,140**
Local General Fund					
Transfer out of Local to Fund	($233,808)	($233,808)	($233,808)	($233,808)	($935,232)
Transfer into Local from Fund	$29,750	$29,750	$29,750	$29,750	$119,000
Total Impact to Local	**($204,058)**	**($204,058)**	**($204,058)**	**($204,058)**	**($816,232)**

Subtitle (II)(E) – Business Licensing Processing Adjustment Emergency Act of 2009

Background

The proposed subtitle would amend the D.C. Code to allow, but not require, the Department of Regulatory and Consumer Affairs (DCRA) to send business license renewal notifications via electronic mail or other methods of communication within 30 days prior to the expiration date. [47] Current law requires notification to be sent by first class mail.

The proposed subtitle would also deem a license "lapsed" (but not expired) if the license is 30 days past its date of expiration, and would raise the fine for reinstating a "lapsed" license from $150 to $250. In addition, licenses that are more than 30 days past the expiration date would be deemed expired, and a $500 fine would be levied to renew licenses that are more than 30 days but less than 6 months expired. Business licenses more than 6 months past expiration would be treated as new applications.

The proposed subtitle would also authorize fees collected from the issuance of basic business licenses, including renewals, late fees and penalties, to be collected and deposited into the Basic Business License Fund ("BBL Fund"), a non-lapsing, non-reverting segregated account. In addition, it would authorize half of the amount collected from Notice of Infraction ("NOI") fines to be deposited into the BBL Fund and used to pay for the basic business licensing system.[48] Finally, the proposed subtitle would authorize the implementation of optional expedited service fees for individuals filing

[47] The proposed subtitle amends the Omnibus Regulatory Reform Amendment Act of 1998, effective April 29, 1998 (D.C. Law 12-86; DC Official Code § 47-2851.10 *et seq.*).
[48] Current law requires all monies deposited into the Fund be used to pay for the cost of the basic business licensing system.

corporations-related documents ($50 fee for three-day service and $100 fee for same-day service).[49] No fee would be charged for regular, non-expedited service.

Financial Plan Impact

The proposed subtitle would generate net revenue of $1.7 million in FY 2010 and $6.9 million in the FY 2010 through FY 2013 budget and financial plan period.

A total of approximately $1.5 million would accrue in FY 2010 to the BBL Fund, comprising approximately $1.3 million generated from additional late renewal fees and approximately $200,000 in NOI fines that would be transferred from the Local General Fund. (NOI fines are currently deposited into the Local General Fund.)[50] The proposed subtitle would also generate $416,000 in revenues from the expedited services, which would accrue to the Local General Fund. The net impact on the general local funds is $216,800 in FY 2010 and $867,200 in the FY 2010 through FY 2013 budget and financial plan period.

Fiscal Impact of Subtitle (II)(E) - Business Licensing Processing Adjustment Emergency Act of 2009					
Estimated Impact on the Basic Business License Fund	**FY 2010**	**FY 2011**	**FY 2012**	**FY 2013**	**Four Year Total**
BBL Late Renewal Fee Increase	$1,296,450	$1,296,450	$1,296,450	$1,296,450	$5,185,800
Transfer of NOI Fines to BBL Fund [a]	$200,000	$200,000	$200,000	$200,000	$800,000
Total Impact to BBL Fund	**$1,496,450**	**$1,496,450**	**$1,496,450**	**$1,496,450**	**$5,985,800**
Estimated Impact on the Local General Fund	**FY 2010**	**FY 2011**	**FY 2012**	**FY 2013**	**Four Year Total**
Optional Expedited Service Fee [b]	$416,800	$416,800	$416,800	$416,800	$1,667,200
Transfer of NOI Fines to BBL Fund	($200,000)	($200,000)	($200,000)	($200,000)	($800,000)
Total Impact to Local General Fund	**$216,800**	**$216,800**	**$216,800**	**$216,800**	**$867,200**

[a] The estimate is based on average NOI revenue collections in FY 2007 and FY 2008. In FY 2007 and FY 2008, OAH collected approximately $615,000 and $588,000 respectively.
[b] It is assumed that 10 percent of all corporations-related documents filed request expedited service.

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[49] The proposed subtitle also amends the District of Columbia Business Corporation Act, approved June 8, 1954 (68 Stat. 228; D.C. Official Code § 29-101.121); the District of Columbia Nonprofit Corporation Act, approved August 6, 1962 (76 Stat. 300 D.C. Official Code § 29-301.92(a); the District of Columbia Limited Liability Company Act of 1994, effective July 23, 1994 (D.C. Law 10-38; D.C. Official Code § 29-1063(a); the Uniform Partnership Act of 1996, effective April 9, 1997 (D.C. Law 11-234; D.C. Official Code § 33-101.01 *et seq.*); and the Uniform Partnership Act of 1987, effective December 10, 1987 (D.C. Law 7-49; D.C. Official Code § 33-211.02(b)).
[50] The Office of Administrative Hearings (OAH) has collected about $105,000 in fines in FY 2009; the OCFO estimates they will collect $200,000 by the end of the fiscal year. In FY 2007 and FY 2008, OAH collected approximately $615,000 and $588,000 respectively; OAH has collected $21,900 in fines in FY 2009 to date.

Subtitle (II)(F) – Community Development Block Grant Accounting Correction Emergency Amendment Act of 2009

Background

The proposed amendment would eliminate the requirement that revenues from Deputy Mayor for Planning and Economic Development (DMPED) assets that are encumbered by requirements of the federal Community Development Block Grant (CDBG) program be held in a segregated account within the Department of Housing and Community Development (DHCD) budget. With the proposed change, these funds will be held in a segregated account within the DMPED budget. These funds, under the D.C. Official Code, are designated for use by DMPED. This would not change under the proposed subtitle.[51] The total amount of CDBG funds transferred to DMPED in FY 2010 would be $8 million.

The proposed subtitle would also require the Mayor to include in the proposed annual budget transmitted to the Council an annual CDBG spending plan that lists the uses of the CDBG funds designated for the use of DMPED. DMPED would be required to submit the plan on January 1 for each year that the Department of Housing and Community Development is required to submit its Annual Section Plan to the U.S. Department of Housing and Urban Development.

Furthermore, the proposed subtitle would require DMPED to submit to the Council a quarterly financial reports certified by the Office of the Chief Financial Officer on CDBG funds within its budget authority.

Financial Plan Impact

The proposed subtitle would have no financial impact on the proposed FY 2010 through FY 2013 budget and financial plan.

[51] The proposed subtitle would amend the National Capital Revitalization Corporation and Anacostia Waterfront Corporation Reorganization Act of 2008 (D.C. Law 17-138; 55 DCR 1689) by striking the phrase "included as a segregated line item in the budget of DHCD that the Mayor is required to submit to the Council pursuant to pursuant to section 442 of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 798; D.C. Official Code § 1-204.42), and shall be."

Subtitle (II)(G) – Neighborhood Investment Fund Implementation Plan Emergency Amendment Act of 2009

Background

The proposed subtitle amends Section 2 of the Neighborhood Investment Act of 2004 ("Act")[52] to clarify that the Neighborhood Investment Fund (NIF) established by this Act does not expire after five years.

The subtitle also would authorize the establishment of the "Get D.C. Residents Training for Jobs Now Career Technical Training Fund" ("Career Fund"), a revolving, non-lapsing fund that would be available to fund all costs associated with the adult vocational training programs established by "Get D.C. Residents Training Now Act of 2009", as proposed in Title (I)(R) of this Act. The Mayor would be required to transfer $1.1 million each year, adjusted for inflation, from the NIF to the Career Fund.

The proposed subtitle would also add a new subsection authorizing NIF funds under the authority of the Deputy Mayor for Planning and Economic Development in FY 2010 to be allocated on a one-time basis as follows:

- $370,613 for personnel and administrative costs associated with implementing NIF, including, salary, fringe benefits, and supplies;
- $1,425,000 to be transferred to the Department of Small and Local Business Development through Intra-District transfer and disbursed to the Main Street programs in the amounts designated in the proposed subtitle.[53]
- All Main Street programs receiving $150,000 or more through this Act would be required to use $50,000 for a Business Improvement District Litter Cleanup program.[54]
- $3,000,000 for the New Communities Human Capital program;
- $1,100,000 to be transferred to the Career Technical Training Fund pursuant to subsection (i) of this Act;
- $2,091,000 for the DC USA parking garage;
- $835,000 for 12 NIF target areas specified in the proposed subtitle.[55]

Finally, the proposed subtitle would establish the Fiscal Year 2010 NIF Fund ("FY 2010 Fund"), a non-lapsing, non-reverting fund into which the Chief Financial Officer would

[52] Effective March 30, 2004 (D.C. Law 15-131; D.C. Official Code 6-1071 *et seq.*).
[53] Under the proposed subtitle, the following Main Street programs would receive NIF funds: Shaw ($150,000); Historic Dupont ($75,000); Adams Morgan ($100,000); Vinegar Hill, NW ($150,000); Georgia Avenue ($150,000); Rhode Island ($150,000); North Capital ($150,000); H Street, NE ($150,000); Barracks Row ($50,000); Deanwood ($150,000); and Congress Heights ($150,000).
[54] Public Planning Capital Project Act of 2003, effective June 30, 2003 (D.C. Law 15-39; D.C. Official Code § 1-325.111).
[55] Columbia Heights, Brightwood, Washington Highlands, Deanwood/Deanwood Heights; Bloomingdale/Eckington; Logan Circle Neighborhood; H Street, Anacostia, Congress Heights, Shaw Neighborhood, Brookland/Edgewood, and Bellevue.

deposit $3.2 million in unspent FY 2009 NIF funds that would carry over to FY 2010. All funds in the account would be used for, and made continually available for, the above mentioned projects.[56]

Financial Plan Impact

The proposed subtitle would reallocate a total of $12,021,613 in NIF funds; of these funds, $8,821,613 would be reallocated to projects specified in the subtitle and $3.2 million would be transferred to the FY 2010 Fund.

The NIF FY 2008 end-of-year fund balance is $22,327,225, which would be adequate to cover the proposed expenditures. Additionally, there is available $3.2 million in unspent FY 2009 funds that would be available for transfer to the new FY 2010 Fund.

Subtitle (II)(H) - Financial Incentives For Motion Picture And Television Productions Emergency Amendment Act of 2009

Background

The proposed subtitle amends the Film DC Economic Incentive Act of 2006[57] to re-establish the "Film DC Economic Incentive Grant Fund" as the Film DC Economic Incentive Fund ("Film DC Fund"). Film DC Fund would be used to provide financial incentives to eligible production companies for the production of movies, television shows, or other video production in the District provided that the production activity has a direct positive impact on the economic activity in the District of Columbia. For each eligible application, the total financial incentives would equal to the sum of:

- 42 percent of the company's qualified production expenditures that are subject to taxation in the District;
- 21 percent of the company's qualified production expenditures that are not subject to taxation in the District;
- 30 percent of the company's qualified personnel expenditures;
- 50 percent of the company's qualified job training expenditures; and
- 25 percent of the company's base infrastructure investment provided that, if the base infrastructure investment is in a facility that may be used for purposes unrelated to production or postproduction activities, then the base infrastructure investment shall be eligible for the 25 percent incentive payment only if the Mayor determines that the facility will support and be necessary to secure production or postproduction activity.

[56] The proposed subtitle states that these funds shall be used in accordance with section 2061(b)(J), which details the reallocation of funds under DMPED's authority in FY 2010.
[57] The proposed subtitle amends the Film DC Economic Incentive Act of 2006, effective March 14, 2007 (D.C. Law 16-290; D.C. Official Code § 39-501).

Additionally, the Mayor would be authorized to provide to taxpayers, as an incentive for the creation of production and post-production facilities in the District, a payment of 25 percent of the taxpayer's base infrastructure investment; if all or a portion of the base infrastructure investment is in a facility that may be used for purposes unrelated to production or post-production activities.

The subtitle also provides definitions of key terms, describes the production incentive application process, specifies the determination criteria the Mayor would use in selecting recipients for these incentives and exempts the information collected under this Act from the Freedom of Information Act disclosure requirements, to the extent that information, records, and data disclose commercially sensitive information about businesses involved.

Lastly, the subtitle would authorize the Mayor to establish and impose fees for permits issued for the occupation of the public space for motion picture, television, and other media productions ("film permits") pursuant to an amendment to the Budget Support Act of 1997.[58] The proposed subtitle authorizes the Mayor to charge a one-time fee of $30 per production for processing of the film permit application, and $150 per day per location to occupy public space or a public right of way. The Mayor would also be authorized to periodically revise the schedule of fees by rulemaking. These fees would be collected in a newly created "Film DC Special Account," a segregated, non-lapsing account within the Local General Fund. Any fees deposited in this account, as well as other funds designated by law, regulation, or reprogramming, and all interest earned on funds in the Film DC Special Account will be used to pay for operating expenses of the Office of Motion Picture and Television Development.

Financial Plan Impact

The Film DC Fund would be funded by annual appropriations[59]; the proposed FY 2010 through FY 2013 budget and financial plan does not provide any annual allocations for the Film DC Fund. DMPED and the Office of the City Administrator did not specify any plans for reprogramming of funds for this account. The grants made and financial incentives provided under the Film DC Economic Incentive Act of 2006 cannot exceed the funds available in the Film DC Fund.

The proposed subtitle also authorizes the Mayor to charge for permits issued for movie or TV production purposes, to be deposited to the Film DC Special Account to support the operations of the Office of Motion Picture and Television Development. Based on the information on the number of permits issued and the outlined fee structure, the OCFO estimates that the film permits would generate for the Film DC Special Account $51,000 in FY 2010 and $204,000 in the financial plan period.

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[58] The Budget Support Act of 1997, effective April 9, 1997 (D.C. Law 11-198; D.C. Official Code § 10-1141.03), controls the issuance of permits for the occupation of public space, public rights of way, and public structures.

[59] As set forth in the Film DC Economic Incentive Act of 2006 (codified at D.C. Official Code § 39-501), which regulates the funding of the Film DC Economic Incentive Grant Fund.

Fiscal Impact of Subtitle (II)(H) – Financial Incentives For Motion Picture And Television Productions Emergency Amendment Act of 2009 Estimated Impact of the Film DC Special Account					
	FY 2010	**FY 2011**	**FY 2012**	**FY 2013**	**Four Year Total**
New fees collected in the Film DC Special Account	$51,000	$51,000	$51,000	$51,000	$204,000

Subtitle (II)(I) - Washington Convention Center Authority and Sports and Entertainment Commission Merger Emergency Amendment Act of 2009

Background

The proposed subtitle would amend the Washington Convention Center Authority Act of 1994[60] to merge the Washington Convention Center Authority (WCCA) and the DC Sports and Entertainment Commission (DCSEC) into the new Washington Convention and Sports Authority (WCSA). Further, the proposed subtitle would transfer responsibility for maintenance and operation of the RFK Stadium site and the non-military portion of the D.C. National Guard Armory to the District's Office of Property Management. The intent of the proposed subtitle is to reduce costs by eliminating duplicative activities.

The proposed subtitle contains a number of amendments to the District Code which would allow the WCCA to take over the functions of the DCSEC as well as promotion and attraction of films, motion pictures, and boxing and wrestling events. The new WCSA would be responsible for the operations of the Walter E. Washington Convention Center, booking events at the RFK Stadium/Armory campus, the lease of Nationals Park, as well as the other activities currently undertaken by the two existing authorities. The current members of the WCCA board would serve on the new WCSA board. The proposed subtitle also creates two additional board seats to be filled by the DCSEC's vice chairman and the President of the Hotel Association. The DCSEC board would be disbanded. The WCCA General Manager would become the Chief Executive Officer of the new WCSA.

The proposed FY 2010 though FY 2013 budget and financial plan transfers $5.085 million of the budget authority from the Convention Center Authority to the Office of Property Management, to account for RFK Stadium/Armory operations and maintenance responsibility previously held by DCSEC. The OCFO evaluated the FY 2010 budget approved by DCSEC's board and determined that $5.085 million of costs related to facility operations. The proposed subtitle creates a Sports Facilities Account within the District's General Fund to be used for these facilities operations, and requires the WCSA to fund the account on October 1 of each year. Funds will come initially from accounts previously held by DCSEC and thereafter from revenues the WCSA shall derive from its

[60] Effective September 28, 1994 (D.C. Law 10-188; D.C. Official Code § 10-1201.01 *et seq.*).

sports and entertainment-related activities. The Convention Center has not yet incorporated these new activities and funding requirements into its proposed FY 2010 budget. The subtitle requires the Convention Center to issue, by September 30, 2009, a report, and plan to the Council on the expected costs and revenues to be associated with the merger with DCSEC.

The proposed subtitle would transfer all assets and obligations of the DCSEC to the WCSA, except for non-individual employment or employment-related contracts, and DCSEC's outstanding obligation to the District for personnel expenses. Regarding the employment contracts, the OCFO has been informed that a number of the DCSEC's current employees are members of the American Federation of State, County, and Municipal Employees (AFSCME) union. The OCFO cautions that termination of the union employment contracts may create potential claims, should the status of these employees not be maintained by the District. Regarding the personnel expenses, the proposed subtitle expunges the DCSEC's payroll liability to the District in the amount of approximately $3.9 million. This liability stems from advances made to DCSEC during fiscal year 2006.

Financial Plan Impact

The fiscal impact of the proposed subtitle is incorporated into the FY 2010 through FY 2013 budget and financial plan. As a result of the merger, the responsibilities of the DCSEC would be transferred in FY 2010, in part to the Office of Property Management and in part to the newly established WCSA. The WCSA will receive the combined revenues of the WCCA (which includes revenues from its own operations and the dedicated tax transfer of $99.1 million in FY 2010) and the revenues from sponsored events currently under the DCSEC. In turn, the WCSA would transfer an amount to the District's General Fund each October 1 to be used by the Office of Property Management for operation of the Stadium/Armory campus facilities. For FY 2010, this amount is $5.085 million.

Expunging DCSEC's payroll liability from FY 2006 would result in a $3.9 million write-off of a receivable and therefore be a negative impact on the FY 2009 budget. The proposed FY 2010 through FY 2013 financial plan would not be impacted by this write-off.

Subtitle (II)(J) - Southwest Waterfront Redevelopment Timing Emergency Act of 2009

Background

The proposed subtitle requires that the closing for the conveyance of title of the Southwest Waterfront properties by the District[61] shall not occur before October 1, 2010, unless approved by resolution by the Council.

Financial Plan Impact

The proposed subtitle would shift the fiscal impact of the Southwest Waterfront development, as estimated by the Office of the Chief Financial Officer, on May 16, 2008.[62] Specifically, the proposed subtitle would postpone the estimated $4 million burden from the foregone sales tax collections by one year, from FY 2010 to FY 2011 onwards.

Subtitle (II)(K) – Housing Production Trust Fund Emergency Amendment Act of 2009

Background

The proposed subtitle amends the Housing Production Trust Fund Act of 1988[63] to increase the maximum percentage of funds allocated for the administration of the Housing Production Trust Fund (HPTF) in a given fiscal year from 5 percent to 10 percent of the funds deposited into the HPTF.[64] In addition, the proposed increase would apply retroactively to FY 2009.

Financial Plan Impact

The proposed subtitle would have no net impact on the Local General Fund, as it does not increase or reduce the overall funding level; instead it just increases the share of total HPTF funds used for the administration of the HPTF.[65] The financial impact of the

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[61] Approved by the Council in the Southwest Waterfront Third Revised Disposition Emergency Approval Resolution of 2008, effective December 16, 2008 (Res. 17-955).

[62] Fiscal Impact Statement on Southwest Waterfront Bond Financing Act of 2008, B17-0591, available at http://app.cfo.dc.gov/services/fiscal_impact/pdf/spring08/051608_2.pdf.

[63] Effective March 16, 1989 (D.C. Law 7-202; D.C. Official Code § 42-2802(b)(10)).

[64] The Housing Production Trust Fund is a non-lapsing, non-reverting segregated account financed by 15 percent of the District's deed recordation and transfer taxes annually. The HPTF provides funds for the acquisition, construction, and rehabilitation of affordable multifamily housing projects.

[65] While the proposed subtitle would have no impact on the General Fund, it would impact the amount of HPTF available for program activities. Under the proposed subtitle, in FY 2010, an additional $.9 million in HPTF could be redirected for administrative purposes and an additional $4.2 million over the FY 2010 though FY 2013 budget and financial planning period.

proposed subtitle is incorporated into the proposed FY 2010 through FY 2013 budget and financial plan.

Fiscal Impact of Subtitle (I)(K) - Housing Production Emergency Amendment Act of 2009 Trust Fund Dollars Reallocated for Administrative Costs (In millions of dollars)						
	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	4 Year Total
Projected Revenue	$22.4	$17.9	$18.1	$21.1	$23.3	$102.8
Current Law (5%)	$1.1	$0.9	$0.9	$1.1	$1.2	$5.1
Proposed Law (10%)	$2.2	$1.8	$1.8	$2.1	$2.3	$10.3
Potential Additional Funds Allocated for Administration	**$ 1.1**	**$0.9**	**$0.9**	**$1.1**	**$1.2**	**$ 5.1**

Subtitle (II)(L) – Housing Assistance Payment Clarification Emergency Amendment Act of 2009

Background

The proposed subtitle would amend the Rental Housing Conversion and Sale Act of 1980[66] to clarify that Housing Assistance Payment (HAP) Program shall be administered by the Department of Housing and Community Development (DHCD).

The proposed subtitle would also authorize DHCD to jointly administer and manage the Housing Assistance Fund ("Fund") with the Office of the Tenant Advocate (OTA).[67] Additionally, the proposed subtitle clarifies that one-third of actual collections would be used for the administration and delivery of housing assistance payments for displaced tenants, and an additional one-third would be used by OTA for the annual administrative and operational purposes of the agency.

Financial Plan Impact

The proposed subtitle does not impact the amount collected in the Fund; it only clarifies that DHCD is responsible for the administration of the HAP Program, and therefore has the authority over the portion of the funds in the Fund used to support the HAP Program. In FY 2010, OTA would transfer one-third of revenues collected in the prior fiscal year,

[66] Effective September 10, 1980 (D.C. Law 3-86; D.C. Official Code § 42-3401.01 *et seq.*).

[67] The Housing Assistance Fund (6005) (also referred to as the Condo Conversion Fee Fund) is a non-lapsing, non-reverting segregated account into which fees collected from the conversion of all rental properties to condominium or cooperatives are deposited. Section 42-3402.04 of the D.C. Official Code authorizes the District to levy a fee on owners who converts a housing accommodation, including vacant buildings, into a condominium or a cooperative. The fee is equal to of 5 percent of the sales price for each condominium unit, or proportionate value of the cooperative residence, within the housing accommodation.

approximately $250,000.[68] DHCD will have authority over approximately $1.4 million over the FY 2010 through FY 2013 budget and financial planning period.

Fiscal Impact of Subtitle (II)(L) Housing Assistance Payment Clarification Emergency Amendment Act of 2009 Transfer from the Housing Assistance Fund to DHCD					
	FY 2010	**FY 2011**	**FY 2012**	**FY 2013**	**Four Year Total**
Estimated Revenue	$ 1,500,000	$1,000,000	$1,000,000	$1,000,000	4,500,000
Transfer to DHCD[a, b]	$ 249,975	$ 499,950	$ 333,300	$ 333,300	$ 1,416,525

[a] Starting in FY 2010 one-third of annually-collected revenue from the prior fiscal year would be transferred to DHCD; however, the amount transferred in FY 2010 is subject to change if a different agreement is reached between the agencies.
[b] The amount of the transfer is based on the Office of the Chief Financial Officer's estimated revenue projection for this Fund.

Subtitle (II)(M) Targeted Homeowner Grant Program Funding Emergency Amendment Act of 2009

The proposed subtitle would amend the Historic Landmark and Historic District Protection Act of 1978[69] to eliminate the sunset provision on the Mayor's authority to expend up to $1.25 million of appropriated funds from the Historic Landmark-District Protection Fund, a non-lapsing, revolving fund, for the Targeted Homeowner Grant Program.[70] Under current law, the Mayor's authority would expire in FY 2010.

Financial Plan Impact

The proposed subtitle would have no impact on the budget and financial plan, as the amendment only extends the Mayor's budget authority but does *not commit* District resources to the Program. Funds required to implement the Grant Program would be dependent upon the availability and approval of funds in the budget and financial plan.

[68] Because the OCFO certifies the current fiscal year revenues based on projected revenue collections, the actual amount of revenues collected and the amount certified may differ. The proposed subtitle would require the actual amount of funds collected be transferred; therefore any discrepancies in the amount of funds transferred would have to be reconciled by the agencies. Estimates are based on the certified revenue collections for the prior fiscal year, in this case FY 2009.
[69] Effective March 2, 2007 (D.C. Law 16-189; D.C. Official Code § 6-1110.02(k)).
[70] The Targeted Homeowner Grant Program is administered by the Office of Planning and offers financial incentives to help qualified low- and moderate-income homeowners in 12 historic districts pay for certified rehabilitation work. The maximum grant allowable is $25,000 per household, except in Anacostia where the maximum grant is $35,000.

Subtitle (II)(N) – Rental Unit Fee Amendment Emergency Act of 2009

Background

The proposed subtitle amends the "Rental Housing Act of 1985" to reflect the current statutorily mandated annual Rental Accommodations (RA) Fee of $21.50 per rental unit.[71] This fee is required to be paid by housing providers in order to register rental housing in the District of Columbia. The existing codification does not reflect the fact that the rental accommodations fee was increased from $17 to $21.50 pursuant to D.C. Law 14-307, D.C. Law 15-205, and D.C. Law 16-192.[72]

While the D.C. Official Code specifies that a portion of rental accommodation fees collected should be deposited into a "special account for use by the Office of the Chief Tenant Advocate," the legislation does not specify an account or the portion of funds to be deposited.[73] As a result, these funds are deposited into the Department of Consumer and Regulatory Affairs' Nuisance Abatement Fund.[74]

Financial Impact

The proposed subtitle is a technical amendment that corrects the code to reflect the current RA Fees, which have been in effect since FY 2006. Both the baseline FY 2010 budget and the proposed FY 2010 through FY 2013 budget and financial plan already incorporate the correct rate; thus the proposed legislation would have no impact on the budget and financial plan.

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[71] Amends § 401 of the Rental Housing Act of 1985, effective July 17, 1985 (D.C. Law 6-10; D.C. Official Code § 42-3504.01).

[72] D.C. Law 14-307, the "Fiscal Year 2003 Budget Support Amendment Act of 2002," effective June 5, 2003, increased by 30 percent all fines and fees imposed by the District of Columbia, unless otherwise specified in that Act. This fee was not otherwise specified; at that time the fee was $15.00; thus D.C. Law 14-307 increased the fee by $4.50 (30 percent of $15.00). This increase was implemented by Mayoral order adjusting all relevant fines and fees. Subsequently, the Council increased the fee twice by $1 each time (D.C. Law 15-205, the "Fiscal Year 2005 Budget Support Act of 2004," effective December 7, 2004; D.C. Law 16-192, the "Fiscal Year 2007 Budget Support Act of 2006," effective March 2, 2007).

[73] D.C. Official Code §42-3504.01

[74] According to the Agency Fiscal Officer for DCRA and OTA, DCRA would transfer 15 percent of RA fees collected in FY 2009 in FY 2010 to the OTA, as these were the OTA's portion of RA fees due in fiscal year 2009. In FY 2010 through FY 2013, DCRA would transfer 15 percent of RA fees collected; however, the percentage of fees transferred to the Fund may change depending upon an agreement reached between the DCRA and the OTA. The account into which these funds will be deposited is still to be determined.

Subtitle (II)(O) – Abatement of Property Nuisance Fund Emergency Amendment Act of 2009

Background

The proposed subtitle would amend D.C. Official Code § 42-3131.01(b)(2) to authorize the deposits of donations or restitutions into the Nuisance Abatement Fund[75] ("Fund") by private individuals and from recoveries from enforcement action by the Office of the Attorney General on behalf of the District of Columbia for the abatement of property violations[76], excluding funds obtained through the administrative proceedings. If enacted, the proposed amendment would allow defendants charged with violating the District's housing code, as a condition of probation, donate sums of money into the Fund.

Financial Impact

Dedicating a portion of certain OAG recoveries to the Nuisance Abatement Fund would not negatively impact the District's budget and financial plan. Due to the uncertain nature of these types of revenue, recovery amounts are only recognized upon receipt and are not anticipated in the District's budget and financial plan

Subtitle (II)(P) – Elevator Maintenance Standards and Licensing Emergency Act of 2009

Background

The proposed subtitle would establish new license categories for those performing elevator installation, repair, and inspection, and it would originate new fees to administer these new licensing requirements. The proposed bill would amend the District of Columbia Official Code[77] to include elevator mechanic and elevator contractor among regulated non-health related occupations and professions so they would be licensed to demonstrate their experience, qualifications, and abilities.

The bill would also amend the District Code[78] to specify those occupations that shall be included among the 15 members of the Board of Industrial Trades ("Board"). This Board would regulate and license the practices of elevator mechanics, contractors, and inspectors. The bill would also require changes to the D.C. Official Code regarding scope

[75] The Nuisance Abatement Fund is a segregated, non-lapsing, non-reverting account established pursuant to An Act to Provide for the Abatement of Nuisances in the District of Columbia by the Commissioners of the District, and for other purposes, approved April 14, 1906 (34 Stat. 115, ch. 1626), currently codified at § 42-3131.01(b)(1)(A).
[76] As defined in the provisions of Title 14, Chapters 1 through 16 of the District of Columbia Municipal Regulations.
[77] D.C. Official Code § 47-2853.04.
[78] D.C. Official Code § 47-2853.06(d).

of practice for electricians[79] and eligibility requirements for electricians[80] to exclude conveyances[81] and elevator/escalator references. A new part[82] then would be added to the D.C. Official Code to cover elevator maintenance, and the scope of practices for elevator mechanics, contractors, and inspectors. Elevator inspectors would be required to meet the standards of American Society of Mechanical Engineers, Qualification of Elevator Inspectors (ASME QEI), in addition to any other Board requirements.

The bill establishes a license fee of $260 for the three new categories of licensees (elevator mechanics, contractors, and inspectors). The fees would not apply to elevator inspectors employed by the District of Columbia or by the Washington Metropolitan Area Transit Authority. The fees collected from licensees would accrue to the general fund. The District of Columbia Department of Consumer and Regulatory Affairs (DCRA) would be required to promulgate rules to implement the proposed legislation within 180 days of the effective date of its enactment.

Financial Plan Impact

The proposed legislation would result in a positive fiscal impact of $107,083 in FY 2010 and $261,571 in the four year budget and financial plan period.

Currently an estimated 1,200 electricians install, service, repair and inspect elevators in the District of Columbia. DCRA estimates that to implement the requirements of the licensing programs, it would have to hire two FTEs (at DS Grade 9, Step 1) in the first year of implementation. The personnel costs associated with the two FTEs would equal approximately $101,000 in FY 2010. Given that the licenses will be renewable every other year, it is estimated that the required FTEs, and hence the cost of implementation, would be halved in the outer years, bringing the four-year total cost to approximately $258,500.

On the revenue side, it is assumed that in the first year 800 applicants would successfully qualify for the licenses. In the out-years, new applicants and renewals are expected to be at 400 per year. With a license fee of $260, the proposed legislation is expected to generate $208,000 in FY 2010 and $520,000 over the four-year financial plan period. The FY 2010 through FY 2013 budget and financial plan already incorporates the impact of the proposed legislation.

The table below summarizes the fiscal impact of the proposed legislation.

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[79] D.C. Official Code § 47-2853.91.
[80] D.C. Official Code § 47.2853.92.
[81] Conveyances include elevators, elevator machinery and equipment, hydraulic elevators, sidewalk elevators, private residence elevators and lifts, hand elevators, hand and power dumbwaiters, escalators, moving walks, manlifts, trayvayors and selector verticals and other related conveyance.
[82] A new Part F-1. Elevator Maintenance, to be added to Chapter 28 of Title 47 of the D.C. Official Code.

Fiscal Impact of Subtitle (II)(P) - Elevator Maintenance Standards and Licensing Emergency Act of 2009					
	FY 2010	**FY 2011**	**FY 2012**	**FY 2013**	**4 Year Total**
Revenues					
License Fee	$260	$260	$260	$260	
Number of Licensees[1]	800	400	400	400	
Total Fee Collection	$208,000	$104,000	$104,000	$104,000	$520,000
Costs					
Number of clerks[2]	2	1	1	1	
Salary[3,4]	$42,761	$43,617	$44,489	$45,379	$176,246
Benefits[4]	$7,697	$7,851	$8,008	$8,168	$31,724
Total personnel costs	$100,917	$51,468	$52,497	$53,547	$258,429
Positive Fiscal Impact	**$107,083**	**$52,532**	**$51,503**	**$50,453**	**$261,571**

[1] OCFO estimate based on testimony of Clifford Cooks, Manager of the Office of Professional Licensing at DCRA delivered on 4/22/2009.
[2] Two FTEs will be needed in the first year to administer the program. Thereafter, with half of licenses renewed each year, one clerk will be sufficient.
[3] DCRA indicated that they would need FTEs at DS Grade 9, Step 1.
[4] Benefits are calculated at 18 percent of the salary, and a 2 percent COLA applied for each year to salary and benefits.

Subtitle (II)(Q) – Advanced Metering Infrastructure Implementation and Cost Recovery Authorization Second Emergency Act of 2009

Background

The proposed subtitle authorizes the implementation of Advanced Metering Infrastructure (AMI) systems, commonly known as "Smart Grids" that would allow electric utilities to gather at least hourly energy consumption data from all customers. Because transmission of electricity is regulated, under the proposed subtitle, the District of Columbia Public Services Commission (PSC) would be responsible for ensuring that the electric utility implementing a Smart Grid system would secure sufficient funding and achieve a return on investment that is consistent with the PSC's regulated rate of return. Under the proposed legislation the PSC would have the authority to review the prudence of costs associated with implementation of the AMI. The PSC would be able to keep any cost savings achieved through the implementation the AMI.

Financial Plan Impact

The proposed subtitle would provide the authority to, but not require, PSC to implement the AMI systems. As such, the proposed subtitle does not have a direct impact on the District's budget and financial plan. Providing PSC with this authority would allow PSC to seek federal funds for AMI implementation under the American Recovery and Reinvestment Act of 2009.

Subtitle (II)(R) – Get DC Residents Training for Jobs Now Emergency Act of 2009

Background

The proposed subtitle would require the Mayor to establish evening, weekend and summer adult career technical training for industry certification for District residents at the Phelps Architecture, Construction, and Engineering High School, the Academy of Construction and Design, Cardozo Senior High School and the Hospitality Public Charter School at Roosevelt High School in partnership with existing career technical education programs. The programs would partly be offered during non-traditional school hours at District owned facilities and can be offered by trade associations, professional groups, unions, non-profit and other groups certified to provide adult career technical training ("certified entities").

The proposed subtitle requires that the funding for the proposed programs would be administered from federal funds received specifically to support adult career technical training programs as authorized by the Workforce Investment Act. Certified entities would be required to submit competitive proposals that will match current and future employment needs within the District as identified by the Mayor. All programs created by this subtitle that are not funded by federal grants shall be subject to appropriations. The proposed subtitle also requires the Mayor to seek additional federal funds that might be available through the Workforce Investment Act, the Carl D. Perkins Career and Technical Education Act, and through Federal funding that may be available for career technical training in the form of competitive grants under the American Recovery and Reinvestment Act of 2009.

Priority for participation in the vocational education programs created by this legislation would be given to District residents who reside in Neighborhood Investment Plan target areas.[83]

Financial Impact

Full implementation of this subtitle, which would serve approximately 250 District of Columbia residents annually, would require approximately $1.1 million in FY 2010 and $4.7 million in the FY 2010 through FY 2013 financial plan period. This impact is already incorporated by the proposed subtitle, which makes available $1.1 million annually through the "Get D.C. Residents Career Technical Training Fund" ("Career Fund").[84] With an annual budget of approximately $1.1 million, the program could serve

[83] The following areas are NIF target areas pursuant to D.C. Code §1-325.11: Columbia Heights, Brightwood, Washington Highlands, Deanwood/Deanwood Heights; Bloomingdale/Eckington; Logan Circle Neighborhood; H Street, Anacostia, Congress Heights, Shaw Neighborhood, Brookland/Edgewood, and Bellevue.

[84] The University of the District of Columbia has agreed to make a one-time commitment in FY 2010 of $60,000 towards to the program to establish learning labs at Roosevelt and Cardozo High Schools.

approximately 240 students a year.[85] More residents can be served if the District secures federal stimulus funds for the proposed programs.

Fiscal Impact of Subtitle (II)(R) - Get D.C. Residents Training for Jobs Now Emergency Act of 2009					
	FY 2010	**FY 2011**	**FY 2012**	**FY 2013**	**4 Year Total**
Proposed Adult Technical Training Programs:					
Cardozo Pre-apprenticeship Program:					
Residents served	50	50	50	50	
Total program cost[a]	$272,300	$280,469	$288,883	$297,550	$1,139,202
Roosevelt Hospitality & Culinary Arts Programs:					
Hospitality Program:					
Residents served	90	90	90	90	
Total program cost[b]	$207,000	$213,210	$219,606	$226,194	$866,011
Culinary Arts program:					
Residents Served	18	18	18	18	
Total program cost[d]	$250,416	$257,604	$265,009	$272,635	$1,045,664
Phelps Architecture Construction and Engineering Program[c]					
Residents Served	92	92	92	92	
Total program cost[d]	$409,032	$419,923	$431,141	$442,695	$1,702,790
Total Residents Served	**250**	**250**	**250**	**250**	**1,000**
Total Adult Training Costs	**$1,138,748**	**$1,171,206**	**$1,204,639**	**$1,239,074**	**$4,753,667**
Average Cost Per Student	**$4,555**	**$4,685**	**$4,819**	**$4,956**	**$4,754**
Committed Funds:					
Total Committed Funding[e]	**$1,100,000**	**$1,133,000**	**$1,166,000**	**$1,199,000**	**$4,598,000**
Residents Served Annually	**241**	**242**	**242**	**242**	**967**

Table Notes:

[a] The cost per student includes the cost of both technical career training ($3,946) and job readiness training ($1,500) provided by UDC's Workforce Development Program. The cost per student also includes all operating costs; there are no costs for facility usage because the proposal would expand the number of seat available in an already existing program

[b] Does not include a facilities usage fee because DCPS already receives fees for space usage.

[c] The specifics of the Phelps training program are still under consideration; therefore, per pupil cost estimates were not available at the time of this analysis. However, given that the model for Phelps construction program will likely be similar to that of the Cardozo program, the per pupil costs for the training component were used to estimate the cost of the Phelps program. A job readiness component may be added to the Phelps program, which would increase the cost per pupil by approximately $1,500.

[d] Includes OCFO estimate regarding facilities costs.

e The $1.1 million in NIF transferred to the Career Fund would be adjusted annually for inflation; therefore a 3 percent inflation-adjustment was applied.

[85] The average cost per student is approximately $4,555.

Subtitle (II)(S) – Rental Housing Commission Enhancement Emergecny Act of 2009

Background

The proposed subtitle would amend the D.C. Official Code[86] to authorize funds from the Department of Housing and Community Development Unified Fund ("Unified Fund") to be used for the purposes of providing one-time funding enhancements for the Rental Housing Commission, and providing funding to support the housing needs of veterans. The authorized expenditures would be in addition to, and not in place of, those purposes currently authorized in the D.C. Official Code.

Financial Plan Impact

The proposed FY 2010 budget transfers $500,000 in special purpose revenue from the Unified Fund[87] to be used to fund the Rental Housing Commission, as a one-time enhancement. Future transfers of a similar nature would have to be included in an approved budget and financial plan.

Subtitle (II)(T) – Economic Development Capital Fund Implementation Plan Second Emergency Act of 2009

Background

In accordance with the proposed FY 2010 through FY 2013 budget and financial plan, the proposed subtitle would reallocate $1.5 million from the Office of the Deputy Mayor for Planning and Economic Development's (DMPED) capital budget for the Howard Theater project[88] to the O Street Market project[89] to be used for pre-development costs related to the O Street Market Project.

Additionally, the proposed subtitle would authorize, for fiscal year 2010, up to $2,235,000 in capital project funds from the Pennsylvania Avenue S.E. properties (EB402) to be used to support the Pennsylvania Avenue S.E. Great Street project ("Pennsylvania Avenue").

The proposed subtitle would also prohibit the encumbrance, obligation, or expenditure of capital funds for any Great Street project, including Pennsylvania Avenue, without submitting to Council the following:

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[86] D.C. Law 17-219; D.C. Official Code § 42-2857.01(c)
[87] Specifically from Source Code 0610
[88] Project Number EB403C.
[89] Project Number EB410C.

- A spending plan for a proposed loan or grant over the amount of $250,000;
- The loan or grant agreement; and
- A statement of financial need.

This requirement would apply to all Great Street projects established by the Deputy Mayor for Planning and Economic Development irrespective of when the economic development funds were allocated.

Financial Plan Impact

The fiscal impact of the proposed subtitle is incorporated into the FY 2010 through FY 2013 budget and financial plan. The Howard Theater project has a balance-budget authority of approximately $8 million; therefore adequate funds are available to reprogram $1.5 million to the O Street Market project. Additionally, $2.235 million has been budgeted in FY2010 for the Pennsylvania Avenue project. Requiring the additional information specified in the proposed subtitle to be submitted to the Council prior to the encumbrance, obligation, or expenditure of capital funds for any Great Street project would not have a fiscal impact.

Subtitle (II)(U) – Economic Development Reduction in Force Emergency Act of 2009

Background

The proposed subtitle requires the Mayor to implement a reduction in force for the Office of the Deputy Mayor for Planning and Economic Development (DMPED) by eliminating the Project Manager Advisor position[90] and freezing four other positions including one Project Manager[91], two Special Assistants[92], and One Paralegal Specialist[93]. The cost savings that would result from the reduction in force would be transferred from the Economic Development Special Account to the General Fund.

Financial Plan Impact

The proposed subtitle would reduce FY 2010 personnel expenditures at (DMPED) by $781,540 in FY 2010. These funds would be used to partially support the Cost of Living adjustments to the standard deduction in Fiscal Year 2010. The permanent elimination of the Project Manager Advisor would continue to reduce annual expenditures by approximately $112,000 in the outer years, bringing the total reductions in expenditures to $1.13 million through the FY 2010 to FY 2013 financial plan period. [94]

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[90] These are three positions including Position Numbers 00047656, 00045503, 00045810 and 00044904.
[91] Position Number 00046405.
[92] Position Numbers 00046086 and 00042979.
[93] Position Number 00047368.
[94] The proposed FY 2010 through FY 2013 financial plan restores all of these positions starting FY 2011.

Estimated Fiscal Impact of II (U) - Economic Development Reduction in Force Emergency Act of 2009 Reductions in Expenditures (In thousands of dollars)					
	FY 2010	**FY 2011**	**FY 2012**	**FY 2013**	**Four year total**
Reductions in personnel expenditures[a]	$782	$112	$113	$113	$1,120

[a] Includes salaries and benefits. Outer years starting FY 2012 incorporate a 0.5 percent cost of living adjustment.

Subtitle (II)(V) – Business Improvement District Litter Cleanup Assistance Fund Establishment Emergency Amendment Act of 2009

Background

The proposed subtitle would amend the D.C. Official Code[95] to authorize the Ward 4 BID Demonstration Project to receive funds granted from the "Business Improvement District Litter Cleanup Assistance Fund ("Fund") for certain purposes.

Financial Impact

Authorizing the Ward 4 BID Demonstration Project to receive funds from the Fund would have no impact on the budget and financial plan. If implementation of the proposed amendment would require additional resources, funds would need to be indentified and included in an approved budget and financial plan.

Subtitle (II)(W) – Department of Small and Local Business Development Amendment Emergency Act of 2009

Background

The proposed subtitle would amend the D.C. Official Code[96] to transfer certain reporting and monitoring requirements from the Department of Small and Local Business Development (DSLBD) to D.C. Auditor's Compliance and Enforcement Unit ('Compliance Unit").[97] More specifically, the proposed legislation would transfer those requirements set forth in the Small, Local, and Disadvantaged Business Enterprise

[95] D.C. Official Code §1-325.111.

[96] The Compliance Unit Establishment Act of 2009, effective June 13, 2008 (D.C. Law 17-176; D.C. Official Code § 1-301.181 *et seq.*); and Small, Local, and Disadvantaged Business Enterprise Development Assistance Act of 2007, effective October 20, 2005 (D.C. Law 16-33; D.C. Official Code §2-218.41).
[97] D.C. Law 16-33; D.C. Official Code § 2-218.01 *et seq.*

Development Assistance Act of 2007 Act[98] (Act), as they relate to the goals for District agencies with respect to contracting and procurement with business enterprises.[99]

The proposed subtitle would also require each District agency to submit quarterly and annual reports to the DSLBD detailing the agencies procurement and contracting activities, as well as activities the agencies are engaged in to achieve the goals set forth in section 2341 of the Act.

Finally, the proposed subtitle would require the Compliance Unit to submit to the Council, within 60 days of the end of each quarter, a summary report of the agencies' detailed quarterly reports, including information regarding those agencies that have not complied with reporting requirements and actions taken by the Compliance Unit to enforce compliance.

Financial Impact

The financial impact of the proposed subtitle has been included in the FY 2010 through FY 2013 budget and financial plan. The proposed budget transfers $343,000 and 4 FTEs from the Committee DSLBD to provide funding to the Compliance Unit for the additional reporting and monitoring requirements transferred from the DSLBD.

While the proposed subtitle would establish some additional reporting requirements for District agencies, much of the required information is already reported by the agencies to the DSLBD. The additional requirements would not have an impact on the budget and financial

Subtitle (II)(X) – Small Business Micro Loan Fund Amendment Emergency Amendment Act of 2009

Background

The proposed subtitle amends Section 2375 of the Fiscal Year 2008 Budget Support Act of 2007[100] to specify the use of funds available in the Small Business Micro Fund. Specifically, the proposed legislation would require that $50,000 from the fund would be used as a one-time grant to a newly formed business association in Ward 3.

[98] Sections 2350 and 2353 of Act.
[99] The goals set forth in section 2341 of the Act are the each agency, including an agency that contracts or procures in whole or part through the Office of Contracting and Procurement, shall exercise its contracting and procurement authority so as to meet, on an annual basis, the goal of procuring and contracting 50 percent of the dollar volume of its goods and services, including construction goods and services, to small business enterprises.
[100] Effective September 18, 2007 (D.C. Law 17-20; D.C. Official Code § 2-218.75)

Financial Plan Impact

The impact of the proposed subtitle is incorporated into the proposed FY 2010 through FY 2013 budget and financial plan. The proposed FY 2010 budget designates $50,000 to Ward 3 Business Association via the Department of Small and Local Business Development Micro Loan Fund.

Subtitle (II)(Y) – Local Rent Supplement Emergency Amendment Act of 2009

Background

The proposed subtitle would amend D.C. Official Code[101] to authorize the D.C. Housing Authority ("Authority") to use funds remaining in the Rent Supplement Fund ("Fund")[102] for capital-based assistance for the construction or rehabilitation of housing units for which the Authority previously provided an operating subsidy. The Authority must set aside a reserve equal to $5.88 million plus two months of program payment obligations for its then current contractual obligations before using these funds. The funds may be used for capital assistance, so long as they are not needed for project-based, tenant-based, or sponsor-based assistance (including any rent increase adjustments).

Financial Plan Impact

Expanding the purposes for which funds available in the Fund could be used, so long as prior contractual obligations are met, would have no impact on the budget and financial plan.

Subtitle (II)(Z) New Communities Financial Assistance Emergency Amendment Act of 2009

Background

The proposed subtitle amends the Economic Development Liaison Office Establishment Act of 1998 to allow Fiscal Year 2009 appropriated funds administered by that office and previously designated only for human capital grants in New Communities projects to now be made available as loans or grants to implement any projects that are part of the New Communities Initiative. Under the proposed subtitle, these loans or grants would not be limited to human capital projects.

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[101] § 6-226(b) and 26(d) *et seq.*

[102] Established pursuant to A13-0254, the Rent Supplement Fund is a non-lapsing, revolving fund established to provide housing assistance to extremely low-income District residents, including those who are homeless and those in need of supportive services, such as elderly individuals or those with disabilities. The funding of this program is subject to appropriation.

Financial Plan Impact

There is no cost to this subtitle; it simply allows alternative uses for currently budgeted funds.

Subtitle (II)(AA) Adult Training Fund Emergency Amendment Act of 2009

Background

The proposed subtitle limits the amount of local funds budgeted for adult training in the Department of Employment Services (DOES) that could be used for administration to five percent. It also requires that funding opportunities be open to a broader range of District workforce development providers than those under the Workforce Investment Act of 1998, or the Temporary Assistance to Needy Families program. Finally it provides additional reporting requirements for agencies receiving funds from DOES, and directs DOES to give preference in funding to providers that apply for funding collectively and can demonstrate the ability to provide a wide range of job training services.

Financial Plan Impact

The proposed subtitle limits the extent to which local funds budgeted for adult training could be used towards administration, but does not change the overall agency budget. Further clarification is required on the term "administration" to fully assess whether the proposed subtitle would impair the agency budget.[103]

[103] Provided that "administration" excludes funds paid out to service providers, the proposed subtitle would not impair the agency budget.

TITLE III– PUBLIC SAFETY AND JUSTICE

Subtitle (III)(A) – Consumer Protection Funds Emergency Act of 2009

Background

This proposed subtitle would amend the District of Columbia Consumer Protection Fund ("Fund")[104] by increasing the Fund's asset cap to $3.4 million, adding a new revenue source consisting of certain percentages of any recoveries of litigation brought by the Office of the Attorney General (OAG) on behalf of the District, defining what such recoveries include, prohibiting any monies in the Fund from ever reverting into the General Fund, and replacing "Corporation Counsel" with "OAG."[105]

Under current law, the Fund is to be used by the Corporation Counsel[106] to pay for the expenses related to the investigation, preparation, filing, and maintenance of actions specified under sections 28-3853[107], 28-3909[108], and 28-3905(i)(4)[109]; receiving or responding to consumer complaints; or consumer education activities.

Under this proposed subtitle, the Fund's asset cap would be raised from $3 million to $3.4 million, and consistent with current law, any funds in excess of this amount would be deposited into the Emergency and Non-Emergency Number Telephone Calling Systems Fund ("E-911 Fund").[110]

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[104] D.C. Official Code § 28-3911 *et seq.*

[105] On May 26, 2004, Mayor Anthony Williams signed an order renaming the Office of the Corporation Counsel for the District of Columbia as the Office of the Attorney General for the District of Columbia.

[106] As stated above, this is now the OAG.

[107] Petitioning the Superior Court of the District of Columbia for temporary or permanent injunctive relief and for an award of restitution for property lost or damages suffered by District of Columbia residents as a consequence of the violation of a consumer security breach notification.

[108] This includes, but is not limited to petitioning the Superior Court of the District of Columbia to issue a temporary or permanent injunction against the use of specified acts that would violate consumer protections related to balloon payments, debts secured by cross-collateral, layaway plans, referral sales, etc.; representing the interests of consumers before administrative and regulatory agencies and legislative bodies; assisting with private, local, and federal agencies and officials to protect and promote the interests of consumers; conducting programs of consumer education and information; undertaking activities to encourage local business and industry to maintain high standards in the production, promotion, and sale of consumer goods and services and in the extension of consumer credit; and negotiating and entering into agreements for compliance by merchants with the provisions of this chapter; or publicize its own actions taken in the interests of consumers.

[109] Appeals of trade practice cases or suing in the Superior Court of the District of Columbia for a remedy, enforcement, or assessment or collection of a civil penalty relating to a trade practice case.

[110] D.C. Official Code § 34-1802.

Lastly, the proposed subtitle would introduce a new revenue source[111]: recoveries[112] from litigation brought by OAG on behalf of the District or District agencies. The percentage of such recoveries deposited into the Fund would depend on the amount of the total recovery:

- For recoveries under $2 million: 5 percent of the total amount;
- For recoveries between $2 million and $5 million: $100,000 plus 2.5 % of any amount in excess of $2 million; and
- For recoveries over $5 million: $175,000 plus 1 % of any amount in excess of $5 million.

Currently, these recoveries go into the General Fund.

Financial Plan Impact

This proposed subtitle would take a percentage of recoveries currently deposited into the General Fund and deposit them into the Consumer Protection Fund. It is not possible to estimate the amount of this transfer because: 1) the OAG has not tracked such recoveries in the past and thus has no data on them; and 2) it is not possible to know what lawsuits the District will be involved in or the outcomes, including any settlement amounts. This proposed subtitle would also raise the Fund's cap to $3.4 million. This could potentially result in a reduction in the amount of funds deposited into the E-911 Fund since any monies in excess of the cap go to that fund. However, it is also possible that the increase in revenues in the Fund due to monies from the recoveries could offset the higher the cap and/or lead to increased funds for the E-911 Fund.

Subtitle (III)(B) – E-911 and Consumer Protection Fund Emergency Amendment Act of 2009

Background

The proposed subtitle would amend the Emergency and Non-Emergency Number Telephone Calling Systems Fund ("E-911 Fund") Act of 2000[113] to prohibit the E-911 Fund after October 1, 2010 from being used for any purpose other than to defray both technology and equipment costs directly incurred by the District of Columbia and its agencies and instrumentalities in providing a 911 system, and direct costs incurred by

[111] Current revenue sources include: 1) sums as may be transferred to the Fund under a court order or judgment in an action brought pursuant to §28-3909; 2) gifts, grants, or *cy pres* payments made to support consumer protection activities by the Corporation Counsel; and 3) sums as may be recovered by the Corporation Counsel under § 28-3909 by judgment or in settlement of claims.

[112] This subtitle states that "recovery" shall include funds obtained through court determinations or through settlements of lawsuits in which OAG represents the District or District agencies, but shall not include funds obtained through administrative proceedings in which OAG represents the District or District agencies; or funds obligated to another source or fund by court order, the settlement agreement, or District or federal law.

[113] Effective October 19, 2000 (D.C. Law 13-172; D.C. Official Code § 34-1801 *et seq.*).

wireless carriers in providing wireless E-911 service.[114] It would also revise the maximum allowable amount in the District of Columbia Consumer Protection Fund ("Fund")[115] to $3.4 million. Under current law and this subtitle, any monies in excess of this maximum amount are deposited into the E-911 Fund.

Financial Plan Impact

Prohibiting monies in the E-911 Fund from being used to cover non-personnel overhead costs would not change the *status quo*. In FY 2009 and previous fiscal years, no such costs were funded from the E-911 Fund. However, in the FY 2010 budget, the E-911 Fund was budgeted to pay $1,798,889 for fixed costs.

Raising the cap on the D.C. Consumer Protection Fund to $3.4 million could result in a reduction of monies from that Fund to the E-911 Fund. However, it is not possible to reliably estimate what, if any, reduction would occur. First of all, there are no certified revenues for FY 2010 through FY 2013.[116] Secondly, the Consumer Protection Funds Act of 2009 contained in Bill 18-203 would provide an additional revenue source for the Fund, which could offset the higher cap and/or lead to increased funds for the E-911 Fund.

Subtitle (III)(C) – FEMS and DOC Headquarters Second Emergency Act of 2009

Background

The proposed subtitle would prohibit the headquarters of the Fire and Emergency Medical Services (FEMS) and the headquarters of the Department of Corrections (DOC) from being relocated to or housed in the Patricia R. Harris School ("P.R. Harris") and any funds to be expended for this purpose. It also requires the Mayor to provide a plan for the permanent relocation of the headquarters of FEMS and DOC, which is to include the proposed location, timeline, estimated costs and funding source, in his FY 2011 budget and financial plan.

The current location of the headquarters of both FEMS and DOC is the Grimke Building.

Financial Plan Impact

The proposed subtitle and the consequent Council action of a $2.1 million reduction to FEMS's proposed FY 2010 operating budget could result in a spending pressure for FEMS.

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[114] Therefore no monies could be used to defray non-personnel costs related to overhead.
[115] Established at D.C. Official Code § 28-3911.
[116] In FY 2008, the Consumer Protection's Fund ending balance was approximately $3.5 million and the FY 2009 certified revenues were $2.5 million.

The Mayor's proposed FY 2010 budget for FEMS allocated $2,108,779 for the fixed costs (natural gas, electricity, water/sewer, and occupancy) of P.R. Harris[117] under the assumption that FEMS would be moving its headquarters and a number of its offices[118] to this building in FY 2010. This amount also included the costs of temporary classrooms for EMS training and the operating costs for Candidate Physical Agility Test (CPAT) Training and the Command Training Center (CTC) program.[119] The need to budget for these three costs is new. The classrooms would be a temporary addition to alleviate overcrowding at the Fire and EMS Training Academy due to renovations. Through FY 2009, the Fire Department was able to borrow the CPAT facilities at Fairfax County Fire Department at no cost. For FY 2010, this is no longer an option. The CTC program is a new initiative. Thus in order for these programs to continue or be implemented, whether at P.R. Harris or elsewhere,[120] at least some operating funds must be budgeted to pay for the fixed costs.[121] It is not possible to estimate the required funding (that is, the potential spending pressure) without alternative plans for the EMS training classrooms, the CPAT Training and the CTC program.[122]

The FEMS FY 2010 proposed budget also includes $230,589 for the fixed costs of the Grimke Building. Thus, no additional funding would be necessary for the headquarters of FEMS and DOC to remain at the Grimke Building.

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[117] The DOC budget included $99,500 in FY 2010 for the fixed costs of P.R. Harris.

[118] These include the Fire and EMS Department Administrative Offices, including the Chief of Staff; the Planning and Standards Division for Fire and EMS; the Office of the Fire Marshal, Fire Prevention and Fire Investigation Offices; the Public Information Office for Fire and EMS; the Human Resources Office for Fire and EMS; the Information Technology Office for Fire and EMS; and the Chief Financial Officer's Office for Fire and EMS.

[119] Construction costs to build these two projects were going to come from capital funding from OPM, capital funding from FEMS, and a federal grant.

[120] This subtitle only refers to the headquarters and thus, these programs could still be moved to P.R. Harris.

[121] OPM calculated that FEMS would pay $7.30 per square foot at P.R. Harris. This was based upon 288,700 square feet of occupancy and would have covered the cost of utilities, cleaning, and occupancy. No security charges were included. If these three programs were to still go to P.R. Harris, the total fixed costs would likely be considerably less because they would not require as much square footage.

[122] If FEMS, DOC or any related program including CPAT and CTC do not move into P.R. Harris, there still would be costs associated with maintaining this building. The amount of these costs would depend on what the building was used for. For instance, currently the University of the District of Columbia uses the building for workforce programs pursuant to a lease agreement and the fixed costs in FY 2009 of $644,410 were budgeted to D.C. Public Schools. If the building remains vacant, other costs might be incurred, for example, for maintaining security in and around the area. These costs would have to be absorbed by the related agency and could result in further spending pressures. Without alternative plans for occupancy at P.R. Harris, it is not possible to estimate these costs.

Subtitle (III)(D) – Office of Administrative Hearings Mailing Certification Second Emergency Amendment Act of 2009

Background

The proposed subtitle would amend Section 216 of the Rental Housing Act of 1985[123] to provide that petitions filed by a housing provider or tenant regarding adjustments, notices of hearings regarding these petitions, and decisions made by the Rent Administrator or the Rental Housing Commission in these cases would now all be sent to the relevant parties via first-class mail instead of certified mail, as is currently required under the law. It also specifies that these documents are to include at a minimum the person served, the data served and by whom, and the manner of service.

Financial Plan Impact

By changing the form of mail to be used in correspondence between the Rent Administrator and a non-petitioning party, housing provider, or tenant regarding rent adjustment issues, the Office of Administrative Hearings could realize a minimum savings of $30,905 per year[124] and $123,622 over the FY 2010 through FY 2013 period.

Fiscal Impact of Subtitle (III)(D) Office of Administrative Hearings Mailing Certification Second Emergency Amendment Act of 2009 Cost Savings From Mailing Changes					
	FY 2010	**FY 2011**	**FY 2012**	**FY 2013**	**Four Year Total**
Net Postage Savings	**$30,905**	**$30,905**	**$30,905**	**$30,905**	**$123,622**

Assumptions:

- 419 cases per year, which was the amount of cases in FY 2008.
- Each case requires 4 initial orders, 4 motion mailings, 4 second motion mailings and 4 final order mailings.
- The current cost per mailing is $6.
- Mailings would each weigh 4 oz.
- USPS does not change its prices.

Subtitle (III)(E) – Office of Justice Grants Administration Grants Emergency Act of 2009

Background

The proposed subtitle would direct FY 2010 funds for the Office of Justice Grants Administration to be awarded as follows:

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[123] Effective July 17, 1985 (D.C. Law 6-10; D.C. Official Code § 42-3501.01 *et seq.*).

[124] Greater savings could be realized depending on the weight of the mailings, which varies from case to case. If all mailings were to each weigh 1 oz. or less, then the total savings per year would be $37,274.

- No less than $200,000 to help fund an organization that runs a rural camp in the region for District youth;
- No less than $125,000 to help fund an organization that assists inmates at the DC Jail or Correctional Treatment Facility and recently released inmates;
- For a grant to help fund an organization that diverts first-time, non-violent youth offenders away from the juvenile justice system by providing alternative sentencing that involves them in activities that help other youth and the community; and
- For a grant to help fund a community-based, cross-jurisdictional organization in the area of the Takoma Metro Station, whose objectives are to help reduce crime and promote public safety.

Financial Plan Impact

Implementation of the proposed subtitle would not impact the budget and financial plan, as it only specifies how funds already programmed are to be utilized.

Subtitle (III)(F) – Assessment of the District of Columbia Jail Facility Condition Emergency Act of 2009

Background

The proposed subtitle would require the Office of Property Management (OPM) to provide to the Council Committees on Public Safety and the Judiciary and Government Operations and Environment a detailed physical assessment of the condition of the District of Columbia's jail and ancillary facilities on or before December 15, 2009. This assessment would be funded by $50,000 available from OPM project BC101C, Facility Condition Assessment.

Financial Plan Impact

The proposed subtitle would be implemented using $500,000 in available resources from OPM and thus would not impact the budget and financial plan.

Subtitle (III)(G) – Good Time Credits Emergency Amendment Act of 2009

Background

Current law requires that incarcerated individuals *complete* an "academic or vocational program" in order to be eligible for "educational good time credits" that can be used to shorten a person's term of confinement. The proposed subtitle would amend D.C. Official Code § 24-221.01 to provide that incarcerated individuals only have to *participate* in these programs in order to be eligible for such credit. The goal of the

proposed subtitle, in part, is to reduce operating costs for the Department of Corrections (DOC) by reducing the population of the D.C. Jail.

Financial Plan Impact

DOC has calculated that implementation of the proposed subtitle would result in an estimated $4.45 million in expenditure reductions in FY 2010 due to a marginal reduction in the average length of stay for incarcerated individuals. After reviewing DOC's assumptions and methodology, the Office of Revenue Analysis (ORA) concurs with the results of DOC's analysis. ORA and DOC agree that an assumption of no growth for the savings calculation in the out-years is a reasonably conservative projection until further data are available, such as data on participation rates.

Fiscal Impact of Subtitle (III)(G)- Good Time Credits Emergency Amendment Act of 2009 Expenditure Impact on the Budget and Financial Plan (In millions of $)					
	FY 2010	**FY 2011**	**FY 2012**	**FY 2013**	**Four Year Total**
Reduction in Personnel Costs	$4.45	$4.45	$4.45	$4.45	$17.8

TITLE IV – PUBLIC EDUCATION SYSTEM

Subtitle (IV)(A) – Uniform Per Student Funding Formula for Public Schools and Public Charter Schools Second Emergency Amendment Act of 2009

Background

The proposed legislation maintains the base funding per student in a District of Columbia Public School (DCPS) or District of Columbia Public Charter School ("Charter School") at $8,770 and revises the weights for Special Education Levels 3 and 4, and limited English proficient/non-English proficient. Tables 1 through 3 summarize the funding levels for different grade levels and the associated add-ons. Additionally, the proposed subtitle amends D.C. Code § 38-2909 to cap the increase in the foundation level at two percent (the current law is four percent) or the average percentage increase in the Consumer Price Index for the preceding calendar year, whichever is less.

This subtitle also amends D.C. Code § 38-2906 to make changes necessary in accordance with the District of Columbia Education Reform Amendment Act of 2007[125]. The subtitle repeals D.C. Code § 38-2906.01, which governs formula payments to Charter Schools.[126]

Lastly, the proposed subtitle amends D.C. Code § 38-2907 on education costs excluded from the formula payments to reflect that the Office of the State Superintendent of Education (OSSE), as the state level education agency responsible for state level functions for DCPS and the Charter Schools, should receive the funding for all state level functions not funded by the Uniform Per Student Funding Formula, including transportation for students with disabilities and tuition payments for private placements for students with disabilities.

Weighting and Per Pupil Allocation, Grade Levels		
Grade Level	**Weighting**	**Per Pupil Allocation in FY 2010**
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

[125] Effective June 12, 2007 (D.C. Law 17-9; D.C. Official Code § 1-603.01 passim).
[126] The new payment rules for formula funds allocated to public charter schools are outlined in the Charter Schools Allotment Reform Act of 2009, which is the next subtitle.

Weighting and Per Pupil Allocation, Grade Levels		
Grade Level	**Weighting**	**Per Pupil Allocation in FY 2010**
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	$6,577

Special Education Add-ons			
Level/Program	**Definition**	**Weighting**	**Per Pupil Supplemental FY 2010**
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
LEP/NEP	Limited and non-English proficient students	0.45	$3,947
Summer	An accelerated instructional program in the summer for students who do not meet literacy standards pursuant to promotion policies of DCPS and the Charter Schools	0.17	$1,491
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

Residential Add-ons			
Level/Program	**Definition**	**Weighting**	**Per Pupil Supplemental FY 2010**
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

Residential Add-ons			
Level/Program	**Definition**	**Weighting**	**Per Pupil Supplemental FY 2010**
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 instructional needs of limited and non-English proficient students living in a DCPS or Charter School that provides students with room and board in a residential setting	2.924	$25,644
Level 5: Special Education - Residential	Residential placement. Additional funding to support the after hours level 4 special education needs of students living in a D.C. Public School or public charter school that provides students with room and board in a residential setting	9.400	$82,438
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 (IEP)			
Level/Program	**Definition**	**Weight**	**Per Pupil Supplemental FY 2010**
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 Add-ons for Students with Extended School Year (ESY) Indicated in their Individualized Education Programs (IEP)			
Level/Program	**Definition**	**Weight**	**Per Pupil Supplemental FY 2010**
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
Special Education Level 5 ESY	Additional funding to support the summer school/program need for students who require ESY services in their IEPs	1.598	$14,015

Financial Plan Impact

The proposed FY 2010 through FY 2013 budget and financial plan includes the effect of the changes in the foundation funding formula and the weight changes. Under the proposed subtitle, DCPS's total instructional budget funded by the funding formula would be $526.5 million. Up to an additional $3.3 million would be deposited in a non-departmental account and would be made available to DCPS upon release of audited enrollment numbers.

The Charter Schools would receive approximately $406 million supporting instructional expenditures and facilities management. Of this budget, $317.8 million would be supported by local funds, and $7.39 million from State Fiscal Stabilization funds received under the provisions of the American Recovery and Reinvestment Act.

Additionally, during FY 2010, $149.10 million in local funds would be allocated to pay for non-public tuition and $77.43 million to support Special Education Transportation.[127]

Subtitle (IV)(B) – Charter School Facilities Allotment Reform Second Emergency Amendment Act of 2009

Background

The proposed subtitle amends D.C. Code § 38-2908, which regulates the calculation and disbursement of facilities allowance for District of Columbia Public Charter Schools ("Charter Schools"). Specifically, the proposed legislation reduces the per pupil facilities allowance from $3,109 to $2,800.

[127] Special Education Transportation has been under control of a federal court appointed administrator for several years, and the final budget is determined by a federal judge.

Financial Plan Impact

The proposed FY 2010 through FY 2013 budget and financial plan includes the effects of the proposed changes in the calculation of facilities allowance payments. The proposed FY 2010 budget plan allocates $80.75 million for facilities allowance for the Charter Schools. Funds allocated through Uniform Per Pupil Student Funding Formula would constitute $67.3 million of these funds, including an internal reallocation of $3.7 million of existing funds.[128] Additionally, the proposed FY 2010 budget would allocate an additional $16.7 million for Charter School facilities from the following sources:

- $10 million in one time one-time local funding from the Committee on Housing and Workforce Development;
- $1.4 million in one-time funding from the Committee on Public Works and Transportation from increase revenue from parking control officers;
- $200,000 in local funds from Public Charter School Board; and
- $1.4 million in one-time local funding from Debt Service.

Subtitle (IV)(C) – Public Charter School Facilities Allotment Task Force Establishment Emergency Act of 2009

Background

The proposed subtitle would establish a Public Charter School Facilities Allotment Task Force ("Task Force") to consult with District of Columbia Public Charter Schools ("Charter Schools"), the Council, relevant District government agencies, and banking or other financial professionals to determine the financial implications of any changes to the current uniform per student formula for the charter schools facilities allotment, to conduct a comprehensive analysis of facilities expenditures among Charter Schools, to develop recommendations for a cost-based allocation formula for the public charter schools facilities allotment, and to identify cost-saving strategies and measures to ensure that public charter schools facilities allotment funds are used exclusively on public charter school facilities. The Task Force would submit its analysis and recommendations to the Council by November 30, 2009, and be disbanded by no later than December 31, 2009.

Financial Plan Impact

The establishment of the Task Force does not have an impact on the District's proposed budget and financial plan.

[128] These funds include $1.4 million existing reallocation within Charter Schools from funding for Phillips Academy, which will not open in 2010, and a $2.3 million from the planned funding for MEI Futures Public Charter School because the school will close.

Subtitle (IV)(D) – State Board of Education Clarification Emergency Amendment Act of 2009

Background

The proposed subtitle amends D.C. Official Code to clarify responsibilities of the State Board of Education ("Board"). Specifically, it terminates Office of the State Superintendent of Education (OSSE)'s responsibility to provide staff support to the Board[129], and authorizes the Mayor[130], by order, to specify the Board's organizational structure, staff, budget, operations, reimbursement of expenses policy, and other matters affecting the Board's functions, provided that the Board would be allocated three full time equivalent (FTE) staff members to perform administrative functions from within OSSE. The legislation specifies that these staff members would be selected by the Board from a list of at least three suitably qualified individuals per position, produced by the State Superintendent. These individuals would not be removed except with the approval of both the Board and the State Superintendent.

Financial Plan Impact

The OSSE has sufficient FTE authority to incorporate the effect of the proposed legislation in their budget and financial plan. The proposed amendment does not have a negative impact on the proposed FY 2010 through FY 2013 budget and financial plan.

Subtitle (IV)(E) – DCPL Procurement Emergency Act of 2009

Background

The proposed subtitle gives the Board of Library Trustees ("Board") the authority on a permanent basis to provide for the care and preservation of the library[131] and to procure all goods and services necessary to operate the library system[132], independent of the Office of Contracting and Procurement and the requirements of the District of Columbia Procurement Practices Act of 1985[133] (PPA), except for those provisions of the PPA concerning contract protests, appeals, and claims. It also amends the PPA to exempt the Board from the provisions of the PPA except for those concerning contract protests, appeals, and claims; and specifies that the Board may issue rules to govern its procurement, conditioned on the approval of the Council.

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[129] By repealing D.C. Official Code § 38-2602(b)(14)
[130] By amending D.C. Official Code § 38-2652(d)
[131] Amendment to D.C. Official Code § 39-105(a)(1) by striking the provision that "provided, however, that contracting for the maintenance of the library and the erection or enlargement of library buildings shall be carried out by the Office of Contracting and Procurement on behalf of the Board"
[132] By amending D.C. Official Code § 39-105(a)(3)
[133] Effective February 21, 1986 (D.C. Law 6-85; D.C. Official Code § 2-301.01 *et seq.*).

Financial Plan Impact

The proposed FY 2010 through FY 2013 budget and financial plan includes the effects of the rule changes proposed by this subtitle.

Subtitle (IV)(F) – Department of Education Establishment Emergency Amendment Act of 2009

Background

The proposed subtitle would clarify that the jurisdiction of Department of Education from early childhood to the post-secondary education levels includes D.C. Public Schools (DCPS), public charter schools, and the University of the District of Columbia; it would move the Office of Ombudsman for Public Education out of the Department of Education. In addition, the subtitle would add, among responsibilities of the Deputy Mayor for Education, the preparation of an Education and Youth Development Plan that would be reviewed and updated every 3 years by the Mayor and would include a clear vision statement for children and youth from age zero to 24, goals and priorities, assessment of needs, a timeline and benchmarks, and a framework that indicates shared accountability, community involvement, and coordination[134].

This legislation would also change the Department of Education evaluation rules.[135] By October 1 of each year, beginning in 2009, and every year thereafter, an evaluator would be retained to conduct an independent evaluation of DCPS and of any affiliated education reform efforts; and by September 30, 2014, the independent evaluator would submit to the Council, the State Board of Education, and the Mayor a 5-year assessment of the public education system. It is also specified that the evaluations and assessment required would be conducted by the National Research Council of the National Academy of Sciences (NRC), based on a compilation of data and analysis plan to be submitted to the Council and the Mayor by December 31, 2009. By October 5, 2009, the Office of the Chief Financial Officer would transfer $325,000 in local funds through an intra-District transfer from DCPS to the Office of the D.C. Auditor to contract with NRC to conduct the initial evaluation required by this section.

Financial Plan Impact

The proposed FY 2010 through FY 2013 budget and financial plan includes the effects of this subtitle.

[134] By amending D.C. Code § 38-191(b), and adding new subsections (c), (d), and (e).
[135] Amendment to D.C. Code § 38-193(a).

Subtitle (IV)(G) – Interagency Collaboration and Services Integration Commission Establishment Emergency Amendment Act of 2009

Background

The proposed subtitle changes the name of the "Interagency Collaboration and Services Integration Commission" to "Statewide Commission on Children, Youth, and their Families[136];" and redefines its purpose[137] so that it would be more aligned with the statewide education and youth development framework and strategic plan as "to promote a vision of the District of Columbia as a stable, safe, and healthy environment for children, youth, and their families by reducing juvenile and family violence and promoting social and emotional skills among children, youth, and their families through the oversight of a comprehensive, community-based integrated service delivery system aligned with the statewide strategic education and youth development plan...." The legislation also proposes an addition to the duties of the Commission so it would develop goals and determine priorities for children, youth, and their families; would meet at least four times a year; and would place its ongoing initiatives and activities on the Deputy Mayor for Education's website[138]. Additionally, the legislation includes among the membership of the Commission the Executive Director of the Children and Youth Investment Trust Corporation, the President of the State Board of Education, and five members from the community to be appointed by the Mayor[139].

Financial Plan Impact

The proposed legislation does not have an impact on the District's proposed budget and financial plan.

Subtitle (IV)(H) – Master Facilities Plan and School Facility Capital Improvement Plan Reconciliation Second Emergency Amendment Act of 2009

Background

The proposed subtitle requires that the multiyear Facilities Master Plan for the District of Columbia Public Schools and public charter schools, currently submitted to the Council by the D.C. Public Schools, would be renamed as "Master Facilities Plan," developed with the Office of Public Education Facilities Modernization, and submitted by the Mayor to the Council along with the Mayor's annual submission of a budget

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[136] By amending D.C. Code § 2-1592.
[137] Currently, the purpose of the Commission is stated as "to address the needs of at-risk children by reducing juvenile and family violence and promoting social and emotional skills among children and youth through the oversight of a comprehensive integrated service delivery system that ...." See D.C. Code § 2-1593.
[138] D.C. Code § 2-1594 and § 2-1595
[139] D.C. Official Code § 2-1596

recommendation for public schools.[140] The legislation also repeals D.C. Official Code § 38-2973.03, which requires annual adoption of Capital Improvement Plan and Budget to implement the approved Facilities Master Plan for the D.C. Public Schools. Furthermore, among the detailed and updated data and analysis requirements included in the Master Facilities Plan[141], the proposed legislation clarifies one item about a school-by-school description relating facility needs and requirements to the facility's programmatic usage and to the statewide education and youth development plan; and adds three new items regarding a communications and community involvement plan for each school that includes engagement of key stakeholders throughout the community, evidence of coordination of the District's education sector with housing, health and welfare, and economic development policies and plans, and the location, planning, use, and design of the District's educational facilities and campuses, and includes key stakeholders throughout the community among the parties with whom the Mayor would consult in developing the Master Facilities Plan.

Additionally, the proposed legislation requires that a Public School Facility Capital Improvement Plan (School Facility CIP) would be updated each fiscal year as part of the Mayor's Capital Improvement Plan for all public facilities; details the content of the School Facility CIP; and requires that the Mayor, prior to submitting a School Facility CIP to the Council, conduct a public hearing to solicit the views of the public.

Financial Plan Impact

The proposed legislation makes technical changes concerning the Facilities Master Plan, and does not have an impact on the District's budget and financial plan for FY 2010 through FY 2013.

Subtitle (IV)(I) – Reserve for African-American Civil War Records Second Emergency Act of 2009

Background

The proposed subtitle would reserve $4 million from FY 2010 pooled capital funds from within the Office of Property Management and $1 million in FY 2011 capital funds from within the Department of Parks and Recreation to be transferred to the District of Columbia Public Library for the purposes of the renovation of space in the Grimke School for the African-American Civil War Museum. Under the proposed subtitle, the actual transfer of funds would be contingent upon the Council's approval of a proposed plan and the consequent costs for the construction of the Museum. The legislation also specifies that the District of Columbia Public Library would have authority to negotiate for additional floor space within Grimke School for the African-American Civil War Museum.

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[140] D.C. Official Code § 38-2803
[141] D.C. Official Code § 38-2803(b)

Financial Plan Impact

The proposed FY 2010 through FY 2013 budget and financial plan includes the effects of the rule changes proposed by this subtitle.

Subtitle (IV)(J) – University of the District of Columbia Expansion Emergency Act of 2009

Background

The proposed subtitle authorizes the University of the District of Columbia (UDC) to have exclusive use of the recently closed Bertie Backus Middle School building and site located at 5171 South Dakota Avenue, N.E. in Ward 5 to expand upon its collegiate mission.

Financial Plan Impact

Authorizing UDC to have exclusive use Bertie Backus Middle School would have a positive impact on the proposed FY 2010 through FY 2013 budget and financial plan.

The proposed FY 2010 budget treats Bertie Backus Middle School as vacant, requiring an annual expenditure of $172,328 to pay for the fixed costs associated with maintaining this building. If UDC were to use this building, the District of Columbia would no longer have to pay for these fixed costs. According to an estimate provided by the Office of Property Management, if UDC decides to use this building, it would have to spend approximately $1.7 million in FY 2010.[142] The FY 2010 budget for UDC allocates $1.9 million for recurring costs and $2.4 million for one-time costs associated with the lease of this property.

Subtitle (IV)(K) – Fiscal Year 2009 Office of Public Education Facilities Modernization Funding Third Emergency Amendment Act of 2009

Background

The proposed subtitle authorizes the following allocations for projects from funds previously authorized, but not allocated, in the Fiscal Year 2009 Proposed Financial Plan and Budget:

[142] These are based on historic costs and include the following: janitorial $317,000; landscaping $35,000; trash $5,000; HVAC $53,400; boilers $300,000; engineer $145,006; fire alarm $150,000; minor improvements $200,000; general maintenance $225,000; and utilities $254,241.

- Up to $38.4 million to fund ongoing modernization projects at Wheatley Middle School, Alice Deal Middle School, HD Cooke Elementary School, Savoy Elementary School, and School Without Walls;
- $9.5 million for the completion of design and to begin construction of HD Woodson Senior High School in accordance with the Science Technology Engineering and Mathematics academic model;
- $7.5 million to begin modernization of Eastern High School;
- $1.5 million to continue the development of the designs for Anacostia High School and Wilson High School;
- $6.341 million for Phase I modernizations, identified in the proposed Master Facilities Plan for Brent, Tubman and Burroughs Elementary Schools;
- $12.537 million for facility additions and new construction at Stoddert Elementary School and Janney Elementary School;
- $8.740 million for athletic field and playground work, including facilities at Bell/Lincoln High School, Mann Elementary School, Murch Elementary School, Tubman Elementary School, Green Elementary School, and other facilities identified by the Office of Public Education Facilities Modernization ("OPEFM");
- $0.265 million for auditing of the repair, improvement, and modernization programs; and
- $2.666 million for planning and program management services.

Additionally the proposed subtitle authorizes the following allocations to OPEFM, pursuant to the Fiscal Year 2010 Proposed Financial Plan and Budget and the Reallocation of Capital Budget Funding Second Emergency Act of 2009, passed on emergency basis on September 22, 2009 (Enrolled version of Bill 18-443), which would be funded through the reprogramming of $45.280 million from project PL106C, entitled "Government Centers."

- $3.6 million for the Phase I Elementary, Middle Schools Modernization program, including critical system repairs to Hart Middle School and Ferebee Hope Elementary School;
- $13.5 million for projects in the Stabilization program city-wide, including the air conditioning of the Coolidge High School gymnasium and the Banneker High School auditorium ($2.1 million), window replacements at Kimball Elementary School, Maury Elementary School, and Ketcham Elementary School ($4.35 million), security doors at Hart Middle School ($.55 million), roof replacement at Brent Elementary School ($.800 million), installation of a computer lab at Anacostia High School ($.275 million), and renovation of Rose / Reno School for enhanced capacity at Deal Middle School ($4 million);
- $2.48 million for a new program, Elementary Athletic Facilities and Playgrounds, to include improvements at Orr, Terrell McGogney, River Terrace, and Kenilworth Elementary Schools;

- $20 million for the Selected Additions and New Construction program, including $9 million for advancing the start of construction of a new Dunbar High School to fiscal year 2010, and $11 million for Stoddert Elementary;
- $2.2 million for planning to support development of individual projects and completion of a comprehensive Master Facilities Plan; and
- $3.5 million for improvements required by the Americans with Disabilities Act, including at Banneker High School and Beers Elementary School.

Finally, the proposed subsection requires the Mayor to provide to the Council information and estimates for all of these projects prior to submission of contracts.

Financial Plan Impact

OPEFM's FY 2009 capital budget includes $117.45 million in general obligation bond funding. The Fiscal Year 2009 Balanced Budget Support Temporary Amendment Act of 2008[143] authorized OPEFM to spend only $30 million, leaving $87.45 million in funding unavailable to be spent. The proposed legislation would provide OPEFM with the authority to spend the available $87.45 million, which would fund all of FY 2009 capital projects shown in the above list.

The proposed subtitle would also require an additional $45.28 million in FY 2010 allocations to OPEFM to support the FY 2010 capital projects shown in the above list. The subtitle identifies $45.28 million in funding that will be reprogrammed from project PL106C, "Government Centers" in order to fund these OPEFM capital projects.

Subtitle (IV)(L) – Accuracy in Public Education Projections Emergency Act of 2009

Background

The proposed subtitle requires the convention of a working group with participants from the Office of the State Superintendent, the Council, District of Columbia Public Schools (DCPS), and the Public Charter School Board to develop a uniform method by which enrollment projections will be completed for both DCPS and the Public Charter Schools based on empirical and objective data. The methodology would be developed by a third-party, independent of the government of the District of Columbia, and the enrollment projections would include the demographic analysis and necessary programmatic factors upon which future budgets would be based, beginning with the Fiscal Year 2011 budget.

Financial Plan Impact

The proposed FY 2010 through FY 2013 budget and financial plan does not allocate funds for the commissioning of an independent party to prepare the requested

[143] Effective March 21, 2009 (D.C. Law 17-326).

methodology. At the time of this commissioned, sufficient funds must be identified within the Office of the State Superintendent's budget to execute the necessary contract.

Subtitle (IV)(M) – Pre-Kindergarten Community-Based Organization Support Emergency Act of 2009

Background

The proposed subtitle authorizes that $2,400,000 of the fiscal year 2010 local funds appropriated for pre-kindergarten programs and services within the Office of the State Superintendent of Education would be used for increasing pre-k slots in community-based organizations.

Financial Plan Impact

The proposed FY 2010 through FY 2013 budget and financial plan includes the effect of the proposed subtitle.

Subtitle (IV)(N) – District of Columbia School Reform Education Facility Emergency Act of 2009

Background

The proposed subtitle allows the current tenant of Slater School, the Associates for Renewal of Education, Inc.,[144] to have the right of first offer on a disposition of Slater School, be permitted to remain and continue to operate in Slater School under existing terms and conditions of its lease throughout the leasing preference procedure, and be allowed to make any functional improvements and general repairs as necessary.[145] The legislation also requires that the Office of Property Management would finalize a lease with Associates for Renewal of Education, Inc., within 90 days of the effective date of the District of Columbia School Reform Education Facility Emergency Act of 2009.

Financial Plan Impact

The proposed legislation offers the right of first offer on a disposition of Slater School to its current tenant, and continues a lease with this tenant under existing terms and conditions. These provisions do not have an impact on the District's FY 2010 through FY 2013 budget and financial plan.

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[144] The Associates for Renewal of Education, Inc. is an organization providing youth and educational services. It has been the tenant of Slater School since prior to December 2004.

[145] Pursuant to section 2209(b)(1)(A)(i)(I)(bb) of the District of Columbia School Reform Act of 1995, approved April 26, 1996 (110 Stat. 1321; D.C. Official Code § 38-1802.09(b)(1)(A)(i)(I)(bb)).

Subtitle (IV)(O) – Transfer of Capital Budget Authority and Funding to the University of the District of Columbia Emergency Act of 2009

Background

The proposed subtitle authorizes University of the District of Columbia (UDC) to be responsible from implementation of all of its capital projects, starting from October 1, 2009. The legislation transfers the budget authority and any unexpended balances of appropriations, allocations, income, and other funds for all UDC capital projects from the Department of Real Estate Services to UDC upon the effective date of the Fiscal Year 2010 Budget Support Second Emergency Act of 2009, passed on emergency basis on September 22, 2009 (Enrolled version of Bill 18-443).

Financial Plan Impact

The proposed legislation transfers the capital budget authority and funding from the Department of Real Estate Services to UDC so UDC would be able to prioritize its capital projects and move forward expeditiously with project implementation. It does not have an impact on the District's FY 2010 through FY 2013 budget and financial plan.

Subtitle (IV)(P) – District of Columbia Public Schools Reality Office Transfer Emergency Act of 2009

Background

The proposed subtitle transfers all functions, authority, programs, positions, personnel, property, records, and unexpended balances of appropriations, allocations, and other funds available or to be made available to the District of Columbia Public Schools Realty Office to the Office of Public Education Facilities Modernization (OPEFM), and specifies that all rules, orders, obligations, determinations, grants, contracts, licenses, and agreements of the Board of Education and the District of Columbia Public Schools (DCPS) transferred to the Mayor by this legislation would continue in effect according to their terms until lawfully amended, repealed, or modified.

Financial Plan Impact

FY 2010 Budget Request Act, enacted on June 18, 2009 transfers funds from the DCPS to the OPEFM to support the Realty Office. The proposed legislation provides a conforming amendment to ensure all authority, functions, and personnel are also transferred to OPEFM, and do not have an impact on the District's FY 2010 through FY 2013 budget and financial plan.

Subtitle (IV)(Q) – Carnegie Library Exhibit Emergency Act of 2009

Background

The proposed subtitle authorizes the District of Columbia Public Library (DCPL) to provide grants to the Historical Society of Washington, D.C., so that the DCPL would comply with directives in the FY 2010 Committee Report of the Committee on Libraries, Parks and Recreation concerning $1 million in capital funds originating in the Department of Parks and Recreation for the Carnegie Library to support the Historical Society of Washington, DC in developing exhibits in the Carnegie Library.

Financial Plan Impact

The proposed FY 2010 through FY 2013 budget and financial plan includes the effects of the rule changes proposed by this subtitle.

Subtitle (IV)(R) –Child Care Services Emergency Act of 2009

Background

The proposed subtitle requires the Office of the State Superintendent of Education (OSSE) to continue to provide direct child care programs through the Department of Parks and Recreation (DPR), including daycare, early and after school care services at all recreation-based sites, including all sites in the Request for Offers (OPM-RFO-OUT-2009-2) issued by the Department of Real Estate Services until other licensed providers are approved by the Council for those services. It also requires OSSE to provide to the Council a comprehensive analysis and plan for child care programs for special needs and developmentally disabled children in fiscal year 2010, by November 15, 2009.

Financial Plan Impact

The budget for Early Care and Education Administration (ECEA) under OSSE is for early child care purposes, and is payable on a reimbursable basis. The actual reimbursement amount payable to each ECEA provider is based on the actual number of children enrolled by the provider for ECEA.

Under the proposed legislation, OSSE would be required to use DPR to provide daycare services until the contract procured through OPM-RFO-OUT-2009-2 is in place. DPR will be obligated to cover the costs of providing daycare services solely with intra-District funds it would receive from OSSE based on verified actual enrollment numbers. No other funds exist in DPR's budget to support the operation of daycare centers.

The proposed legislation also obligates OSSE to provide a comprehensive analysis and plan for child care programs for special needs and developmentally disabled children in FY 2010. No specific details have been shared with OCFO on the nature of this study, and therefore the lack of specifics prevents the OCFO from making an assessment on the costs of the proposed study. It is important to note OSSE's FY 2010 budget is fully obligated under its current expenditure plan, constraining the design and depth of the study.

TITLE V– HUMAN SUPPORT SERVICES

Subtitle (V)(A) – Grandparent Caregivers Extension Program Emergency Amendment Act of 2009

Background

The proposed subtitle would amend D.C. Official Code § 4-251.02 to make permanent the program through which a grandparent may be eligible to receive subsidy payments for the care and custody of a child. The 2005 legislation[146] that established the Grandparent Caregivers Pilot Program ("Program") is set to expire on the last day of FY 2009 (September 30, 2009).

Financial Plan Impact

Given that Program subsidies are subject to the availability of appropriations and that the Program is not an entitlement, making it permanent would not automatically create an additional liability for the District. As has been the case since the inception of the Program, subsidies could only be granted in a given fiscal year to the extent that funding is identified in the budget for such a purpose in that fiscal year.

Subtitle (V)(B) – Department of Health Grant Authority Emergency Amendment Act of 2009

Background

The proposed subtitle would amend the Department of Health Functions Clarification Act of 2001[147] to provide the Director of the Department of Health (DOH) authority in FY 2010 to issue grants to qualified community providers for the purposes of conducting health promotion, disease prevention, and provision of health services; provided that any grant in excess of $250,000 would be awarded through a competitive process unless otherwise authorized by law. It would also require DOH to submit a quarterly report on grants issued to the Council.

Financial Plan Impact

Providing grant authority to the Director of DOH would not have an impact on the budget and financial plan. However, any grants made pursuant to this authority could not exceed the approved DOH budget in any given fiscal year.

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[146] Grandparent Caregivers Pilot Program Establishment Act of 2005, effective March 8, 2006 (D.C. Law 16-69; D.C. Official Code § 4-251.02).
[147] Effective October 3, 2001 (D.C. Law 14-28; D.C. Official Code § 7-731 *et seq.*).

Subtitle (V)(C) – Effi Slaughter Barry HIV/AIDS Initiative Emergency Amendment Act of 2009

Background

The proposed subtitle would amend The Effi Slaughter Barry HIV/AIDS Initiative Act of 2008[148] ("Initiative") to update language regarding the type of support assistance under the Initiative is to provide,[149] as well as to clarify that the HIV/AIDS service providers receiving assistance are to be located east of the Anacostia River. The proposed subtitle would also provide that the Department of Health (DOH) would be required to distribute capacity building grants to Initiative participants "...[i]n an amount not to exceed the funds available in the Effi Slaughter Barry Initiative Fund." The Director of DOH would be authorized to make grants to qualified community providers to effectuate the purposes of this subtitle, subject to terms and conditions approved by DOH.

Financial Plan Impact

The proposed subtitle does not have an impact on the budget and financial plan. Any grants made pursuant to the Initiative could not exceed the funds available in the Effi Slaughter Barry Initiative Fund.

Subtitle (V)(D) – Medical Assistance Program Second Emergency Amendment Act of 2009

Background

Under current law[150], prior to submitting or implementing a Medicaid plan, amendment, or waiver, the Mayor must submit the proposal to Council for approval.[151] The proposed subtitle would provide that review and approval by the Council of the Fiscal Year 2010 Budget and Financial Plan would constitute such approval for any modifications or waivers required to implement during FY 2010 nine specified initiatives.[152]

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[148] Effective March 20, 2008 (D.C. Law 17-117; D.C. Official Code § 7-1611 *et seq.*).

[149] This includes: 1) implementation or expansion of HIV/AIDS prevention and support programs; 2) development of accurate performance measurement capabilities; or 3) promotion of revenue diversity.

[150] Title XIX of the Social Security Act for a medical assistance program and for other purposes, approved December 27, 1967 (81 Stat. 744; D.C. Official Code §1.307.02(a).

[151] If the Council does not approve or disapprove the submission within 30 days of receipt from the Mayor, the plan is deemed approved.

[152] These include the following:

A. Utilize Disproportionate Share Hospital funding to support the transition of individuals into health insurance programs through the modification of the Disproportionate Share Hospital qualification and distribution methodology;
B. Change service limit methodology for personal care aide services;
C. Enhance prescription drug utilization and review activities;
D. Reduce reimbursement rates for prescription drugs to align pharmaceutical spending with national payment trends;

Financial Plan Impact

Implementation of the proposed subtitle would not impact the budget and financial plan.

Subtitle (V)(E) – Continuation of Health Coverage Emergency Amendment Act of 2009

Background

The proposed subtitle would amend the Continuation of Health Coverage Act of 2002 ("Act")[153] to reflect provisions in the American Recovery and Reinvestment Act of 2009 (ARRA)[154] regarding the length of time certain employees shall have the right to continue coverage under their employers' health benefit plans.

Currently under the Act, an employee has the right to continue coverage under the employer's health benefits plan for a period of *three* months unless the employee was terminated for gross misconduct, is eligible for an extension of coverage required under the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA)[155], or fails to complete timely election and payment as provided in the Act. The employee is solely responsible for paying the premium for this continued coverage; the District of Columbia Government or other employers do not pay or subsidize this cost at all.[156]

Under the ARRA, there is still no obligation for the District of Columbia Government or any other employer to pay any portion of this continued coverage; however, the federal government will pay for 65 percent of the cost, leaving the employee responsible for only 35 percent., This premium reduction is available for up to *nine months* to an employee who is eligible for COBRA continuation coverage at any time during the period from September 1, 2008 through December 31, 2009, elects COBRA coverage (when first offered or during the additional election period provided by ARRA), and whose COBRA election opportunity relates to an involuntary termination of employment that occurred at some time from September 1, 2008 through December 31, 2009.[157]

E. Change methodologies for recovering improper payments;
F. Obtain available State Children's Health Insurance Program funding for immigrant children and pregnant women;
G. Shift coverage for unborn children of undocumented immigrants from the D.C. HealthCare Alliance to Medicaid;
H. Implement a new methodology for fee-for-service inpatient hospital reimbursement; and
I. Reduce disallowances for public provider agencies.

[153] Effective June 25, 2002 (D.C. Law 14-149; D.C. Official Code § 32-732(a)).
[154] Approved February 17, 2009, Pub. L. No. 111-5.
[155] Approved April 7, 1986, 100 Stat. 82; codified in scattered sections of the U.S. Code.
[156] However, as provided in the Act, the covered individual's cost for continued coverage shall not exceed 102% of the group rate.
[157] However, if the employee is or becomes eligible for another group health coverage plan (such as through a new employer or their spouse) or Medicare, he does not qualify for this premium reduction.

This subtitle would allow these employees the right to continue coverage under their employees' health benefits plans for as long as they are eligible for this premium assistance under the ARRA. As stated above, this is likely to be nine months, unless they become eligible for another group health coverage plan or Medicare. This subtitle does not affect the length of continued health care coverage for any other type of employees.

Financial Plan Impact

Extending the period of time during which an employee eligible for premium assistance under the ARRA has the right to continue coverage under the employer's health benefits plan would not have an impact on the budget and the financial plan. The employee and the federal government bear the cost for the continued benefit, not the District of Columbia Government.

Subtitle (V)(F) – Human Services Reporting Requirements Emergency Act of 2009

Background

This subtitle would require the submission of the following reports to the Council: a report on the Housing First Program by the District of Columbia Auditor, a winter plan report and an evaluation regarding services for the homeless by the Department of Human Services (DHS), and a report on the healthy foods initiative by DHS.

Financial Plan Impact

The D.C. Auditor and DHS could accommodate their reporting requirements within their proposed FY 2010 budgets. The report on the healthy foods initiative would be funded by not less than $500,000 of federal stimulus funds, which would be provided to the agency best suited to write the report.

Subtitle (V)(G) – Children and Youth Initiative Establishment Emergency Amendment Act of 2009

Background

The proposed subtitle would amend the Children and Youth Initiative Establishment Act of 1999 ("Act")[158] to require the Mayor to submit to the Council for approval any grants in excess of $1 million, as well as detailed quarterly status reports for such approved grants. These are grants that would not otherwise be allocated by the Council for the single non-service-provider non-profit organization specified under the Act. The subtitle also would require the sub-grants to be awarded on a 3-year basis, subject to available

[158] Effective October 20, 1999 (D.C. Law 13-38; D. C. Official Code § 2-1551 *et seq.*).

funds, and that at least 50 percent of the review panel for the sub-grants applications would be individuals not affiliated with the D.C. Children and Youth Investment Trust Corporation (CYITC).

Currently under the Act, the Mayor[159] is authorized to make grants to a single non-service- provider non-profit organization, of which at least 90 percent is to be used to make sub-grants for the purpose of providing services. The sub-grantees are to provide early childhood development opportunities, safe and enriching centers of learning in and out of school, and other training, recreational and educational services, to District children, youth, and their families. CYITC currently serves as this single non-service-provider non-profit organization. [160]

Under the proposed subtitle, the Mayor,[161] in accordance with Section 451 of the District of Columbia Home Rule Act,[162] would have to submit to the Council for approval any grant in excess of $1 million that otherwise would not be allocated to CYITC by the Council. [163] This is an important clarification as this legislation is not intended to apply to funds annually approved for CYITC through the Budget Request Act. Instead, it is intended to apply to those grants in excess of $1 million that are made outside of this process, i.e., that are made directly to CYITC by the Mayor or agencies that have been delegated such authority. [164]

The Mayor would also be required to submit a detailed quarterly report[165] for such approved grants to the Council.[166]

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[159] Please note that by Mayor's Order 2008-58, dated March 31, 2008, the Mayor delegated this authority to the Directors of the Child and Family Services Agency, the Department of Youth Rehabilitation Services, and the Department of Mental Health.

[160] In fact, CYITC was incorporated in June 1999 to serve as this single non-service provider, non-profit organization and thus receive funding designated under the Act. It continues to serve as this provider to date. The goal of CYITC is to create a sustainable network of effective programs for children, youth, and families across the District that encourages their healthy development through support for quality out-of-school time programs and opportunities. CYITC leverages public and private funds which are disbursed through grants to community organizations in the District that provide direct services to children, youth, and their families.

[161] Or those individuals delegated such authority.

[162] Approved December 24, 1973 (87 Stat. 803; D.C. Official Code § 1-204.51). It states that "No contract involving expenditures in excess of $1,000,000 during a 12-month period may be made unless the Mayor submits the contract to the Council for its approval and the Council approves the contract (in accordance with criteria established by act of the Council)."

[163] Such funds are given to the Children and Youth Investment Collaborative, whose mission is to provide funds to CYITC.

[164] To date, the only known case involves the Department of Youth Rehabilitation Services entering into a grant agreement on November 21, 2008 to award a total of $6,750,000 during FY 2009 and FY 2010 to CYITC for them to sub-grant to two community-based organizations to create Lead Entities. The agreement further specifies that an additional $14.3 million in grant funding will be awarded to the Lead Entities in Years 2 through 5.

[165] This report is to contain: detailed grantee data; performance measures and performance outcomes under each grant; the specific services provided to children and youth under each grant; the entity providing the services, if one other than the grantee; the time period of delivery of the services; the type of service

Financial Plan Impact

Requiring Council approval for grants over $1 million would not have any fiscal impact. In addition, since the grantee and sub-grantees are already subject to reporting requirements[167, 168], it is assumed that the costs associated with submitting the quarterly reports would be minimal and could be absorbed within the current budget.

Subtitle (V)(H) – Department on Disability Services Reporting, Waiting List, and Assessment Emergency Amendment Act of 2009

Background

The proposed subtitle would amend the Department on Disability Services Establishment Act of 2006[169] to require the Department of Disability Services (DDS) to confer with residents with intellectual and developmental disabilities and their families, service providers, and advocates regarding both the establishment a waiting list for support and services that provides rules and procedures[170] and the conduct of an assessment of District residents with intellectual and developmental disabilities. It would also require the Mayor to publish reports every two months throughout FY 2010 and quarterly thereafter that provide information on persons seeking and receiving services from DDS.

Financial Plan Impact

DDS could absorb the cost of implementing this subtitle within their proposed FY 2010 budget.

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provided; the actual amount paid for the services; and the amount of other expenditures under the grant, if any.

[166] It would be at the Mayor's discretion whether to retain the responsibility for writing these reports or delegating it to the agencies or CYITC.

[167] See FY 2000 Budget Support Act of 1999, Title XXIV, Section 2404 (2)(E).

[168] Also, the MOU between the Department of Youth Rehabilitation Services (DYRS) and CYITC states that DYRS shall document and track grantee data through a monthly report that captures services provided to DYRS youth and families, flexible funding expenditures, date(s) of services, type of service, and amount paid. CYITC shall provide on a quarterly basis a financial accounting and detailed description of expenses associated with the MOU.

[169] Effective March 14, 2007 (D.C. Law 16-264; D.C. Official Code § 7-761.01 *et seq.*).

[170] Including: that persons on the waiting list begin to receive support and services within a reasonable period of time; that the allocation of support and services is based on a fair, equitable, and consistent method; that the minimum support and services are available to all eligible persons; the support and services for which a waiting list will be established; how a person is placed on the waiting list; the criteria that determine rank on the waiting list; the criteria for providing immediate services to a person on the waiting list; the process for a person to appeal his or her placement or rank on the waiting list; and the notice procedure for informing a person of his or her placement on the waiting list, including how long the person can expect to wait for support and services.

Subtitle (V)(I) – Food Stamp Expansion Emergency Act of 2009

Background

The proposed subtitle would require the Mayor to establish a program or service funded by Temporary Assistance for Needy Families (TANF) for the purpose of establishing Categorical Eligibility[171] for the Supplemental Nutrition Assistance Program (SNAP)[172], and to establish a Low Income Home Energy Assistance Program (LIHEAP) Heat and Eat Initiative for the purpose of providing the maximum standard utility allowance to all participants. These two separate initiatives are aimed at expanding eligibility and increasing the benefits of the District's federally funded food stamp program by utilizing existing mechanisms within the federal regulations.

First, this subtitle would require the Mayor to establish a TANF funded program[173] with the only eligibility requirement of a gross income at or below *200 percent* of the federal poverty level (FPL).[174] Establishing this program would allow the District to establish "Categorical Eligibility," rendering its participants eligible for the food stamp program.[175] That is, the participants would be able to bypass the food stamp program's current eligibility requirements of a gross-income limit of *130 percent* of the federal poverty level and an asset cap of $2,000 (or $3,000 for households with seniors).[176] As a result, it is estimated that 2,500 to 5,500 new individuals would enroll in the food stamp program and, in total, would receive roughly $2 million in federal funds to purchase food.[177]

Second, this subtitle would require the Mayor to establish a LIHEAP Heat and Eat Initiative, a program in which all food stamp recipients would be automatically enrolled and provided a minimum annual benefit of $1. This benefit would not be intended to offset participants' true utility costs, but rather it would allow the District to capitalize on federal SNAP regulations that allow individuals enrolled in the food stamp program who

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[171] Categorical Eligibility means the automatic eligibility for the food stamp program as determined by the enrollment in a separate TANF funded program.
[172] This program is also commonly known as the food stamp program.
[173] An example is a one page flyer regarding job training services available within the District of Columbia that would be attached to the food stamp application form.
[174] Participants would not have to meet any TANF cash assistance requirements or be recipients of such assistance.
[175] Current federal food stamp regulations allow households that receive or are authorized to receive TANF noncash services, such as an educational brochure, to be considered eligible for food stamps. This is known as categorical eligibility. It was created by the federal food stamp law to reduce the administrative burden on state agencies and to increase program access. Under categorical eligibility, households must still apply to determine if they will receive any food stamp benefits. The application process for categorically eligible food stamps is the same as for regular food stamps, except that caseworkers apply the different income and asset limits (if there are any) for the TANF noncash services. In this case there are no assets limits.
[176] While the elimination of the asset cap would allow anyone who has a gross-income of less than 200 percent of the FPL to be *eligible* for food stamps, the benefits would still based on the individual's net-income (income after allowable deductions), which must be below 100 percent of the FPL to receive benefits.
[177] This dollar estimate is based on information from DC Hunger Solutions. For more information, see http://www.dchunger.org/pdf/DC-cat-elfinal3.pdf.

receive a LIHEAP subsidy to automatically receive the Maximum Standard Utility Allowance (SUA).[178] This utility allowance is one of the deductions used to determine net income, which is the basis for determining the dollar value of food stamp benefits a household can receive.[179] Thus, a larger SUA would mean a lower net income and a higher food stamp allotment. It is estimated that this action would benefit over 27,000 households that together would receive roughly an additional $13 million to $19 million in federally-funded food stamp benefits.[180]

Financial Plan Impact

A majority of the costs associated with this subtitle would be covered by federal funds. The portion the District of Columbia would be responsible for could be absorbed within the proposed FY 2010 budgets for the Department of Human Services (DHS) and the District Department of the Environment (DDOE). However, increases in food stamp caseloads above *5,000* as a result of categorical eligibility would put a spending pressure on DHS as explained below.

The TANF funded service or program would be funded entirely by federal TANF funds.[181] As a result of the categorical eligibility created by this program, the Income Maintenance Administration (IMA) estimates that approximately 45,000 new households would now be eligible for food stamps.[182] However, a portion of these households with net income above 100 percent of the FPL would be disqualified per the net income

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[178] The Maximum Standard Utility Allowance means the maximum level of accepted utility-based income deductions used in determining benefits under the food stamp program. Currently this is $276 per month for the District of Columbia.

[179] The SUA is used in place of actual utility costs to calculate a household's total shelter costs.

[180] These estimates were calculated by D.C. Hunger Solutions based on FY 2007 data that show that approximately 27,000 out of the 44,000 D.C. households who receive food stamps do not receive any SUA. Approximations from the Massachusetts Law Reform Institute were then used to determine the amount of increased food stamp benefits. Given the recent downturn, these estimates are again likely to be conservative. For more information, see http://www.dchunger.org/pdf/heat_and_eat_feb2009.pdf. IMA has yet to match food stamp and LIHEAP data and thus has no estimates for this increase.

[181] Alternatively, these could be funded by Maintenance of Effort (MOE) funds. These are funds the DC Government is required to contribute for the TANF program. Either way, the costs are likely to be minimal. For instance, adding an additional page to 100,000 food stamp applications would cost only $2,050.

[182] This was calculated by taking the Medical Assistance program data, which has a population of 205,000 customers, and backing out the populations that would be excluded, including undocumented aliens (estimated 17,000), immigrant children (3,000), Alliance children (250), and children who are in the State Children's Health Insurance Program and have a family income over 200 percent of the FPL (6,700). This yields 178,050 individuals that have incomes at 200 percent or less than the FPL. Subtracting out the current food stamp population (97,000), leaves approximately 81,050 individuals who are not currently receiving the food stamp benefits but, would qualify as a result of the proposed subtitle. Based on DC's current household size of 1.8 individuals per household, there are potentially 45,000 new food stamp eligible households. These are customers that are known to the system. Moreover, based on 2007 census data, 30 percent of the District of Columbia residents are at 200 percent or below the FPL. With almost 592,000 residents, that equates to about 180,000 customers. In other words, only roughly 2,000 people are not included in this analysis. This is because DC's penetration rate for benefits is so high, which makes it unlikely that many people outside of the system would apply.

requirement. Another portion of these households simply would not apply.[183] Other states that have implemented similar provisions have seen an uptake rate between 5 to 13 percent of eligible households.[184] If the District were to follow these patterns, there would be between 2,250 and 5,850 new food stamp cases as a result of this subtitle. IMA estimates that they would be able to handle 5,000 new cases using their current resources. If cases were to exceed this amount, IMA would face a spending pressure and would need to hire additional staff. Every additional person could handle 3,200 new cases per year[185] at a cost of $35,600 per year.[186] However, since states only have to pay for half of the food stamp administrative costs, the cost of this additional person to the District would be $17,800.

The other related administrative food stamp costs, such as the cost of updating the Automated Client Eligibility Determination System to capture the eligibility changes and training staff on the new procedures, could also be absorbed in the FY 2010 proposed budget for DHS.[187] Again, half of these costs would be paid for by federal funds.

For the LIHEAP program, the $1 per participant energy benefit[188] would be paid for by the federal LIHEAP block grant.[189] Any other associated administrative costs could be absorbed within DDOE's FY 2010 proposed budget. In addition, any associated administrative food stamp related costs, such as updating the computer system and providing DDOE with customer information, could be absorbed within the DHS's proposed budget.

Subtitle (V)(J) – Recreation Enterprise Fund Emergency Amendment Act of 2009

Background

This subtitle would amend the Recreation Act of 2004[190] to allow proceeds from the Recreation Enterprise Fund to be used to purchase food, snacks, and non-alcoholic

[183] One reason someone may not apply is because their benefit would be small.
[184] This is based on an analysis conducted by the Center on Budget and Policy Priorities using 2006 data. The analysis looked at 9 states (Delaware, Massachusetts, Maryland, Maine, Mississippi, North Dakota, Oregon, Texas and Wisconsin) that had lifted the gross income limit to 200 percent of the FPL.
[185] A worker currently processes 25 case actions per day for a total of 6,500 per year. Each new food stamp case would require two annual case actions (customers are required to submit a mid-certification report at 6 months and recertify annually). Thus over one year, a worker processes 3,250 recipients.
[186] The new staff would be a Grade CS-5, Step 1, $29,401, hired as a term employee. With fringe benefits of 21 percent, the salary would be approximately $35,600.
[187] It should be noted, however, that these reforms would likely create a more streamlined, error-proof application process which could lead to some administrative savings.
[188] It is likely that $1 benefit will be given to all households in the food stamp program, which would mean roughly $50,000.
[189] Federal LIHEAP funds are the first spent for the LIHEAP program. However, the District pays 2/3 of the cost of the program. Thus, it is possible that some of the cost could be borne by the District. If this were the case, there would still be sufficient funds to cover this cost.
[190] Effective January 13, 1995 (D.C. Law 10-246; D.C. Official Code § 10-303(b)).

beverages for the general public, Department of Parks and Recreation program participants, and District government employees.

Financial Plan Impact

Broadening the uses of monies in the Recreation Enterprise Fund would not have a fiscal impact. However, any actual expenditure on these new uses would necessarily decrease the amount of funds available for the current designated uses of administration, improvement, and maintenance of property and programs managed by the Department of Recreation and Parks.

Subtitle (V)(K) – Community Access to Health Care Emergency Amendment Act of 2009

Background

The proposed subtitle would amend the Community Access to Health Care Amendment Act of 2006[191] to provide that $1.5 million of the monies in the Community Health Care Financing Fund ("Fund") [192] be used in FY 2010 as follows: $750,000 of the $20 million to be granted to the D.C. Cancer Consortium be used to support tobacco cessation programs; and $750,000 be granted to support operational expenses associated with the Medical Homes DC Initiative.

Financial Plan Impact

The proposed subtitle specifies when and where a portion of monies already programmed should go and thus, does not have an impact on the budget and financial plan. The Fund has sufficient resources in FY 2010 to support the $750,000 allocation for cancer cessation programs and the $750,000 grant for the Medical Homes DC Initiative.

[191] Established March 14, 2007 (D.C. Law 16-288; D.C. Official Code § 7-1932(b)).

[192] The Fund contains monies from: proceeds received by the District from the sale by the District of Columbia Tobacco Settlement Financing Corporation of its Tobacco Settlement Asset-Backed Bonds, Series 2006; receipts from any fees and taxes specifically identified by District law to be paid into the Fund; all payments received from Greater Southeast Investment, L.P., relating to its loans of approximately $49 million to Specialty Hospitals of America, LLC, or certain of its subsidiaries; and the District's share of any proceeds arising from a disposition of all or any part of the land and improvements on Lots 3 and 4, Square 5919. The law states that the Fund is to be used to directly pay to promote health care and for the delivery of health care related services in the District, including the construction of health care facilities and the operation of health care related programs.

Subtitle (V)(L) – Health Professional Recruitment Program Emergency Amendment Act of 2009

Background

The proposed subtitle would amend the District of Columbia Health Professional Recruitment Program Amendment Act of 2005[193] to provide that as a condition of participation in the District of Columbia Health Professional Recruitment Program ("Program")[194] participants would be required to provide full-time service of at least 1,800 hours per year. Currently, the Act states that participants provide full-time service of at least 40 hours per week for 45 weeks per year, which results in 1,800 per year. Thus, this subtitle would not change the annual number of hours required to work, but rather would provide greater flexibility in the administration of the Program.

Financial Plan Impact

The proposed subtitle is a technical change to the District of Columbia Health Professional Recruitment Program Amendment Act of 2005 and would not have an impact on the District's budget and financial plan.

Subtitle (V)(M) – Fixed Costs Allocation Emergency Act of 2009

Background

The proposed subtitle would prohibit the Department of Health (DOH), the Department of Mental Health (DMH), and the Department of Health Care Finance (DHCF) from entering into a memorandum of understanding or other similar agreement with another agency of the District of Columbia in FY 2010 for the transfer of funds in an amount that exceeds the amount budgeted for such services.[195]

Financial Plan Impact

The proposed subtitle prohibits DOH, DMH, and DHCF transferring funds in excess of budgeted amounts and thus would not have an impact on the budget and financial plan.

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[193] Effective March 8, 2006 (D.C. Law 16-71; D.C. Official Code § 7-751.07(a)(2)).

[194] Based on the availability of funds, the Program pays for the cost of education necessary to obtain a health professional degree.

[195] Provided that nothing shall prohibit these departments from entering into an agreement for the transfer of funds when the purpose of such transfer is to allow for transition or other costs associated with moving into District-owned property.

Subtitle (V)(N) – Hospital and Medical Services Corporation Regulatory Emergency Amendment Act of 2009

Background

The proposed subtitle would amend Section 15(b) of the Hospital and Medical Services Corporation Regulatory Act of 1996[196] to dedicate up to $3.25 million from the Healthy DC Fund ("Fund")[197] for one-time allocations in FY 2010. These allocations include:

- $2.5 million for a grant to support operational expenses associated with the new pediatric emergency facility located at the United Medical Center; and
- Up to $750,000 to support operational expenses associated with the delivery of health care services at the D.C. Jail.

Financial Plan Impact

The DC Healthy Fund currently has enough resources to support these one-time allocations.

Subtitle (V)(O) – Designated Appropriation Allocations Emergency Act of 2009

Background

The proposed subtitle provides allocations for the gross funds included in the FY 2010 budget of the Department of Health and of the Department of Mental Health.

Financial Plan Impact

Both the Department of Health and of the Department of Mental Health could accommodate these allocations within their proposed FY 2010 budgets.

[196] Effective March 2, 2007 (D.C. Law 16-192; D.C. Official Code § 31-3514.02).
[197] The Fund was established to fund the Healthy DC Program, which provides affordable health benefits to eligible individuals.

Subtitle (V)(P) – Child and Family Services Transportation Fund Emergency Amendment Act of 2009

Background

The proposed subtitle would amend The Prevention of Child Abuse and Neglect Act of 1977[198] to establish the Child and Family Services Agency Transportation Fund ("CFSA Fund"), a non-lapsing fund to be used to pay the costs associated with the transportation of District wards with special needs living outside of the District and being transported on special transportation routes transporting District wards only. It also allows CFSA to use any monies in excess of what is needed to pay for such transportation for other Agency purposes.

Financial Plan Impact

The proposed subtitle only establishes the CFSA Fund; it does not require that any funds be put into it. As such, it would not have an impact on the budget and financial plan. In addition, the proposed FY 2010 budget transfers $4,199,958 in Intra-District Funds from Special Education Transportation to CFSA to support the Agency's responsibility for payment of the costs associated with the transportation of children with special needs placed in specialized foster homes in Maryland. Any cost savings resulting from this transfer would be placed in the CFSA Fund.

Subtitle (V)(Q) – Community Access to Health Care United Medical Center Emergency Amendment Act of 2009

Background

This subtitle would amend Section 102(b)(1) of the Community Access to Health Care Amendment Act of 2006[199] to permit Specialty Hospitals of America, LLC ("Specialty Hospitals"), or certain of its subsidiary entities, beginning in calendar year 2009 to defer payment of the $20 million working capital loan until December 31, 2015, at which time the original repayment schedule would resume.[200]

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[198] Effective September 23, 1977 (D.C. Law 2-22; D.C. Official Code § 4-1301.01 *et seq.*).
[199] Effective March 14, 2007 (D.C. Law 16-288; D.C. Official Code § 7-1932(b)(1)).
[200] The District of Columbia loaned Specialty Hospitals approximately $49 million ($20 million of which was for working capital) as part of a public-private partnership to purchase the Greater Southeast Community Hospital (now United Medical Center). As part of the terms of the loan, Specialty Hospitals is required to pay the District back $1 million every six months. The loan repayments began in 2009, when Specialty Hospitals paid a total of $2 million (May 1 and November 1 payments of $1 million each). Another $1 million payment was due May 1, 2009. These monies are deposited into the Community Health Care Financing Fund.

Financial Plan Impact

The proposed subtitle would not have an impact on the budget and financial plan. However, this subtitle would lead to a reduction in monies available in the Community Health Care Financing Fund for capital projects. Additionally, reduction in any loan payments from Specialty Hospitals would reduce the potential future expenditures on operational projects.

Subtitle (V)(R) – TANF Work Incentives Emergency Act of 2009

Background

The proposed subtitle would amend the District of Columbia Public Assistance Act of 1982[201] by requiring that *all* Temporary Assistance for Needy Families (TANF) applicants complete a preliminary assessment of their skills, prior work experience, employability, and barriers to employment as a condition of eligibility,[202] adding a new requirement that all work-eligible TANF applicants complete an employment program orientation as a condition of eligibility, authorizing the Mayor to provide, subject to the availability of funds, monetary incentives to recipients for compliance with the federal work participation standards, and providing the Mayor with the authority to promulgate rules regarding new progressive sanctions for failure to participate in job search, job readiness, or work requirements.[203]

Financial Plan Impact

The Department of Human Services, Income Maintenance Administration (IMA), could absorb any costs associated with the new requirements for eligibility—the preliminary assessment and an employment program orientation—within their proposed FY 2010 budget. IMA already performs these two activities, which currently are not conditions of eligibility. By making them requirements, there would be an increase in the number of assessments and orientations given. IMA has said that it could use existing staff to cover these increases. Lastly, any monetary incentives provided by the Mayor would be subject to the availability of funds.

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[201] Effective April 6, 1982 (D.C. Law 4-101; D. C. Official Code § 4-201.01).
[202] Current law states that each adult or minor head of an assistance unit (such as a household) applying for TANF benefits should receive such an assessment at the time of application.
[203] The sanctions set forth in 29 DCMR 5812 as of July 10, 2009 would apply in the interim. These are the same as the current sanctions in D.C. Code § 4-205.19f.

Subtitle (V)(S) – Child and Family Services Rapid Housing Assistance Emergency Amendment Act of 2009

Background

The proposed subtitle would amend the Prevention of Child Abuse and Neglect Act of 1977[204] by adding a new section requiring Child and Family Services Agency (CFSA) to track and publicly report applicant data for Rapid Housing assistance, and to maintain a waiting list for persons eligible for the assistance.[205]

Financial Plan Impact

Any costs associated with this subtitle could be absorbed within CFSA's proposed FY 2010 budget.

[204] Effective September 23, 1977 (D.C. Law 2-22; D.C. Official Code § 4-1301.01 *et seq.*).
[205] Currently no funds are allocated for Rapid Housing assistance.

TITLE VI – PUBLIC WORKS

Subtitle (VI)(A) – Driver Education Program and Fleet Program Emergency Amendment Act of 2009

Background

The proposed subtitle would give the Mayor broader authority over the use of funds in the Driver Education Program Fund ("Fund").[206] Currently, the Mayor only has authority to use monies in the Fund towards driver education programs approved by the Department of Motor Vehicles (DMV). The proposed subtitle would broaden this authority to allow the Mayor to use these funds towards primary DMV functions and functional components enumerated in D.C. Official Code § 50-904[207].

The proposed subtitle would also eliminate the ability of motor vehicle fleet owners participating in the District's fleet program[208] to adjudicate violations listed in a monthly infraction report submitted to the fleet owner from the DMV. Additionally, the proposed subtitle would rename the "fleet adjudication program" to "fleet reconciliation program." Finally, the proposed subtitle would increase from 5 to 10 the minimum number of vehicles required to be owned or on long-term lease in order to be considered a "fleet" as defined in subsection (a) of D.C. Official Code § 50-2303.04a.

Financial Plan Impact

The DMV and the DMV Agency Fiscal Officer[209] have indicated that the removal of the adjudication aspect of the District's fleet program would allow DMV to eliminate two "Mail Adjudication Examiners" as a baseline change in the FY 2010 budget. This would result in expenditure reductions of approximately $138,000 in FY 2010 and approximately $585,000 over the budget and financial plan period.[210] Additionally, elimination of the adjudication program will increase ticket revenues by an estimated $162,000 annually and $648,000 through the financial plan period. Thus total available resources will increase by approximately $300,000 in FY 2010 and $1.2 million during the FY 2010 through FY 2013 financial plan period. These additional resources would be used to help DMV achieve a balanced budget in FY 2010.

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[206] The Motor Vehicle Services Fees and Driver Education Support Act of 1982, effective April 3, 1982 (D.C. Law 4-97; D.C. Official Code § 50-1405.01). Per subsection (b), deposits into the Fund are "five dollars of the fee received for each motor vehicle operator's permit issued by the District of Columbia…"
[207] Section 1825 of the Department of Motor Vehicles Establishment Act of 1998, effective March 26, 1999 (D.C. Law 12-175; D.C. Official Code § 50-904).
[208] The District of Columbia Traffic Adjudication Act of 1978, effective September 12, 1978 (D.C. Law 2-104; D.C. Official Code § 50-2301).
[209] An employee of the Office of the Chief Financial Officer.
[210] This figure includes the cost of associated fringe benefits.

The effect of the exception of a ticket for an invalid license plate or tag number, or for a duplicate citation for the same infraction is not known due to insufficient data. However, the impact is estimated to be minor. The other provisions of the proposed subtitle would not have an impact on the District's budget and financial plan.

Fiscal Impact of Subtitle VI(A) - Driver Education Program and Fleet Program Emergency Amendment Act of 2009* Estimated Expenditure Reduction					
	FY 2010	**FY 2011**	**FY 2012**	**FY 2013**	**Four Year Total**
Reduction in Personnel Costs[a]	$137,680	$137,680	$138,368	$139,060	$552,789
Revenue increase due to the elimination of Adjudication Program	$162,000	$162,000	$162,000	$162,000	$648,000
Total Increases in Resources	**$299,680**	**$299,680**	**$300,368**	**$301,060**	**$1,200,789**

[a] Out-year figures assume no increase in FY 2011, and half a percent increase to account for the calculated salary increases for these positions.

Subtitle (VI)(B) – Vehicle Inspection Improvement Emergency Amendment Act of 2009

Background

Current law states that "...all motor vehicles and trailers registered in the District of Columbia shall be inspected for safety and exhaust emissions at periodic intervals not more than 2 years apart."[211] The proposed subtitle would amend D.C. Official Code § 50-1101 and Chapters 6 and 7 of Title 18 of the District of Columbia Municipal Regulations (DCMR) to remove the referenced safety inspection requirement, *except* for the following:

- Buses not owned or leased by the Washington Metropolitan Area Transit Authority (semiannually);
- Taxicabs and other public vehicles for hire (semiannually);
- Commercial vehicles (annually); and
- Tow trucks (annually).

The proposed subtitle would also remove sections of the DCMR that pertain to vehicle re-inspection stations. According to the Department of Motor Vehicles (DMV), this is effectively a technical change since vehicle re-inspection stations have not existed in the District for the past few years.

[211] See D.C. Official Code § 50-1101.

Financial Plan Impact

The DMV and the DMV Agency Fiscal Officer[212] have indicated that, due to the removal of motor vehicle safety inspection requirement for most motor vehicles, the DMV plans to eliminate eight "Motor Vehicle Inspectors" as a baseline change in the FY 2010 budget. This would result in expenditure reductions of approximately $400,000 in FY 2010 and approximately $1.7 million over the budget and financial plan period.[213] These expenditure reductions would be used as cuts to the DMV budget in order to help achieve a balanced budget in FY 2010.

Eliminating the requirement for vehicle safety inspections may lead to a marginal decrease in sales tax revenues to the extent that vehicle owners choose to forgo purchasing parts and/or labor needed to meet currently mandated safety standards.[214] However, since the extent to which vehicle owners will forgo such repairs is unknown, the associated sales tax revenue loss is also unknown.

Fiscal impact of Subtitle VI(B) - Vehicle Inspection Improvement Emergency Amendment Act of 2009*

Estimated Expenditure Reduction

	FY 2010	FY 2011	FY 2012	FY 2013	Four Year Total
Reduction in Personnel Costs	$399,863	$399,863	$401,862	$403,872	$1,605,460

* Out-year figures assume no increase in FY 2011, and half a percent increase to account for the calculated salary increases for these positions.

Subtitle (VI)(C) – Equitable Parking Meter Rates Emergency Amendment Act of 2009

Background

The proposed subtitle would amend D.C. Law and D.C. Municipal Regulations to effectively redirect and make permanent parking meter revenue increases from temporarily increased meter rates[215] (approved by Council on December 16, 2008) to the District Department of Transportation (DDOT) Unified Fund[216] ("Unified Fund"). The Equitable Parking Meter Rates Temporary Amendment Act of 2009,[217] which established

[212] An employee of the Office of the Chief Financial Officer.
[213] This figure includes the cost of associated fringe benefits.
[214] Per D.C. Official Code § 47-2001(n)(1)(I), labor associated with automobile repairs is subject to the retail sales tax.
[215] Equitable Parking Meter Rates Temporary Amendment Act of 2009, enacted January 28, 2009 (D.C. Law 17-374; 56 DCR 1390). The increased rates were enacted on an emergency basis at the December 16, 2008 legislative session.
[216] The Unified Fund was established by the FY 2008 Budget Support Act of 2007, effective September 18, 2007 (D.C. Law 17-20; D.C. Official Code § 50-921.11).
[217] D.C. Act 17-713.

these parking meter rate increases on a temporary basis, provided that additional revenues were to be directed to five specific initiatives outside of DDOT.[218] The proposed subtitle would effectively strike this provision,[219] which, by default, would mean that 100 percent of the increased revenues would be permanently deposited into the Unified Fund.[220]

The proposed subtitle would also amend Section 2(a) of the Parking Meter Fee Moratorium Act of 2004 ("Act of 2004"),[221] to reinstitute Saturday meter enforcement and remove the no-citation rule on parking meter fee violations on days other than Saturday between the hours of 6:30 p.m. and 7:00 a.m. Additionally, the proposed subtitle would leave to the determination of the DDOT Director ("Director"), depending on affirmative approval by the Council, the implementation of "Saturday moratorium" in certain neighborhoods based on consideration that the meter enforcement would not be necessary to maintain available curbside parking.[222] The Director would be required to submit, by October 15, 2009, to the Council a list of neighborhoods that would continue to implement the Saturday moratorium.

Financial Plan Impact

Increasing parking meter rates and redirecting additional revenues to the Unified Fund on a permanent basis is estimated to yield approximately $11.1 million in additional revenue annually.[223] Elimination of the Saturday moratorium is estimated to yield approximately $4 million in new revenues annually, which would also be deposited in the Unified Fund. Exempting certain neighborhoods from Saturday meter enforcement at the Director's discretion could reduce annual collections, but it is not possible to determine the impact without a specific list of such neighborhoods. The revenue reductions that would result from the Director's decisions must be absorbed by the DDOT budget. Additional costs DDOT would incur due to increased parking enforcement could be absorbed within the proposed FY 2010 DDOT budget, in part due to additional revenues generated from the proposed subtitle.

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[218] These include affordable housing related to the City Market at O Street Tax Increment Financing Act of 2008; the Local Rent Supplement Program; the Housing First Program; the Home Purchase Assistance Program; and Temporary Assistance for Needy Families.
[219] The proposed subtitle actually repeals D.C. Law 17-374; 56 DCR 1390 entirely; however, it maintains language in D.C. Law 17-374 that increased meter fees. The only effective change to D.C. Law 17-374—in addition to making the fee increases permanent—is repealing language pertaining to the dedication of additional meter fee revenues to five initiatives outside of DDOT.
[220] D.C. Official Code § 50-921.11(c)(5) provides that "...one hundred percent of the District's parking meter revenue" is to be deposited into the Unified Fund.
[221] Effective April 5, 2005 (D.C. Law 15-273; D.C. Official Code § 50-2633.01).
[222] The Act of 2004 provided for a "Saturday moratorium" whereby citations would not be issued for a parking meter fee violation at any time on a Saturday (except if a vehicle is parked for more than two hours) or on other days between the hours of 6:30 p.m. and 7:00 a.m.
[223] This is in effect "new" revenue for the purposes of the budget and financial plan since the temporary increases authorized by D.C. Law 17-374 would have expired approximately one month into FY 2010.

Fiscal Impact of Subtitle VI(C) -Equitable Parking Meter Rates Emergency Amendment Act of 2009[a] Estimated Revenue Impact (In millions of $)					
	FY 2010	**FY 2011**	**FY 2012**	**FY 2013**	**Four Year Total**
Increasing Parking Meter Rates	$11.1	$11.1	$11.1	$11.1	$44.4
Eliminating Saturday Moratorium[b]	$4	$4	$4	$4	$16
Revenue Impact on the Unified Fund	**$15.1**	**$15.1**	**$15.1**	**$15.1**	**$60.4**

[a] Revenues would be deposited in the DDOT Unified Fund.
[b] Assuming a full elimination of Saturday morning moratorium.

Subtitle (VI)(D) – District Department of Transportation Establishment Emergency Amendment Act of 2009

Background

The proposed subtitle would amend D.C. Official Code § 50-921.11 to:

- Broaden the authorized use of funds from the District Department of Transportation (DDOT) Unified Fund[224] (Unified Fund) to include paying for a portion of the District's annual operating subsidies to the Washington Metropolitan Area Transit Authority, and paying the annual operating budget of the Bicycle Advisory Council and the Pedestrian Advisory Council[225];
- Repeal D.C. Official Code § 50-921.11(b)(2), which required one-time-basis use of up to $2.3 million of funds from the Unified Fund for specified purposes;
- Require depositing of funds from the Unified Fund in the unrestricted fund balance of the General Fund of the District of Columbia as follows[226]:
  - (A) For Fiscal Year 2010, $3.5 million;
  - (B) For Fiscal Year 2011, $3.6 million; and
  - (C) For Fiscal Year 2012, and each succeeding fiscal year, $3.7 million;
- Require that beginning in fiscal year 2010, in each fiscal year the first $2 million of the revenue, derived from collection of fines and penalties due for parking tickets issued to a vehicle and deposited into the Unified Fund, would be directed to the General Fund of the District of Columbia[227];
- Clarify that all public space rental fees are to be deposited in the Unified Fund, except that "...[a]ny incremental revenue generated by public space rental fees for vaults...shall be deposited into the Highway Trust Fund." Current law[228] states that "one hundred percent of the proceeds collected by the District for the rental of public space" is deposited into the Unified Fund,

[224] The Unified Fund was established by the FY 2008 Budget Support Act of 2007, effective September 18, 2007 (D.C. Law 17-20; D.C. Official Code § 50-921.11)
[225] By amending D.C. Official Code § 50-921.11(b)(1)
[226] By adding a new paragraph (b)(3) to the D.C. Official Code § 50-921.11
[227] By adding a provision to D.C. Official Code § 50-921.11(c)(6)
[228] D.C. Official Code § 50-921.11(c)(4)

> "...[p]rovided that 1/6 of revenue generated by public space rental fees for vaults shall be deposited into the Highway Trust Fund."

Financial Plan Impact

This proposed legislation transfers amounts that equal to the incremental revenue that would accrue as a result of 3.5¢ per gallon gasoline tax increase as proposed by Subtitle VII (V) of this Act from the Unified Fund into the local General Fund. The intent of the legislators was to use the revenue increment from the increased gas taxes for the local General Fund. Under current law, gas tax revenue accrues to the Highway Trust Fund. Under this proposed Act, the Highway Trust Fund would accrue $3.5 million in FY 2010 more than what has been planned in the FY 2010 through FY 2013 budget and financial plan, and the Unified Fund would be short by the same amount. Further legislation is required to ensure that this incremental revenue would be transferred from the Highway Trust Fund into the Unified Fund so the Unified Fund would remain intact.

Additionally, the proposed subtitle would clarify existing law to ensure that the intended portions of vault rental fees are split between the Unified Fund and the Highway Trust Fund, and would broaden the authorized use of funds from the Unified Fund. Neither of these two provisions would have an impact on the budget and financial plan. The proposed FY 2010 through FY 2013 budget and financial plan allocates from DDOT's annual budget $10,000 each to the Bicycle Advisory Council and the Pedestrian Advisory Council to support annual operational costs such as supplies and promotional material.

Subtitle (VI)(E) – District of Columbia Taxicab Commission Establishment Emergency Amendment Act of 2009

Background

The proposed subtitle would amend D.C. Official Code § 50-320 to change the law governing expenditures from the District of Columbia Taxicab Commission ("Commission") Fund ("Fund"). Current law provides that the Fund "...[s]hall be used exclusively by the Commission for the payment of its expenses arising from any investigation or proceeding by the Commission concerning taxicab rates and regulations and for any taxicab related matters..." The proposed subtitle would amend this subsection to provide that the Fund would be required to be used to "...[p]ay the costs of the Commission, including the costs of operating and administering programs, investigations, proceedings, and inspections of the Commission, including any costs for improving the District's taxicab fleet." The intent of this amendment is to loosen restrictions on expenditures from the Fund.

The proposed subtitle would eliminate the requirement that the Commission submit to Council for approval an annual plan of expenditure of monies in the Fund, and would eliminate the requirement for the Commission to submit an annual report to the Council

on all assessment income received and disbursements made from the Fund during the previous fiscal year.

The proposed subtitle would clarify that the Commission, in lieu of the Public Service Commission, would be responsible for levying assessments against taxicab operators. It would also clarify that assessments are levied against "passenger vehicles for hire" in addition to taxicab operators. Both of these amendments are conforming in nature as they reflect current practice.

Financial Plan Impact

Providing the Commission with greater flexibility in how monies in the Fund are expended would not have an impact on the budget and financial plan. Repealing the Commission's expenditure approval plan and reporting requirements, thus creating marginal administrative savings for the Commission, would likely have an immaterial impact on the budget and financial plan. Other amendments are technical in nature and would not impact the budget and financial plan.

Subtitle (VI)(F) – District of Columbia Taxicab License Fee Emergency Amendment Act of 2009

Background

The proposed subtitle would increase the existing fees for several categories of taxi and limousine licenses by amending D.C. Official Code § 47-2829(e)(1) and (i) and D.C. Municipal Regulations Title 31[229], as shown in the table below.

Taxi and Limo License Fees – FY 2009 versus proposed FY 2010[a]				
Fee Type	**FY 2009**	**FY 2010**	**Amount increase**	**Percent increase**
Taxi Hacker	$192[c]	$250	$58	30%
New Taxi Hacker	$96	$125	$29	30%
Taxi Driver, "Not for Hire"	$46	$100	$54	118%
Taxi Business	$350	$475	$125	36%
Limo Hacker	$92	$250	$158	172%
New Limo Hacker	$46	$125	$79	172%
Inter-jurisdictional Limos with and without WMATC[b] authorization	$35	$200	$165	471%
DC-based Limo Organization	$350	$475	$125	36%
DC-based Independent Limo	$100	$250	$150	150%

TABLE NOTES

[229] 31 DCMR 501.4, 827, 1005.2, 1008.7, 1009.8, 1016.5, 1101, 1202.1, 1215.5, and 1216.4.

[a] This table shows *effective* fee rates for each category. For instance, the fees listed for "Taxi Hacker" combine face license and assessment fees. Hacker fees, except for new hacker fees, are for two year licenses. The Commission reports that nearly all hackers purchase two year licenses upon the expiration of the one-year new hacker license.
[b] Washington Metropolitan Area Transit Commission.
[c] The present fee is $46 per year, within the specified range of $35 to $100 (D.C. Official Code § 47-2829(e)(1)). Combined with a $50 per year assessment fee (31 DCMR 1101), this yields a biennial rate of $192. The proposed increase from $46 to $75, combined with the annual $50 assessment fee, would yield a biennial rate of $250.

Additionally, the proposed subtitle repeals D.C. Official Code § 50-313, which regulates passenger vehicles for hire, authorizes the Mayor to issue rules relating to the supervision of passenger vehicles for hire, to establish standards, criteria, requirements, fees, and fines for the licensing, ownership and operation of different classes of passenger vehicles for hire, and approves a moratorium on the issue of new licenses to operate an independently operated limousine. The proposed subtitle also repeals District of Columbia Municipal Regulations (DCMR) § 31-801.5, which requires that all charges for taxicab service provided in the District would be compliant with the rate schedule established by the D.C. Taxicab Commission.

Furthermore, the proposed subtitle would amend Section 1216.4 of Title 31 of the DCMR to increase the annual fee for an inter-jurisdictional limousine permit[230] from $200 to $400, and provide that[231] $200 from each annual fee would be used to enforce the provisions of the Section 1216 of DCMR Title 31, including the new provision of providing a list of approved limousine services to District hotels for service within District boundaries with a copy of applicable regulations.

Financial Plan Impact

Implementation of the proposed fee increases would generate an estimated $396,960 in FY 2010 and $1.597 million over the FY 2010 through FY 2013 budget and financial plan period. These funds would be deposited into the Local General Fund. Historical data indicate a stable annual revenue stream from taxi and limo fees, in large part because approximately half of the licensed taxi and limo hackers renew their two-year licenses each year (as opposed to having larger influxes of two-year license revenues in either even or odd years).

[230] Any person who would be required to obtain a limousine for hire vehicle permit pursuant to D.C. Official Code § 50-313 may, in place of the permit, be issued an inter-jurisdictional limousine permit; provided that the person satisfies the conditions for the issuance of an inter-jurisdictional permit and the transportation provided by such person complies with the provisions of this section. (Section 1216.1 of Title 31 of DCMR.)
[231] By adding a new section 1216.22 to the Title 31 of the DCMR

Fiscal Impact of Subtitle VI(F) District of Columbia Taxicab License Fee Emergency Amendment Act of 2009 Revenue Impact of the Proposed Fee Structure					
	FY 2010	**FY 2011**	**FY 2012**	**FY 2013**	**Four Year Total**
Revenue Increase to Local General Fund	$396,960	$398,456	$400,102	$401,912	$1,597,429

Subtitle (VI)(G) – Pedestrian Advisory Council Establishment Emergency Act of 2009

Background

The proposed subtitle would establish a District of Columbia Pedestrian Advisory Council (PAC) to serve as the advisory body to the Mayor, Council of the District of Columbia, and District agencies on matters related to the improvement of pedestrian safety and accessibility. The PAC would be composed of 18 members, including the Directors or designees of the District Department of Transportation (DDOT), Office of Planning, Department of Parks and Recreation, the Chief or a designee of the Metropolitan Police Department, and the Chancellor or a designee of the District of Columbia Public Schools, and 13 community representatives—each appointed by a member of the Council of the District of Columbia, who are DC residents with a demonstrated interest in pedestrian safety. The chairperson would be elected among the 13 community representatives to serve for a term of two years. The community members would be appointed for a term of 3 years, with initial staggered appointments. Annual operating budget of the PAC, which would include funds to maintain a website to provide a public listing of members, meeting notices and minutes, is proposed to be provided by DDOT.

The proposed subtitle would also amend the D.C. Official Code § 50-1601 *et seq.*[232] by adding a new section to require that DDOT would provide the Bicycle Advisory Council with an annual operating budget with funds to maintain a website to provide a public listing of members, meeting notices and minutes.

Financial Plan Impact

The proposed FY 2010 through FY 2013 budget and financial plan allocates from DDOT's annual budget $10,000 to the Pedestrian Advisory Council to support annual operational costs such as supplies and promotional material. As already discussed, Subtitle (VI)(D), the District Department of Transportation Establishment Amendment, broadens the authorized use of funds from the Unified Fund to include paying the annual operating budget of the Bicycle Advisory Council and the Pedestrian Advisory Council.

[232] Section 5 of the District of Columbia Comprehensive Bicycle Transportation and Safety Act of 1984, effective March 16, 1985 (D.C. Law 5-179; D.C. Official Code § 50-1601 *et seq.*).

Subtitle (VI)(H) – Washington Metropolitan Area Transit Authority Fund Emergency Amendment Act of 2009

Background

The proposed subtitle would amend Section 2 of the Washington Metropolitan Area Transit Authority (WMATA) Fund Act of 2006[233] to provide that the Washington Metropolitan Area Transit Authority Fund ("Fund") is a nonlapsing fund that is funded solely by an annual local appropriation of $50 million ("Required Funding"). In fiscal years where the amount appropriated is less than $50 million, an amount equal to the difference ("Deficit") would be apportioned from annual sales tax revenue collections.[234] The Chief Financial Officer would be required to determine the amount of this Deficit and the percentage of sales tax revenues necessary to satisfy it on or before October 31 of each fiscal year.

Current law stipulates that the Fund is to be used to maintain and improve the transportation system of WMATA and to comply with any federal grant matching funds requirement. As a result, no monies are required to be deposited into the Fund until enactment by Congress of legislation providing federal grants to WMATA and passage of legislation by the Maryland General Assembly and the Virginia General Assembly. Current law also stipulates that once those are enacted, 0.5% of all sales tax revenue were to be deposited into Fund. Since Congress has yet to enact any legislation, to date no funds have been deposited.

Financial Plan Impact

The proposed subtitle would allow resources other than the sales tax to be used to fund the WMATA Fund. It would also require that $50 million be deposited into the Fund once legislation is enacted by Congress to provide WMATA with federal grants. The identified sources of this $50 million deposit in FY 2010 and FY 2011 are (1) $25 million of Income Tax bond proceeds and (2) $25 million from available project authority redirected to the Fund. In FY 2012 and FY 2013 the $50 million deposit will come from $25 million of Income Tax bond proceeds and $25 million from a source to be determined. Neither of these would impact the budget and financial plan.

[233] Effective June 16, 2006 (D.C. Law 16-132; 53 DCR 4727).
[234] Collected under Chapter 20 of Title 47 of the D.C. Official Code. Certain dedicated taxes are excluded.

Subtitle (VI)(I) – The Department of Transportation's Cost Driven Budget Reformulation Emergency Act of 2009

Background

The proposed subtitle requires the Chief Financial Officer to provide support to the District Department of Transportation to identify the key cost drivers in the agency and submit a report detailing the results of the analysis to the Council of the District of Columbia by February 1, 2010.

Financial Plan Impact

The Office of the Chief Financial Officer is able to absorb the cost of this task within its existing budget.

Subtitle (VI)(J) – Anacostia Community Boathouse Association Relocation Second Emergency Act of 2009

Background

The proposed subtitle would authorize the Mayor to execute an agreement with the Anacostia Community Boathouse Association (ACBA) no later than January 1, 2010 to either relocate ACBA to the Washington Gas site, located on the Anacostia River, adjacent to the 11th Street Bridge, as specified in the 11th Street Bridges Project Environmental Impact Statement (EIS), or provide an alternative site capable of meeting the EIS objective or fully supporting ACBA's operations, determined by a boathouse expert, appointed with the approval of the District, ACBA, and the Member of the Council of the District of Columbia for Ward 6.

Financial Plan Impact

The proposed FY 2010 through FY 2013 budget and financial plan includes the effects of the changes proposed by this subtitle. The funds for this relocation have been included in the $300 million spending plan for the 11th Street Bridge

Subtitle (VI)(K) – Tour Bus Emergency Act of 2009

Background

The proposed subtitle authorizes the Mayor to establish a new program to encourage domestic sightseeing tour bus operations, which would include setting a yearly fee schedule for tour bus operators to encourage operators to register their vehicles in the

District, and allows that all revenue raised from the fee schedule would be transferred to the Department of Parks and Recreation to be used for environmental recreation programs.[235]

Financial Plan Impact

Funds are sufficient in the proposed FY 2010 through FY 2013 budget and financial plan to implement the proposed legislation. It is not possible to estimate the exact revenue impact of the new fee schedule, as it has yet to be determined.

[235] The subtitle does not specify where the money from the fees would be deposited or whether they would be used for a specific purpose. Generally these fees are deposited into the Local General Fund.

TITLE VII – FINANCE AND REVENUE

Subtitle (VII)(A) – Budget Financing Contingencies Emergency Amendment Act of 2009

Background

The proposed subtitle repeals the "subject-to-appropriations" clauses in a number of legislation that are already funded, or would be funded by the proposed FY 2010 through FY 2013 budget and financial plan. This subtitle also provides various technical amendments and re-regulates certain funding requirements. The table below outlines the actions taken by the proposed legislation.

Section/ Reference	Title of Legislation	Action and Explanation
D.C. Law 17-252	Southwest Waterfront Bond Financing Act of 2008	Repeal subject-to-appropriations clause. Funded by proposed FY 2010 budget.
D.C. Law 17-220	National Public Radio Property Tax Abatement Act of 2008	Repeal subject-to-appropriations clause. Funded by proposed FY 2010 budget.
D.C. Law 17-278	City Market at O Street Tax Increment Financing Act of 2008	Repeal subject-to-appropriations clause. Funded by proposed FY 2010 budget.
D.C. Law 17-113	Georgia Commons Real Property Tax Exemption and Abatement Act of 2007	Repeal subject-to-appropriations clause. Funded by proposed FY 2010 budget.
D.C. Law 17-376	Urban Institute Real Property Tax Abatement Temporary Act of 2009	Repeal subject-to-appropriations clause. Funded by proposed FY 2010 budget.
D.C. Law 17-119	Tregaron Conservancy Tax Exemption and Relief Act of 2008	Repeal subject-to-appropriations clause. Funded by proposed FY 2010 budget.
D.C. Official Code §47-446	Subject-to-appropriation clause for the funding of the Multistate Tax Commission	Repeal this section of the Code. This Commission is already funded.
D.C. Law 13-038	Service Improvement and Fiscal Year 2000 Budget Support Act of 1999	Repeal the subject-to-appropriations clause for the funding of the Medical Assistance Expansion Program. This program has already been funded.
D.C. Law 13-123	Recreation Volunteer Background Check and Screening Act of 2000	Repeal the Act. According to the Official D.C. Code, this Act has already been repealed.
D.C. Law 13-096	Government Employer-Assisted Housing Amendment Act of 1999	Repeal subject-to-appropriations clause. This program is already funded.
D.C. Law 13-278	Public Access to Automated External Defibrillator Act of 2000	Repeal subject-to-appropriations clause. This program is already funded.
R13-0245	Greater Southeast Community Hospital Corporation and the Greater Southeast Management Company Loan Emergency Approval Resolution of 1999.	Repeal subject-to-appropriations clause. This program is already funded.
D.C. Law 14-082	Greater Southeast Community Hospital Corporation and Hadley Memorial Hospital	Repeal subject-to-appropriations clause. The tax exemptions authorized by this bill

Section/ Reference	Title of Legislation	Action and Explanation
	Tax Abatement Act of 2001	have already expired in FY 2007 and FY 2006 respectively.
D.C. Law 14-253	DC Teachers Federal Credit Union Real Property Tax Exemption Act of 2002	Repeal subject-to-appropriations clause. The effect of this bill has already been incorporated in the financial plan.
D.C. Law 14-128	Woolly Mammoth Theatre Tax Abatement Act of 2002	Repeal subject-to-appropriations clause. The effect of this bill has already been incorporated in the financial plan.
D.C. Law 14-129	Square 456 Payment in Lieu of Taxes Act of 2002	Repeal subject-to-appropriations clause. The effect of this bill has already been incorporated in the financial plan.
D.C. Law 14-232	Mandarin Oriental Hotel Project Tax Deferral Act of 2002	Repeal subject-to-appropriations clause. The effect of this bill has already been incorporated in the financial plan.
D.C. Law 14-234	Square 456 Payment in Lieu of Taxes Act of 2002	Repeal subject-to-appropriations clause. The effect of this bill has already been incorporated in the financial plan.
R16-716	South Capitol Street Development Disposition Approval Resolution of 2006	Repeal subject-to-appropriations clause. The resolution did not have a fiscal impact.
D.C. Law 17-232	Taxation Without Representation Federal Tax Pay-Out Message Board Installation Act of 2008	Repeal subject-to-appropriations clause. Funded by proposed FY 2010 budget.
D.C. Law 17-180	Lower Income Homeownership Cooperative Housing Association Clarification Act of 2008	Repeal subject-to-appropriations clause. This program is already funded.
D.C. Law 17-185	So Others Might Eat Property Tax Exemption Act of 2008	Repeal subject-to-appropriations clause. Funded by proposed FY 2010 budget.
D.C. Law 17-249	Mentally Retarded Citizens Constitutional Rights and Dignity Act of 1978	Repeal subject-to-appropriations clause. Agency has implemented the measure and has absorbed the costs.
D.C. Law 17-100	Health-Care Decisions for Persons with Developmental Disabilities Temporary Amendment Act of 2007	Repeal subject-to-appropriations clause. This program is already funded.
D.C. Law 17-355	St. Martin's Apartments Tax Exemption Act of 2008, effective March 25, 2009	Repeal subject-to-appropriations clause. Funded by proposed FY 2010 budget.
D.C. Law 17-337	Prohibition of the Investment of Public Funds in Certain Companies Doing Business with the Government of Iran and Sudan Divestment Conformity Act of 2008	Repeal subject-to-appropriations clause. Funded by proposed FY 2010 budget.
D.C. Law 17-219, Subsection 6021	The Fiscal Year 2009 Budget Support Act of 2008	This subsection makes subject to appropriations the subtitle "The Pedestrian and Bicycle Safety and Enhancement Fund Establishment Act of 2008."
D.C. Law 17-358	Domestic Partnership Police and Fire Amendment Act of 2008	Repeal subject-to-appropriations clause. Funded by proposed FY 2010 budget.

Section/ Reference	Title of Legislation	Action and Explanation
D.C. Law 17-359	Gateway Market Center and Residences Real Property Tax Exemption Act of 2008	Repeal subject-to-appropriations clause. Funded by proposed FY 2010 budget.
D.C. Law 17-340	Asbury United Methodist Church Equitable Real Property Tax Relief Act of 2008	Repeal subject-to-appropriations clause. Funded by proposed FY 2010 budget.
D.C. Law 17-348	Eckington One Residential Economic Development Act of 2008	Repeal subject-to-appropriations clause. Funded by proposed FY 2010 budget.
D.C. Law 17-360	Limitation on Borrowing and Establishment of the Operating Cash Reserve Act of 2009	Make the creation and funding the Operating Cash Reserve subject to appropriations.
D.C. Law 16-132	Washington Metropolitan Area Transit Authority Fund Act of 2006	Make the funding of the Washington Metropolitan Area Transit Authority Fund subject to appropriations.
D.C. Law 17-373	D.C. Fort Chaplin Park South Congregation of Jehovah's Witnesses, Inc. Real Property Tax Relief Temporary Act of 2008	Repeals subject-to-appropriations clause. Funded by proposed FY 2010 budget.
A18-0054	NoMA Residential Development Tax Abatement Act of 2009	Repeal subject-to-appropriations clause. Funded by proposed FY 2010 budget.
A18-0035	Randall School Development Project Tax Abatement Temporary Act of 2009	Repeal subject-to-appropriations clause. Funded by proposed FY 2010 budget.
D.C. Law 13-266	Opportunity Accounts Act of 2000	Make subject-to-annual-appropriation, the matching funds clause of the Opportunity Accounts Act of 2000.
D.C. Law 16-192, Subsections 2012 and 2013	Government Employer-Assisted Housing Program Amendment Act of 2006, in Fiscal Year 2007 Budget Support Act of 2006	Repeal the subject-to-appropriations clause original legislation, which has been funded. Expand program coverage to employees of public charter schools, public school teachers, firefighters, emergency medical technicians, subject to annual available appropriations.
D.C. Law 16-192, Subsection 4013	Quality Teacher Incentive Act of 2006 in Fiscal Year 2007 Budget Support Act of 2006	Repeal subject to appropriation clause. This initiative is funded.
D.C. Law 17-146	The Evictions with Dignity Amendment Act of 2008	Fund FY 2010 costs. Make subject-to-appropriations starting FY 2011.

Financial Plan Impact

By authorizing various real property tax abatements and reductions in sales tax collections, the proposed subtitle would reduce revenue collections by $1.8 million in FY 2010 and $34.4 million over the FY 2010 through FY 2013 financial plan period. Additionally, the District would need to budget $5 million in FY 2012 for the City Market at O Street Project to reflect the fact that the TIF Bonds issued for this project would be backed by the Downtown TIF area. This $5 million, a non-lapsing appropriation, would be one-time so long as the O Street TIF revenues are sufficient to pay debt service. If they are not sufficient, an additional appropriation would be

necessary to the extent the Downtown TIF revenues must replace funds used from the initial appropriation.

The proposed subtitle also authorizes required funding for the following expenditure items:

- Domestic partner benefits for police and firefighters;
- Payment for the Federal Tax Pay-Out Message Board at or around the ball park area;
- Divestiture of interest in certain companies doing business with Iran; and
- Evictions with Dignity Amendment Act of 2008[236] (only for FY 2010).

Fiscal Impact of Subtitle VII(A) – Elimination of Subject-to-Appropriations Provisions Second Emergency Act of 2009 Estimated Reduction in Revenue Collections (In thousands of $)					
Title of Legislation	**FY 2010**	**FY 2011**	**FY 2012**	**FY 2013**	**Four Year Total**
Georgia Commons[a]	($100)	($328)	($328)	($328)	($1,085)
Southwest Waterfront[b]	NA	($4,000)	($4,000)	($4,000)	($12,000)
National Public Radio[c]	($192)	($211)	($242)	($2,405)	($3,049)
City Market at O Street[d]	NA	NA	NA	NA	NA
Urban Institute[e]	($200)	($625)	($925)	($1,500)	($3,250)
Tregaron Conservancy[f]	($134)	($27)	($27)	($28)	($217)
Gateway Market Center and Residences[g]	($254)	($47)	($52)	($54)	($407)
St. Martin Apartments	($35)	($418)	($383)		($835)
Asbury United Methodist Church[h]	($15)	NA	NA	NA	($15)
Eckington One Residential[i]	$0	$0	($75)	($91)	($167)
D.C. Fort Chaplin Park South Congregation of Jehovah's Witnesses[j]	($19)	NA	NA	NA	($19)
NoMA Residential Development[k]	($417)	($1,935)	($4,263)	($5,000)	($11,614)
Randall School Development[l]	($425)	($437)	($451)	($464)	($1,777)
Total Revenue Reductions	**($1,791)**	**($8,028)**	**($10,745)**	**($13,871)**	**($34,435)**
Authorized Expenditures (In thousands of $)					
	FY2010	**FY2011**	**FY2012**	**FY2013**	**Four Year Total**
Domestic Partnership Benefits[m]	NA	($400)	($400)	($400)	($1,200)
Prohibition of Investment/Iran[n]	($675)	($675)	($300)	($300)	($1,950)
The Evictions with Dignity[o]	($500)	NA	NA	NA	($500)

[236] The subtitle authorizes funding for FY 2010 only. The remaining expenditures are subject-to-appropriations.

Taxation Without Representation Message Board[p]	($27)	NA	NA	NA	($27)
Total Expenditures	**($1,202)**	**($1,075)**	**($700)**	**($700)**	**($3,677)**

Notes

[a] Funding D.C. Law 17-113 would abate the full property tax obligation for FY 2010 while the property is being constructed. Based on the information received from the property developer, construction of the property will be completed by December 2010. The post-construction abatement values starting in FY 2011 are fixed by legislation and are independent of property values.

[b] This estimate delays the fiscal impact detailed in the original fiscal impact statement (issued on May 15, 2008) by one year. This delay would be made effective by Subtitle II(O) of the Mayor's proposed FY 2010 Budget Support Act of 2009, which prohibits the District conveyance of land to the developer until FY 2011. This conveyance would trigger the loss of revenues detailed in the May 15, 2008 fiscal impact statement. $4 million represents the annual foregone sales tax revenues as a result of the development project, which will close the current businesses on the site. Additionally upon the completion of construction, the city will be required to budget up to $20 million (a one-time allocation) to support the TIF/PILOT bonds. The bonds are expected to be issued in FY 2015—outside the financial plan period.

[c] Funding D.C. Law 17-220 would limit the assessed property value growth on National Public Radio's current location to 3 percent annually—below the expected growth in property values for that area. Additionally, D.C. Law 17-220 fixes the property tax for NPR's new location at its 2008 level for 20 years.

d An appropriation of $5 million will be needed in FY 2012 to support the bonds issued for the Downtown TIF area.

[e] The amounts reflected in this table are the tax credits approved by Act 17-648.

[f] Revised estimate, issued April 22, 2009.

[g] The estimate reflects a $250,000 sales tax credit through FY 2011, and 10-year freezing of real property taxes contingent on various requirements that would yield social and economic benefits to the District of Columbia. The estimate was issued on December 16, 2008.

[h] This estimate includes $9,790 in forgiven taxes, and $5,531 in penalties, interests and fees.

[i] This legislation provides a 10-year property tax abatement to Eckington One Residential. The abatement would be in effect if the property values growth at a rate higher than a certain threshold. The growth in this property is expected to reach this threshold starting FY 2012.

[j] This estimates includes $18,600 in forgiven taxes, penalties, interests and fees.

[k] This legislation authorizes the Mayor to provide up to $5 million per year for residential development in a certain part of the NoMA district. Based on the estimate issued on February 27, 2009.

[l] This legislation provides an indefinite tax abatement for the property known as "Randall Scholl." Based on the estimate issued on February 2, 2009. The legislation was amended on the dais so that the abatement is effective starting FY 2009, and not FY 2007 as in the introduced version.

[m] Based on the estimate provided on December 2, 2008.

[n] Based on the estimate provided on December 11, 2008.

[o] Based on the estimate provided on December 5, 2007.

[p] This would be supported by a one-time transfer to the Department of Transportation budget from undesignated recurring local revenues for FY 2010.

Subtitle (VII)(B) – Sales Tax Applicability Emergency Amendment Act of 2009

Background

The proposed subtitle repeals paragraph 32A of Title 47 Chapter 20 of the D.C. Official Code to eliminate time-sensitive exemptions to the applicability of the gross sales tax, commonly known as the "Sales Tax Holiday."

Financial Plan Impact

The proposed subtitle would increase the sales tax revenue collections by $1.28 million in FY 2010 and $5.59 million in the FY 2010 through FY 2013 budget and financial plan period.

Fiscal Impact of Subtitle VII(B) - Sales Tax Applicability Amendment Emergency Act of 2009 Estimated Increase in Sales Tax Collections (In millions of $)					
	FY 2010	FY 2011	FY 2012	FY 2013	Four Year Total
Increase in Sales Tax Collections	$1.28	$1.36	$1.44	$1.51	$5.59

Subtitle (VII)(C) – Fiscal Year 2010 Expenditure of Dedicated Taxes Amendment Emergency Act of 2009

Background

The proposed subtitle amends the Neighborhood Investment Act of 2003[237] to authorize up to $11.57 million to be expended from the Neighborhood Investment Fund (NIF) in FY 2010 for the following purposes:

- New Communities human capital activities;
- Community-serving projects implemented by the Department of Parks and Recreation, Commission on Arts and Humanities, Department of Human Services, Department of Health, and Office of the Deputy Mayor for Planning and Economic Development;
- Grants or other financial support for community-serving non-profits;
- Operating expenses of community development projects administered by the District;
- Operating expenses of the District's economic development and community development activities; and
- Such other expenses as may be included in the FY 2010 budget or a reprogramming.

Financial Plan Impact

The existing balance in the NIF is approximately $22 million. In FY 2010, $10 million will be dedicated to the NIF, bringing the balance to approximately $32 million. Expected expenditures from the NIF in FY 2010 total $16.9 million, according to the FY 2010 NIF Implementation Plan. Therefore, the remaining NIF balance available in FY

[237] Effective March 3, 2004 (D.C. Law 15-131; D.C. Official Code 6-1071 *et seq.).*

2010 of approximately $15 million is sufficient to absorb the additional $11.57 million in expenditures in the proposed subtitle.

Subtitle (VII)(D) – School Modernization Financing Emergency Amendment Act of 2009

Background

By repealing subsections (a)(4) through (a)(6) and (b) of D.C. Official Code § 47-305.02, the proposed subtitle would eliminate the requirement that the Mayor's proposed budget provide a minimum level of funding for the Office of Public Education Facilities Modernization (OPEFM).

The intent of the proposed legislation is to end the dedication of sales tax revenues for capital expenditures of public schools. To achieve this goal, the proposed subtitle must be amended to also repeal D.C. Official Code § 47-2033, which requires the OCFO to transfer funds from sales taxes to the Public School Capital Improvement Fund.

Financial Plan Impact

By eliminating the requirement to fund the OPEFM budget, the proposed subtitle would free sales tax revenues that are currently dedicated to school modernization spending. Thus the proposed budget and financial plan could use sales tax revenues of $112.36 million in FY 2010, and $500.04 million in the FY 2010 through FY 2013 financial plan period for other expenditure items.

The proposed FY 2010 through FY 2013 budget and financial plan reflects the intent to fund school modernization through bond financing rather than Pay Go capital. The OCFO estimates that including school modernization needs in the bond financing can be done within the existing debt service cap of 12 percent.

Subtitle (VII)(E)– Owner-Occupant Residential Tax Credit Second Emergency Act of 2009

Background

The proposed subtitle repeals D.C. Official Code § 47-864.01 and amends § 47-864 to require that the taxable assessment of each homestead be no less than 40 percent of the assessed market value.

Financial Plan Impact

Due to the interplay of the property tax cap on assessments and the homestead exemption, the taxable assessments of 21,898 Class 1 homesteads (23 percent of all such homesteads) are less than 40 percent of the assessed market values of these properties. By requiring that the taxable assessment for each homestead equal at least 40 percent of its assessed market value, the proposed subtitle would increase real property tax collections by $5.2 million in FY 2010 and by $20.3 million in the FY 2010 through FY 2013 budget and financial plan period.

Fiscal Impact of Subtitle VII(E) – Owner-Occupant Residential Tax Credit Second Emergency Amendment Act of 2009 Estimated Increase in Revenue Collections (In millions of $)					
	FY 2010	FY 2011	FY 2012	FY 2013	Four Year Total
Estimated Increase in Real Property Tax Collections	$5.2	$5.0	$4.9	$5.2	$20.3

Subtitle (VII)(F) – Interest Expense and Intangible Expense Paid To Related Parties Disallowance Second Emergency Act of 2009

Background

The proposed subtitle amends Chapter 18 of Title 47 of the D.C. Official Code to disallow, for District of Columbia income tax purposes, the deduction of interest expenses and intangible expenses related to certain transactions between a business taxable by the District of Columbia and a related non-District company.

Specifically, the proposed subtitle amends D.C. Official Code § 47-1803.03 which regulates deductions from gross income by excluding royalty payments from such deductions[238] and disallowing deductions and deductible interest expense or intangible expense with respect to certain transactions between a District business and a closely related non -District company, barring certain exceptions.[239] The subtitle also provides detailed rules and definitions to clarify what such exceptions might be.

Financial Plan Impact

By closing what is commonly known as the "Delaware Holding Company" loophole (corporations using related non-District companies to shelter income from taxation by the District of Columbia Government)[240], the proposed subtitle would increase corporate

[238] This is done through repealing paragraph (a)(19) of D.C. Official Code § 47-1803.03.
[239] Paragraph (d) of D.C. Official Code § 47-1803.03
[240] For example, the DC firm may be required to pay license or royalty fees to the Passive Income Company, which may serve as the holder of trademarks or other intangible assets. The fees paid by the D.C. firm are deductible, while the income from intangible assets is generally not taxable in Delaware and certain other jurisdictions. This proposal closes this loophole.

income tax collections by $10 million in FY 2010 and $46.4 million in the FY 2010 through FY 2013 financial plan period.

Fiscal Impact of Subtitle VII(F) - Interest Expense and Intangible Expense Paid To Related Parties Disallowance Second Emergency Act of 2009 Estimated Increase in Revenue Collections (In millions of $)					
	FY 2010	FY 2011	FY 2012	FY 2013	Four Year Total
Increased Corporate Income Tax Collections	$10.0	$11.2	$12.3	$12.9	$46.4

Subtitle (VII)(G) – Economic Interests in Real Property Clarification Second Emergency Amendment Act of 2009

Background

The proposed subtitle amends the Real Estate Deed Recordation Tax Act of 1962[241] to clarify that transfers of shares in a cooperative housing association ("co-op") are subject to taxes levied on the transfer of economic interests.

At present the sale of a co-op unit is treated as a "transfer of economic interest" rather than a real property transaction since no deed is recorded or transferred. The proposed subtitle would require co-op sales to be taxed under an equivalent economic interest tax, which is set at 2.9 percent.

Financial Plan Impact

By expanding the economic interest tax base to include the sale of co-op units, implementation of the proposed subtitle is estimated to generate approximately $5.1 million in FY 2010 and $22.9 million over the FY 2010 through FY 2013 budget and financial plan period.

Fiscal Impact of Subtitle VII(G) – Economic Interests in Real Property Clarification Amendment Second Emergency Act of 2009 Estimated Increase in Revenue Collections (In millions of $)					
	FY 2010	FY 2011	FY 2012	FY 2013	Four Year Total
Increase in Economic Interest Tax Revenues	$5.1	$5.2	$6.0	$6.6	$22.9

[241] Approved March 2, 1962 (76 Stat. 11; D.C. Official Code § 42-1102.02).

Subtitle (VII)(H) – Real Property Tax Reform Classification Emergency Amendment Act of 2009

Background

The proposed subtitle would amend D.C. Official Code Section 47-813 in order to redefine Class 1, Class 2, and Class 3 properties. Under the proposed legislation, all vacant unimproved, and improved property (both occupied and unoccupied) would be classified as Class 1 for residential use and Class 2 for commercial use respectively (with some exceptions as noted in the proposed legislation). Class 3 properties would be comprised of all improved real property that is classified as blighted property, as defined in the proposed legislation.

Financial Impact

Returning all vacant unimproved and vacant, improved and unoccupied property to their native class (Class 1 for residential and Class 2 for commercial) at taxing these properties at the Class 1 and Class 2 rates[242] as opposed to Class 3 rates would reduce the real property tax collections by $12.90 million in FY 2010 and by $48.90 million in the FY 2010 through FY 2013 budget and financial plan period. The blighted properties taxed at Class 3 rates[243] are estimated to generate annual real property tax revenue of $200,000 annually during the same period.

Fiscal Impact of Subtitle VII(I) – Real Property Tax Reform Classification Emergency Amendment Act of 2009 (In millions of $)					
	FY 2010	**FY 2011**	**FY 2012**	**FY 2013**	**Four Year Total**
Reduction in Revenue	($12.90)	($12.40)	($12.00)	($11.60)	($48.90)
Revenues from Blighted Properties	$0.20	$0.20	$0.20	$0.20	$0.80

The impact of the proposed legislation is already incorporated into the FY 2010 through FY 2013 budget and financial plan.

[242] Under current law, Class 1 property is taxed at 85 cents per $100 of assessed value. Class 2 property is taxed at $1.65 per $100 of assessed value up to $3 million, and at $1.85 per $100 assessed value over $3 million.
[243] Class 3 property is taxed at $10 per $100 of assessed value.

Subtitle (VII)(I) – Tax Compliance Second Emergency Act of 2009

Background

The proposed subtitle adds a new chapter, Chapter 47, to Title 47 of the D.C. Code to allow a tax amnesty that suspends penalties for a designated period in FY 2010.

Financial Plan Impact

An amnesty program in FY 2010 covering taxes, except for real property taxes, owed by individuals and corporations for any tax period ending on or before December 31, 2008 would result in a one-time revenue increase of $20 million.

Subtitle (VII)(J) – Recovery Act Tax Deduction Decoupling Second Emergency Act of 2009

Background

The American Recovery and Reinvestment Act of 2009 provides for the deduction from personal income of the sales and excise taxes on the sales of new motor vehicles through December 31, 2009, and the deferral of income generated when firms cancel debt or repurchase debt for an amount less than the issue price. The proposed subtitle would amend D.C. Official Code § 47-1803[244] to decouple the District of Columbia from federal tax laws for the purposes of calculating the generally allowed deductions for individuals and deductions excluded in the computation of District gross income for corporations.

With these amendments, the District could continue to impose an excise tax on motor vehicles (at rates of 6 to 8 percent of the value depending on the weight of the car), and tax income generated through debt cancellation or debt repurchase.

Financial Plan Impact

By allowing the District to decouple from federal tax laws, the proposed subtitle would allow the District of Columbia to keep its tax base intact. Should the District not decouple from federal laws, it could lose up to $870,000 in excise tax revenues and up to $19.6 million in corporate income taxes during the FY 2010 through FY 2013 financial plan period.

[244] Specifically § 47-1803.032(b) and § 47-1803.02(a)(2).

Subtitle (VII)(K) – Non-Individual Income Tax Electronic Filing Amendment Second Emergency Act of 2009

Background

The proposed subtitle amends D.C. Official Code §47-4402(c) to reduce the threshold for electronic payment of non-individual income taxes from $25,000 to $10,000.

Financial Plan Impact

The proposed subtitle is a technical amendment that reduces the threshold for electronic payment of non-individual income taxes and does not have a direct impact on the budget and financial plan.

Subtitle (VII)(L) – Building Bridges Across the River, Inc. Real Property Tax Exemption and Real Property Tax Relief Emergency Act of 2009

Background

The proposed subtitle provides a tax abatement starting in FY 2009 for all real property taxes interest, penalties, fees, and other related charges for the property owned by Building Bridges Across the River, Inc., located at Lots 2 and 6, Square 5894, so long as the property is used as a community playground.

Financial Plan Impact

The proposed legislation would reduce real property tax collections by $33,681 in FY 2010 and by approximately $68,000 in the FY 2010 through FY 2013 financial plan period.

Fiscal Impact of Subtitle VII(L) – Building Bridges Across the River, Inc. Real Property Tax Exemption and Real Property Tax Relief Emergency Act of 2009
Estimated Reductions in Real Property Tax Collections

	FY 2010[a]	FY 2011	FY 2012	FY 2013	Four Year Total
Reduction in Revenue[b]	$33,681	$11,387	$11,387	$11,387	$67,842

[a] FY 2010 impact includes a $22, 290 refund for taxes paid in FY 2009.
[b] The assessed taxable value for the two lots of $113,879 is expected to remain constant through FY 2013. The property is currently classified as Class 3 and is taxed at 5 percent of the taxable value.

Subtitle (VII)(M) – Washington, D.C. Fort Chaplin Park South Congregation of Jehovah's Witnesses, Inc. Real Property Tax Relief Emergency Act of 2009

Background

The proposed subtitle forgives all real property taxes, interest, penalties, fees, and other related charges assessed between January 1, 2005 to June 30, 2007 on the real property described as Square 5434, Lot 813, owned by the Washington, D.C. Fort Chaplin Park South Congregation of Jehovah's Witnesses, Inc.

Financial Plan Impact

The proposed legislation would reduce real property tax revenues by $18,600 in FY 2010. This amount is the sum of all of the real property tax payments made by the Washington, D.C. Fort Chaplin Park South Congregation of Jehovah's Witnesses, Inc. between January 1, 2005 and June 30, 2007. The impact of the proposed subtitle is already accounted for in the fiscal impact analysis of Subtitle A of Title VII of this Act. The proposed subtitle is the permanent version of the temporary legislation that was enacted on Friday, January 23, 2009.

Subtitle (VII)(N) – The Urban Institute Real Property Tax Abatement Emergency Act of 2009

Background

The proposed legislation would abate real property taxes on the portion of the real property in Lot 840, Square 673 that is owned by The Urban Institute, in the following amounts:

Tax Year	Amount
2010	**$200,000**
2011	**$625,000**
2012	**$925,000**
2013	**$1,500,000**
2014	**$1,600,000**
2015	**$1,700,000**
2016	**$1,800,000**
2017	**$1,900,000**
2018	**$2,000,000**
2019	**$2,100,000**
2020	**$650,000**

The annual abatement amounts are specified in the legislation.

The Urban Institute plans to purchase between 100,000 and 110,000 square feet in an office building located in Lot 840, Square 673. The Urban Institute plans to occupy the space by the middle of FY 2010. The exemption would remain in place for 10 years as long as:

1. The Urban Institute owns and occupies the property;
2. The Urban Institute leases at least 10,000 square feet of the property to 501(c)(3) tenants at below-market rates and the tenants use the leased property for exempt purposes; and
3. The Urban Institute files a report with the District that detailed the uses of the exempt property.

Financial Plan Impact

The tax abatement would reduce real property tax collection by $200,000 in FY 2010 and by $3.25 million during the financial plan period, and a total cost of $15 million during the 10-year abatement period. The impact of the proposed subtitle is already accounted for in the fiscal impact analysis of Subtitle A of Title VII of this Act. The proposed subtitle is the permanent version of the temporary legislation that was enacted on January 28, 2009.

Subtitle (VII)(O) – Randall School Development Project Tax Relief Emergency Act of 2009

Background

The proposed subtitle would amend Chapter 46 of Title 47 of the District of Columbia Official Code to provide an abatement of real property taxation for the Randall School development project. This property is owned by the Trustees of the Corcoran Gallery of Art, a nonprofit corporation, and is located in Square 643S, Lot 801. The proposed legislation would abate real property taxes for this property beginning December 1, 2008. The abatement would remain in effect indefinitely or until a certificate of occupancy is issued for any part of the Randall School development project. The abatement proposed by this legislation would be in addition to, and not in lieu of, any property tax relief received by the project.

Financial Plan Impact

The proposed subtitle would reduce real property tax collections by $424,556 in FY 2010 and by approximately $1.8 million during the FY 2010 through FY 2013 financial plan period. The impact of the proposed subtitle is already accounted for in the fiscal impact analysis of Subtitle A of Title VII of this Act. The proposed subtitle is the permanent version of the temporary legislation that was enacted on February 25, 2009.

Subtitle (VII)(P) – Capital Grant Authority Repeal Act of 2009

Background

The proposed subtitle would repeal Section 3 of the Arts, Cultural, and Educational Facilities Support Act of 2004[245], which authorizes the Commission on the Arts and Humanities to make grants to individuals and groups of individuals for projects and productions in the arts and humanities.

Financial Plan Impact

The proposed subtitle is a technical amendment that revokes the grant-making authority of the D.C. Commission on the Arts and Humanities. Removal of this authority does not directly affect the budget and the financial plan.

Subtitle (VII)(Q) – 14W and the YMCA Anthony Bowen Project Real Property Tax Exemption and Real Property Tax Relief Emergency Act Of 2009

Background

The proposed legislation would amend D.C. Official Code Chapter 46 of Title 47 to provide real property and sales tax exemptions for the "14W and the YMCA Anthony Bowen Project Real Property Tax Exemption Act of 2009" (hereafter the "Project"), a mixed-use development to be constructed on Square 0234, Lot 164[246] in Ward 1, that consists of the following:

- 231 units of rental apartments totaling approximately 230,000 square feet; including 18 units devoted to affordable housing for residents with income no greater than 60 percent of the metropolitan Washington D.C. area median income (AMI)[247];
- Approximately 12,200 square feet of retail space;
- A 170 space below-grade parking garage; and
- the new YMCA Anthony Bowen, a 45,000 square foot community and wellness facility.

The proposed legislation would exempt the developer of the Project from sales tax on the purchase of materials used directly for the construction of the Project. Additionally, the

[245] Effective April 5, 2005 (D.C. Law 15-271, § 3; D.C. Official Code § 39-402).
[246] Lot 164, which occupies 1.28 acres of land area, is created by combining Lots 18, 19, 20, 120, 121, 160, 161, 828, and 835.
[247] According to the U.S. Department of Housing and Urban Development, 60 percent of AMI for the Washington D.C. metropolitan area in FY 2008 was $49,125 for a family of four. AMI limits available at: http://www.huduser.org/datasets/il/il2008/2008summary.odn?inputname=METRO47900M47900*Washington-Arlington-Alexandria%2C+DC-VA-MD+HUD+Metro+FMR+Area&selection_type=hmfa&year=2008

proposed legislation would exempt the Project from real property taxes for ten consecutive years, and then would provide a 10 percent increase in property taxes owed each year for an additional ten years until property taxes reach 100 percent.

Financial Plan Impact

The proposed subtitle would reduce real property tax collections by $938,241 in FY 2010 and by approximately $3.6 million during the FY 2010 through FY 2013 financial plan period. The impact of the proposed subtitle is already incorporated into the FY 2010 through FY 2013 financial plan. The proposed subtitle is the permanent version of the temporary legislation that was enacted on January 28, 2009.

Fiscal Impact of (VII) (Q) - 14W and the YMCA Anthony Bowen Project Real Property Tax Exemption Emergency Act of 2009
Estimated Revenue Reductions, FY 2010 through FY 2013 (In millions of $)

	FY 2010	FY 2011	FY 2012	FY 2013	Four Year Total
Construction Costs[a]	$10.00	$10.00	-	-	$20.00
Estimated Sales Tax[b]	$0.58	$0.58	-	-	$1.15
Value of Real Property[c]	$22.01	$77.12	$82.52	$90.08	$271.74
Estimated Property Tax Obligation[c]	$0.36	$0.66	$0.70	$0.77	$2.49
Total Value of Abatement (Negative Fiscal Impact)	$0.94	$1.23	$0.70	$0.77	$3.64

[a] Construction cost estimates are provided by the developer.
[b] The sales tax revenues for construction materials is estimated using the general sales tax rate of 5.75 percent.
[c] This property is currently consists of eight lots classified as commercial, vacant, or residential, as well as one tax exempt lot. The effective tax rate for these nine properties in FY 2009 was $1.65/$100. Starting FY 2011, the tax is estimated using $0.85/$100.
[d] The construction is assumed to be completed in FY 2011. In this neighborhood the land is typically 31.7 percent of total value. The value of land and improvements for FY 2011 is estimated using this percentage.
[e] The abatement is estimated to be in effect starting the second half of FU 2010.

Subtitle (VII)(R) – View 14 Project Economic Development Emergency Act of 2009

Background

The proposed legislation would amend D.C. Official Code Chapter 46 of Title 47 to provide up to $5.7 million combined in real property and sales tax exemptions for the "View 14 Project" (hereafter the "Project"), a mixed-use development to be constructed on Square 2868, Lot 155 in Ward 1, that consists of the following:

- 185 units of condominiums/apartments totaling approximately 173,765 square feet; including 6,000 square feet devoted to affordable housing for residents with

income no greater than 80 percent of the metropolitan Washington D.C. area median income (AMI)[248];
- Approximately 33,000 square feet of retail space; and
- A below-grade parking garage.

The proposed legislation would exempt the developer of the Project from sales tax on the purchase of materials used directly for the construction of the Project. Additionally, the proposed legislation would exempt the Project from real property taxes for ten consecutive years, and then would provide a 10 percent increase in property taxes owed each year for an additional ten years until the annual real property taxation reaches 100 percent. The combined amount of the sales and real property tax exemption shall not exceed $5.7 million.

Financial Plan Impact

The proposed subtitle would reduce real property tax collections by $1.2 million in FY 2010 and by approximately $3.4 million during the FY 2010 through FY 2013 financial plan period. The impact of the proposed subtitle is already incorporated into the FY 2010 through FY 2013 financial plan. The proposed subtitle is the permanent version of the temporary legislation that was enacted on Monday, April 27.

Fiscal Impact of (VII) (R) – View 14 Economic Development Emergency Act of 2009
Estimated Revenue Reductions, FY 2010 through FY 2013 (In millions of $)

	FY 2010	FY 2011	FY 2012	FY 2013	Four Year Total
Construction Costs[a]	$14.60	$14.60	-	-	$29.19
Estimated Sales Tax[b]	$0.84	$0.84	-	-	$1.68
Value of Real Property[c]	$38.37	$42.21	$45.16	$49.30	$175.03
Residential	$33.00	$36.30	$38.84	$42.40	$150.53
Commercial	$5.37	$5.91	$6.32	$6.90	$24.50
Estimated Property Tax Obligation[c]	$0.37	$0.40	$0.43	$0.47	$1.68
Total Value of Abatement (Negative Fiscal Impact)	$1.21	$1.24	$0.43	$0.47	$3.36

Source: Office of Revenue Analysis Calculations

[a] Construction cost estimates are provided by the developer. The total construction cost is estimated at $51,084,545, but the developer has already spent $21,894,169. The calculations assume that the remaining $29,190,376 is spent in equal amounts in FY 2009 and FY 2010.

[b] The sales tax revenues for construction materials is estimated using the general sales tax rate of 5.75 percent.

[c] This property is currently classified as Class 2 and taxed at $1.65/$100 for the first $3 million of value and at $1.85/$100 for any value above. The analysis assumes that it will be rezoned as Class 1 for 86 percent of

[248] According to the U.S. Department of Housing and Urban Development, 80 percent of AMI for the Washington D.C. metropolitan area in FY2008 was $61,500 for a family of four. AMI limits available at: http://www.huduser.org/datasets/il/il2008/2008summary.odn?inputname=METRO47900M47900*Washington-Arlington-Alexandria%2C+DC-VA-MD+HUD+Metro+FMR+Area&selection_type=hmfa&year=2008

its value, once the construction is completed in FY 2010, and therefore the value for this portion, which also now includes improvements, would be taxed at $0.85/$100.
[d] The abatement is estimated to be in effect starting the second half of FU 2010.

Subtitle (VII)(S) – Limitation on Borrowing Technical Amendments Act of 2009

Background

The proposed legislation would amend prior amendments to Chapter 3 of Title 47 of the D.C. Official Code to clarify certain provisions of the Limitation on Borrowing and Establishment of the Operating Cash Reserve Act of 2008, effective March 26, 2009 (DC Law 17-360; 56 DCR 1200).

Specifically, the proposed subtitle makes certain technical corrections to clarify the calculation of the debt cap, and the treatment of debt service payments rebated to the District pursuant to the American Recovery and Reinvestment Act of 2009.

Financial Plan Impact

The proposed subtitle only includes technical amendments and does not have an impact on the District's budget and financial plan.

Subtitle (VII)(T) – God of a Second Chance Ministry Real Property Tax Emergency Relief Act of 2009

Background

The proposed subtitle would amend would forgive all unpaid real property taxes, interest, penalties, fees, and other related charges assessed against real property located at Lot 0153, Square 5365 beginning June 23, 2008, through May 31, 2009, and require that any payment already made for this period be refunded. The property located at Lot 0153, Square 5365 is currently classified as tax exempt.

Financial Plan Impact

The proposed subtitle will reduce the total tax collections by $19,038 in FY 2010.

The total of taxes, interest, penalties, fees, and other related charges owed on this property is $11,935.27, all related to tax obligations for assessments since June 23, 2008. The property owner has made a total payment of $7,095.94 on September 15, 2009. The effect of the proposed subtitle is already incorporated into the proposed FY 2010 budget.

Subtitle (VII)(U) – Combined Reporting Reform Authorization Act of 2009

Background

Multistate corporations use many strategies to shelter income from taxation by state and local jurisdictions. Combined reporting requirements eliminate passive investment corporations (PIC) and other tax-avoidance strategies of large multistate corporations by treating the parent and most subsidiaries as one corporation for state income tax purposes.

The proposed subtitle commits the District of Columbia to the implementation of tax code changes that would require that for tax years beginning after December 31, 2010 all corporations taxable in the District of Columbia shall determine the income apportionable or allocable to the District of Columbia by reference to the income and apportionment factors of all commonly controlled corporations organized within the United States with which they are engaged in a unitary business. Under combined reporting, corporations would be required to add together their nationwide profits. The District would then tax a share of that combined income using the appropriate apportionment formula.

Financial Plan Impact

The proposed subtitle will increase corporate income tax collections by $22.6 million in FY 2012, by $19.4 million in FY 2013, and by $42 million during the FY 2010 through FY 2013 budget and financial plan period. The impact of the proposed subtitle is already incorporated into the proposed FY 2010 through FY 2013 budget and financial plan.

Fiscal Impact of Subtitle VII(W) – Combined Reporting Reform Authorization Emergency Act of 2009 Estimated Increase in Revenue Collections (In millions of $)					
	FY 2010	FY 2011	FY 2012	FY 2013	Four Year Total
Increase in Corporate Income Tax Collections	-	-	$22.6	$19.4	$42.0

Subtitle (VII)(V) – Revenue Enhancement Second Emergency Act of 2009

Background

The proposed subtitle would amend D.C. Official Code Title 47 to authorize the delay of cost-of-living adjustments for the indexing of the homestead deduction to October 1, 2012 and for personal exemptions to January 1, 2012; increase the general sales tax rate from 5.75 percent to 6 percent, the gas tax to $0.235 per gallon, and the cigarette tax to $0.125 per cigarette or $2.50 per pack; revise the definitions of various tobacco products; impose a new tax of $0.70 per ounce on the sale of other tobacco products; and require that the Mayor prescribe a tax return form for this new tax and that those subjected to the

tax file said return with the Mayor.

It would also exclude theatres or any entertainment venues of a capacity of 10,000 or more from the proposed increase in the retail sales tax.

Financial Plan Impact

The revenue increases approved by proposed amended subtitle would create additional revenues of $39.7 million in FY 2010 and $157 million in the FY 2010 through FY 2013 budget and financial plan period. The impact of the proposed subtitle is already incorporated into the proposed FY 2010 through FY 2013 budget and financial plan.

Positive Fiscal Impact of Subtitle VII(X) – Revenue Enhancement Emergency Act of 2009 Estimated Increase in Revenue Collections (In millions of $)					
	FY 2010	**FY 2011**	**FY 2012**	**FY 2013**	**Four Year Total**
Delay implementation of personal exemption indexing	$2.90	$4.60	$6.40	$8.30	$22.20
Delay implementation of homestead exemption indexing through FY 2013	$2.30	$3.60	$4.90	$5.10	$15.90
Increase retail sales tax rate to 6 percent effective 10/1/09 - 9/30/12	$20.80	$21.60	$22.50	-	$64.90
Increase the cigarette excise tax from $2.00/pack to $2.50/pack.	$9.70	$9.50	$9.20	$9.10	$37.50
Change the definition of cigarette[1]	$.52	$.47	$.48	$.50	$1.97
Increase gasoline excise tax to $0.235[2]	$3.50	$3.60	$3.70	$3.70	$14.50
Impose new tax of $0.75/ounce on other tobacco products[3]	--	--	--	--	--
Total	**$39.72**	**$43.37**	**$47.18**	**$26.70**	**$156.97**

[1] Products commonly referred to as "little cigars" would now be taxed as cigarettes instead of as cigars at the 12 percent rate as is currently done. This analysis took into account the fact that on April 1, 2009, the federal tax on little cigars was increased from $.04 per pack (20/pack) to $1.00 per pack, as this would reduce consumption at least through FY 2009. Other key assumptions made include:

- Share of little cigars in tobacco market in DC is same as national.
- Average price of a pack of little cigars (with no taxes) is $2.50.
- Price elasticity of demand for little cigars is -.4. This is the most widely cited elasticity for cigarettes.
- Average Annual Growth Rate for little cigars is 10 percent and remains unchanged after federal increase because price is still lower than cigarettes.
- Average Annual Growth Rate after DC tax increase is smaller. It is the average of the original little cigar growth rate of 10 percent and the growth rate of cigarettes of -1.5 percent : 4.25 percent. This recognizes the fact that they are now taxed as cigarettes, but are not perfect substitutes.

[2] Currently the gasoline excise tax accrues to the Federal Highway Trust Fund. It is the intent of the Council that the incremental revenues from the proposed subtitle would be diverted to the General Fund. Subtitle (VII)(D) transfers $3.5 million in FY 2010 from the Unified Fund to the Local General Fund. Additional

legislation might be required to ensure that the incremental gas tax collections are transferred into the Unified Fund to make it whole.

[3] There is not enough data to reliably estimate this impact. However, given the small market share, it is assumed that the additional taxes collected are not likely to be significant.

Revenues will be reduced because of the provision that excludes any entertainment venue of a capacity of 10,000 or more and any legitimate theater from the proposed increase in the retail sales tax provision.[249] This provision would reduce retail sales tax revenues by $225,000 in FY 2010 and by $691,551 during the FY 2010 through FY 2013 financial plan period. However, the operating margin in each fiscal year is sufficient to absorb the loss.

Estimated Sales Tax Revenue Loss in the General Fund due to keeping the sales tax revenue at 5.75% for certain venues					
	FY 2010	FY 2011	FY 2012	FY 2013	4 year total
Forgone sales tax revenues	$225,000	$227,475	$239,076	-	$691,551

[249] The Office of Tax and Revenue could administer this change with its existing resources.

TITLE VIII – O-TYPE TRANSFERS AND CAPITAL PROJECT REVISIONS

Subtitle (VIII)(A)– Fiscal Year 2009 Additional Transfer of Special Purpose Revenues Second Emergency Act of 2009

Background

The proposed subtitle allows the Chief Financial Officer to transfer to local funds and recognize as FY 2009 revenue fund balances from Special Purpose Funds in the amount of approximately $106.2 million. The table below outlines the funds affected by the proposed subtitle.

Fiscal Impact of Subtitle (VIII)(A) Fiscal Year 2009 Additional Transfer of Special Purpose Revenues Second Emergency Act of 2009 Transfer of Special Purpose Fund Balances to FY 2009 Local Fund			
	Agency	**Description**	**Amount**
a	Office of Property Management	Eastern Market Enterprise Fund	$94,294
		Rent	$143,867
b	Office of the Chief Financial Officer	Compliance and Real Property Tax Administration Fund	$3,337,702
		Bank Fees	$271,008
c	Office of Contracting and Procurement	Surplus Property Sales Fund	$297,963
		Supply Schedule Sales Discount And Operation Fund	$147,165
d	Department of Employment Services	Special Purpose Revenue Fund	$1,400,000
		UI Administrative Assessment Tax	$6,600,000
		Special Purpose Revenue Fund	$33,379
		Unemployment Insurance Interest/Penalties	$172,607
		DOES Relocation	$400,939
		Unemployment Insurance Admin	$74,602
e	Office of the Tenant Advocate	Condominium Conversion Fund	$600,000
f	Department of Consumer and Regulatory Affairs	Occupations and Professions Licensing Fund	$794,126
		Board of Engineers' Fund	$365,838
g	Department of Housing and Community Development	Home Purchase Assistance Fund[1]	$3,567,116
h	Dep. May for Planning & Economic Development	Industrial Revenue Bond Program Account	$2,000,000
i	Department of Fire and Emergency Medical Services	Special Events Fund	$138,595
j	Office of the Chief Medical Examiner	Medical Examiner Fees Fund	$24,450
k	District of Columbia Public Schools	Income-Security Deposits Fund	$10,000

Fiscal Impact of Subtitle (VIII)(A) Fiscal Year 2009 Additional Transfer of Special Purpose Revenues Second Emergency Act of 2009 Transfer of Special Purpose Fund Balances to FY 2009 Local Fund			
	Agency	**Description**	**Amount**
		Utility Reimbursement (Pepco/Washington Gas) Fund	$482,301
		Custodial Reimbursement Fund	$573,614
		Security Deposits Account	$1,137,077
		Nonresident Tuition Account	$1,709,611
l	Office of Public Education Facilities Management	Lease Income Fund	$380,226
m	Department of Health	Food Handlers Certification Fund	$446,254
		Adjudication Hearings and Fines Fund	$295,733
		Professional Licensing Fund	$52,150
		Health Facility Fee Fund	$216,290
		Emergency Medical Services Fees Fund	$75,902
		Drug Interdiction Fund	$15,190
		Animal Control License Fees Fund	$82,857
		Vital Records Fee Fund	$55,574
		Health Care Safety Net Fund	$1,286,791
		Adjudication Hearings and Fines Fund	$15,011
		Other Medical Licenses and Fees	$1,492
		Medicaid Reimbursement- APRA Fund	$652
		DC General Collections	$2,612,651
		Civil Monetary Penalties	$197,179
n	Department of Health Care Finance	Bill of Rights-Grievances And Appeals Fund	$799,665
o	Department of Human Services	Special Purpose Revenue Fund	$40,000
p	Office of People's Council	Balances in Accounts	$191,970
q	District Department of Environment	Renewable Energy Development Fund	$207,590
		Air Quality Adjudication Hearings Fund	$28,159
		Water Quality Adjudication Hearings Fund	$106,154
		Municipal Aggregation Account	$244,114
		Sustainable Energy Trust Fund	$2,545,891
r	Department of Motor Vehicles	Out-Of-State Vehicle Registration Fund	$235,736
		General O-type Revenue Sources Fund	$900,325
s	D.C. Taxicab Commission	Taxicab Assessment Fund	$81,949
t	Board of Trustees of the Tobacco Settlement Trust Fund	Tobacco Settlement Trust Fund[1]	$18,300,000
u		Community Benefit Fund[1]	$23,409,000
v		Healthy DC Fund[1]	$13,000,000
w		Nursing Facility Quality of Care Fund	$16,000,000

Fiscal Impact of Subtitle (VIII)(A) Fiscal Year 2009 Additional Transfer of Special Purpose Revenues Second Emergency Act of 2009 Transfer of Special Purpose Fund Balances to FY 2009 Local Fund			
	Agency	**Description**	**Amount**
x	Department of Insurance, Securities and Banking	Insurance Recovery Fund	$820
y	DC Public Libraries	Franklin Restitution	$21,778
	TOTAL		**$106,223,357**

[1] With restrictions on the use of funds.

Additionally, the proposed subtitle authorizes the Chief Financial Officer to transfer to local funds and recognize as FY 2009 revenue certified special purpose revenue from Special Purpose Funds in the amount of $22,258,000:

- $1,400,000 from the reversal of the HSRA disallowance;
- $5,170,000 from new legal settlements;
- $250,000 from the Motor Vehicle Theft Prevention Commission;
- $2,167,000 from the parking tax (originally for PAYGO); and
- $13,271,000 from the Community Benefits Fund.

Financial Impact

The proposed subtitle would reduce fund balances and certified special purpose revenue in Special Purpose Funds by a total of $128,481,357 and increase the local general revenue for FY 2009 by the same amount, which, then can be used for gap closing purposes. The financial impact of the proposed subtitle is already incorporated into the FY 2009 Budget and the FY 2010 through FY 2013 budget and financial plan.

Subtitle (VIII)(B) – Capital Projects Modification Second Emergency Act of 2009

Background

The proposed subtitle would rescind the capital budget authority of a number of projects, provided that the associated budget authority were transferred to 17 enumerated pay-go capital projects. The below table outlines the projects and the associated capital budget authority balances.

Fiscal Impact of Subtitle (VIII)(B) Capital Projects Modification Second Emergency Act of 2009 Projects Subject to Capital Budget Authority Rescissions			
Agency	**Project #**	**Name**	**Amount ($)**
Department of Real Estate Services	MA702C	Underground Storage Tank	$300,000
	RG037C	General Improvements	$300,000
D.C. Office of Personnel	BE501C	Information Technology	$279,986

Fiscal Impact of Subtitle (VIII)(B) Capital Projects Modification Second Emergency Act of 2009 Projects Subject to Capital Budget Authority Rescissions			
Agency	**Project #**	**Name**	**Amount ($)**
Dept. of Consumer & Regulatory Affairs	RPD002	Real Property Database	$207,925
Dept. of Housing & Community Development	EB201C	Neighborhood Revitalization-Columbia Heights	$177,537
Deputy Mayor for Planning & Economic Development	JA102C	Old Convention Center Study	$336,001
Equipment Lease - Capital	EQ301C	DMV Destiny	$291,860
	HC701C	Medicaid Management Information System	$809,113
	N2401C	Telco Safety And Security	$185,000
Department of Parks & Recreation	RN015C	Takoma Pool (Aquatic Center)	$274,490
Department of Health	HC501C	Community Clinic Construction	$1,994,830
Department of Transportation	EQ902C	Master Equipment Lease - DPW	$110,475
	FM103C	Heavy Equipment Staging Area and Storage	$175,014
	CDT14A	Sousa Bridge	$1,008,721
	CDT15A	Taft Bridge	$1,791,750
	CDT20A	Wisconsin Avenue Overpass C&O	$632,359
Department of Public Works	FM603C	Fleet Customer Intake	$440,000
	FM604C	Snow Equipment Staging Area	$560,000
Department of Fire and Emergency Medical Services	LD137C	Engine 28	$1,980,022
	20600C	Fire Apparatus Replacement	$345,556
D.C Public Schools	NB437C	Birney Elementary School Rehab	$421,178
Anacostia Waterfront Initiatives	ANA06C	Anacostia Waterfront Corporation	$3,994,843
Total Budget Authority Rescinded			**$17,616,659**

Additionally, the proposed subtitle rescinds the capital authority of two other projects—Temporary Space (TPL01C) under D.C. Public Libraries, and Oyster Adams playground (QS6426) under DPR, which are already funded by Pay-Go capital, and makes the $2,167,101 budget authority available for FY 2009.

Financial Plan Impact

By rescinding the capital authority of various projects and redirecting these funds to other capital projects that are currently funded by pay-go capital, the subtitle would allow budget authority of about $17.6 million to be transferred to 17 pay-go capital projects. The budget authority would be transferred to local funds and would be available in the fiscal year for which the pay-go capital expenditure was budgeted. Currently, the amount for these 17 projects totals $15.9 million. Additionally, the proposed subtitle would increase local general revenue for FY 2009 by $2.17 million. The fiscal impact of the

proposed subtitle is already incorporated into the FY 2009 budget and FY 2010 through FY 2013 budget and financial plan.

Subtitle (VIII)(C) – Fiscal Year 2010 Transfer of Special Purpose Revenues Second Emergency Act of 2009

Background

The proposed subtitle allows the Chief Financial Officer to transfer to local funds and recognize as fiscal year 2010 revenue $82,791,821 from Special Purpose Funds. The table below outlines the funds affected by the proposed subtitle.

Fiscal Impact of Subtitle (VIII)(C)
Fiscal Year 2010 Transfer of Special Purpose Revenues Second Emergency Act of 2009
Transfer of Fund Balances to FY 2010 Local Fund

	Agency	Description	Amount
a	Office of Property Management	Eastern Market Enterprise Fund	$199,990
b	Office of the Chief Financial Officer	Compliance and Real Property Tax Administration Fund	$552,902
		Payroll Service Fees Fund	$78,803
		Service Contracts Fund	$84,238
c	Office of the Secretary	Distribution Fees Fund	$22,000
d	Office of Attorney General	Child Support Title IVD Incentives Fee Funds	$1,563,000
		Driving Under the Influence Fund	$8,413
e	Office of Contracting and Procurement	Surplus Property Sales Fund	$15,320
		Supply Schedule Sales Discount And Operation Fund	$108,189
f	Office of Chief Technology Officer	ServUS Program Fund	$10,000
g	Public Service Commission	Operating-utility Assessment Fund	$176,540
h	Office of People's Counsel	Advocate for Consumers	$56,352
i	Dep. May for Planning & Economic Development	Economic Development Special Account	$54,001
j	Metropolitan Police Department	Automated Traffic Enforcement Fund	$493,638
k	Department of Corrections	Corrections Trustee Reimbursement Account	$669,640
l	Office of Administrative Hearings	Adjudication Fines Fund	$145
m	District of Columbia Public Library	Copies and Printing Account	$5,000
n	Office of State Superintendent of Education	State Superintendent of Education fees account	$5,651
		OPLA special account	$7,000
o	Department of Parks and Recreation	Enterprise Fund Account	$86,093
p	Department of Health Care Finance	Bill of Rights-Grievances And Appeals Fund	$153,798
q	District Department of Environment	Oil Spill Fee Fund	$20,238
		Soil Erosion and Sediment Control Fund	$386,745
		Storm Water Permit Review Fund	$65,465
		Renewable Energy Development Fund	$4,818

Fiscal Impact of Subtitle (VIII)(C) Fiscal Year 2010 Transfer of Special Purpose Revenues Second Emergency Act of 2009 Transfer of Fund Balances to FY 2010 Local Fund			
	Agency	**Description**	**Amount**
		Air Quality Adjudication Hearings Fund	$2,209
		Water Quality Adjudication Hearings Fund	$23,962
		Wells Fund	$971
		Residential Aid Discount Fund	$19,560
		Residential Essential Services Fund	$7,607
		WASA Utility Discount Program	$3,391
		Municipal Aggregation Account	$42,903
		Sustainable Energy Trust Fund	$786,493
r	District Department of Transportation	Restoration Of Public Space Projects Fund	$15,000
s	Department of Public Works	Solid Waste Disposal Fee Fund	$523,109
t	Department of Motor Vehicles	Out-Of-State Vehicle Registration Fund	$21,200
		Commercial Drivers License Fund	$147,438
u	Office of Cable Television	Cable Franchise Fees Fund	$942,000
v	Dep. May for Planning & Economic Development	The Neighborhood Investment Fund[1]	$7,020,000
w		Community Benefit Fund[1]	$13,271,000
x		Ballpark Revenue Fund	$11,000,000
y		Healthy DC Fund[1]	$3,850,000
z	Office of Property Management	Parking Fees Fund	$2,255,000
aa	District Department of Transportation	Unified Fund	$3,842,000
bb	Board of Trustees of the Tobacco Settlement Trust Fund	Tobacco Settlement Trust Fund[1]	$14,840,000
cc		Nursing Facility Quality of Care Fund	$600,000
dd	Office of Unified Communications	E-911 Fee	$6,950,000
ee	TIF Revenues	TIF Revenues	$9,800,000
ff	DDOT	Additional certified funds	$2,000,000
	TOTAL		**$82,791,821**

[1] With potential restrictions on the use of funds.

Financial Impact

The proposed subtitle will reduce the fund balances of various Special Purpose Funds by $82,791,821 and increase the local general revenue for FY 2010 by the same amount. The financial impact of the proposed subtitle is already incorporated into the FY 2010 through FY 2013 budget and financial plan.

Subtitle (VIII)(D) – Financial Plan Transfer of Special Purpose Revenues Second Emergency Act of 2009

Background

The proposed subtitle allows the Chief Financial Officer to transfer to local funds and recognize as FY 2011 revenue $38.338 million, as FY 2012 revenue $30.456 million, and as FY 2013 revenue $36.55 million from Special Purpose Funds from the following sources:

Fiscal Impact of Subtitle (VIII)(D) Financial Plan Transfer of Special Purpose Revenues Second Emergency Act of 2009 Transfer of Fund Balances to FY 2011 through FY 2013 (In millions of $)					
Agency	**Description**	**FY 2011**	**FY 2012**	**FY 2013**	**TOTAL**
	Ballpark Revenue Fund	$14	$10	$15	$39
	Community Benefit Fund[1]	$12.883	$13.001	$14.095	$39.979
OPM	Parking Fees Fund	$2.255	$2.255	$2.255	$6.765
DMPED	The Neighborhood Investment Fund[1]	$3.2	$3.2	$3.2	$9.6
	Tobacco Settlement Trust Fund	$4	-	-	$4
DDOT	Additional certified revenues	$2	$2	$2	$6
	Total	**$38.338**	**$30.456**	**$36.55**	**$105.344**

[1] With restrictions on the use of funds.

Financial Impact

The proposed subtitle will reduce the fund balances of various Special Purpose Funds listed in the above table by a total of $105.344 million and increase the local general revenue for the corresponding fiscal years by the same amount. The financial impact of the proposed subtitle is already incorporated into the FY 2010 through FY 2013 budget and financial plan.