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:	**July 1, 2010**
SUBJECT:	**Fiscal Impact Statement: "Fiscal Year 2011 Budget Support Act of 2010"**
REFERENCE:	**B18-0732, Engrossed Original, Shared with OCFO on June 15, 2010, and Amendments introduced on June 15, 2010**

This Fiscal Impact Statement is a replacement for the one issued on June 21, 2010 and reflects final Council action.

Conclusion

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

The proposed legislation implements the FY 2011 through FY 2014 budget and financial plan as proposed by the Council of the District of Columbia. The combined initiatives in the Fiscal Year 2011 Budget Support Act of 2010 provide sufficient funds to balance the estimated local fund expenditures of $5.39 billion in the proposed FY 2011 budget and financial plan.

It is important to note that while provisions of the proposed legislation can be implemented by the proposed resources in the budget and financial plan, the Office of the Chief Financial Officer's (OCFO) analysis of the Council's budget and financial plan reveals concerns with respect to various budget cuts and budget items, as noted in the OCFO's certification letter. Specific areas of concern are:

- FY 2011 Proposed Budget for the Fire and Emergency Medical Services Department (FEMS) and the Department of Public Works (DPW) includes a significant reduction in the Local funds overtime budget, compared to the recent multi-year actual expenditure trend. Both agencies will need to diligently manage their personnel, including hiring practices and shift schedules, to keep overtime below historic levels for these agencies (See also the background and fiscal impact section for Subtitle III(C) of the proposed legislation.)

- FY 2011 Budget includes approximately $78 million in increased Federal Medicaid Assistance Percentage, or FMAP, funds coming into the District under a proposed six-month extension to the program originally created in the stimulus bill to boost the amount of Medicaid money coming to the states. The extra Medicaid match expires at the end of December 2010, but a six-month extension would continue the funding through June 30, 2011. If Congress does not pass the extension for the enhanced FMAP, there would be a corresponding spending pressure. Note that the District is not alone: Thirty states had reported writing the expected FMAP funds into their budgets as of the end of April.
- The FY 2011 Proposed Budget includes a provision to increase the per-pupil payment for the non-residential facilities allotment for the District of Columbia Public Charter Schools by means of an Intra-District transfer of $5,000,000 of the federal payment to improve the D.C. Public Charter Schools that is budgeted in the Office of the State Superintendent of Education (See the background and fiscal impact sections for Subtitle IV(C). District of Columbia Official Code §38-2906.02 requires that 100 percent of the facilities allotment be paid with the October 15th payment to the charter schools; however, federal payment appropriations typically are not available until the District's appropriations act is enacted into law. Because federal appropriations laws will take precedence, only the Local funds portion of the facilities allotment can assuredly be paid by the specified October 15th date, and the charter schools should be informed the federal payment portion may come later in the year. This, however, is similar to FY 2010, when the federal payment to the charter schools was made to the charter schools this past April.
- The financial plan adopted by the Council includes very aggressive assumptions about reversing the recent growth in Non-Public Tuition and Special Education Transportation. We are comfortable with the FY 2011 budgets for these two agencies, but in FY 2012 and FY 2013, the plan requires expenditure reductions that might be difficult to attain. All parties will need to ensure that progress is made in absorbing special education students and the related costs into the public school systems during the remainder of FY 2010 and FY 2011, so that the FY 2012 budget can indeed include reduced expenditures for the special education agencies.

The proposed legislation, the "Fiscal Year 2011 Budget Support Act of 2010," is the legislative vehicle for adopting statutory changes needed to implement the District's proposed FY 2011 through FY 2014 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

Subtitle (I)(A) - Lease Income from Former School Buildings Authorization Act of 2010

Background

The proposed subtitle would[1] redirect the funds received by the District government from the leasing of excess school buildings or any real property formerly under the jurisdiction of the District of Columbia Public Schools that are now under the jurisdiction of the Department of Real Estate Services (DRES) to the District of Columbia Leasing Fees Working Fund (Fund"). The Fund is administered by the DRES and used for lease administration, repair, maintenance, and capital investment of buildings owned by the District government.

Financial Plan Impact

The proposed subtitle would redirect $1.65 million in FY 2011 and $6.6 million over the FY 2011 through FY 2014 financial plan period from the Office of Public Education Facilities Modernization (OPEFM) to the Fund. The impact of the proposed subtitle is incorporated into the proposed FY 2011 through FY 2014 budget and financial plan.

Subtitle (I)(B) – Washington Center on Aging Lease Income Amendment Act of 2010

Background

The proposed subtitle would authorize the revenue from a lease agreement for the Washington Center for Aging Services located at 2635 18th Street, NE, to go directly to the local component of the General Fund. The Mayor intends to lease the property to Stoddard Baptist Home, Inc., (the "tenant") for a period of 30 years with the option of two additional 10-year renewal terms for a long-term care nursing home facility. The tenant was chosen through a competitive bid process conducted by the Department of Real Estate Services (DRES). According to the draft Letter of Intent shared with the OCFO, the facility must provide nursing home facilities, adult day care, dialysis, and elderly and handicapped transportation services, and achieve a rating of at least 3 out of 5 at all times by a nursing home rating authority.[2]

The negotiated annual base rent is $1,001,200 to be paid in monthly installments during Year 1 through Year 7 of the lease term. In Year 8 through Year 30 of the lease term, the annual rent will escalate 2 percent per year. Overall, total rent payments through the 30-year lease term will be approximately $36.5 million.

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[1] By amending the District of Columbia Appropriations Act, 1955, approved July 1, 1954 (68 Stat. 393; D.C. Official Code §10-701).

[2] For example, see Nursing Home Compare, a federal government program, which rates nursing homes over a scale of 0 to 5. Information is available at http://www.medicare.gov/NHCompare.

Financial Plan Impact

The proposed subtitle would direct the lease revenue from the Washington Center for Aging Services into the General Fund. The lease agreement is expected to be signed with the tenant by August 1, 2010, and the District is expected to collect two months of rent in FY 2010 for a total of $167,000. In FY 2011, the lease will generate $1 million in revenue and $4 million in lease revenue in the FY 2011 through FY 2014 financial plan period will go to the General Fund. The impact of the proposed subtitle is incorporated in the revised FY 2010 budget and the proposed FY 2011 through FY 2014 budget and financial plan.

Fiscal Impact of Subtitle (I)(B) – Washington Center on Aging Lease Income Amendment Act of 2010 Estimated Revenue Impact to General Fund						
	FY 2010	**FY 2011**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2011- FY 2014 Total**
Increased Revenues	$166,867	$1,001,200	$1,001,200	$1,001,200	$1,001,200	$4,171,667

Subtitle (I)(C) – Within-Grade Salary Increases, Cost of Living Adjustments, and Salary and Benefits Schedules Act of 2010

Background

The proposed subtitle freezes salaries of D.C. Government employees for FY 2011 at FY 2010 levels by eliminating all within-grade step increases and cost-of-living adjustments. Additionally, the proposed subtitle requires that days worked between October 1, 2010 and September 30, 2011 would not count as creditable service for computing an employee's length of service or waiting period for a within-grade salary increase and requires that all FY 2010 salary schedules shall be maintained during FY 2011. Finally, the proposed subtitle would allow the Mayor to furlough employees or make a reduction-in-force as necessary, subject to the modification of any collective bargaining agreement.

The proposed subtitle exempts from this freeze employees of the Metropolitan Police and the Fire and Emergency Medical Services Departments, and members of the Washington Teachers' Union, Local #6 of the American Federation of Teachers, pending the ratification of a collective bargaining agreement, and subject to funding certification by the Chief Financial Officer.

Financial Plan Impact

Freezing FY 2011 salaries and salary schedules in their FY 2010 levels and eliminating the within-grade step increases and cost-of-living adjustments for FY 2011 will reduce personnel expenditures for FY 2011 by approximately $13.0 million. Additionally, not crediting service provided between October 1, 2010 and September 30, 2011 would mean that the District would not have to catch up with the step increases in FY 2012. The impact of the proposed subtitle is incorporated into the proposed FY 2011 through FY 2014 budget and financial plan.

Subtitle (I)(D) – Overtime Work Hours Amendment Act of 2010

Background

The proposed subtitle would[3] change the District's overtime rules and regulations to conform to federal regulations.[4] Specifically, the proposed legislation would require that, when applicable, overtime payments would be calculated based on the number of hours worked in a week and not number of hours worked in a day.

Financial Plan Impact

Conforming to federal law would give the District more flexibility in budgeting and paying for overtime. This change could have an immediate impact in some government agencies if their employees are not a part of a collective bargaining agreement and the provision could be applied immediately upon its enactment. Some savings would be achieved if employees routinely work longer than 8 hours in a given workday, but not over 40 hours over the workweek. Due to the uncertainty of the potential savings, the fiscal impact of this provision is not incorporated into the proposed FY 2011 through FY 2014 budget and financial plan.

Subtitle (I)(E) – Technology Services Amendment Act of 2010

Background

The proposed subtitle would[5] expand the authority of the Office of the Chief Technology Officer (OCTO) to ensure that reasonable, affordable access to high-speed Internet services is available to District residents, businesses, and visitors. In addition, the proposed subtitle would allow[6] the Office of the Chief Technology Officer (OCTO) to sell DC-Net services to independent agencies, government agencies outside of the District government, and for-profit and not-for-profit organizations. DC-Net is a fiber optic-based network managed by OCTO that provides secure, high-speed transport of data, voice, video, and wireless services for government purposes throughout the District.

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[3] By amending the District of Columbia Government Comprehensive Merit Personnel Act of 1978, effective March 3, 1979 (D.C. Law 2-139; D.C. Official Code § 1-601.01 *et seq.*).
[4] Specifically, Title 17 and the Fair Labor Standards Act of 1938, approved June 25, 1938 (52 Stat. 1060; 29 U.S.C. § 201 *et seq.*).
[5] By amending subtitle B of Title XIV of the Fiscal Year 1999 Budget Support Act of 1998, effective March 26, 1999 (D.C. Law 12-175; D.C. Official Code § 1-1401 et seq.).
[6] By amending the Technology Services Support Act of 2007, effective September 18, 2007 (D.C. Law 17-20; D.C. Official Code § 1-1432(a)).

Financial Plan Impact

Under the proposed subtitle, OCTO would receive approximately $2.9 million in FY 2011, which they plan to invest immediately into DC-Net infrastructure improvements and expansion. The fees collected for providing DC-Net services go directly into the DC-Net Service Support Fund and are used solely to defray the cost of the DC-Net program which includes implementing and managing the fiber-optic network. The cost to expand the program to serve new clients will be absorbed within the existing resources of the DC-Net Support Fund.

Subtitle (I)(F) – Office on Latino Affairs Grant-Making Authority Act of 2010

Background

The proposed subtitle would give authority[7] to the Director of the Office on Latino Affairs (OLA) to issue grants to organizations serving Latino residents in the District of Columbia.

Financial Plan Impact

No additional staff or resources are needed to implement the proposed provision. The proposed subtitle would have no impact on the budget and financial plan.

Subtitle (I)(G) – Disability Compensation Amendment Act of 2010

Background

The proposed subtitle would significantly amend the District of Columbia Government Comprehensive Merit Personnel Act of 1978[8] ("Act"), which established the District's Disability Compensation Program ("Program") administered by the Office of Risk Management.[9] The changes, categorized based on the fiscal impact of the provision, are described below.

No significant fiscal impact

(a) Allow for modification of benefits if the claimant has been released medically to return to modified or light duty work and the District has offered such work.[10]

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[7] By amending the "District of Columbia Latino Community Development Act of 1976" (effective September 29, 1976. D.C. Law 1-86; D.C. Official Code § 2-1313).
[8] Approved March 3, 1979 (D.C. Law 2-139; D.C. Official Code § 1-623.01 *et seq.*).
[9] The program provides District Government employees injured on the job with workers' compensation, including medical care, vocational rehabilitation services, and compensation for lost wages. Currently, there are 560 injured workers receiving bi-weekly disability compensation payments.
[10] D.C. Official Code §1-623.24.

(b) Limit the modified duty assignments to two 90 day increments in any 12 month period. Currently the law specifies that assignments are only to last 90 days, but it does not limit how many such assignments an injured worker can have over a year.[11]

(c) Revise the term "injury" to include damage to, or destruction of eyeglasses and hearing aids and such time lost while they are being replaced or repaired.

Possible cost savings, but no way to reliably estimate[12]

(d) Allow for the "Apportionment"[13] of pre-existing medical impairments when determining disability payments.[14]

(e) Prohibit employees from receiving disability compensation if he or she was employed by the District prior to October 1, 1987 and is currently receiving retirement disability payments under the federal government civil service disability retirement system for the same injury.[15]

(f) Allow for suspension of compensation if the claimant fails to follow the prescribed and recommended courses of medical treatment from the treating physician.[16]

(g) Reduce the time period within which a disability claim must be filed with the District from 3 years to ~~1~~ 2 years.[17]

(h) Specify that an injured worker can reopen a disability case within one year of the date of the last indemnity payment or the final order issued by a judicial entity.[18] Currently, the statute does not specify an allowable timeframe for reopening a case.

(i) Repeal provisions that allow injured workers with dependents to receive an augmented basic compensation.[19] This provision would not apply to employees hired prior to January 1, 1980.

Calculable cost savings

(j) Prohibit claims for mental stress.[20]

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[11] D.C. Official Code §1-623.47.

[12] Due to lack of data.

[13] Medical apportionment would allow the District to give consideration only to the percentage of the injury that resulted directly from work while employed with the District. Under the proposed subtitle, in making an apportionment determination, the Mayor would be required to consider medical reports by physicians with specific training and experience in the use of the American Medical Association Guides to the Evaluation of Permanent Impairment.

[14] D.C. Official Code §1-623.07(d).

[15] D.C. Official Code §1-623.16.

[16] D.C. Official Code §1-623.24.

[17] D.C. Official Code §1-623.22.

[18] D.C. Official Code §1-623.22.

[19] Basic compensation refers to payments for lost wages, also known as indemnity payments. For those on total disability, the payment with dependents was 75 percent instead 66 2/3 percent of his or her monthly pay and for those on partial disability, the payment with dependents was 75 percent instead of 66 2/3 percent of the difference between his or her monthly pay and his or her monthly wage-earning capacity after the beginning of the partial disability. While the average weekly wage is known and thus an average payment under the two scenarios can be calculated, there is no data on how many people actually receive the higher compensation. D.C. Official Code §1-623.10.

(k) Limit vocational rehabilitation services to 90 days, allowing for the extension of these services after the initial 90 day period has expired for good cause for up to one year from the original vocational rehabilitation plan. Under current law, vocational rehabilitation services can continue indefinitely.[21]

(l) Limit the time a claimant can receive temporary total or temporary partial disability payments to no more than 500 weeks, provided, that within the last 52 weeks, the claimant were entitled to a hearing before an Office of Administrative Hearings judge for purposes of determining whether the claimant has a permanent disability. Currently, there is no time limit. This provision would not apply to employees hired prior to January 1, 1980 and would not become effective until one year after the effective date of the Act.[22]

(m) Repeal the provision[23] that allows an employee whose claim has been denied to request a reconsideration of that decision within 30 days after the decision was issued. Currently, when requests for reconsideration are pending, the injured worker continues to receive temporary disability payments.

(n) Suspend basic compensation to those employees who fail to apply for or undergo vocational rehabilitation, as directed.[24] This provision would not apply to employees hired prior to January 1, 1980.

(o) No longer allow that the diagnosis or medical opinion of the employee's treating physician be accorded great weight over other opinions in disputes between a medical care provider, employee, or District of Columbia government on the issue of medical care.[25]

(p) Allows for modification of benefits once a claimant has been *released* to work. Currently benefits can only be modified if the person actually returns to work.[26]

(q) Require that the claimant pay the fees for being represented in any proceeding and that a claim for legal services furnished would only be valid if approved by an administrative judge.[27] Currently, if a person has representation and is successful in the proceeding, the person is awarded, in addition to compensation, a reasonable attorney's fee that is to be paid by the Mayor.

Financial Plan Impact

The proposed subtitle is estimated to result in cost savings of $812,688 in FY 2011 and $3.3 million over the budget and financial plan period for the Disability Compensation Fund ("Fund"). The Fund, administered by the Office of Risk Management, makes payments to District employees for compensation for lost wages, medical services related to an injury, and for

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[20] D.C. Official Code §1-623.02.
[21] D.C. Official Code §1-623.04.
[22] D.C. Official Code §1-623.06(a).
[23] D.C. Official Code §1-623.24(a-4).
[24] D.C. Official Code §1-623.13.
[25] D.C. Official Code § 1-623.23(a-2)(4)).
[26] If a person is released to return to work, but fails to do so, ORM sends a Notice to Terminate Benefits, which allows the person to received compensation payments for 30 days. D.C. Official Code §1-623.24.
[27] D.C. Official Code §1-623.27.

other services such as vocational rehabilitation. The impact of the proposed subtitle is incorporated in the proposed FY 2011 through FY 2014 budget and financial plan.

Fiscal Impact of Subtitle (V)(G) – Disability Compensation Amendment Act of 2010 Estimated Costs Savings to the Disability Compensation Fund					
	FY 2011	**FY 2012**	**FY 2013**	**FY 2014**	**Four Year Total**
Prohibit stress claims (j)	$52,354	$52,354	$52,354	$52,354	$209,415
Limit voc rehab to up to 1 year (k)	$0[a]	$18,900	$18,900	$18,900	$56,700
Limit temporary disability payments to 500 weeks (l)[b]	$0	$0	$0	$0	$0
Eliminate reconsideration process (m)	$225,394	$225,394	$225,394	$225,394	$901,575
Suspend benefits for not doing voc rehab (n)	$22,768	$22,768	$22,768	$22,768	$91,072
Equal treatment of medical evidence (o)	$358,389	$358,389	$358,389	$358,389	$1,433,556
Modify benefits once released to work (p)	$36,000	$36,000	$36,000	$36,000	$144,000
Require claimant to pay legal fees (q)	$117,784	$117,784	$117,784	$117,784	$471,136
Total Cost Savings	**$812,688**	**$831,588**	**$831,588**	**$831,588**	**$3,307,453**

Table Notes
Subtitles in parenthesis.
a Any benefit would not accrue until 1 year after the effective date of this Act.
[b] Any benefit would not accrue until roughly 552 weeks after the effective date of this Act.

Subtitle (I)(H) – Notaries Public Authentications and License Fee Amendment Act of 2010

Background

The proposed subtitle would amend title 17 of the District of Columbia Municipal Regulations to increase the fee to $15 for the authentication of documents for both foreign and domestic, use including 'A' Certificates, Department Head Certificate, Apostille, and Foreign Certificates. In addition, the subtitle would increase the certification fee for notary public commissions to $75.

Financial Plan Impact

The fee increases are estimated to generate an additional $150,000 in FY 2011 and a total of $600,000 over the FY 2011 through FY 2014 budget and financial plan period. These funds would be deposited into the Office of the Secretary Special Purpose Revenue Fund. The impact of the proposed subtitle is incorporated in the revised FY 2010 budget and the proposed FY 2011 through FY 2014 budget and financial plan.

Fiscal Impact of Subtitle (I)(H) – Notaries Public Authentications and License Fee Act of 2010 Estimated Revenue Collections from Fee Increases					
	FY 2011	FY 2012	FY 2013	FY 2014	Four Year Total
Increased Revenues- Office of the Secretary Special Purpose Revenue Fund	$150,000	$150,000	$150,000	$150,000	$600,000

Subtitle (I)(I) – Legal Publications Modernization Amendment Act of 2010

Background

The proposed subtitle would[28] update District of Columbia Official Code on publications of official documents by allowing electronic publication of the District of Columbia Register and Municipal Regulations to fulfill the legal publication requirements established by the Administrative Procedure Act and the District of Columbia Documents Act of 1978.

Financial Plan Impact

The District of Columbia Register and Municipal Regulations are already published on-line. Reducing the number of printed copies could save the agency money, but it is not possible to estimate the potential savings, therefore these potential savings are not incorporated into the FY 2011 through FY 2014 budget and financial plan.

Subtitle (I)(J) – Police and Firefighter Post-Retirement Health Benefits Amendment Act of 2010

Background

The proposed legislation would amend the "District Retirement Program Post-Employment Health and Life Insurance Benefits Emergency Amendment Act of 2009"[29] to make the District's contribution level equal to 75 percent of the cost of the selected health benefit plan for an eligible family member of an annuitant killed or injured in the line of duty.

Additionally, the proposed subtitle would increase post employment health benefits of annuitants who retire under the Police and Fire Retirement System. Specifically, the proposal would require that for an annuitant who was hired before November 10, 1996, and who retires with at least 5 years of creditable District service, the District shall pay 75 percent of the cost of the selected

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[28] By amending the District of Columbia Administrative Procedure Act, approved October 21, 1968 (82 Stat. 1205; D.C. Official Code § 2-502) and the District of Columbia Documents Act, effective March 6, 1979 (D.C. Law 2-153; D.C. Official Code § 2-551 *et seq.*).
[29] Subtitle (I)(U) in Bill 18-443, "The Fiscal Year 2010 Budget Support Second Emergency Act of 2009."

health benefit plan and the annuitant shall contribute 25 percent, and for a covered family member of an annuitant, the District contribution shall be an amount equal to 60 percent of the cost of the selected health benefit plan and the covered family member shall contribute 40 percent of the cost of the selected health benefit plan. For annuitants hired on or after November 10, 1996, with at least 10 years of creditable District service, but less than 25 years of creditable District service, the District contribution to the cost of a health benefit plan selected by the annuitant shall be equal to 30% of the cost of the selected health benefit plan (as secondary to Medicare) for the annuitant, plus an additional 3% for each year of creditable District service over 10 years, and 25% for the covered family member of the annuitant, plus an additional 3% for each year of creditable District service over 10 years; provided, that the District contribution shall not exceed 75% of the cost of the selected health benefits plan for the annuitant and 60% of the cost of the selected health benefits plan for the covered family member of the annuitant. The annuitant and family member shall contribute the applicable balance of the cost of the selected health benefit plan. These increases in benefits to annuitants who retire under the Police and Fire Retirement System would be effective starting October 1, 2011.

Financial Plan Impact

Police and Firefighter Post-Retirement Health Benefits Temporary Amendment Act of 2009, enacted on November 16, 2009,[30] already provides the same level of benefits as proposed by the legislation to *annuitants and the family member of annuitants killed or injured in the line of duty*. Thus, the fiscal impact of the proposed provision[31] is already incorporated into the proposed FY 2011 through FY 2014 budget and financial plan.

The subtitles of the proposed provision that increase benefits to the annuitants who retire pursuant to the Police and Fire Retirement System would not affect the proposed FY 2011 budget, but would increase the required contributions by $13.9 million during the FY 2011 through FY 2014, starting in FY 2012. The impact takes into account amendments made on June 15, 2010. The provision is subject to appropriation, but the Mayor has proposed an offsetting saving that the OCFO is currently analyzing.

Fiscal Impact of Subtitle (I)(J) –Fiscal Impact of Police and Firefighter Post-Retirement Health Benefits Amendment Act of 2010, in Millions of $ Estimated Revenue Collections from Fee Increases					
	FY 2011	**FY 2012**	**FY 2013**	**FY 2014**	**Four Year Total**
Increased annual required contributions	$0	$4.3	$4.6	$5.0	$13.9

[30] B18-0496, effective January 27, 2010.
[31] The provision increased required contributions for other post employment benefits by approximately $200,000 annually starting FY 2010.

Subtitle (I)(K) – Contract Appeals Board Amendment Act of 2010

Background

The proposed legislation would amend the Procurement Practices Act of 1985[32] to reduce the number of members on the Contract Appeals Board (CAB) from five members to three members.

Financial Plan Impact

Throughout the history of the CAB, the Board has never had more than three members and more recently, has not been funded to support five members. The proposed subtitle would have no impact on the budget and financial plan.

Subtitle (I)(L) – Renewable Energy Development Amendment Act of 2010

Background

The proposed subtitle would amend the Renewable Energy Portfolio Standard Act of 2004[33] to expand the use of the Renewable Energy Development Fund (REDF) from providing "grants and loans" to providing "grants, loans, rebates, and other financial incentives."

Financial Plan Impact

The REDF is administered by the District Department of the Environment and receives revenues primarily from compliance fees paid by energy suppliers that fail to obtain renewable energy credits sufficient to meet the renewable portfolio standards. This subtitle has no fiscal impact; it only expands the potential uses of the monies in the Fund. Regardless of the use of the REDF fund, all grants, loans, rebates and other financial incentives are subject to the availability of funds and must be implemented within existing resources.

Subtitle (I)(M) – Stormwater Permit Compliance Fund Clarification Amendment Act of 2010

Background

The proposed subtitle would[34] clarify that funds from the Stormwater Permit Compliance Enterprise Fund ("Fund") cannot be used for street sweeping unless enhancement to existing street sweeping activities are necessary to comply with the terms of the Stormwater Permit.

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[32] Effective February 21, 1986 (D.C. Law 6-85; D.C. Official Code § 2-301.01 *et seq.*)

[33] Section 8 of the Renewable Energy Portfolio Standard Act of 2004, effective April 12, 2005 (D.C. Law 15-340; D.C. Official Code § 34-1436)

[34] By amending the "District Department of the Environment Establishment Act of 2005." effective March 25, 2009 (D.C. Law 17-371, D.C. Official Code § 8-152.02(e)(1))

Financial Plan Impact

The Stormwater Permit Compliance Enterprise Fund is a non-lapsing fund that must be used solely to fund the cost to the District Government of complying with the U.S. Environmental Protection Agency Municipal Separate Storm Sewer System (MS4)[35] permit that regulates the District's discharge of storm water and sewage from the sewer system. This subtitle clarifies what the Fund cannot be used for.

Subtitle (I)(N) – Anacostia River Clean Up and Protection Clarification Amendment Act of 2010

Background

The proposed subtitle would[36] prevent the use of the Anacostia River Clean Up and Protection Fund ("Fund") to fund street sweeping activities.

Financial Plan Impact

The Anacostia River Clean Up and Protection Fund is administered by the District Department of the Environment and used solely for the purposes of cleaning and protecting the Anacostia River and other waterways. This subtitle clarifies that the Fund cannot be used for street cleaning activities. The fiscal impact of the proposed legislation is already incorporated into the FY 2011 through FY 2014 budget and financial plan. The Mayor's proposed budget allocated monies in the Fund for street sweeping programs. The proposed FY 2011 through FY 2014 budget and financial plan returns these monies to the Fund, and allocates $2.6 million in local funds to Department of Public Works to pay for street cleaning.

Subtitle (I)(O) – Bonus and Special Pay Limitation Act of 2010

Background

The proposed legislation would prohibit the District from awarding performance-related bonuses, special act pay, and service awards in fiscal year 2011.[37]

[35] A Municipal Separate Storm Sewer System (MS4) is a municipal owned sewer system that discharges untreated polluted stormwater runoff into local waterbodies.

[36] By amending the "Anacostia River Clean Up and Protection Act of 2009," effective September 23, 2009 (D.C. Law 18-55, D.C. Official Code § 8-102.05(c))

[37] There are several types of special awards or bonus pay that are exempted. These include retirement awards, hiring bonuses and additional income allowances for difficult-to-fill positions, agency awards or bonuses funded by private grants or donations, safe driving awards, suggestion or invention awards, and any other award or bonus required by an existing contract or collected bargaining agreement.

Financial Plan Impact

Prohibiting funds to be used for special pay or bonuses in fiscal year 2011 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)(P) – Transportation Procurement Practices Amendment Act of 2010

Background

The proposed subtitle amends District of Columbia Procurement Practices Act of 1985[38] to provide that for FY 2011, 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 2011 Proposed Capital Improvement Plan and Budget.

Financial Plan Impact

The proposed legislation requires that that the detailed descriptions of Capital Improvement Plan and budget for the federally supported 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 2011 through FY 2014 budget and financial plan.

Subtitle (I)(Q)- Lobbyist Administration and Enforcement Fund Establishment Amendment Act of 2010

Background

The proposed subtitle would[39] establish a non-lapsing fund administered by the Office of Campaign Finance (OCF) and called the Lobbyist Administration and Enforcement Fund to be used solely for the purpose of administering and enforcing the laws pertaining to lobbying activities in the District of Columbia.

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[38] The District of Columbia Procurement Practices Act of 1985, effective March 8, 1991 (D.C. Law 8-257; D.C. Official Code § 2-301.05a(h))

[39] District of Columbia Campaign Finance Reform and Conflict of Interest Amendment Act of 1974. Approved August 14, 1974 (88 Stat. 462; D.C. Official Code § 1-1105.02(c))

Financial Impact

Paid lobbyists that are required to register with the District of Columbia[40] are also required to pay an annual registration fee. The fee is $50 for lobbyists who lobby solely for non-profit organizations and $250 for all others. The OCF expects to collect $45,000 in FY 2010, $45,000 in FY 2011, and $180,000 over the FY 2011 through FY 2014 budget and financial plan period. All fees collected in FY 2010 have gone into the general fund and will be transferred into the Lobbyist Administration and Enforcement Fund.

[40] 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 if they receive an aggregate amount of $250 or more in any 3-consecutive-calendar-month period for lobbying.

TITLE II – ECONOMIC DEVELOPMENT AND REGULATION

Subtitle (II)(A) – Commission on the Arts and Humanities Artistic Sales Authorization Amendment Act of 2010

Background

The proposed subtitle would authorize the sale of promotional items and prints of art works owned by the Commission on the Arts and Humanities ("Commission"), and loan of art works owned by the Commission to other entities.[41] Net proceeds of such sales would be deposited in the enterprise fund of the Commission.[42]

Financial Plan Impact

The proposed legislation is expected to generate a small, but unknown amount of revenue, to be deposited into the "Arts and Humanities Enterprise Fund." Because the revenues are not known at this time, the fiscal impact of this provision is not incorporated into the proposed FY 2011 through FY 2014 budget and financial plan.

Subtitle (II)(B) – Special Events Licensing Amendment Act of 2010

Background

The proposed subtitle would amend the Special Events regulations[43] concerning activities held on public space, such as parades, community activities, cultural programs, and musical concerts to:

(a) Require a written permit from DCRA prior to the event hold on any street, avenue, alley, footway, highway, or other public space; and
(b) Increase the hourly rate for investigators and inspectors, as shown in the table below:

[41] By adding new paragraphs (5A) and (5B) to the D.C. Official Code § 39-204; the sales would be carried out at prices established by the Commission, and the loans either at no cost or at prices established by the Commission.
[42] By adding a new Subsection (a-1) to Section 6a of the D.C. Official Code § 39-205.01.
[43] Section 720 of Chapter 7 (Parades and Public Events) of Title 24 (Public Space and Safety) of the District of Columbia Municipal Regulations.

Special Event Permit Fees – FY 2010 versus proposed FY 2011				
Fee Type	**FY 2010**	**FY 2011**	**Amount increase**	**Percent increase**
Fees of the Department of Health, Health Emergency Preparedness and Response Administration (DOH/HEPRA), or its successor				
Advanced medical aid station, total first hour cost[a]	$502.00	$690.00	$188.00	37%
Advanced medical aid station, additional hourly cost	$102.00	$190.00	$88.00	86%
Basic medical aid station, total first hour cost[b]	$211.00	$420.00	$209.00	99%
Basic medical aid station, additional hourly cost	$61.00	$120.00	$59.00	97%
Emergency operations supervisor hourly cost[c]	$38.00	$60.00	$22.00	58%
Command vehicle station, total first hour cost[d]	N/A	$150.00	$150.00	N/A
Command vehicle station, additional hourly cost	N/A	$50.00	$50.00	N/A
Fees of the Fire and Emergency Medical Services Department				
Over-the-counter permit fee, per permit[e]	$44.00	$150.00	$106.00	241%
On-site permit fee, rate per employee per hour	$44.00	$88.00	$44.00	100%
On-site monitoring fee, rate per employee per hour	$44.00	$65.00	$21.00	48%
Fees of the Department of Public Works				
Flag installation/removal, rate per employee per hr	$32.75	$57.00	$24.25	74%
Temporary sign installation, rate per employee per hr	$27.61	$36.00	$8.39	30%
Clean-up and trash removal, rate per employee per hr	$24.25	$32.00	$7.75	32%
Disposable Trash Bags, per bag	$0.35	$0.45	$0.10	29%
Fees of the Metropolitan Police Department				
Special Events Fee, rate per officer per hour	$32.74	$60.58	$27.84	85%
Fees of the Department of Consumer and Regulatory Affairs				
Special Events Fee, rate per employee per hour	$21.03	$54.35	$33.32	158%
Fees of the Alcoholic Beverage Regulation Administration				
Special Events Fee, rate per employee per hour	$21.03	$54.35	$33.32	158%

[a] Proposed new costs would include personnel costs for two nurses, each at $70.00 per hour and one emergency operations staff member, at $50.00 per hour, and medical supplies and equipment cost at $500.00 per station.

[b] Proposed new costs would include personnel costs for one nurse, at $70.00 per hour and one emergency operations staff member at $50.00 per hour, and medical supplies and equipment cost at $300.00 per station.

[c] If the Special Event presents a significant risk of overwhelming the District's emergency medical services and care system, an emergency operations supervisor would be required.

[d] If the number of participants at the Special Event is expected to equal or exceed 5,000 and the event presents a significant risk of overwhelming the District's emergency medical services and care system, a command vehicle station would be required at the cost of one emergency operations staff member, at $50.00 per hour, and one command vehicle at $100.00 per event.

[e] As set forth in Section F-107H (Permits) of Title 12H (Fire Code Supplement) of the District of Columbia Municipal Regulations.

The proposed subtitle would also amend the Amusements and Entertainment regulations[44] concerning Circuses, Carnivals, Concerts, and other Performances and Special Performance Permits to:

[44] Chapter 13 (Amusements and Entertainment) of Title 19 (Amusements, Parks, and Recreation) of the District of Columbia Municipal Regulations.

(a) Authorize the Mayor to modify current ten-day time restriction at one single location for conducting any carnival, fair, performance, singing, playing of musical or other instruments, or dancing,[45] and modify the ten-day time restrictions in one calendar year for operations of any circus or rodeo;[46]
(b) Decrease the percentage and radius requirement for neighborhood approval to host a Special Event, from the current *90 percent* of "the resident housekeepers and occupants of business establishments" to *75 percent.*[47] and from "within a distance of *500 feet* from the perimeter of" the place of activity to *300 feet;*[48] and
(c) Authorize the Mayor to use the discretion to issue the license or permit in the case a written consent of the affected residents and business establishments cannot be obtained after a good faith effort has been made[49].

Financial Plan Impact

The proposed legislation is expected to generate $60,000 additional revenues in FY 2011 and $240,000 over the proposed FY 2011 through FY 2014 budget and financial plan. The revenues would accrue to the Special Events Revolving Fund, a special purpose revenue fund. The impact of the proposed subtitle is incorporated in the proposed FY 2011 through FY 2014 budget and financial plan.

Fiscal Impact of Subtitle (II)(B) – Special Events Licensing Amendment Act of 2010					
	FY 2011	**FY 2012**	**FY 2013**	**FY 2014**	**Four Year Total**
Additional revenues from Special Event permit fees [a]	$60,000	$60,000	$60,000	$60,000	$240,000

[a] In FY 2008, there were about 100 events, with an average event fee of approximately $340. The number of events is expected to increase by 11 percent.

<u>Subtitle (II)(C) – Licensing, Permitting, and Corporate Filings Amendment Act of 2010</u>

Background

The proposed subtitle would authorize the Mayor to establish fees and surcharges for the issuance of building permits,[50] business licenses, and corporation filing documents,[51] and to

[45] By amending Section 1300.2 of Chapter 13 of Title 19 of the District of Columbia Municipal Regulations.
[46] By amending Section 1300.3 of Chapter 13 of Title 19 of the District of Columbia Municipal Regulations.
[47] By amending Section 1301.4 of Chapter 13 of Title 19 of the District of Columbia Municipal Regulations.
[48] By amending Sections 1301.3 and 1301.4 of Chapter 13 of Title 19 of the District of Columbia Municipal Regulations.
[49] By amending Section 1301.4 of Chapter 13 of Title 19 of the District of Columbia Municipal Regulations.
[50] By amending D.C. Official Code § 1-1329 (a) for fees for Surveyor and adding a new subsection (e) to D.C. Official Code § 6-1405.01 regarding the Construction Codes, building permits, and certificates of occupancy.
[51] Concerning license fees and fees for filing and issuing of certificates and documents: by amending D.C. Official Code § 29-101.121, subsections (a) and (b) for business corporations, D.C. Official Code § 29-301.92 for nonprofit corporations, D.C. Official Code § 29-944(a) for cooperative associations, and D.C. Official Code § 29-1063 for limited liability companies; concerning filing fees and charges and issuing of certificates and documents; by

establish the rate of certain fees and surcharges through rulemaking that is subject to Council approval. Specifically, it would authorize the Director of the Department of Consumer and Regulatory Affairs (DCRA) to provide a new tiered fee structure based on the industry standards, instead of the current cumbersome formula to determine tiered fees, both based on the number of shares, for filing articles of incorporation and amendment to articles of incorporation or restated articles of incorporation[52]; and charge an additional fee of 10 percent on the total cost of any filing or document that is submitted to, or requested from, the Corporations Division to cover the costs of enhanced technological capabilities of the Corporations Division of DCRA, starting on June 1, 2010 and to expire on October 1, 2013.[53]

Financial Plan Impact

The 10 percent surcharge on corporate filing fees is expected to generate to the local general fund $1 million in FY 2011 and $3 million over the FY 2011 through FY 2014 budget and financial plan. Additionally, the proposed subtitle would have an impact of $166,667 to local fund in FY 2010.[54] The impact of the proposed subtitle is incorporated in the revised FY 2010 budget and the proposed FY 2011 through FY 2014 budget and financial plan.

Fiscal Impact of Subtitle (II)(C) – Licensing, Permitting, and Corporate Filings Act of 2010						
	FY 2010 [a]	FY 2011	FY 2012	FY 2013	FY 2014	4-Year Total
Additional revenues from corporation filing fees to Local General Fund	$166,667	$1,000,000	$1,000,000	$1,000,000	$0	$3,000,000

[a] It is assumed that increased fee revenue will be collected in the last two months of FY 2010.

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amending D.C. Official Code § 33-101.05(f) for uniform partnerships, D.C. Official Code § 33-110.04 Subsections (a) and (b) for limited liability partnerships, and D.C. Official Code § 33-211.02(b) for uniform limited partnerships; and concerning basic business license application and renewal fees, by amending D.C. Official Code § 47-2851.04 (c)(1) and adding a new subsection (e) to D.C. Official Code § 47-2851.08.

[52] Proposed fees for filing articles of incorporation:

(1) For a corporation with authorized shares of capital up to 100,000 shares: $185;
(2) For a corporation with authorized shares of corporation capital more than 100,000 shares and up to 500,000 shares: $500;
(3) For a corporation with authorized shares of corporation capital more than 500,000 shares and up to 1,000,000 shares: $1,000; and
(4) For a corporation with authorized shares of corporation capital more than 1,000,000 shares: $1,500.

Proposed fees for amendment to articles of incorporation or restated articles of incorporation: $185; provided, that if the amendment will increase the number of shares, the fee shall be as follows:

(1) For a corporation with authorized shares of capital up to 100,000 shares: $185;
(2) For a corporation with authorized shares of corporation capital more than 100,000 shares and up to 500,000 shares: $500;
(3) For a corporation with authorized shares of corporation capital more than 500,000 shares and up to 1,000,000 shares: $1,000; and
(4) For a corporation with authorized shares of corporation capital more than 1,000,000 shares: $1,500.

[53] By adding a new Chapter 6 (DCRA Corporations Division Schedule of Fees) to Title 17 (Business, Occupations, and Professions) of the District of Columbia Municipal Regulations, and repealing Sections 3502 (Limited Partnership Fees), 3503 (Schedule of Fees for the Registered Limited Liability Partnership), 8911 (Trade Name Registration – Fees and Refunds) and 8912 (Trade Name Registration – Collection and Deposit of Fees).

[54] The proposed subtitle intends to implement the fee change in June 2010. DCRA would need 60 to 90 days from the date of enactment of the legislation for public outreach prior to starting to collect the increased fees.

Subtitle (II)(D) – Vacant Property Disincentivization Act of 2010

Background

The proposed subtitle would create a vacant property tax at a rate of $5 per $100 of assessed property value,[55] and increase the vacant property initial registration fee[56] from $20 to $250 and the renewal fees from between $10 and $60 for any subsequent years[57] to $250. Specifically, the proposed legislation would define blighted properties by clarifying that vacant buildings are those for which no resident can show an intent to return and occupy,[58] and establish four property tax classes by creating a Class 3 vacant property tax rate at $5 per $100 of assessed value, and a Class 4 blighted property tax rate at $10 per $100 of assessed value.[59] It would also provide exemptions from the registration fee and Class 3 tax for properties actively listed for sale and rent, under active construction, subject to probate proceedings or pending predevelopment administrative review, as well for owners facing undue economic hardship.[60] All exemptions would be limited to one year, except for the rental exemption that is limited to 90 days. Additionally, the proposed legislation would require the Mayor, semiannually, to transmit a list of vacant and blighted properties to the Office of Tax and Revenue for the purposes of property tax billing, [61] provide notice and appeal rights,[62] and would remove criminal sanctions in the case of failure to register and pay all fees.[63]

Financial Plan Impact

The proposed legislation is expected to generate $3,451,778 revenues in FY 2011 and approximately $13.5 million over the FY 2011 through FY 2014 budget and financial plan from the registration and renewal fees and new Class 3 taxes. It is estimated that the new Class 3 tax proposal would require an additional FTE at the Office of Tax and Revenue (OTR) to handle the revenue collection.

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[55] By amending Subsection (b-10) of the D.C. Official Code § 47-812

[56] By amending the D.C. Official Code § 42-3131.09. It would provide an exception to registration if the vacant building is owned by the government of the United States or its instrumentalities or by a foreign government or its instrumentalities.

[57] The current renewal fees are:

(1) One-half of the initial applicable registration fee, if paid within 30 days after the renewal date;
(2) Equal to the applicable initial registration fee, if paid after 30-day period but before the receipt of notice;
(3) Three times the applicable initial registration fee, if paid after receipt of the notice.

[58] By amending D.C. Official Code ' 42-3131.05.

[59] By amending sections 47-812 and 47-813 of the District of Columbia Official Code

[60] By amending D.C. Official Code ' 42-3131.06, and repealing Paragraphs (3A) and (6) of subsection (b).

[61] By adding a new section 16a to D.C. Official Code ' 42-3131

[62] By amending D.C. Official Code ' 42-3131.11 and ' 42-3131.15(a)

[63] By removing the expression "imprisonment for not more than 90 days, or both" from D.C. Official Code ' 42-3131.10

Additionally, the proposed registration fee structure, if implemented by August 2010, could generate $94,000 in FY 2010.[64] The registration and renewal fees would be deposited into the Nuisance Abatement Fund, a special-revenue fund. The impact of the proposed subtitle is incorporated in the revised FY 2010 budget and the proposed FY 2011 through FY 2014 budget and financial plan.

Fiscal Impact of Subtitle (II)(D) – Vacant Property Disincentivization Act of 2010						
	FY 2010	**FY 2011**	**FY 2012**	**FY 2013**	**FY 2014**	**Four Year Total**
Revenues from vacant property registration fees[a]	$94,000	$355,060	$323,906	$304,471	$286,203	$1,269,640
Revenues from vacant property tax[b]	N/A	$3,182,918	$3,055,601	$3,117,000	$3,248,000	$12,603,519
Additional cost of 1 FTE at OTR	N/A	$86,200	$86,200	$86,200	$86,200	$344,800
Total Impact	**$94,000**	**$3,451,778**	**$3,293,307**	**$3,335,271**	**$3,448,003**	**$13,528,359**

[a] There are 2,448 identified vacant properties. With the assumption that the legislation would be enacted in the last quarter of FY 2010 and increased registration fees would be collected in August and September 2010, one sixth of the existing vacant properties are assumed to register with the new fee structure in FY 2010 and the rest in FY 2011; then renew their registrations every year. A 2 percent addition per year is assumed for the out years. Additionally, due to the negative incentives, an 8 percent annual decline in the number of vacant properties is assumed, for a net annual decline of 6 percent when combined with the assumed 2 percent annual addition to vacant properties. A similar fee structure resulted in a 22 percent decline in the number of vacant properties in Wilmington, DE over 3 years. An allowance of 40 percent was made for exemptions that would reduce the revenue collection from graduated renewal fees.

[b] There were 2,400 properties that were in Class 3 in tax year 2009 and about 100 of those are on the DCRA list of blighted properties. 718 properties are currently identified as Class 1 with an assessed value of $241.7 million; 88 properties are currently identified as Class 2 with an assessed value of $59.0 million.

Subtitle (II)(E) – Electronic Service of Notice Amendment Act of 2010

Background

The proposed subtitle would amend Department of Consumer and Regulatory Affairs' (DCRA) license and permit application process to require the applicants to provide a viable email address for the receipt of service of process,[65] and to allow DCRA to send electronic notices of infraction,[66,67] including notices related to business licenses and construction permits and notices requiring correction of unlawful conditions regarding abatement of nuisance property.

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[64] DCRA would need 60 to 90 days from the date of enactment to complete the set up and public outreach before collecting the increased fees.

[65] By amending D.C. Official Code § 47-2851.04(a) and Section 105.3 (Application for Permit) of Chapter 1A of Title 12A (Building Code Supplement) of the District of Columbia Municipal Regulations.

[66] By amending the Department of Consumer and Regulatory Affairs Civil Infractions Act of 1985, D.C. Official Code § 2-1802.05 (D.C. Law 6-42; effective October 5, 1985).

[67] By amending Section 3(1) of An Act to provide for the abatement of nuisances in the District of Columbia by the Commissioners of said District, and for other purposes, approved April 14, 1906; 34 Stat. 115; D.C. Official Code § 42-3131.03(1).

Financial Plan Impact

The proposed legislation makes technical changes to require a valid email address for license and permit applications and to allow electronic service of notices, and does not have an impact on the District's budget and financial plan for FY 2011 through FY 2014.

Subtitle (II)(F) – Administrative Judgments of Nuisance Property Amendment Act of 2010

Background

The proposed subtitle would allow[68] the collection of nuisance property special assessments through the securing of an administrative judgment enforceable in the Superior Court of the District of Columbia, in the same way as the existing civil infractions judgment process. Specifically, it would authorize the Mayor to request the Office of Administrative Hearings to issue a final order converting a special assessment lien to an administrative judgment. Currently, the special assessment liens are collected through the tax lien and tax sale process, which may cause delays up to two years in collections. Conversion of special assessment liens to administrative judgments enforceable in the Court would allow earlier receipt of outstanding debt.

Financial Plan Impact

The proposed legislation makes technical changes to remove the delays in the collection process of special assessment liens. While it is expected to have a positive impact on the revenues through earlier collection of outstanding debt to the District, there is not sufficient data to reliably estimate this impact.

Subtitle (II)(G) – Department of Consumer and Regulatory Affairs Civil Infractions Amendment Act of 2010

Background

The proposed subtitle would shorten[69] the Council review period for proposed civil infraction amendments from 60 to 30 days.

Financial Plan Impact

The proposed legislation makes technical changes concerning the Council review period for modifications to schedules of fines, and does not have an impact on the District's budget and financial plan.

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[68] By amending an Act to provide for the abatement of nuisances in the District of Columbia by the Commissioners of said District, and for other purposes. 34 Stat. 114, Ch. 1626; D.C. Official Code § 42-3131.01; approved April 14, 1906; by adding a new paragraph (1A) to Subsection (a) and Subsection (c).

[69] By amending Department of Consumer and Regulatory Affairs Civil Infractions Act of 1985, D.C. Law 6-42; D.C. Official Code § 2-1801.04(a).

Subtitle (II)(H) – Funeral Director Licensing Amendment Act of 2010

Background

The proposed subtitle would update[70] the operations of the District of Columbia Board of Funeral Directors ("the Board"). Specifically, the proposed subtitle would:

(a) Amend the definitions of direct supervision and immediate supervision[71];
(b) Authorize the Mayor to establish a schedule of fees by rulemaking[72];
(c) Require the Board to provide a list of all licensed funeral directors[73] to the Office of the Chief Medical Examiner and certain health care facilities[74];
(d) Authorize the Board to issue a license to an applicant who is licensed in another jurisdiction[75];
(e) Restrict persons who can practice funeral directing[76]; and
(f) Restrict the types of services an apprentice funeral director can perform[77].

Financial Plan Impact

The proposed subtitle changes the scope of certain functions of the Office of Chief Medical Examiner, and results in minor cost savings to the agency. These cost savings, which are not possible to reliably estimate at present, would reduce the expenditures out of the Office of the Chief Medical Examiner Management Fund, a special-purpose revenue fund.

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[70] By amending the District of Columbia Funeral Services Regulatory Act of 1984, D.C. Law 5-84; D.C. Official Code § 3-401 *et seq.*; effective May 22, 1984.

[71] By amending D.C. Official Code § 3-402, paragraphs (6) and (13).

[72] By amending D.C. Official Code § 3-404. It is also proposed that application fees paid would not be refundable, even if the applicant withdraws his or her application for licensure, certification, or registration, or is found by the Board to be not qualified.

[73] By amending D.C. Official Code § 3-405 Subsection (e)(5).

[74] As defined in Section 2(c) of the Health-Care and Community Residence Facility, Hospice and Home Care Licensure Act of 1983, effective February 24, 1984 (D.C. Law 5-48; D.C. Official Code § 44-501(c)).

[75] By adding a new subsection (i) "Endorsement" to D.C. Official Code § 3-405.

[76] By amending D.C. Official Code § 3-411 subsections (d) and (g) and adding persons employed in a "physician's office, or the Office of the Chief Medical Examiner" into the list of persons that are not allowed to engage in the practice of funeral directing and to inform a death or impending death; and additionally by clarifying emergency medical transport service operation specified at the end of Subsection (d) in a new subsection (d-1).

[77] By adding a new section 22b (Services requiring immediate supervision by a funeral director) and restricting the following services unless performed under the immediate supervision of a licensed funeral director: (1) The handling, preparation, or embalming of human remains; (2) The removal or transport of human remains; (3) Conducting or directing a funeral; and (4) Advising consumers making arrangements for the care and disposition of human remains, including arrangements made prior to the death of a person.

Subtitle (II)(I) – Housing Production Trust Fund and Affordable Housing Production Report Amendment Act of 2010

Background

The proposed subtitle would increase[78] the maximum percentage of funds allocated for the administration of the Housing Production Trust Fund[79] (HPTF) from 10 percent to 15 percent of the funds deposited into the HPTF for fiscal years 2010 and 2011. This maximum percentage allocated for the administrative expenses would go back to 10 percent of the HPTF starting fiscal year 2012. Additionally, it would require submission of an affordable housing production report[80] as a subunit of the current Housing Production Trust Fund Annual Report.

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,[81] and it requires inclusion of additional items in current reporting for increased transparency. The financial impact of the proposed subtitle is incorporated into the revised FY 2010 budget and the proposed FY 2011 through FY 2014 budget and financial plan.

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[78] By amending Housing Production Trust Fund Act of 1988, D.C. Law 7-202; D.C. Official Code § 42-2802(b)(10), effective March 16, 1989.

[79] The Housing Production Trust Fund is a non-lapsing, non-reverting segregated account financed by dedicated taxes, 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.

[80] The report would include the following information:

1) The amount of money expended by the Department of Housing and Community Development for the acquisition and production of affordable housing during the fiscal year;
2) The number of loans and grants made during the fiscal year;
3) The number of low-income, very low-income, and extremely low-income households and individuals assisted through the expenditures;
4) A list of each project for which funds were expended, including, a brief description of the project, the amount of money expended, whether it was a loan or a grant; and the general terms of the loan or grant;
5) The amount and percentage of funds expended on homeownership and rental housing projects;
6) The amount and percentage of funds expended on rental housing or homeownership opportunities for households with incomes at or below 30%, 50%, and 80% of the area median income;
7) The number of housing units assisted, including the number of rental housing units assisted and the number of homeownership units assisted; and
8) The amount expended on administrative costs during the fiscal year.

[81] The increase in the administrative costs cap would shift resources within Department of Housing and Community Development from direct to indirect project costs, and would not have an impact on securitization or debt service, since funds for securitization or debt service are allocated first.

Fiscal Impact of Subtitle (II)(I) - Housing Production Trust Fund Amendment Act of 2010 Trust Fund Dollars Reallocated for Administrative Costs (In millions of dollars)						
	FY 2010	**FY 2011**	**FY 2012**	**FY 2013**	**FY 2014**	**Four Year Total**
Projected Revenue	**$21.3**	$22.0	$25.2	$23.8	$26.4	$97.4
Current Law	$2.1	$2.2	$2.5	$2.4	$2.6	$9.7
Proposed Law	$3.2	$3.3	$2.5	$2.4	$2.6	$10.8
Potential Additional Funds Allocated for Administration	**$1.1**	**$1.1**	**$0**	**$0**	**$0**	**$1.1**

Subtitle (II)(J) – Housing Regulatory Administration Fees Amendment Act of 2010

Background

The proposed subtitle would provide authority[82,83,84] to the Department of Housing and Community Development (DHCD) to establish and collect fees for conversion applications, certifications, and applications for registration of condominiums.[85] The proposed fee structure is as follows:

(a) Application to convert a vacant housing accommodation: $100;
(b) Application to convert a non-housing accommodation: $100;
(c) Application to convert a property to a low income equity share cooperative: $100; and
(d) Certification fee: $100 per occupied units or eight hundred dollars $800, whichever is greater.

Financial Plan Impact

The proposed subtitle is expected to generate $66,000 in FY 2011 and approximately $264,000 over the FY 2011 through FY 2014 budget and financial plan. These funds would be deposited into the special-purpose revenue DHCD Unified Fund. The impact of the proposed subtitle is incorporated in the proposed FY 2011 through FY 2014 budget and financial plan.

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[82] By amending the Rental Housing Conversion and Sale Act of 1980, D.C. Law 3-86; D.C. Official Code § 42-3201 *et seq.*, effective September 10, 1980. A new section 212 would be added to authorize the Mayor to impose and collect fees for the processing of an application for conversion and other services provided by the Mayor and to require that the fees collected would be deposited into the Department of Housing and Community Development (DHCD) Unified Fund.
[83] By amending the Condominium Act of 1976 Technical and Clarifying Amendment Act, D.C. Law 1-89; D.C. Official Code § 42-1904.03 *et seq.*, effective March 29, 1977. It would be added to Section 403(d) that the application fees for registration of a condominium would be deposited into the DHCD Unified Fund.
[84] By amending the Fiscal Year 2009 Budget Support Act of 2008, D.C. Law 17-219; D.C. Official Code § 42-2857.01, effective August 16, 2008. New paragraphs 1A and 1B would be added to § 42-2857.01(e) to clarify the funds deposited into the DHCD Unified Fund.
[85] The fees for conversion applications, certifications, and applications for registration of condominiums would be specified by adding a new section 4717 (Application and Certification Fees) into Chapter 47 (Conversion and Sale of Rental Housing) of Title 14 (Housing) of the District of Columbia Municipal Regulations.

Fiscal Impact of Subtitle (II)(J) – Housing Regulatory Administration Fees Amendment Act of 2010					
	FY 2011	**FY 2012**	**FY 2013**	**FY 2014**	**4 -Year Total**
Existing Certification Fees	$12,000	$12,000	$12,000	$12,000	$48,000
Existing Registration Fees	$40,000	$40,000	$40,000	$40,000	$160,000
New Application (or Inspection) Fees	$14,000	$14,000	$14,000	$14,000	$56,000
Total Impact to the DHCD Unified Fund	**$66,000**	**$66,000**	**$66,000**	**$66,000**	**$264,000**

Subtitle (II)(K) – Department of Insurance, Securities, and Banking Reorganization Amendment Act of 2010

Background

The proposed subtitle would reorganize the Department of Insurance, Securities, and Banking (DISB) by combining the Banking Bureau and the Securities Bureau into the "Banking and Securities Bureau," which would administer the District's Banking Code and oversee regulation of securities, and would be headed by the Associate Commissioner for Banking and Securities.[86] Two of the trust funds administered by DISB as special purpose funds within the General Fund, the Securities Regulatory Trust Fund, and the Banking Regulatory Trust Fund would also be combined into a Banking and Securities Regulatory Trust Fund.

Financial Plan Impact

The proposed subtitle would reduce personnel expenditures at DISB by a minimum $143,000 in FY 2011 and approximately $572,000 over the proposed FY 2011 through FY 2014 budget and financial plan. These cost savings would accrue to the local component of General Fund, since monies received and deposited in the Securities Regulatory Trust Fund and the Banking Regulatory Trust Fund are used to fund the administrative expenses of the Banking Bureau and the Securities Bureau, and any funds received but not expended in a given fiscal year is returned to the General Fund. The impact of the proposed subtitle is incorporated in the proposed FY 2011 through FY 2014 budget and financial plan.

[86] By amending the Department of Insurance and Securities Regulation Establishment Act of 1996, D.C. Law 11-268, D.C. Official Code § 31-101 *et seq.*, effective May 21, 1997.

Subtitle (II)(L) – Title Insurance Producer Act of 2010

Background

The proposed subtitle would regulate the practices of title insurance producers[87] in the District.[88] As a result, approximately 2,500 title insurance producers practicing in the District would be licensed and supervised by the Insurance Bureau of the Department of Insurance, Securities, and Banking (DISB).

Financial Plan Impact

The proposed legislation is expected to generate $750,000 additional revenues in FY 2011 and approximately $1,500,000 over the proposed FY 2011 through FY 2014 budget and financial plan. These funds would accrue to the Banking Regulatory Trust Fund, a special purpose fund administered by DISB.[89] The costs associated with examination of title insurance producers, including audits and inspection of books and records can be absorbed within DISB's proposed

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[87] "Title insurance producer" means a person authorized to perform, on behalf of a title insurer, the following acts for the issuance of a title insurance policy:

- (a) Determining insurability, including underwriting and risk-taking decisions and issuing title insurance commitments or policies based on the performance or review of a search or abstract of title; and
- (b) Performing one or more of the following functions:
  - (1) Collecting or disbursing premiums, escrows, indemnity deposits, or other funds;
  - (2) Handling escrows, settlements, or closings;
  - (3) Soliciting or negotiating title insurance business;
  - (4) Recording closing documents; or
  - (5) Overseeing the execution of settlement documents, although acting as an independent contractor.

"Title insurance producer" does not include:

- (a) A financial institution that does not solicit, procure, or negotiate title insurance contracts for compensation and its employees, or conduct title insurance business;
- (b) An employee of an abstracting company;
- (c) A person whose activities in the District are limited to advertising, without the intent to solicit insurance in the District;
- (d) A salaried full-time employee who counsels or advises his or her employer relative to the insurance interests of the employer or of the subsidiaries of the employer;
- (e) An employee of a title insurer provided, that the employee's activities are not focused on transactions in the District.

"Title insurance policy" means a contract insuring owners of real or personal property against loss or damage arising from any of the following conditions existing on or before the policy date and not expressly excepted or excluded from coverage:

- (a) Defects in or liens or encumbrances on the insured title
- (b) Unmarketability of the insured title;
- (c) Invalidity, lack of priority, or unenforceability of liens or encumbrances on the property;
- (d) Lack of legal right of access to the property; or
- (e) Unenforceability of rights in title to the property and other matters affecting the title to or right to use and enjoyment of the property.

[88] By supplementing the provisions of the Producer Licensing Act of 2002 (D.C. Law 14-264; D.C. Official Code § 31-1131 *et seq.* effective March 27, 2003)

[89] Established by section 7(b-2) of the Department of Insurance and Securities Regulation Establishment Act of 1996, effective May 21, 1997 (D.C. Law 11-268; D.C. Official Code § 31-107(b-2)

budget. The impact of the proposed subtitle is incorporated in the proposed FY 2011 through FY 2014 budget and financial plan.

Fiscal Impact of Subtitle (II)(L) – Title Insurance Producer Act of 2010 and Title Insurance Company Act of 2010					
	FY 2011	**FY 2012**	**FY 2013**	**FY 2014**	**Four Year Total**
Additional revenues from title insurance license fees [a]	$750,000	$0	$750,000	$0	$1,500,000

[a] The District of Columbia Land Title Association estimates there are approximately 2,500 title insurance producers in the District that would apply for this license. The revenue estimate is based on a license fee of $300 and biennial renewal.[90]

Subtitle (II)(M) – Title Insurance Insurer Act of 2010

Background

The proposed subtitle would regulate the practices of title insurance companies in the District[91] to allow title insurance producers practicing in the District would be licensed and supervised by the Insurance Bureau of the Department of Insurance, Securities, and Banking (DISB).

Financial Plan Impact

The proposed legislation complements the proposed Subtitle (II)(L) and its fiscal impact is already included of the fiscal impact table for Subtitle (II)(L).

Subtitle (II)(N) – Public Insurance Adjuster Licensure Amendment Act of 2010

Background

The proposed subtitle would authorize[92] the Commissioner the Department of Insurance, Securities, and Banking (DISB) to establish fees by rule.

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[90] D.C. Official Code § 31-1131.07a (Insurance Producers -Term of License; Renewal) specifies that for insurance producers, renewal of an existing license expires 2 years after the expiration date of the license period). The estimate assumes that upon enactment of the proposed legislation, all title insurance producers would apply for a license within the fiscal year to be able to continue to practice in the District, and then renew their licenses in alternating years.

[91] By supplementing the provisions in Chapter 25 of the Fire and Casualty Act (approved October 9, 1940 (54 Stat. 1064; D.C. Official Code _ 31-2502.01 *et seq.*) and amending the Producer Licensing Act of 2002 (D.C. Law 14-264; D.C. Official Code § 31-1131 *et seq.* effective March 27, 2003

[92] By amending the Public Insurance Adjuster Licensure Act of 2002, D.C. Law 14-256; D.C. Official Code § 31-1631.04(a)(1); effective March 27, 2003.

Financial Plan Impact

The proposed legislation would authorize DISB to change fees by rulemaking. The Public Insurance Adjuster Licensing Fee would continue to be deposited into the local component of the General Fund. Because the fee structure is unknown at this time, it is not possible to estimate the impact of the proposed subtitle.

Subtitle (II)(O) – Insurance Premium Assessment Equalization Amendment Act of 2010

Background

The proposed subtitle would create a uniform premium tax rate for all lines of insurance.[93] The uniform tax rate would equate the current 1.7 percent rate of the policy and membership fees and net premium receipts, paid by all insurance companies, with the exception of those that provide accident and health insurance, to the 2.0 percent rate paid by the companies that issue insurance contracts against accident and loss of health. The proposed subtitle would expire on September 30, 2015.

Financial Plan Impact

The proposed legislation is expected to generate approximately $1.2 million additional revenues in FY 2011 and $15.4 million over the FY 2011 through FY 2014 budget and financial plan. These funds would accrue to the local component of the General Fund. The impact of the proposed subtitle is incorporated in the proposed FY 2011 through FY 2014 budget and financial plan.

Fiscal Impact of Subtitle (II)(O) – Insurance Premium Tax Equalization Amendment Act of 2010					
	FY 2011	**FY 2012**	**FY 2013**	**FY 2014**	**Four Year Total**
Additional revenues from increased premium tax rate [(a)]	$1,186,869	$4,747,476	$4,747,476	$4,747,476	$15,429,297

[(a)] The premium tax is paid for the preceding calendar year. If the legislation is enacted on October 1st, the only additional payment received in FY 2011 would be for the last quarter of 2010.

[93] By amending Section 650(b) of the Life Insurance Act of 1901; 31 Stat. 1291; D.C. Official Code § 31-205(b); approved March 3, 1901, and by amending Section 47-2608(a)(1) of the District of Columbia Official Code to conform to the new uniform premium tax rate.

Subtitle (II)(P) – Unemployment Compensation Administrative Assessment Account Amendment Act of 2010

Background

The proposed subtitle would eliminate[94] the cap on the annual amount that may be deposited in the Unemployment Compensation Administrative Assessment Account (Account) starting FY 2014. The FY 2010 Budget Support Act of 2009 removed the cap through FY 2013.

Financial Plan Impact

Repealing the $4 million cap would increase the collections in the Account by approximately $5 million starting FY 2014. The impact of the proposed subtitle is already incorporated into the proposed FY 2011 through FY 2014 budget and financial plan period.

Subtitle (II)(Q) – Unemployment and Workforce Development Administrative Assessment Account Amendment Act of 2010

Background

The proposed subtitle would rename the Unemployment Compensation Administrative Assessment Account as "Unemployment and Workforce Development Administrative Fund" (Fund)[95], and expand the purposes for the Fund could be use to include reemployment services[96].

Financial Plan Impact

Expanding the allowable uses of the Fund would change the composition of services and activities supported by this Fund. The expenditures from this account still have to be less than the projected revenue collection of approximately $9 million. The fund has a balance of about $9 million as of FY 2010, suggesting that expansion of uses could be accommodated with the projected revenues.

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[94] By repealing Section 3(m)(3) of the District of Columbia Unemployment Compensation Act, approved August 28, 1935 (49 Stat. 947; D.C. Official Code § 51-103(m)(3)).

[95] By amending Section 3(m)(2) of the District of Columbia Unemployment Compensation Act, approved August 28, 1935 (49 Stat. 947; D.C. Official Code § 51-101*et seq.*) and Section 14(d), paragraph (1) of the D.C. Official Code § 51-114(d).

[96] By amending Section 14(d), paragraph (2) of the D.C. Official Code § 51-114(d).

Subtitle (II)(R) – Planning Grant-making Authority Act of 2010

Background

The proposed subtitle would authorize the Mayor to issue grants to individuals and organizations from local revenue, dedicated tax revenue, special purpose revenue, and capital funds, subject to available appropriations and the provisions of D.C. Official Code § 47-368.06 (Limitations on grant-making authority).

Financial Plan Impact

The proposed subtitle would expand the pool of funds available for grants, subject to their availability. Any use of funds for grant making must follow the District's appropriation process.

Subtitle (II)(S) – Public Service Commission Amendment Act of 2010

Background

The proposed subtitle would clarify the authority of the Public Service Commission (PSC) in a number of areas and bring it up to date with the changing utility environment. Specifically, the proposed subtitle would:

1. Delete outdated provisions regarding competitive local exchange carriers who have paid assessments for the Telecommunications Competition Proceeding, including a reference to a reimbursement fee which is no longer applicable;[97]
2. Clarify certain definitions regarding collection of Universal Service Trust Fund contributions from interconnected Voice-Over Internet Protocol providers to insure consistency with the methodology used by the Federal Communications Commission;[98]
3. Grant the PSC the same authority over competitive telecommunications carriers as the PSC has in regard to natural gas and electricity suppliers, i.e., to fine, assess late fees, revoke or conditionally rescind a license for failure to comply with PSC rules or orders;[99]
4. Authorize PSC to fine, assess, etc, any provider for failure to comply with assessment orders;[100]
5. Amend the renewable portfolio standards provisions to clarify that solar thermal systems located within the District of Columbia are eligible for solar renewable energy credits (SREC),[101] and amend the definition of a renewable energy credit (REC) to remove the reference regarding the consumption of energy;[102]

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[97] By amending D.C. Official Code § 34.912(b)(5) and repealing ' 34-912(b)(6)
[98] By amending D.C. Official Code § 34-2003(b)
[99] By adding a new paragraph (20A) to D.C. Official Code § 34-2001 and adding new subsections (h-1) through (h-5) to D.C. Official Code § 34-2002
[100] By adding a new paragraph 42(b)(10) to D.C. Official Code ' 34-912
[101] By amending D.C. Official Code § 34-1432(e)
[102] By amending D.C. Official Code § 34-1431(10)

6. Clarify the PSC's ability to impose penalties upon public utilities.[103]

Financial Plan Impact

The proposed subtitle would make clarifying technical amendments and would not have an impact on the District's budget and financial plan for FY 2011 through FY 2014.

Subtitle (II)(T) – Youth Workforce Development Planning and Evaluation Amendment Act of 2010

Background

The proposed subtitle would amend the Youth Employment Act of 1979[104] to require the Mayor, in consultation with youth workforce development stakeholders, experts and providers, to develop plans for the delivery of workforce development services for the summer youth jobs program and the out-of-school year-round employment program;[105] and to hire an independent contractor to evaluate the summer youth employment program by June 1, 2011, and every year thereafter. The evaluation would be conducted by nationally accepted standards, and evaluation criteria would include a pre-program and post-program survey of participating youth and employers.[106] By December 30, 2011, and every year thereafter, the contractor would be required

[103] By amending D.C. Official Code § 34-706

[104] D.C. Law 3-46; D.C. Official Code § 32-241, effective January 5, 1980

[105] By adding new sections 2a and 2b to D.C. Official Code § 32-241. The plans would include the following components and would be submitted to the Council for approval within 120 days of the effective date of this legislation, passed on 2nd reading on June 15, 2010 (Enrolled version of Bill 18-731)

1) Stated objectives of the program;
2) Quantitative and qualitative output and outcome measurements and the proposed evaluation mechanisms;
3) A review of the previous year's programmatic implementation and an analysis of what strategies have worked and what strategies have not worked with regards to achieving the programmatic goals;
4) A full budget narrative, that includes a delineation of funding for youth connected to traditional academic institutions and youth who are disconnected from any academic institution;
5) A delineation of the specific roles that the nonprofit sectors and government sectors play as they relate to policies, procedures, and specific services to be offered to youth requesting workforce development services;
6) A strategy to link workforce development with academic objectives;
7) A strategy to link youth workforce development programming with local employers' current and projected workforce needs; and
8) A strategy to identify all potential obstacles to employment success for participating youth and connect the youth to additional support services as needed.

[106] The contractor would be required to interview local youth workforce development stakeholders, experts, and providers when preparing the evaluation. The evaluation would include an assessment of the following:

1) Client satisfaction from participating youth and employers;
2) Job responsibilities of participating youth;
3) Support mechanisms for participating youth and employers;
4) Sense of progress as it relates to job readiness and specific work skills gained for participating youth;
5) An estimation of the percentage of youth participating in each of the various types of activities provided through the summer youth employment program (for example, work experience, academic, and youth enrichment); and

to present the results of the evaluation to the Council and the Department of Employment Services (DOES), which would place the evaluation on its website. Additionally, the proposed legislation would reduce the maximum number of hours per week of employment for the summer youth jobs program from 40 to 25 hours.[107]

Financial Plan Impact

The proposed subtitle would require a more detailed and transparent planning process and independent evaluations of the summer youth program. DOES's budget includes $50,000 within the administrative costs of activity (4820) to fund the evaluation program in FY 2011, including the administration and evaluation of the participant survey. The costs savings from reduced hours of employment within the summer youth jobs program account to $3,332,160 in FY 2011, and if continued, approximately $13 million over the FY 2011 through FY 2014 budget and financial plan. The positive impact of the proposed subtitle is incorporated in the proposed FY 2011 through FY 2014 budget and financial plan.

Fiscal Impact of Subtitle (II)(T) – Youth Workforce Development Planning and Evaluation Amendment Act of 2010					
	FY 2011	**FY 2012**	**FY 2013**	**FY 2014**	**Four Year Total**
Estimated cost savings by reduction of hours from 40 to 25 [(a)]	$3,332,160	$3,332,160	$3,332,160	$3,332,160	$13,328,640

[(a)] Projected enrollment is 14,240 per summer.

The proposed FY 2011 budget includes the estimated savings for FY 2011, but not in the out-years. The future year savings depend on the federal minimum wage at the time, and the implementation of the act.

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

Background

The proposed subtitle would amend the Small, Local, and Disadvantaged Business Enterprise Development and Assistance Act of 2005[108] to create a Commercial Revitalization Fund ("Fund") as a non-lapsing, non-reverting fund within the General Fund to be used for solely to provide funding for main streets and other commercial revitalization programs. The Fund would be administered by the Department of Small and Local Business Development and would require the Mayor to deposit all revenue appropriated in the budget to the Fund.

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6) An assessment of the steps taken to address shortcomings identified in previous program evaluations and an analysis of the effectiveness of these corrective measures.

[107] By amending Section 2(a)(1)(B) of D.C. Official Code § 32-241, under section heading "Programs for employment and training of young District domiciliaries"

[108] By adding a new section 2375 to D.C. Law 16-33; D.C. Official Code § 2-218.01 *et seq.*

The proposed subtitle would also require, for FY 2011, a total amount of approximately $2.03 million to be disbursed from the Fund. Specifically, the subtitle proposes allocating an amount of $1,000,000 for the continued operation of the Main Streets program and the continued implementation of Main Street services in designated corridors, and an amount of $1,035,000 for business retention, assistance, recruitment, and development activities in designated commercial districts. Each Main Streets program receiving an amount of $150,000 or more would be required to use $50,000 of its $150,000 allocation for a Business Improvement District Litter Cleanup program.[109] The table below details the total amount of funds that would be disbursed from the Fund in FY 2011 under the proposed subtitle.

Commercial Revitalization Funding for FY 2011	
Funding for Continued Operation of Main Street Programs	**$1,000,000**
Shaw	$125,000
Historic Dupont	$125,000
Adams Morgan	$100,000
North Capitol	$150,000
H Street NE	$100,000
Barracks Row	$100,000
Deanwood	$150,000
Congress Heights	$150,000
Funding for Business Assistance and Development Services Programs	**$1,035,000**
Ward 4[a]	$275,000
Ward 5	$125,000
12th Street, N.E. corridor-wide streetscape mitigation	$165,000
Logan Circle and U Street, NW	$100,000
Ward 3	$50,000
Women-owned businesses	$35,000
Ward 4 BID Demonstration Project[b]	$235,000
Ward 6	$50,000
Total FY 2011	**$2,035,000**

[a] To fund two separate Ward 4 commercial revitalization programs, corridor-wide business needs assessments, and the implementation of services and programs to address those identified needs on upper Georgia Avenue, N.W., and Kennedy Street, N.W.

[b] To provide clean team services for designated sections of the Kennedy Street, N.W., and Georgia Avenue, N.W. commercial corridors.

Financial Plan Impact

The financial impact of the proposed subtitle has been incorporated in the proposed FY 2011 through FY 2014 budget and financial plan. The proposed FY 2011 budget would transfer $1.8 million of local funds available from the Tax Increment Financing program to the Commercial Revitalization Fund to cover the costs associated with the above-mentioned programs. The proposed transfer is less than the amount required for the projects listed in the proposed

[109] Pursuant to section 6092 of the Business Improvement District Litter Cleanup Assistance Fund Establishment Act of 2007, effective September 18, 2007 (D.C. Law 17-20; D.C. Official Code § 1-325.111)

legislation. Thus, as funds are being dispersed, either the projects or the amounts must be modified.

Subtitle (II)(V) – Unified Economic Development Budget Transparency and Accountability Act of 2010

Background

The proposed subtitle would require the Chief Financial Officer (OCFO) to compile, print, and publish, in both electronic and printed form, a Unified Economic Development Budget report every year, not more than three months after the end of each fiscal year. The report would include information regarding the economic development incentives offered by the District, such as the name of each recipient receiving one or more economic development incentives with a combined total value equal to or greater than $75,000, the dollar value of each economic development incentive received by each recipient[110], the aggregate dollar amounts for each type of incentive, and the aggregate dollar amounts expended per Ward.

The proposed subtitle would also require the Deputy Mayor for Planning and Economic Development (DMPED) to prepare and publish, in both electronic and printed form, a strategic plan for economic development in the District. The strategic plan would be required to include performance measures, such as job growth and business retention, expansion, and attraction. The proposed subtitle would also require the strategic plan to incorporate data from the Unified Economic Development Budget prepared by the OCFO, evaluate other economic development benchmarking, include an analysis of the District's economy identifying areas for investment, and recommend policy initiatives.

Financial Plan Impact

Both the OCFO and DMPED can absorb the work associated with the proposed subtitle within their existing budget. The proposed subtitle would not have a negative impact on the proposed budget and financial plan.

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

Background

The proposed legislation would allocate $4.6 million from FY 2010 local budget of the Department of Employment Services (DOES) for funding an industry/sector specific adult job training Request for Proposals (RFP). At least $2.225 million of the funds would be required to go to an organization or school with at least three years of experience in providing adult job

[110] Any economic development incentive received by a recipient with a value less than $75,000 would not be itemized; the OCFO would report an aggregate dollar amount of those expenditures and the total number of recipients would be aggregated.

training, and that offers training in culinary arts, information technology, and nursing, has an adult student placement rate of over 90 percent, has a plan in place to use funds immediately, and is capable of enrolling at least 300 adult students in its job training program in FY 2011. The DOES funds would be non-lapsing and remain available until expended for the purposes of funding an industry/sector specific adult job training RFP.

Financial Plan Impact

The impact of the proposed subtitle is incorporated into the revised FY 2010 budget and the proposed FY 2011 through FY 2014 budget and financial plan.

TITLE III– PUBLIC SAFETY AND JUSTICE

Subtitle (III)(A) – Prepaid Wireless E911 Charge Amendment Act of 2010

Background

The proposed subtitle would amend the Emergency and Non-Emergency Telephone Calling Systems Fund Act of 2000[111] to exempt prepaid wireless telecommunications service from the current fee of $0.76 per line[112] and instead to impose a prepaid wireless E911 charge equal to 2 percent of the sales price per retail transaction for purchases of prepaid wireless telecommunications services[113] in the District as of October 1, 2010. This charge would be collected by the seller from the consumer and it would be the liability of the consumer and not of the seller or of any provider. However, the seller would be liable to remit all prepaid wireless E911 charges collected and would be permitted to deduct and retain 3 percent of prepaid wireless 911 charges that the seller collects. The proposed subtitle also stipulates that when prepaid wireless telecommunications service is sold with one or more other products or services for a single, non-itemized price, the 2 percent rate would apply to the entire non-itemized price;[114] however, if the amount of the prepaid wireless service were minimal (10 minutes or less or $5 or less), then the seller would not have to impose the charge to the transaction. Lastly, it would require the Office of Tax and Revenue to establish regulations governing collection, remittance, and other administrative provisions that are consistent with the existing gross sales.[115]

Financial Plan Impact

Currently, only a portion of wireless providers are remitting the existing $0.76 per line fee for prepaid wireless service. This new charge would replace this current charge with a 2 percent charge that would be collected from consumers by sellers at the point of service. It is estimated that the net impact of this new charge would be $1.09 million in FY 2011 and $4.6 million over the budget and financial plan period. These revenues would be deposited into the Emergency and Non-Emergency Number Telephone Calling Systems Fund (E-911 Fund),[116] which is administered by the Office of Unified Communications. The impact of the proposed subtitle is

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[111] Effective October 19, 2000 (D.C. Law 13-172; D.C. Official Code § 34-1801 *et seq.*).
[112] See D.C. Official Code § 34-1803.
[113] "Prepaid wireless telecommunications service" means a commercial mobile radio service as defined by Section 20.3 of Title 47 of the Code of Federal Regulations, as amended, that allows a caller to dial 911 to access the 911 system, which service must be paid for in advance and is sold in predetermined units or dollars of which the number declines with use in a known amount.
[114] Unless the seller elects to apply such percentage to: a) the dollar amount of the prepaid wireless telecommunications service, if it is disclosed to the consumer; or b) the portion of the price that is attributable to the prepaid wireless telecommunications service by reasonable and verifiable standards.
[115] Imposed by D.C. Official Code § 47-2002.
[116] See D.C. Official Code § 34-1802 for full details on this fund. Per subsection (b), the fund "shall be used solely to defray personnel and non-personnel costs incurred by the District of Columbia and its agencies and instrumentalities in providing a 911 system, and direct costs incurred by wireless carriers in providing E-911 service."

already included in the proposed FY 2011 through FY 2014 budget and financial plan. The impact takes into account amendments made on June 15, 2010.

Fiscal Impact of Subtitle (III)(A) – Prepaid Wireless E911 Charge Amendment Act of 2010 Estimated Revenue Impact to the E-911 Fund[a]					
	FY 2011	**FY 2012**	**FY 2013**	**FY 2014**	**Four Year Total**
Revenues from new 2 Percent Charge	$1,522,405	$1,522,405	$1,522,405	$1,522,405	$6,089,620
Prepaid Wireless Revenue Currently Collected	$350,000	$350,000	$350,000	$350,000	$1,400,000
Administrative Costs[b]	$85,000	$0	$0	$0	$85,000
Net Increase in Revenues	**$1,087,405**	**$1,172,405**	**$1,172,405**	**$1,172,405**	**$4,604,620**

[a] Assumes no change in the number or amount of prepaid wireless services purchased.
[b] One-time administrative costs would be incurred by the Office of Tax and Revenue for reprogramming, mailings and updating forms.

Subtitle (III)(B) – Access to Justice Initiative Establishment Act of 2010

Background

The proposed subtitle would establish the Access to Justice Initiative[117] as a single paper agency that would house all grant funds appropriated by the Council for the specific purpose of supporting civil legal services funding, would direct the Office of the Chief Financial Officer (OCFO) to submit payment of these grant funds to the District of Columbia Bar Foundation ("Bar Foundation") to provide support to nonprofit organizations that deliver civil legal services to low-income and under-served District residents, and would to permit the Bar Foundation to use up to 5 percent of the grant awarded in each fiscal year for reasonable administrative expenses associated with the provision of support to the nonprofit organizations. It also would repeal Section 3082 of the Fiscal Year 2008 Budget Support Act of 2007118, which specifies that the Office of the Attorney General award the grant funds to Bar Foundation.[119]

Financial Plan Impact

Establishing the Access to Justice Initiative and requiring that funds appropriated by the Council for supporting legal services be directed to the Bar Foundation would not have an impact on the budget and financial plan since these funds were already to be provided to the Bar Foundation.

[117] Pursuant to section 404(b) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 787; D.C. Official Code § 1-204.04(b)).
[118] Effective September 18, 2007 (D.C. Law 17-20; D.C. Official Code § 1-301.114).
[119] This is the current practice.

Subtitle (III)(C) – FEMS Overtime Limitation Amendment Act of 2010

Background

The proposed subtitle, as amended on June 15, 2010, would amend the District of Columbia Government Comprehensive Merit Personnel Act of 1978[120] to prohibit in FY 2011 uniformed members of the Fire and Emergency Medical Services Department (FEMS) at the rank of Battalion Fire Chief and above from receiving overtime compensation for work performed in excess of 40 hours in an administrative workweek, uniformed members at the rank of Battalion Fire Chief and above in the Firefighting Division from receiving overtime compensation for work performed in excess of 48 hours in a workweek, and any officer or member of FEMS that is authorized to receive overtime compensation from earning overtime in excess of $20,000 in the fiscal year.

It also would amend Title 5 of the D.C. Official Code[121] to prohibit in FY 2011 any member of FEMS, except for officers, from working more than 204 hours in 2 consecutive pay periods and all members of FEMS, including officers, from earning overtime compensation for overtime work performed in a pay period after having received sick leave.

Lastly, the proposed subtitle would amend the Omnibus Public Safety Agency Reform Amendment Act of 2004[122] to prohibit for FY 2011 any officer or member of FEMS to be detailed to Emergency Medical Technician classes for more than 60 days.

Financial Plan Impact

The Council's proposed overtime budget for FEMS in FY 2011 is approximately 40 percent less than the budget proposed by the Mayor. The proposed subtitle contributes to this expenditure reduction; however, the actual savings cannot be determined until it is fully implemented. Unless implemented with diligence, the proposed subtitle could lead to spending pressures in FEMS. The impact incorporates amendments made on June 15, 2010.

Subtitle (III)(D) – Domestic Violence Fatality Review Board Amendment Act of 2010

Background

The proposed subtitle would amend Title 16 of the D.C. Official Code by repealing the provision that the Domestic Violence Fatality Review Board ("Board") sunset in April 2010. The Board has yet to sunset due to B18-706 The Domestic Violence Fatality Review Board Emergency Act of 2010 (Bill 18-706; Act 18-366), which repealed the provision and was enacted on April 5, 2010. However, this Bill will expire on July 4, 2010.

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[120] Effective March 3, 1979 (D.C. Law 2-139; D.C. Official Code § 1-611.03(f)).
[121] 62 Stat. 498; D.C. Official Code § 5-405.
[122] Effective September 30, 2004 (D.C. Law 15-194; D.C. Official Code § 5-441).

Financial Plan Impact

Implementation of the proposed subtitle would not impact the District's budget and financial plan. The Office of the Chief Medical Officer, which provides administrative support to the Board, could continue to do so without requiring any additional resources.

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

Background

The proposed subtitle would require the Mayor to contract for delivery of health care for inmates in the custody of the Department of Corrections at the D.C. Jail and Correctional Treatment Facility under a community-oriented healthcare services model.[123]

Financial Plan Impact

The proposed subtitle does not have a budget impact—it outlines the means through which budgeted funds must be spent, and therefore does not impact the District's budget and financial plan.

Subtitle (III)(F) – E911 Auditing Requirement Amendment Act of 2010

Background

The proposed subtitle would amend the Emergency and Non-Emergency Telephone Calling Systems Fund Act of 2000[124] to specify what the annual audit of the Emergency and Non-Emergency Number Telephone Calling Systems Fund ("E-911 Fund")[125] should include. Under current law, an annual audit is to be conducted by the Office of the Chief Financial Officer, the expenses of which are to be defrayed by the E-911 Fund.

Financial Plan Impact

There would be no fiscal impact on the District's budget and financial plan as this requirement for the annual audit already exists and current law clearly specifies that the expenses of the audit are to be defrayed by the E-911 Fund.

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[123] Defined as "a delivery system in which one entity is responsible for managing Department of Corrections inmates through the full healthcare continuum, including primary care, specialty care, emergency care, and hospital care, and for connecting inmates with a health center in the community for continued care after the inmates are released from the custody of the Department of Corrections."
[124] Effective October 19, 2000 (D.C. Law 13-172; D.C. Official Code § 34-1802).
[125] See D.C. Official Code § 34-1802 for full details on this fund.

TITLE IV – PUBLIC EDUCATION SYSTEM

Subtitle (IV)(A) – Pre-k Enrollment Amendment Act of 2010

Background

The proposed subtitle would amend[126] rules governing pre-kindergarten enrollment for students at District of Columbia public charter schools. Specifically, Subtitle IV(A) would provide that enrollment for pre-kindergarten programs at public charter schools would follow the same enrollment rules that otherwise apply to charter schools, as set forth in section 2206 of the District of Columbia School Reform Act of 1995.[127]

Admission to public charter schools is based on a principle of open enrollment for all students who are District of Columbia residents. If there are more applicants to enroll in a public charter school than there are spaces available, then students are admitted through a random selection process. Preference in admission may be granted to the sibling of a student who is already attending the school or has been admitted to the school, or an applicant who is a child of a member of the public charter school's founding board.[128]

Financial Plan Impact

The proposed subtitle would have no impact on the budget and financial plan, because it does not mandate any pre-kindergarten services not currently required by current law, nor would it change the number of children served or the type or intensity of the services the children receive. As stated above, the only effect of the subtitle is to clarify the provisions for admitting children to pre-kindergarten programs operated by public charter schools.

Subtitle (IV)(B) – Direct Loan Fund for Charter School Improvement Amendment Act of 2010

Background

The proposed subtitle would amend the statutory language governing the "Direct Loan Fund for Charter School Improvement,"[129] to elucidate that a $2 million limit on loans to a charter school applies to a charter school *campus,* and not per charter school. Current law sets a $2 million cap

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[126] The proposed subtitle would amend the "Pre-K Enhancement and Expansion Act of 2008," D.C. Law 17-202, which took effect on March 25, 2009.

[127] This law was enacted by the U.S. Congress as Public Law 104-134, approved on April 26, 1996.

[128] Enrollment of founders' children is limited to no more than 10 percent of the school's total enrollment or to 20 students, whichever is less.

[129] The Direct Loan Fund was created by Division C ("District of Columbia Appropriations, 2003") of P.L. 108-7, the "Consolidated Appropriations Resolution, 2003," which was approved on February 20, 2003.

"per charter school,"[130] which has meant that charter school operators who establish additional schools or campuses (such as an elementary school, middle school, and high school) cannot receive more than $2 million in loans through the Direct Loan Fund.

The Direct Loan Fund provides financing for the construction, purchase, renovation, and maintenance of charter school facilities. The Direct Loan Fund was capitalized by federal payments included in Congressional appropriations acts.

The Office of Charter School Financing and Support (part of the Office of the State Superintendent of Education) administers the Direct Loan Fund and determines the interest rates and terms that apply to its loans.

Financial Plan Impact

The proposed subtitle would have no impact on the budget and financial plan, because it would not make any change in the balance of the Direct Loan Fund. Rather, Subtitle IV(B) could affect the distribution of loans (by allowing schools with more than one campus to get more assistance) but not the total amount of resources committed by the Direct Loan Fund.

As of December 31, 2009, the Direct Loan Fund had an ending fund balance of $26,907,535 as well as commitments of $15,740,542. The net funds available totaled $11,166,993 (ending fund balance minus commitments).[131]

Subtitle (IV)(C) – Uniform Per Student Funding Formula for Public Schools and Public Charter Schools Amendment Act of 2010

Background

The proposed subtitle, which would amend the "Uniform per Student Funding Formula for Public Schools and Public Charter Schools and Tax Conformity Clarification Amend Act of 1998,"[132] has three major effects.

First, Subtitle (IV)(D) would increase the base funding per-student from $8,770 in FY 2010 to $8,945 in FY 2011 (a 2 percent increase).

Second, Subtitle (IV)(D) would maintain for FY 2011 the existing weights applied to the base funding level for (1) students enrolled at certain grade levels, (2) students requiring special education, (3) students enrolled at residential schools, and (4) students with special needs who require extended school years as a condition of their Individualized Education Programs.

[130] See D.C. Official Code § 38-1833.02(d).
[131] Data provided by the Office of Charter School Financing and Support, Office of the State Superintendent of Education.
[132] D.C. Law 12-207, effective March 26, 1999.

Third, Subtitle (IV)(D) would delete two categories in the uniform per student funding formula: (1) Level 5 special education – residential, which has a weight of 9.4 under current law, and (2) special education Level 5, extended school year, which has a weight of 1.588 under current law. During the 2008 to 2009 and 2009 to 2010 school years, no students fell into either of these categories.[133]

The resulting weights for the uniform per student funding formula (UPSFF) during FY 2011 are shown in the tables below.

Weighting and Per Pupil Allocation, Grade Levels		
Grade Level	**Weighting**	**Per Pupil Allocation in FY 2011**
Pre-School	1.34	$11,987
Pre-Kindergarten	1.30	$11,629
Kindergarten	1.30	$11,629
Grades 1-3	1.00	$8,945
Grades 4-5	1.00	$8,945
Ungraded ES	1.00	$8,945
Grades 6-8	1.03	$9,214
Ungraded MS/JHS	1.03	$9,214
Grades 9-12	1.16	$10,377
Ungraded SHS	1.16	$10,377
Alternative Program	1.17	$10,466
Special Education	1.17	$10,466
Adult	0.75	$6,709

General Education Add-ons			
Level/Program	**Definition**	**Weighting**	**Per Pupil Supplemental FY 2011**
LEP/NEP	Limited and non-English proficient students	0.45	$4,025
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	$1,521

[133] Government of the District of Columbia, FY 2010 Proposed Budget and Financial Plan: Meeting the Challenge, Agency Budget Chapters, Part II (September 29, 2009), pp. D-22 and D-59, and Government of the District of Columbia, FY 2009 Proposed Budget and Financial Plan: Getting the Job Done, Agency Budget Chapters, Part 2 (June 9, 2008), pp. D-14 and D-38.

Special Education Add-ons			
Level/Program	**Definition**	**Weighting**	**Per Pupil Supplemental FY 2011**
Level 1: Special Education	Eight hours or less per week of specialized services	0.52	$4,652
Level 2: Special Education	More than 8 hours and less than or equal to 16 hours per school week of specialized services	0.79	$7,067
Level 3: Special Education	More than 16 hours and less than or equal to 24 hours per school week of specialized services	1.56	$13,955
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	$25,315
Residential	DCPS or Charter School that provides students with room and board in a residential setting, in addition to their instructional program.	1.70	$15,207

Special Education Residential Add-ons			
Level/Program	**Definition**	**Weighting**	**Per Pupil Supplemental FY 2011**
Level 1: Special Education – Residential	Additional funding to support the after-hours Level 1 special education needs of students living in a DCPS or Charter School that provides students with room and board in a residential setting	0.374	$3,346
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	$12,166
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	$26,308
Level 4: Special Education – Residential	Additional funding to support the after-hours Level 4 special education needs of students living in a DCPS or Charter School that provides students with room and board in a residential setting	2.924	$26,156
LEP/NEP –	Additional funding to support the after-	0.680	$6,083

Special Education Residential Add-ons			
Level/Program	**Definition**	**Weighting**	**Per Pupil Supplemental FY 2011**
Residential	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		

Special Education Add-ons for Students with Extended School Year (ESY) Indicated in their Individualized Education Programs (IEPs)			
Level/Program	**Definition**	**Weight**	**Per Pupil Supplemental FY 2011**
Special Education Level 1 ESY	Additional funding to support the summer school/program need for students who require ESY services in their IEPs	0.064	$569
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	$2,068
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	$4,472
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	$4,446

Finally, an amendment to this subtitle made on June 15, 2010 would increase per pupil facilities allowance for charter schools from $2,800 to $3,000.

Financial Plan Impact

The proposed FY 2011 through FY 2014 budget and financial plan reflects the impact of the base funding per-student level and the add-on weights that are included in Subtitle IV(D) and amendments introduced on June 15, 2010.

Under the proposed subtitle, DCPS would receive $563,538,343 for its instructional budget through the UPSFF, based on the per-student funding and add-on weights described above. The public charter schools would receive $439,660,738 for their instructional budgets through the UPSFF, also based on the per-student funding and add-on weights above.

Additionally, increasing facilities allowance from $2,800 to $3,000 would increase facilities allowance disbursement by $5 million in FY 2011. This amount would be supported by federal payments in FY 2011. Total facilities allotment for the charter schools for FY 2011 is $90,978,645.

Subtitle (IV)(D) – District of Columbia Public Schools Fiscal Transparency Act of 2010

Background

The proposed subtitle would require the Chancellor of the District of Columbia Public Schools ("Chancellor" and DCPS, respectively) to include more detailed information in the annual performance-based budget, by specifying all monies budgeted for each school, education campus, and center, and all other organization Level 4 funds; and to make available on the DCPS website and post at each school a detailed estimate of the amount of money required to operate the public schools for the following year, including preliminary school-by-school budgets, no later than 21 days before the Mayor's submission of the District's budget and financial plan to the Council.[134]

It would also require that the Mayor's annual budget submitted to the Council to include as an attachment a report on the positions and employees of the DCPS;[135] the Mayor to submit to the Council: (1) no later than October 30 of each year, a revised appropriated funds operating budget for DCPS for the fiscal year beginning on the preceding October 1, which states the total amount of the approved appropriation and realigns budgeted data with anticipated actual expenditures; and (2) beginning in fiscal year 2011, quarterly financial reports for DCPS setting forth by organization Level 4 approved budget, revised budget, actual expenditures and funds obligated to date, and projected expenditures for the full fiscal year.[136]

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[134] By amending Section 6 of the Board of Education Continuity and Transition Amendment Act of 2004 (D.C. Law 15-211; D.C. Official Code § 38-2831)

[135] The details would include: (1) A compilation of DCPS Schedule A positions for the ensuring fiscal year on a full-time equivalent basis, including a compilation of all positions by organization Level 4, job title, pay plan and grade, program and activity, revenue fund, and annual salary; and (2) A compilation of all DCPS employees as of the preceding March 1, on a full-time equivalent basis, including a compilation of all positions by organization Level 4, job title, pay plan, grade, and step, program and activity, revenue fund, and annual salary.

[136] In confirming amendments, the proposed subtitle would repeal Section 1102 of the Fiscal Year 1999 Budget Support Act of 1998, effective March 26, 1999 (D.C. Law 12-175; D.C. Official Code § 38-2801), which is about submission of a school-based annual budget by August 1 of each year; Section 2(h) of An Act To fix and regulate the salaries of teachers, school officers, and other employees of the board of education of the District of Columbia, approved June 20, 1906 (34 Stat. 317; D.C. Official Code § 38-103), which concerns annual estimates to operate the public schools for the ensuing year, including preliminary school-by-school budgets; Section 143 of the District of Columbia Appropriations Act, 1995, approved September 30, 1994 (108 Stat. 2594; D.C. Official Code § 38-154), about annual report and budget revision of the Chancellor; and Section 5 of An Act to provide aviation education in the senior high schools of the District of Columbia, and for other purposes, approved December 16, 1941 (55 Stat. 807; D.C. Official Code § 38-923), concerned with annual estimates of expenses.

Financial Plan Impact

The proposed subtitle requires more detailed DCPS budget reporting responsibilities and does not have an impact on the District's budget and financial plan.

Subtitle (IV)(E) – Use of Private Funds Reporting Requirement Act of 2010

Background

The proposed subtitle would require the annual District of Columbia Public Schools (DCPS) budget submission to identify and list all donations (monetary or gifts in kind)[137] of $100,000 or more, donated to DCPS, in a single donation or in multiple donations by a benefactor, for its benefit or purpose, whether directly or indirectly. It would also require the Mayor to submit an annual report with the budget submission on the use of non-government funds with specified information about each benefactor and donation.[138]

Financial Plan Impact

The proposed subtitle requires more detailed reporting on donations to DCPS, including purpose and use, and does not have an impact on the District's budget and financial plan.

Subtitle (IV)(F) – DCPS Performance Measures Standardization Act of 2010

Background

The proposed subtitle would require the District of Columbia Public Schools (DCPS) to submit[139] by January 1, 2011 and by January 31 of each subsequent year, comprehensive, measurable, and objective agency performance measures. These measures would be included in the next four budget submissions to measure the agency's performance in certain areas, including student outcomes, recruitment and retention of teachers and principals, management and business operations, and parent and community involvement. It would also require that a performance measure, with at least one year of actual data, is included in the budget submission, and once a specific measure is incorporated in the budget, it would be kept in its original form for at least 4 successive years.

Financial Plan Impact

The proposed subtitle requires specific reporting on performance measures of DCPS be included in the budget, and does not have an impact on the District's budget and financial plan.

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[137] Donation means any gift, grant, devise, or bequest of any real or personal property, or other type of asset.

[138] Name and address, amount of the planned or actual expenditure donation, the intended use of the donation, and the specific goods or services purchased on behalf of or donated to DCPS.

[139] In accordance with section 456(a) of the District of Columbia Home Rule Act, approved October 19, 1994 (108 Stat. 3488;D.C. Official Code § 1-204.56a)

Subtitle (IV)(G) – Public Education Finance Reform Commission Establishment Amendment Act of 2010

Background

The proposed subtitle would require that services provided by District of Columbia government agencies to public schools are provided on an equal basis to the District of Columbia Public Schools (DCPS) and Public Charter Schools, beginning in fiscal year 2012; and those services funded out of the Uniform per Student Funding Formula would not receive additional funding through the Uniform Per Student Funding Formula. Additionally, the proposed legislation would establish an independent commission on public education finance reform in the District, to be retained by the Council of the District of Columbia.[140] The Commission would be conducted according to the standard procedures for independent organizations, with full cooperation of the Council, Mayor, Chancellor, State Superintendent of Education, and other government personnel; and would post all documents that it produces on the internet; and all Commission meetings and deliberations would be open to the public and a process would be developed to allow public to participate in providing information, opinion, and reaction to Commission proceedings and reports.[141] No later than January 31, 2011, the Commission would provide to the Council a detailed equity report for fiscal years 2009 and 2010;[142] and no later than June 30,

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[140] By adding new sections 115 and 116 to The Uniform Per Student Funding Formula for Public Schools and Public Charter Schools and Tax Conformity Clarification Amendment Act of 1998, effective March 26, 1999 (D.C. Law 12-207; D.C. Official Code §38-2901 *et seq.*).

[141] The Commission would study and report on revisions to the Uniform Per Student Funding Formula with regard to improvements in equity, adequacy, affordability and transparency. Specifically, the issues to be considered by the Commission would include the maintenance of uniformity in funding between DCPS and public charter schools, taking into account services provided without charge by other District agencies; determination of the funding level needed by DCPS and the public charter schools to provide sufficient educational services for all students, including special education students and English-language learners; the fiscal ability of the District government to provide the necessary funding level; and the presentation of the Uniform Per Student Funding Formula and calculations so that the public may clearly understand the basis of the calculations and related budget appropriations.

[142] The detailed equity report would contain the information on:

(a) The kinds and amounts of payments made directly to DCPS and to the public charter schools from the General Fund of the District of Columbia;
(b) The kind and amount of any other transfers from the General Fund of the District or District government agencies to DCPS and the public charter schools;
(c) The kind and value of in-kind services provided to DCPS and the public charter schools by District government agencies; and
(d) The kind and value of reprogramming of funds from the General Fund of the District of Columbia to DCPS or the public charter schools.

The equity report would also include:

(1) An analysis of the impact of these payments, transfers, in-kind services, and reprogramming on the uniformity of funding for DCPS and the public charter schools;
(2) Recommendations for increasing uniformity in the 2013 budget and succeeding years; and
(3) Weaknesses in the Uniform Per Student Funding Formula Act or in its implementation, if any, that interfere with uniformity of funding.

2011, the Commission would provide the Mayor and Council with a final report and its recommendations for consideration in the development of the Fiscal Year 2013 budget.

Financial Plan Impact

The proposed subtitle requires formation of a Public Education Finance Reform Commission, which would be retained under the Council of the District of Columbia. The expenditures required to support this Council can be absorbed within the Council's proposed budget. The subtitle also requires the same level of service be provided to DCPS and Public Charter Schools, starting in FY 2012. The impact of this proposal is not incorporated into the proposed FY 2011 through FY 2014 budget and financial plan—the funding levels and the structure are contingent upon the proposed commission's findings.

Subtitle (IV)(H) – Public Charter School Access to District of Columbia Public School Buildings Clarification Amendment Act of 2010

Background

The proposed subtitle would make a number of clarifying amendments to allow the Office of Public Education Facilities Modernization (OPEFM), instead of the Superintendent, to provide services (such as facilities maintenance) to public charter schools; to combine the "current" and "former" public school properties under the same heading, and subject the current public school properties to the same requirements with the former public school properties with reference to preference in leasing or purchasing public school facilities; to change the "conditional approval" option to "approval," and remove "Board of Trustees" as an eligible applicant to a right of first offer within the process for approving or denying public charter school petitions; and to clarify that it is "former Board of Education determined or the Mayor or the Chancellor of the District of Columbia Public Schools" instead of "Board of Education" deciding a property is no longer needed to operate a District of Columbia public school.[143]

Additionally, an amendment made on June 15, 2010 would extend this right to public charter schools that have been approved on a conditional basis, pending identification of the school's location. The amendment also allows for short term co-location agreements, for a period of less than 25 years.

Financial Plan Impact

The proposed subtitle makes clarifying amendments to allow OPEFM to provide services to public charter schools and to ensure that current public school properties are treated under the same rules as former public school properties concerning the public charter school use, and does not have an impact on the District's budget and financial plan.

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[143] By amending Section 2209 of the District of Columbia School Reform Act of 1995, approved April 26, 1996 (Pub. L. No.104-134; D.C. Official Code § 38-1802.09)

Subtitle (IV)(I) – Public Charter School Board Membership Selection and Staff Compensation Clarification Amendment Act of 2010

Background

The proposed subtitle would make changes to Public Charter School Board ("Board") member selection process and staff compensation by eliminating the requirement for recommendation by the Secretary of Education in the appointment process to the Board, including in the case of vacancies; repealing the requirements concerning time limit for appointments; and removing the current cap for Board member compensation at "level EG-16 of the Educational Service of the District of Columbia."[144]

Financial Plan Impact

The proposed subtitle makes clarifying technical amendments and does not have an impact on the District's budget and financial plan. Elimination of the salary cap can result in higher salary payments to Board members, but such increases must be absorbed by the Board's existing budget.

Subtitle (IV)(J) – Per Capita District of Columbia Public School and Public Charter School Funding Amendment Act of 2010

Background

The proposed subtitle would make technical amendments in the District of Columbia Public Schools (DCPS) and Public Charter Schools enrollment data section of the D.C. Official Code (Calculation of number of students) by replacing the references to the former agency name "State Education Office" with the current name of the agency, "Office of the State Superintendent of Education" (OSSE); require that the enrollment data report to be submitted to the Council, in addition to the Mayor; eliminate the provision regarding submission of estimated numbers by chartering authorities; require one additional piece of data on the number of enrolled students who have dropped out since the date of the previous report; transfer the shared responsibility of the Authority[145] in the auditing of the initial calculations process to OSSE only; and extend the submission period of the audit from the current 45 days to 60 days after the date the Council receives the initial annual report from OSSE.[146]

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[144] By amending Paragraph (1) of Subsection (a) of Section 2214 of the District of Columbia School Reform Act of 1995, approved April 26, 1996 (110 Stat. 1321; D.C. Official Code § 38-1800.14), repealing Paragraphs (3) and (4), and adding a new paragraph (3A)

[145] The District of Columbia Financial Responsibility and Management Assistance Authority established under § 47-391.01(a).

[146] By amending Section 2402 of the District of Columbia School Reform Act of 1995, approved April 26, 1996 (110 Stat. 1321; D.C. Official Code § 38-1804.02)

Financial Plan Impact

The proposed subtitle makes technical amendments, requires the report of one more statistic, and extends the submission of audit of student number calculations from 45 to 60 days. As such it does not have an impact on the District's budget and financial plan.

Subtitle (IV)(K) – Pre-K Expansion and Program Assistance and Workforce Development Act of 2010

Background

The proposed subtitle would direct certain funds toward pre-K expansion, program assistance, and workforce development. Specifically, it would allocate the following amounts for the specified purposes and would require that:

1) \$1 million from the FY 2011 local funds appropriated to the Office of the State Superintendent of Education (OSSE) to be used to increase pre-K slots in community based organizations. Additionally, OSSE would ensure that funding to support pre-k community-based classrooms maximize the use of and supplement, not replace, existing federal and local funding sources such as Head Start and Child Care Subsidy that finance education programs for children of pre-K age in the District; and OSSE would allocate local funding to each provider that meets the high-quality standards,[147] based on Uniform Per Student Funding Formula;[148]
2) \$500,000 from the FY 2011 local funds appropriated to OSSE to be deposited into the Pre-K Program Assistance Grant Fund;[149]
3) OSSE would transfer \$1 million out of the FY 2011 local funds appropriated for professional development services to the University of the District of Columbia, by no later than October 30, 2010, to ensure continuity of existing pre-K and early childhood workforce development programs operated by the University of the District of Columbia and funded by OSSE to expand and improve pre-K and to comply with requirements of the Child Care and Development Block Grant.

Financial Plan Impact

The fiscal impact of the proposed subtitle is incorporated into the proposed FY 2011 through FY 2014 budget and financial plan.

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[147] Established pursuant to section 201 of the Pre-K Enhancement and Expansion Amendment Act of 2008, effective July 18, 2008 (D.C. Law 17-202; D.C. Official Code § 38-272.01)

[148] Established pursuant to section 2401 of the District of Columbia School Reform Act of 1995, approved April 26, 1996 (110 Stat. 1321-107; D.C. Official Code 38-1804.01)

[149] Established pursuant to section 204 of the Pre-K Enhancement and Expansion Amendment Act of 2008, effective July 18, 2008 (D.C. Law 17-202; D.C. Official Code § 38-272.04)

Subtitle (IV)(L) – Master Facilities Plan Approval Act of 2010

Background

The proposed subtitle would approve the following components of the Master Facilities Plan for the District of Columbia Public Schools (DCPS) for 2010, as submitted by the Mayor to the Council of the District of Columbia ("2010 MFP")[150]:

1) All priorities, objectives, and methods of defining modernization, including the phased approach to elementary and middle schools;
2) Demographics and Data;
3) Plan Detail Narrative, including school-by-school detail, known as Mini-Master Plans; and
4) The glossary of terms.

It would also require that the Schedule of Modernization, including sequencing and project implementation timelines and the budget of modernization, including the 8-Year Master Facilities Plan Financial Projection and Scope of Work and Estimated Methodology in the 2010 MFP is adjusted pursuant to the Capital Improvement Plan Amendments for Public Education Facilities Act of 2010, passed on 1st reading on May 26, 2010,[151] and resubmitted to the Council for review and approval by October 1, 2010.

Financial Plan Impact

The proposed subtitle approves the Master Facilities Plan for DCPS. The proposed FY 2011 through FY 2014 budget and financial plan includes the effects of this subtitle.

Subtitle (IV)(M) – Office of Public Education Facilities Planning Establishment Amendment Act of 2010

Background

The proposed subtitle would establish an Office of Public Education Facilities Planning (OPEFP) within the Office of the Deputy Mayor for Education responsible for the development of the

[150] Pursuant to section 1104 of the School Based Budgeting and Accountability Act of 1998, approved March 26, 1999 (D.C. Law D.C. Law 12-175; D. C. Official Code § 38-2803)
[151] Engrossed version of Bill 18-731

Master Facilities Plan, which would function as a citywide public education facilities plan.[152] It would also require specified District government agencies[153] to work with the OPEFP in the development of the Master Facilities Plan.

Financial Plan Impact

The proposed subtitle assigns existing analysis and data collection requirements for the Master Facilities Plan to the newly established OPEFP.

An amendment made on June 15, 2010 will transfer, from 2011 capital funds appropriated for Office of Public Education Facilities Modernization, up to $500,000 to the Office of the Deputy Mayor for Education, $100,000 to the District of Columbia Public Schools, and $100,000 to the Public Charter School Board to support capital planning activities. As such the impact of the proposed legislation is incorporated into the District's budget and financial plan.

Subtitle (IV)(N) – Capital Improvement Plan Amendments for Public Education Facilities Act of 2010

Background

The proposed subtitle would require that the FY 2011 Capital Improvement Plan (CIP) and Capital Projects, submitted by the Mayor to the Council, is adjusted to include a new project for improvement of internet access and technology for grades 6, 7, and 9. The project would be targeted to public schools, which have not yet received full or Phase I modernizations, where these improvements have not been made.

The sub-projects within this project would require $5.08 million in capital expenditures, and include:

1) Stuart Hobson Middle School Intelligent Technology and Arts Demonstration, at $1.277 million;
2) Middle School Intelligent Technology and Arts Improvements, at $3.8 million; and
3) Other sub-projects as the Office of Public Education Facilities Modernization will determine appropriate, for which funds are available within the annual capital allotment and as proposed in the capital improvement plan and budget.

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[152] By amending Section 1104(b) of the School Based Budgeting and Accountability Act of 1998, approved March 26, 1999 (D.C. Law D.C. Law 12-175; D. C. Official Code § 38-2803(b))

[153] The District of Columbia Public Schools, to transmit to the OPEFP educational plans and policies it considers relevant to the facilities planning process and to provide the educational specifications for each facility subject to modernization; The Public Charter School Board, to transmit to the OPEFP educational plans and policies of individual public charter schools, data on existing public charter school facilities and facilities-related needs, and other information considered relevant to the planning process, and establish a Public Charter School facilities registry, in which individual public charter schools will have the opportunity to register to receive facilities planning and technical support from the OPEFP; The Office of Planning, to provide demographic and neighborhood data support; and The Office of Public Education Facilities Modernization, to implement the Master Facilities Plan.

An amendment made on June 15 would require that the FY 2011 - FY 2016 Capital Improvement Plan give priority consideration for modernization to schools with poor condition assessments, with defined educational gaps due to the condition, or lack of, facilities, and with capacity needs as seen in historical enrollments and audited enrollments. The plan would also be required to reflect a fix-it first modernization policy where all elementary and middle schools undergo basic Phase I modernization, as defined in the 2010 Master Facilities Plan approved pursuant to Subtitle L, prior to the start of Phase II or Phase III modernizations or expansion of facilities at any school. Additionally, the amendment would require this realigned FY 2011 CIP be submitted to the Council no later than October 15, 2010 for review and approval.

Finally, except for projects underway, until the Council has approved the CIP, the Chief Financial Officer would not be permitted to approve the use of FY 2011 funding from budget categories Modernizations Underway (YY130C), High School Modernizations (YY131C), Elementary/Middle Schools Modernization (YY132C), and Selective Additions and New Construction (YY133C).

Financial Plan Impact

Funding for the proposed project for a total amount of $4,943,346 is provided for in the Fiscal Year 2010 Balanced Budget Support Emergency Act of 2010, passed on an emergency basis on May 26, 2010, itemized as follows:[154]

1) Stuart Hobson Middle School Intelligent Technology and Arts Demonstration, at $0.770 million;
2) Middle School Intelligent Technology/Arts and Sciences Project, at $0.600 million;
3) Middle School Intelligent Technology, at $3.573 million.

Please note that the amounts provided by the Balanced Budget Support Emergency Act of 2010 is less than the amount authorized by the proposed subtitle. As such, disbursement of capital funds must be adjusted to stay within the available budget.

[154] Enrolled Bill 18-732

TITLE V– HUMAN SUPPORT SERVICES

Subtitle (V)(A) –Medical Assistance Program Amendment Act of 2010

Background

Under current law,[155] prior to submitting or implementing a Medicaid plan, amendment, or waiver, the Mayor must submit the proposal to Council for approval.[156] The proposed subtitle would provide that review and approval by the Council of the Fiscal Year 2011 Budget and Financial Plan would constitute the Council review and approval required for any waiver, modification to the state plan, or modification to a waiver required during fiscal year 2011 for purposes of implementing federal health care reform initiatives as set forth in the Patient Protection and Affordable Care Act[157], as long as the Department of Health Care Finance (DHCF) publishes a copy of the proposal on its website for at least 5 business days prior to submission to the Secretary of the United States Department of Health and Human Services.

Financial Plan Impact

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

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

Background

The proposed subtitle would institute a new annual assessment on hospitals[158] as follows:

- $500 per licensed bed for FY 2010, which would be due by September 1, 2010, and which would be deposited in Medical Liability Captive Trust Fund;[159] and
- $1,500 per licensed bed for fiscal years 2011 through 2014, which would be deposited into the Hospital Fund.

It also would establish the Hospital Fund (Fund), a non-lapsing account within the General Fund, into which would be deposited: 1) the FY 2011- FY 2014 licensed bed assessments; 2) interest earned on the assessments; 3) interest and penalties collected under this Act; and 4) matching

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[155] 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)).
[156] If the Council does not approve or disapprove the submission within 30 days of receipt from the Mayor, the plan is deemed approved.
[157] Approved March 23, 2010 (124 Stat. 119; Pub. Law No.111-148).
[158] Does not include St.Elizabeths Hospital or any hospital operated by the federal government.
[159] Established by section 12 of the District of Columbia Medical Liability Captive Insurance Agency Establishment Act of 2008, effective July 18, 2008 (D.C. Law 17-196; D.C. Official Code §1-307.91).

federal funds on assessments or other amounts collected under this Act. All monies in the Fund would be used to fund Medicaid services in the District. Additionally, the proposed subtitle would implement interest and penalties for hospitals that fail to pay the full amount of the assessment, establish appeal procedures for hospitals that do not agree with assessment, and authorize the Mayor to issues rules to implement its provisions. The proposed subtitle would expire on September 30, 2014.

Financial Plan Impact

Implementation of the new hospital assessment is estimated to increase revenues by $6.26 million in FY 2011 and $25 million over the four year budget and financial plan period. While there may be additional revenue collected in FY 2010, this revenue is not recognized as the Office of Tax and Revenue may not have sufficient time to implement the assessment before the September 1, 2010 due date. The impact of the proposed subtitle is incorporated in the proposed FY 2011 through FY 2014 budget and financial plan.

Fiscal Impact of Subtitle (V)(B) – Hospital Assessment Act of 2010 Estimated Impact of Assessment on the Hospital Fund					
	FY 2011	**FY 2012**	**FY 2013**	**FY 2014**	**Four Year Total**
Annual Revenues[a]	$6,292,500	$6,292,500	$6,292,500	$6,292,500	$25,170,000
Administrative Costs[b]	$35,000	$0	$0	$0	$35,000
Net Revenue	**$6,257,500**	**$6,292,500**	**$6,292,500**	**$6,292,500**	**$25,135,000**

[a] Assumes no change in the current number of licensed beds.
[b] One-time administrative costs would be incurred by the Office of Tax and Revenue for reprogramming.

Subtitle (V)(C) – Medicaid Resource Maximization Amendment Act of 2010

Background

The proposed subtitle would amend the Health Maintenance Organization Act of 1996[160] to no longer exclude health maintenance organizations (HMOs) from paying taxes equal to 2 percent of their policy and membership fees and net premium receipts or consideration received pursuant to the District Medicaid Program, the Healthy DC Program, or the DC HealthCare Alliance. All new revenues collected exclusively from the expansion of the tax would be deposited into the "Healthy DC and Health Care Expansion Fund" (Fund), the new name the proposed subtitle would establish for the currently-named Healthy DC Fund.[161] The Fund would remain a non-lapsing fund, but monies in the Fund could now be used to fund other medical assistance programs administered by the Department of Health Care Finance (DHCF) instead of solely the

[160] Effective August 16, 2008 (D.C. Law 17-219; D.C. Official Code § 31-3403.01).
[161] Established by the Hospital and Medical Services Corporation Regulatory Act of 1996, effective March 2, 2007 (D.C. Law 16-192; D.C. Official Code § 31-3514.02).

Healthy DC program. Monies currently collected from the tax would continue to be deposited as follows: 75 percent would be deposited in the newly named Fund, while the other 25 percent would be deposited into the local component of the General Fund.

The proposed subtitle would also amend the Insurance Regulatory Trust Fund Act of 1993[162] to change the definition of "direct gross receipts" to exclude policy or membership fees, net premium receipts, or consideration received from or paid by DHCF. Under current law, each insurer and HMO doing business in the District is to be annually assessed 0.3 percent of their direct gross for the purpose of supporting the Department of Insurance, Securities and Banking (DISB) oversight of these entities. However, since DISB does not perform this service for DHCF programs, it has never applied this assessment to these programs. Thus, this change would not have any effect on current practices, but rather would amend the law to accurately reflect them.

Emergency (B18-753) and temporary (B17-854) legislation that were identical to this subtitle were enacted on May 7, 2010 and May 21, 2010 respectively.

Financial Plan Impact

The proposed legislation would result in additional revenue of $4.9 million in FY 2011 and $26.6 million over the four year budget and financial plan period. The impact of the proposed subtitle is incorporated in the proposed FY 2011 through FY 2014 budget and financial plan.

Fiscal Impact of Subtitle (V)(C) – Medicaid Resource Maximization Amendment Act of 2010 Estimated Impact of Expanding HMO Tax on the Healthy DC and Health Care Expansion Fund					
	FY 2011	**FY 2012**	**FY 2013**	**FY 2014**	**Four Year Total**
Total New Revenue	$8,590,023	$11,703,901	$12,039,274	$12,738,194	$45,071,393
Increased Payments to MCOs*	($3,661,533)	($4,891,070)	($4,932,670)	($5,004,569)	($18,489,841)
Net Revenue	$4,928,490	$6,812,831	$7,106,604	$7,733,626	$26,581,551

* According to DHCF, a rate increase would be provided to the Managed Care Organizations that would cover the additional tax. This rate increase would be done through regulations. If DHCF declines to do the rate increase, the total fiscal impact would be equal to the Total New Revenue.

Subtitle (V)(D) – Intermediate Care Facilities Amendment Act of 2010

Background

The proposed subtitle would amend Title 47 of the D.C. Official Code to increase the assessment on Intermediate Care Facilities for the Mentally Retarded (ICF-MRs) from 1.5% per annum of gross revenue to 5.5%; add a clause allowing monies in the Stevie Sellows Quality Improvement

[162] Effective October 21, 1993 (D.C. Law 10-40; D.C. Official Code § 31-1201).

Fund ("Fund")[163] to fund quality of care improvements[164] of up to $2.50 per hour *or a higher amount as determined through rulemaking*; and require that in FY 2011 at least $1 million of the monies in the Fund be used be used to support quality of care improvements and allow that up to $3.7 million be used to support Medicaid services in the District, including to support reimbursements for ICF-MRs for the services that they provide.

Financial Plan Impact

The proposed subtitle would increase revenues in the Fund by an estimated $3.4 million in FY 2011 and $13.6 million over the four year budget and financial plan period. The impact of the proposed subtitle is incorporated in the proposed FY 2011 through FY 2014 budget and financial plan.

Fiscal Impact of Subtitle (V)(D) – Intermediate Care Facilities Amendment Act of 2010
Estimated Impact of Increase in Assessment on the Stevie Sellows Quality Improvement Fund

	FY 2011	FY 2012	FY 2013	FY 2014	Four Year Total
Revenues Under Current Tax 1.5% Rate	$1,278,740	$1,278,740	$1,278,740	$1,278,740	$5,114,960
Revenues Under Proposed 5.5% Rate	$4,688,714	$4,688,714	$4,688,714	$4,688,714	$18,754,855
Net Increase in Revenues	**$3,409,974**	**$3,409,974**	**$3,409,974**	**$3,409,974**	**$13,639,895**

Subtitle (V)(E) – Emergency Housing Assistance Amendment Act of 2010

Background

The proposed subtitle would amend Section 19-701(a) of the D.C. Official Code to transfer cash, including real or personal property reduced to cash, received or obtained by the District from a deceased individual who has no surviving relatives (*i.e.*, escheatment) to the Department of Human Services (DHS) for uses consistent with the emergency assistance described in the Homeless Services Reform Act of 2005, effective October 22, 2005.[165] These include emergency assistance grants to individuals and families in need of cash assistance for mortgage, rent, or utility bills in arrears or for a security deposit or first month's rent.

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[163] This is a non-reverting fund that is separate from the General Fund. Assessments collected from ICF-MRs are deposited into this Fund.
[164] For those facilities who meet the requirements of § 47-1272.
[165] D.C. Law 16-35; D.C. Official Code § 4-753.01(e).

Financial Plan Impact

The proposed subtitle establishes the uses for the Escheated Estate Fund, and its implementation of the proposed subtitle would not impact the budget and financial plan.

Subtitle (V)(F) – Department of Health Fee Modifications Act of 2010

Background

The proposed subtitle would allow the Mayor to adjust by rule the fees established in Section § 47-2827 of the D.C. Official Code, which covers licensing for commission merchants in food, bakeries, markets, restaurants, private clubs, etc.[166] It would also amend sections of the District of Columbia Municipal Regulations to increase the renewal fees for acupuncturists, chiropractors, nursing home administrators, pharmacists, and social workers; various fees related to pharmacies, and nursing home licensure fees. All of these fees are collected by the Department of Health (DOH).

Financial Plan Impact

The proposed changes are expected to increase revenue by approximately $511,677 in FY 2011 and by $1.3 million over the four year budget and financial plan period. This estimate reflects only revenue resulting from the specified increases for various renewal fees, fees related to pharmacies, and nursing home licensure fees. It does not contain any revenue related to allowing the Mayor to adjust licensing fees, as these increases are not detailed. The increased revenue would be deposited into various DOH special purpose revenue funds. The impact of the proposed subtitle is incorporated in the proposed FY 2011 through FY 2014 budget and financial plan.

Fiscal Impact of Subtitle (V)(F) – Department of Health Fee Modifications Act of 2010
Estimated Impact of Fee Increases on the General Fund

	FY 2011	FY 2012	FY 2013	FY 2014	Four Year Total
DOH Fees[a]	$511,677	$152,600	$511,677	$152,600	$1,328,554

[a] Five of the fees are collected every other year.

[166] In total, it covers licensing for commission merchants in food, bakeries, bottling, candy-manufacturing, ice cream manufacturers, groceries, markets, delicatessens, restaurants, private clubs, wholesale fish dealers, and dairies. These fees are collected by the Department of Consumer and Regulatory Affairs (DCRA), which takes a small portion to cover their administrative costs, and then transferred to the Department of Health (DOH)

Subtitle (V)(G) – Children and Youth Investment Trust Corporation Act of 2010

Background

The proposed subtitle require that $500,000 of the funding provided to the Children and Youth Investment Trust Corporation in FY 2011 be provided for competitive grants to support community-based targeted gang intervention and outreach.

Financial Plan Impact

The proposed subtitle would specify how a part of the funding provided to the Children and Youth Investment Trust Corporation, a non-profit, non-governmental organization, be spent. The funding for this entity is already incorporated into the proposed FY 2011 through FY 2014 budget and financial plan.

Subtitle (V)(H) – Department of Health Care Finance Conforming Amendments Act of 2010

Background

The proposed subtitle would amend the Health Care Privatization Amendment Act of 2001[167] to reflect current practices: the Health Care Safety Net Administration resides within the Department of Health Care Finance (DHCF) and not the Department of Health (DOH), and subsequently revenues within the Health Care Safety Net Fund (Fund) are continually available for use by DHCF and not DOH.

Financial Plan Impact

The conforming amendments contained in the proposed subtitle would have no effect on the District's budget and financial plan.

Subtitle (V)(I) – SNAP Expansion Act of 2010

Background

The proposed subtitle would require that a qualified household that ceases to receive cash assistance due to a change in income from the District's Temporary Assistance for Needy Families (TANF) program, federal TANF funds, District Maintenance of Effort ("MOE") funds, or any other state-funded program receive transitional Supplemental Nutrition Assistance Program (SNAP) benefits for a period of 5 months after the date on which the cash assistance

[167] Effective July 12, 2001 (D.C. Law 14-18; D.C. Official Code § 7-1401 *et seq.*).

was terminated.[168] It also would require the Mayor to submit a proposal to use a standard self-employment deduction, with an option for an applicant to prove actual expenses in the event that the applicant's expenses exceed the set standard deduction under SNAP as set by the United States Department of Agriculture.[169] Lastly it would require the Mayor to provide a report every 6 months to the Council on households participating in the District's TANF program and SNAP.

Financial Plan Impact

While the cost of the SNAP benefits would be covered by federal funds, implementing the three provisions—transitional SNAP benefits, the standard self-employment deduction and the reporting requirement—would require additional staff time to reprogram the Automated Client Eligibility Determination System (ACEDS)[170], develop policy instructions and training modules, train the Social Services Representatives (SSRs) and their supervisors, and create new reports in the system.[171] Federal funds would only cover 50 percent of the estimated $128,000 in staff costs. Thus the Department of Human Services (DHS) would need $64,000 in local funds in FY 2011 to pay for these costs and $85,000 over the budget and financial plan period. The impact of the proposed subtitle is incorporated in the proposed FY 2011 through FY 2014 budget and financial plan.

Fiscal Impact of Subtitle (V)(I) – SNAP Expansion Act of 2010 Estimated Impact to Local Funds					
	FY 2011	**FY 2012**	**FY 2013**	**FY 2014**	**Four Year Total**
Transitional SNAP Benefits[a]	$50,000	$0	$0	$0	$50,000
Standard Self-Employment Deduction[b]	$7,000	$0	$0	$0	$7,000
Reporting[c]	$7,000	$7,000	$7,000	$7,000	$28,000
Total Cost	**$64,000**	**$7,000**	**$7,000**	**$7,000**	**$85,000**

[a] Includes time for ACEDS Program Analyst, ACEDS Programmer, Policy Analyst, Training Specialists, ACEDS Project Manager and Office of Information Systems (OIS) Programming Supervisor.

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[168] Pursuant to Section 11(s) of the Food Stamp Act Food Stamp Act of 1964, approved August 31, 1964 (78 Stat. 703; 7 U.S.C. § 2020 (s)). For example, say a TANF household of four with limited shelter costs and no childcare costs currently receives a monthly cash grant of $463 and is eligible for a Food Stamp allotment of $575. Under the proposed subtitle, if the recipient earned income that exceeded the maximum level for TANF benefits and thus was terminated from the TANF program, the Food Stamp allotment would increase to $668 for five months.

[169] Pursuant to Section 5(m) of the Food Stamp Act (7 U.S.C. § 2014 (m)) and to 7 C.F.R. 273.11 (b)(3)(v). This would allow the District to deduct—for those households receiving self-employment income against the food stamp allotment—either the household's business expenses or the standard deduction of 40 percent of the gross self-employment income from the self-employment income. The net income is then treated as earned income. According to the May 2010 Food Stamp Household Characteristics Report produced by the Department of Human Services, there were only 148 Food Stamp households with self-employment income.

[170] Including drafting and testing specifications code.

[171] Implementation of the transitional SNAP benefits and the standard self-employment deduction is expected to take approximately 3 to 4 months.

[b] Includes time for ACEDS Program Analyst, ACEDS Programmer, ACEDS Project Manager and OIS Programming Supervisor.
[c] Includes time for ACEDS Program Analyst, ACEDS Programmer, ACEDS Project Manager and OIS Programming Supervisor.

This estimate does not take into account the ongoing additional workload that is expected as a result of this legislation since it is not possible to reliably estimate its cost at this time. For instance, SSRs are expected to spend an estimated 30 minutes per case to process approximately 1,300 cases[172] per year that would have closed due to earnings, but that now would be given transitional SNAP benefits. Also supervisors would likely need to spend additional time monitoring this new process.

Subtitle (V)(J) – Children and Youth Initiative Establishment Amendment Act of 2010

Background

The proposed subtitle would amend the Children and Youth Initiative Establishment Act of 1999[173] to require that all sub-grants[174] coming from local dollars be awarded on a competitive basis, except in the case of an emergency circumstance as determined by a vote of the Board of Directors; and to establish new eligibility requirements for the non-service provider, non-profit organization with regards to its Board of Directors.

Financial Plan Impact

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

Subtitle (V)K) – Medicaid Benefits Protection Amendment Act of 2010

Background

The proposed subtitle would amend the Medicaid Benefits Protection Act of 1994[175] to provide new requirements insurers[176] must comply with in order to do business in the District regarding claims for reimbursement for payments made by the District's Medicaid Plan and the provision of coverage, eligibility and paid claims data to the District.

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[172] According to DHS, in FY09, 1325 TANF cases were closed due to earnings.
[173] Effective October 20, 1999 (D.C. Law 13-38; D. C. Official Code § 2-1553).
[174] These sub-grants are awarded by a single non-service provider, non-profit organization that receives grants from the Mayor, of which 90% must be used to make sub-grants for the purpose of providing services to District children, youth and their families, including, but not limited to, early childhood development opportunities, safe and enriching centers of learning in and out of school, and other training, recreational and educational services.
[175] Effective March 14, 1995 (D.C. Law 10-202; D.C. Official Code § 1-307.41).
[176] "Insurer" includes a self-insured plan, a group health plan, a service benefit plan, a managed care organization, a pharmacy benefit manager, or other party that is, by statute, contract, or agreement, legally responsible for payment of a claim for all or part of a health care item or service.

The purpose of these changes is to make it easier for the Department of Health Care Finance (DHCF) to know which individuals have private insurance and to recover from the insurers Medicaid payments made on these individuals' behalf.[177] These changes are also necessary in order to comply with the federal requirements enacted in the Deficit Reduction Act of 2005.[178]

Financial Plan Impact

The proposed subtitle could lead to an increase in revenue if, as a result of its implementation, DHCF were able to recover more Medicaid payments from private health insurers. However, there is not enough information available to reliably estimate this potential increase.

Subtitle (V)(L) – Prescription Drug Marketing Costs Amendment Act of 2010

Background

The proposed subtitle would amend Title 22 the District of Columbia Municipal Regulations (DCMR) to increase the filing fee each manufacturer or labeler of prescription drugs that employs, directs or utilizes marketing representatives in the District must pay to the Department of Health when they file their annual report[179] from $2,500 to $5,000.

Financial Plan Impact

The increase in the filing fee is expected to increase revenues in the Board of Pharmacy Special Purpose Revenue Fund by $340,000 in FY 2011 and by $1.36 million over the four year budget and financial plan period.[180] The impact of the proposed subtitle is incorporated in the proposed FY 2011 through FY 2014 budget and financial plan.

Fiscal Impact of Subtitle (V)(L) – Prescription Drug Marketing Costs Amendment Act of 2010
Estimated Impact of Assessment on the Board of Pharmacy Special Purpose Revenue Fund

	FY 2011	FY 2012	FY 2013	FY 2014	Four Year Total
Annual Revenues[a]	$340,000	$340,000	$340,000	$340,000	$1,360,000

[a] Assumes the current number of pharmaceutical companies remains unchanged.

[177] For those services that should have been billed to and covered by the private insurers.
[178] Effective February 8, 2006 (Public Law 109-171).
[179] As required by the AccessRx Act of 2004, effective May 18, 2004 (D.C. Law 15-164; D.C. Official Code § 48-831.01 *et seq.*).
[180] This subtitle was also included in the Fiscal Year 2011 Budget Support Act of 2010; however, no revenue from FY 2010 was recognized as the payment date for the fee is July 1 and it is unclear if the Department of Health would be able to implement the increase in time.

Subtitle (V)(M) – Substance Abuse Epidemiology Report Act of 2010

Background

The proposed subtitle would require that up to up to $250,000 of the FY 2011 funds allocated to the Addiction Prevention and Recovery Administration be used to support improved statistical analysis, outcome measures, data reporting, and policy recommendations related to drug abuse epidemiology in the District of Columbia.

Financial Plan Impact

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

Subtitle (V)(N) – Community Access to Health Care Amendment Act of 2010

Background

The proposed subtitle would amend the Community Access to Health Care Amendment Act of 2006[181] to require that the Mayor only reserve $4.6 million instead of the current $10 million from the Community Health Care Financing Fund ("Fund")[182] to fund a comprehensive chronic disease management and prevention program related to the 10 leading causes of death in the District of Columbia to be administered by nonprofit organizations in partnership with the Department of Health, and in FY 2011 allocate $4.4 million to support health services at the D.C. Jail and $1 million to support the District's AIDS Drug Assistance Program.

Financial Plan Impact

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

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

[182] See D.C. Official Code § 7-1931. This Fund is a special nonlapsing interest earning account in the General Fund into which is deposited: 1) proceeds from the sale by the District of Columbia Tobacco Settlement Financing Corporation of its Tobacco Settlement Asset-Backed Bonds, Series 2006; 2) receipts from any fees and taxes specifically identified by District law to be paid into the Fund; 3) 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 4) 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 purposes of the Fund is to directly pay to promote health care and for the delivery of health care related services in the District.

Subtitle (V)(O) – Commission on Juvenile Justice Reform Establishment Act of 2010

Background

The proposed subtitle would establish a Juvenile Justice Commission ("Commission"), which would be empanelled within thirty days of the effective date of this act; and comprised of nine members, who would serve without public compensation. It would also require that the Office of the City Administrator provide administrative and staff support for the Commission and seek private financial support. Lastly, it would require that the Commission submit a report to the Council, within 180 days of the empanelling of the Commission, on certain reforms, juvenile arrest cases, funding for Department of Youth Rehabilitation Services (DYRS) and Court Social Services (CSS), and recommendations.

Financial Plan Impact

Implementing the proposed subtitle is expected to cost $18,500 in FY 2011. There would be no additional costs in FY 2012 through FY 2014 as the Commission would no longer exist after FY 2011. These funds would be needed for administrative support and materials. The impact of the proposed subtitle is incorporated in the proposed FY 2011 through FY 2014 budget and financial plan.

Fiscal Impact of Subtitle (V)(O) – Commission on Juvenile Justice Reform Establishment Act of 2010 Estimated Impact to General Fund					
	FY 2011	**FY 2012**	**FY 2013**	**FY 2014**	**Four Year Total**
.5 FTE for 6 months (Grade 9)	$13,500	$0	$0	$0	$13,500
Materials, including printing report	$5,000	$0	$0	$0	$5,000
Total Cost	**$18,500**	**$0**	**$0**	**$0**	**$18,500**

TITLE VI - PUBLIC WORKS

Subtitle (VI)(A) - District Department of Transportation Unified Fund Amendment Act of 2010

Background

The proposed subtitle would amend[183] the Department of Transportation Establishment Act of 2002 to require that out of the first $30 million in revenue derived from the sales and use taxes collected by the District for parking and storing, $10.2 million would be transferred to the General Fund in FY 2011 and all subsequent years. Any revenue in excess of $30 million would continue to be deposited into the Highway Trust Fund.

Financial Plan Impact

The proposed subtitle makes permanent section 203 of the FY 2009 Balanced Budget Support Temporary Amendment Act of 2008. The impact of the proposed subtitle is incorporated in the proposed FY 2011 through FY 2014 budget and financial plan.

Subtitle (VI)(B) – Public Space Permit Enhancement Amendment Act of 2010

Background

The proposed subtitle[184] would allow the Mayor to charge a technology fee on all public space permit applications equal to 10 percent of the total value of the permit

Financial Plan Impact

The technology fee is estimated to generate $170,000 in FY 2011 and a total of $680,000 over the FY 2011 through FY 2014 budget and financial plan period. These funds would be deposited into the District Department of Transportation Unified Fund. The impact of the proposed subtitle is incorporated in the proposed FY 2011 through FY 2014 budget and financial plan.

Fiscal Impact of Subtitle VI(B) Public Space Permit Enhancement Act of 2010 Revenue Impact of the Proposed Technology Fee					
	FY 2011	FY 2012	FY 2013	FY 2014	Four Year Total
Increased Revenue to DDOT Unified Fund[a]	$170,000	$170,000	$170,000	$170,000	$680,000

[a] In FY2009, DDOT received $1.7 million in public space permit fees.

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[183] The Department of Transportation Establishment Act of 2002, effective October 20, 2005 (D.C. Law 16-33; D.C. Official Code § 50-921.11(c)(2)).

[184] By amending the Fiscal Year 1997 Budget Support Act of 1996, effective April 9, 1997 (D.C. Law 11-198; D.C. Official Code § 10-1141.04) and Title 24 of the District of Columbia Municipal Regulations.

Subtitle (VI)(C) – Unclaimed Deposits for Excavation Work Amendment Act of 2010

Background

The proposed subtitle would[185] allow the District of Columbia to keep unclaimed deposits for excavation work in public space if they remain unclaimed one year after notification from the District Department of Transportation. Currently, the District collects a deposit before an excavation project begins and retains the deposit for two years after satisfactory restoration of the excavation site. A permittee can claim his or her deposit two years after excavation. Under the proposed subtitle, the deposit will be transferred to the Department of Transportation Unified Fund unless the permittee claims the deposit within one year of the notice of availability.

Financial Plan Impact

In FY 2011, DDOT plans to notify permittees about unclaimed deposits and will not be able to transfer unclaimed property until FY 2012. It is unknown at this time how many permittees will request a return of their deposit. Because of the uncertainty of the potential revenues, the fiscal impact of this provision is not incorporated into the proposed FY 2011 through FY 2014 budget and financial plan.

Subtitle (VI)(D) – Steel Plate Fee Amendment Act of 2010

Background

The proposed subtitle would allow[186] the District Department of Transportation (DDOT) to establish a public space permit fee for the use of steel plates in public spaces. The fees would be based on the number of steel plates and days they remain in use, and the time of year they are installed.

Financial Plan Impact

The steel plate public space permit fee is estimated to generate $3.1 million in FY 2011 and a total of $10.7 million over the FY 2011 through FY 2014 budget and financial plan period. These funds would be deposited into the District Department of Transportation Unified Fund. The impact of the proposed subtitle is incorporated in the proposed FY 2011 through FY 2014 budget and financial plan.

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[185] By amending the Uniform Disposition of Unclaimed Property Act of 1980, effective March 5, 1981 (D.C. Law 3-160; D.C. Official Code § 41-101 *et seq.*) and Title 24 of the District of Columbia Municipal Regulations.
[186] By amending 24 DCMR 225.1.

Fiscal Impact of Subtitle VI(D) Steel Plate Amendment Act of 2010 Revenue Impact of the Proposed Fee Structure					
	FY 2011	**FY 2012**	**FY 2013**	**FY 2014**	**Four Year Total**
Increased Revenue[a]	$3,120,000	$2,808,000	$2,527,200	$2,274,480	$10,729,680

[a] This assumes that in FY2011 there are on average 200 plates paying $300 per plate fee over a five day period 52 weeks a year. The number of plates will decrease by 10 percent each year in the financial plan period.

Subtitle (VI)(E) – Bus Service Bus Stop Fee Amendment Act of 2010

Background

The proposed subtitle would amend Title 24, Chapter 2 of the District of Columbia Municipal Regulations to impose a public space permit fee on buses that park at designated locations in public space on a regular schedule to pick up and drop off passengers.

Financial Plan Impact

The bus public space permit fee is estimated to generate $220,000 in FY 2011 and a total of $880,000 over the FY 2011 through FY 2014 budget and financial plan period. These funds would be deposited into the District Department of Transportation Unified Fund. The impact of the proposed subtitle is incorporated in the proposed FY 2011 through FY 2014 budget and financial plan.

Fiscal Impact of Subtitle VI(E) Bus Service Bus Stop Fee Amendment Act of 2010 Revenue Impact of the Proposed Fee Structure					
	FY 2011	**FY 2012**	**FY 2013**	**FY 2014**	**Four Year Total**
Increased Revenue to DDOT Unified Fund	$219,960	$219,960	$219,960	$219,960	$879,840

Subtitle (VI)(F) – Parking Meter Advertisement Amendment Act of 2010

Background

The proposed subtitle would allow[187] the Rights-of-Way Management Administration at the District Department of Transportation (DDOT) to oversee the parking meter advertising program, including entering into agreements with companies to place advertisements on multi-space parking meters and print advertisements on the back of receipts.

[187] By amending the Department of Transportation Establishment Act of 2002, effective May 21, 2002 (D.C. Law 14-137; D.C. Official Code § 50-921.01 et seq.)

Financial Plan Impact

The revenue generated through advertising on multi-space parking meters and printing advertising on parking meter receipts is estimated to be $350,000 in FY 2011 and a total of $2.45 million over the FY 2011 through FY 2014 budget and financial plan period. These funds would be deposited into the local components of the General Fund. The impact of the proposed subtitle is incorporated in the proposed FY 2011 through FY 2014 budget and financial plan.

Fiscal Impact of Subtitle VI(F) Parking Meter Advertisement Amendment Act of 2010 Revenue Impact of the Proposed Advertising					
	FY 2011	FY 2012	FY 2013	FY 2014	Four Year Total
Increased Revenue[a]	$350,000	$700,000	$700,000	$700,000	$2,450,000

[a] Revenue in FY 2011 is based on the assumption that the District will not enter into an advertising agreement until the middle of the fiscal year.

Subtitle (VI)(G) – Environmental Impact Screening Forms and Environmental Impact Statements Amendment Act of 2010

Background

The proposed subtitle would give the authority to the Mayor to increase the fee charged to an applicant for reviewing an EISF or preparing an EIS to $55 per hour.[188] In addition, the proposed subtitle would allow the District Department of the Environment (DDOE)[189] to issue rules to assist District agencies in the review of an environmental impact screening form (EISF) and preparation of an environmental impact statement (EIS).

Financial Plan Impact

The proposed subtitle is expected to generate $66,000 in additional revenues in FY 2011 and approximately $264,000 over the proposed FY 2011 through FY 2014 budget and financial plan. These funds would accrue to the local component of the General Fund. The impact of the proposed subtitle is incorporated in the proposed FY 2011 through FY 2014 budget and financial plan.

Fiscal Impact of Subtitle (VI)(H) – Environmental Impact Screening Forms and Environment Impact Statements Amendment Act of 2010 Estimated Revenue from EISF and EIS Fee Increase					
	FY 2011	FY 2012	FY 2013	FY 2014	Four Year Total
Increased Revenues[a]	$66,000	$66,000	$66,000	$66,000	$264,000

[a] This estimate assumes that DDOE would do 30 EIS and ESIF reviews and on average, each review will take 40 hours.

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[188] By amending Title 20, Chapter 72 of the District of Columbia Municipal Regulations.

[189] By amending the District of Columbia Environmental Policy Act of 1989, effective October 18, 1989 (D.C. Law 8-36; D.C. Official Code § 8-109.09).

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

Background

The proposed subtitle would[190] modify the funding levels for the Sustainable Energy Trust Fund (SETF) programs in FY 2011. Specifically, it would reduce the funding in the SETF for the independent review of the sustainable energy utility contractor and advisory board, existing electricity and natural gas programs, renewable energy incentive, and the energy efficiency programs. An amendment to this subtitle made on June 15, 2010 would increase the statutory cap to allow the District Department of the Environment to spend an additional $1 million on existing electricity programs.

Financial Plan Impact

This proposed subtitle will reduce the obligations to be paid from the SETF by approximately $8.9 million in FY 2011. The impact of the proposed subtitle and its amendment are incorporated in the proposed FY 2011 through FY 2014 budget and financial plan.

Subtitle (VI)(I) – Assent to the Dingell-Johnson Sport Fish Restoration Act Amendment Act of 2010

Background

The proposed subtitle would[191] update District of Columbia fish and game laws to assent to federal standards and would prohibit the diversion of fishing license fees for any other purpose than the administration of the District's fish and wildlife agency.

Financial Plan Impact

The proposed subtitle updates the fish and game laws to federal standards and would have no impact on the budget and financial plan.

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

[191] By amending An Act to Modernize the fish and game laws of the District of Columbia, and for other purposes, approved August 23, 1958 (72 Stat. 814; D.C. Official Code § 22-4328)

Subtitle (VI)(J) – Vehicle Inspection Task Force Act of 2010

Background

The proposed subtitle would establish a seven-member Vehicle Inspection Task Force ("Task Force") charged with studying the impact of the elimination of the mandatory vehicle safety inspections for private vehicles. The Task Force would make recommendations for improvements to the District's current vehicle safety inspection program for commercial vehicles, improvements to the existing vehicle safety inspection program that could make it more cost effective and reduce the burden of inspections, and whether the District should restore mandatory vehicle safety inspections for private vehicles.

The Task Force would be required to complete its study and submit recommendations to Council by February 28, 2011.

Financial Plan Impact

The proposed subtitle has no fiscal impact. The Department of Motor Vehicles can absorb the cost to provide administrative support to the task force in FY 2010. In the event that the Task Force determines that an expanded vehicle safety inspection program is in the best interests of the District, the Task Force would be required to identify the way in which a program would be funded.

Subtitle (VI)(K) – School Crossing Guard Promotion Opportunity Act of 2010

Background

The proposed subtitle would allow[192] School Crossing Guards to be promoted to traffic control officer positions by amending the time-in-grade restrictions for civilian crossing guards.

Financial Plan Impact

The proposed subtitle has no fiscal impact. School crossing guards can only be promoted to traffic control officers when positions are available.

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[192] By amending the "Civilian School Crossing Guard Function Transfer Amendment Act of 2007," effective September 17, 2007 (D.C. Law 17-20, D.C. Official Code § 38-3102)

TITLE VII– FINANCE AND REVENUE

Subtitle (VII)(A) – Budget Financing Contingencies Amendment Act of 2010

Background

The proposed subtitle, and amendments made on June 15, 2010, would repeal the subject to appropriation provisions from the following legislation:

- the Heights on Georgia Avenue Tax Exemption Act of 2009[193],
- the Affordable Housing Opportunities Residential Rental Project Property Tax Exemption and Equitable Real Property Tax Relief Act of 2010[194],
- the Jubilee Housing Residential Rental Project Property Tax Exemption and Equitable Real Property Tax Relief Amendment Act of 2009[195];
- the Campbell Heights Residents Project Real Property Tax Exemption Act of 2010[196];
- the IHOP Restaurant #3221 Tax Exemption Clarification Temporary Act of 2010;
- B18-749, King Towers Residential Housing Real Property Tax Exemption Act of 2010;
- Section 4(b) of the Omnibus Election Reform Amendment Act of 2009[197]; and
- the Healthy Schools Act of 2010[198]

The proposed subtitle would also amend the Studio Theatre Housing Property Tax Exemption and Equitable Relief Act of 2009[199] to repeal the subject to appropriations provision, as well as the provisions that would have forgiven and refunded any recordation and transfer taxes, and any real property taxes and other related charges assessed against the real property from January 1, 2005 to December 17, 2009.

Finally, the proposed subtitle would amend section § 47-3802 of the D.C. Official Code to reinstate the subject to appropriations provision in the Code until the fiscal effect of allowing retail and restaurant operators to claim the tax incentives have been incorporated in the budget and financial plan.

Financial Plan Impact

The total fiscal impact of the proposed subtitle is approximately $6.6 million in FY 11 and $22.7 million over FY 2011 through FY 2014 budget and financial plan.

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[193] Signed by the Mayor on January 25, 2010 (D.C. Act 18-286; 57 DCR 1175).
[194] Effective March 23, 2010 (D.C. Law 18-129; 57 DCR 1175).
[195] Effective May 27, 2010 (D.C. Law 18-163).
[196] Effective May 27, 2010 (D.C. Law 18-164)
[197] Section 4(b) of D.C. Law 18-103 (Effective February 4, 2010
[198] Signed by the Mayor on May 21, 2010 (D.C. Act 18-428; 57 DCR 1175).
[199] Effective December 17, 2009 (D.C. Law 18-96; 56 DCR 8526).

The proposed subtitle would reduce revenues by approximately $525,000 in FY 2011 and $1.95 million over the FY 2011 through FY 2014 budget and financial plan.

The proposed subtitle would also increase expenditures by approximately $6 million in FY11 and $21 million over the FY 2011 through FY 2014 budget and financial plan.

Finally, amending the address the fiscal impact associated with the unfunded retail and restaurant provision of the Act will prevent the FY 2011 through FY 2014 budget and financial plan from becoming unbalanced.

The financial effect of the proposed subtitle has been incorporated in the budget and financial plan. The impact also takes into account the amendments offered on June 15, 2010.

Fiscal Impact of Subtitle (VII)(A) – Budget Financing Contingencies Act Amendment Act of 2010 Estimated Revenue Impact to General Fund					
	FY 2011	**FY 2012**	**FY 2013**	**FY 2014**	**Four Year Total**
Heights on Georgia Avenue Tax Exemption Amendment Act of 2010	$52,000	$55,000	$170,000	$170,000	**$447,000**
Affordable Housing Opportunities Residential Rental Project Property Tax Exemption and Equitable Real Property Tax Relief Act of 2010	$111,961	$33,093	$33,754	$34,429	**$213,238**
Studio Theatre Housing Property Tax Exemption and Equitable Relief Amendment Act of 2010	$27,247	$25,885	$24,591	$23,361	**$101,084**
Jubilee Housing Residential Rental Project Property Tax Exemption and Equitable Real Property Tax Relief Amendment Act of 2010	$51,583	$59,321	$61,693	$69,395	**$241,992**
Campbell Heights Residents Project Real Property Tax Exemption Act of 2009	$149,745	$157,232	$165,094	$173,348	**$645,419**
IHOP Restaurant #3221 Tax Exemption Clarification Temporary Act of 2010	$50,150.00	$0	$0	$0	**$50,150**
King Towers Residential Housing Real Property Tax Exemption Act of 2010	$83,000.00	$55,000	$55,000	$55,000	**$248,000**
Total Revenue Impact of Subtitle (VII)(A)	**$525,686**	**$385,531**	**$510,132**	**$525,533**	**$1,946,883**

Fiscal Impact of Subtitle (VII)(A) – Budget Financing Contingencies Act Amendment Act of 2010					
Estimated Fiscal Impact to General Fund					
	FY 2011	FY 2012	FY 2013	FY 2014	Four Year Total
Omnibus Election Reform Amendment Act of 2009	$0	$0	$47,840	$47,840	**$95,680**
Healthy Schools Act of 2010 [a]	$6,099,000	$5,763,000	$5,764,000	$5,766,000	**$20,673,718**
Total Expenditure Impact of Subtitle (VII)(A)	**$6,099,000**	**$5,763,000**	**$5,811,840**	**$5,813,840**	**$20,769,398**

[a] This Act could impose additional costs that cannot be reliably estimated at this time. For details, please see the fiscal impact statement issued by the OCFO on April 19, 2010. Available at http://app.cfo.dc.gov/services/fiscal_impact/pdf/spring09/B18-564_.pdf .

Subtitle (VII)(B)- First Congregational United Church of Christ Property Tax Abatement Act of 2010

Background

The proposed subtitle would amend Title 47 of the D.C. Official Code to exempt the real property currently subdivided as Lots 833 through 835 and 7000 through 7011 in Square 375 and known as the First Congregational United Church of Christ ("First Congregational") from real property tax. The exemption would remain in place as long as First Congregational owned the property. The proposed subtitle would also exempt the transfer by First Congregational of Lots 834, 835, 7003, 7006, 7007, 7008, 7009, 7010 and 7011 in Square 375 from the transfer tax; and would require that $951,000 of the transfer tax and real property taxes and other related charges assessed against and paid by First Congregational on the real property located on Lots 823 and 831 in Square 375[200] for the period beginning February 1, 2008, and ending September 2009, when First Congregational sold the property, be forgiven and refunded to First Congregational. The refunds would be issued in three equal payments of $317, 000 by January 2nd of each year, starting in 2011.[201]

Financial Plan Impact

The refund of transfer and real property tax payments to First Congregational would result in a reduction in revenues of $317,000 annually in FY 2011, FY 2012, and FY 2013, for a total of $951,000 over the budget and financial plan period. The impact of the proposed subtitle is incorporated in the proposed FY 2011 through FY 2014 budget and financial plan

[200] Lots 823 and 831 encompassed all of the lots in Square 375 owned by First Congregational in 2008. In 2009, the lots were subdivided into Lots 833 through 835 and 7000 through 7011.
[201] For details on the history of this property, please see the Fiscal Impact Statement issued on the emergency legislation, B18-04730, on October 2, 2009.

Fiscal Impact of Subtitle (VII)(B) – First Congregational United Church of Christ Property Tax Abatement Act of 2010 Estimated Revenue Impact to General Fund					
	FY 2011	**FY 2012**	**FY 2013**	**FY 2014**	**Four Year Total**
Transfer and Real Property Tax Refunds	$317,000	$317,000	$317,000	$0	$951,000

Subtitle (VII)(C) – Park Place at Petworth, Highland Park, and Highland Park Phase II Economic Development Amendment Act of 2010

Background

The proposed subtitle would amend the Park Place at Petworth, Highland Park, and Highland Park Phase II Economic Development Act of 2010[202] to repeal the subject to appropriations provision; and exempt The Park Place at Petworth[203], Highland Park[204], and Highland Park Phase II Properties[205] from the real property tax for 20 years starting on October 1, 2010 as follows: 10 years at 50 percent abatement and a 5 percent reduction in abatement in years 11 through 20 until the annual real property taxation equals 100 percent.[206] All interest and penalties associated with real property taxes that have been assessed against these properties for the period beginning October 1, 2008 until 45 days after the effective date of this Act, and refund or credit any payments already made for this period would be forgiven.

Financial Plan Impact

Implementation of the proposed subtitle is estimated to reduce property tax collections by $695,668 in FY 2011 and approximately $2 million over the budget and financial plan period. The impact of the proposed subtitle is incorporated in the proposed FY 2011 through FY 2014 budget and financial plan.

Fiscal Impact of Subtitle (VII)(C) – Park Place at Petworth, Highland Park, and Highland Park Phase II Economic Development Amendment Act of 2010 Estimated Revenue Impact to General Fund					
	FY 2011	**FY 2012**	**FY 2013**	**FY 2014**	**Four Year Total**
Foregone Property Taxes	$445,200	$445,200	$445,200	$445,200	$1,780,802

202 Signed by the Mayor on January 25, 2010 (D.C. Act 18-290; 57 DCR 1186).
203 Located in Square 2900, Lot 44. It is assumed Lots 820, 821, and 822 in Square 2900 will be combined to create Lot 44.
204 Located in Square 2672, Lot 884 (part of Lot 717).
205 Located in Square 2672, Lot 726.
206 Under current law, the properties are to be exempt from real property tax for 20 consecutive years, 10 years at 100% and a 10 percent increase in years 11 through 20 until the annual real property taxation equals 100 percent.

Refunded Payments for Interest and Penalties	$250,468	$0	$0	$0	$228,166
Total Negative Fiscal Impact	**$695,668**	**$445,200**	**$445,200**	**$445,200**	**$2,031,270**

Notes:
1) The assessed value of the properties is estimated using neighborhood trends.
2) Assumes that approximately 93 percent of the Park Place project is residential and 7 percent commercial, and approximately 91 percent of the Highland Projects is residential and 9 percent commercial.
3) Assumes that no payments will be made.

Additionally, the proposed subtitle would continue to have a fiscal impact beyond the financial plan period. The real property tax on the properties would continue to be abated by 50 percent through 2020. Between 2021 and 2028, the abatement would decrease by 5 percent each year until the owners of these properties were fully liable for the real property taxes in FY 2030.

Subtitle (VII)(D) – Kelsey Gardens Redevelopment Project Real Property Limited Tax Abatement Assistance Amendment Act of 2010

Background

The proposed subtitle would amend the Kelsey Gardens Redevelopment Project Real Property Limited Tax Abatement Assistance Act of 2009[207] to remove the subject to appropriations provision for FY 2010 through FY 2012; the subject to appropriations provisions would still apply for FY 2013 and later.

Financial Plan Impact

Implementation of the proposed subtitle is estimated to reduce property tax collections by $4,871 in FY 2010, $2,446 in FY 2011 and $983,243 over the budget and financial plan period. The fiscal impact of removing the subject to appropriations provisions for FY 2010 through FY 2012 ($4,871 in FY 2010, $2,446 in FY 2011, and $2,446 in FY 2012) is incorporated in the revised FY 2010 budget and the proposed FY 2011 through FY 2014 budget and financial plan. The fiscal impact in FY 2013 ($486,273) and FY 2014 ($492,078) is not funded, as the subject to appropriations provisions would still apply to these two years of the four year budget and financial plan period. In the absence of additional funding, the property would lose its abatement in FY 2013.

Fiscal Impact of Subtitle (VII)(D) – Kelsey Gardens Redevelopment Project Real Property Limited Tax Abatement Assistance Amendment Act of 2010
Estimated Revenue Impact to General Fund

	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	Four Year Total
Commercial Property Tax Liability [4]	$10,634	$9,623	$9,623	$56,823	$57,391	$133,461

[207] Effective December 17, 2009 (D.C. Law 18-97; 56 DCR 8528).

Fiscal Impact of Subtitle (VII)(D) – Kelsey Gardens Redevelopment Project Real Property Limited Tax Abatement Assistance Amendment Act of 2010 Estimated Revenue Impact to General Fund						
	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	Four Year Total
Residential Property Tax Liability [5]	$88,423	$87,008	$87,008	$523,635	$528,872	$1,226,523
TOTAL Property Tax Liability	$99,056	$96,631	$96,631	$580,458	$586,263	$1,359,984
Tax Obligation Under Subtitle	$94,185	$94,185	$94,185	$94,185	$94,185	$376,741
Foregone Property Tax Revenues	**$4,871**	**$2,446**	**$2,446**	**$486,273**	**$492,078**	**$983,243**
Fiscal Impact Incorporated into the Proposed Budget	**$4,871**	**$2,446**	**$2,446**	**NA**	**NA**	**$4,892**
Unfunded Impact	**$0**	**$0**	**$0**	**$486,273**	**$492,078**	**$978,351**

Notes:
1) Per the development plan filed by the D.C. Office of Planning, the groundbreaking will take place in FY 2010. It is assumed that the project would have secured the required HUD mortgage by the start date.
2) It is assumed that the property would be reassessed to reflect the improvements in FY 2013. The development plan gives the estimated value of the completed project as $65,000,000.

The proposed subtitle would continue to have an impact after the budget and financial plan period, as the tax abatement would not expire until the stated maturity date of the mortgage with the U.S. Department of Housing and Urban Development (HUD). The developer indicated that they are pursuing a 40-year mortgage with HUD.

Subtitle (VII)(E) – Non-Profit Tax Abatement Act of 2010

Background

The proposed subtitle would amend Title 47 of the D.C. Official Code by providing real property tax abatements to non-profit organizations[208] that purchase office space, or to property owners that lease office space to eligible non-profits in designated "emerging commercial neighborhoods" as defined by the legislation. It would designate six neighborhoods as "Eligible Non-Profit Zones" ("Zones"), and authorize the Mayor to designate another location at a later date.[209]

[208] Designated as 501(c)(3), 501(c)(4), or 501(c)(6) entities by the federal government per 68A Stat. 163; 26 U.S.C. § 501 (c)(3), (4), and (6).

[209] Eligible Areas: 1) "Anacostia Non-Profit Zone" means all real property: Fronting on Good Hope Road, S.E., between the Anacostia Freeway and the 18th Street, S.E.; Fronting on Martin Luther King, Jr. Avenue, S.E., between S Street, S.E., and Suitland Parkway; Fronting on Howard Road, S.E., between the Anacostia Freeway and Bowen Road, S.E.; Fronting on Shannon Place, S.E., between U Street, S.E., and Chicago Street, S.E.. 2) "Capitol Riverfront Non-Profit Zone" means the area described as the Capitol Riverfront BID in section 208(b) of the Business Improvements District Act of 1996, effective October 18, 2007 (D.C. Law 17-27; D.C. Official Code § 2-

Eligible non-profits or property owners would receive a real property tax abatement of $8 per square foot for 10 consecutive years as long as they:

- Purchase/lease 5,000 square feet of office space;
- Occupy at least 75 percent of the office space purchased or leased;
- Purchase or lease the office space at the market rate, as determined by the Mayor, and net of real estate taxes;
- Are not receiving any other real property tax abatement for the office space from the District; and
- Occupy the new office space by September 30, 2013, if the space is in the Capitol Riverfront Non-Profit Zone, Mount Vernon Triangle Non-Profit Zone, or NoMA Non-Profit Zone, or by September 30, 2016, if the office space is in the Anacostia Non-Profit Zone, a Designated Non-Profit Zone, or Minnesota-Benning Non-Profit Zone.

Eligible non-profits or property owners could not receive the tax abatement for more than 100,000 square feet of office space; the annual amount of the tax abatement could not exceed the eligible recipients' real property tax liability; and the amount of the abatement would be capped as follows:

- $600,000 in the Anacostia Non-Profit Zone;
- $2.6 million in the Capitol Riverfront Non-Profit Zone;
- $800,000 in all Designated Non-Profit Zones[210];
- $600,000 in the Minnesota-Benning Non-Profit Zone;

1215.58(b)). 3) "Designated Non-Profit Zone" means an area of the District designated by the Mayor as one that will benefit from the location of a non-profit organization or an area to which a non-profit organization seeks to locate and for which the Mayor determines that it is in the best interests of the District to offer a tax abatement under this section to the non-profit organization. 4) "Minnesota-Benning Non-Profit Zone" means the area bounded by a line beginning at the intersection of Hayes Street, N.E. and Minnesota Avenue, N.E.; continuing northwest to the intersection of Hayes Street, N.E., and Kenilworth Avenue, N.E.; continuing northwest along Hayes Street, N.E., to Anacostia Avenue, N.E.; continuing due west to the eastern shoreline of the Anacostia River; continuing south along the eastern shoreline of the Anacostia River to Benning Road, N.E.; continuing east along Benning Road, N.E., to Anacostia Avenue, N.E.; continuing southerly along Anacostia Avenue, N.E., to Dix Street, N.E.; continuing east along Dix Street, N.E., to 34th Street, N.E.; continuing north along 34th Street, N.E., to Eads Street, N.E.; continuing southeast along Eads Street, N.E., to 36th Street, N.E.; continuing south along 36th Street, N.E., to Kenilworth Avenue, N.E.; continuing southeast along a straight line to the intersection of 35th Street, N.E., and Clay Place, N.E.; continuing southeast along Clay Place, N.E., to Minnesota Avenue, N.E., continuing northeast along Minnesota Avenue, N.E., to Clay Place, N.E.; continuing southeast and then east along Clay Place, N.E., to 40th Street, N.E.; continuing northeast along 40th Street, N.E., to Benning Road, N.E. (and including the area to the immediate east of 40th Street, N.E., that is zoned C-3-A); continuing northwest along Benning Road, N.E., to Minnesota Avenue, N.E. (and including the area to the immediate north of Benning Road, N.E., that is zoned C-3-A); continuing northeast along Minnesota Avenue, N.E., to Hayes Street, N.E. (and including the area to the immediate east of Minnesota Avenue, N.E., that is zoned C-3-A), the starting point. 5) "Mount Vernon Triangle Non-Profit Zone" means the area means the area described as the Mount Vernon Triangle BID in section 205(b) of the Business Improvements District Act of 1996, effective March 17, 2005 (D.C. Law 15-257; D.C. Official Code § 2-1215.55(b)) 6) "NoMA Non-Profit Zone" means the area described as the NoMA Improvement Association BID in section 207(b) of the Business Improvements District Act of 1996, effective March 8, 2007 (D.C. Law 16-245; D.C. Official Code § 2-1215.57(b)).

[210] This is an area to be designated by the Mayor as one that would benefit from the location of a non-profit organization or an area to which a non-profit seeks to locate and the Mayor deems to be in the best interest of the District.

- $1.2 million in the Mount Vernon Triangle Non-Profit Zone; and
- $2.6 million in the NoMA Non-Profit Zone.

Lastly, the proposed subtitle would cap the total dollar amount of allowable tax abatements at $500,000 per year in FY 2011 through FY 2014. During this period, the Mayor would stop issuing abatement certifications for qualified non-profits once the $500,000 limit is reached.

Financial Plan Impact

Based on an assessment of the current market value and available office space in the designated areas, [211] the OCFO estimates that the $500,000 limit on the tax abatements would be reached in FY 2011.[212] The impact of the proposed subtitle is incorporated in the proposed FY 2011 through FY 2014 budget and financial plan.

Fiscal Impact of Subtitle (VII)(E) – Non-Profit Tax Abatement Act of 2010 Estimated Revenue Impact to General Fund					
	FY 2011	**FY 2012**	**FY 2013**	**FY 2014**	**Four Year Total**
Tax Abatement	$500,000	$500,000	$500,000	$500,000	$2,000,000
Total Negative Fiscal Impact	**$500,000**	**$500,000**	**$500,000**	**$500,000**	**$2,000,000**

Additionally, the proposed subtitle would continue to have an impact after the financial plan period, as the tax abatements would remain in effect for ten years.

[211] According to Delta Associates report on Associations in the Washington Metropolitan Area, in 2003, Associations occupied 24.9 million square feet of office space, with 14.8 million (59 percent) of the office space located in DC. The study reports that from 1993 to 2003 Associations absorbed 600,000 square feet of office space per year, and projected that from 2004 to 2006 Associations would absorb 700,000 square feet annually. Given these data, it seems reasonable to assume Associations could absorb the approximately 85,000 square feet that would be covered by the $500,000 tax abatement in the emerging commercial neighborhoods defined in the legislation.

[212] For more details, see the fiscal impact statement from June 26, 2009 for "Tax Abatement for Non-profit Organizations Locating in Emerging Commercial Neighborhoods," which is available upon request from the OCFO.

Subtitle (VII)(F) – Fiscal Year 2011 Transfer of Special Purpose Funds Act of 2010

Background

The proposed subtitle would require the Chief Financial Officer (CFO) to transfer to the unrestricted fund balance of the General Fund and recognize as FY 2011 revenue fund balances of $92,251,008 from the Special Purpose Funds detailed in the table below.

Fiscal Impact of Subtitle (VIII)(F.1) Fiscal Year 2011 Transfer of Special Purpose Funds Act of 2010 Transfer of Special Purpose Fund Balances to FY 2011 Local Fund		
Agency	**Description**	**Amount**
Office of the Chief Financial Officer	Recorder of Deeds Surcharge	$2,635,084
	Bank Fees	$847,113
Commission on the Arts and Humanities	Special Purpose Revenue	$65,627
Office of the Attorney General	Child Support - Temporary Aid to Needy Families (TANF)/Aid to Families with Dependent Children (AFDC) Collections	$4,999,999
	Child Support - Reimbursements and Fees	$67,000
	Child Support - Interest Income	$66,725
	Anti-Fraud Fund	$193,541
District of Columbia Public Library	Miscellaneous Customer Service	$9,630
Department of Employment Services	Workers' Compensation Special Fund	$7,654,732
	Workers' Compensation Administration Fund	$16,835,615
	Unemployment Insurance Interest/Penalties	$107,719
	Unemployment Insurance Administrative Assessment Tax	$9,299,514
Office of the Tenant Advocate	Condominium Conversion	$1,026,781
Department of Consumer and Regulatory Affairs	Real Estate Guarantee and Education Fund	$1,509,843
	Occupations and Professions Licensure Special Account	$306,886
	Board of Engineers Fund	$72,290
	Construction/Zoning Compliance Management Fund	$444,340
	Green Building Fund	$600,066
Office of Cable Television	Cable Franchise Fees	$3,555,982
Department of Housing and Community Development	Land Acquisition for Housing Development Opportunities	$3,806,186
	Multi-Family/ Rehabilitation Repayment	$3,947,715
	Home Again Revolving Fund	$949,807
Office of the People's Counsel	Advocate for Consumers	$164,882
Office of the Deputy Mayor for Planning and Economic Development	Industrial Revenue Bond Program	$818,275
	Economic Development Special Account	$10,104,101
Metropolitan Police Department	Sale of Unclaimed Property	$356,297
	Asset Forfeiture	$192,744
Fire and Emergency Medical Services Department	Special Event Fees	$93,232

Fiscal Impact of Subtitle (VIII)(F.1) Fiscal Year 2011 Transfer of Special Purpose Funds Act of 2010 Transfer of Special Purpose Fund Balances to FY 2011 Local Fund		
Agency	**Description**	**Amount**
Office of the Chief Medical Examiner	Medical Examiner Fees	$17,121
District of Columbia Public Schools	Lease Income	$200,081
	Pepco/Washington Gas	$22,851
	Custodial	$3,940
	Nonresident	$112,877
	Security Deposits	$80,852
	Cafeteria	$101,091
	Hoop Dreams Scholarship Fund	$178,910
	Career Cluster Project at Cardozo	$14,543
Department of Parks and Recreation	Enterprise Fund Account	$1,406,051
Department of Health	State Health Planning and Development Agency (SHPDA) Fees	$74,763
	Vital Records Revenue	$378,986
	Radioactive Waste Fees	$11,605
	Food Handlers Certification	$6,124
	Pharmacy Protection	$160,382
	Radiation Protection	$473,269
	Animal Control Dog License Fees and Fines	$75,323
	Board of Medicine	$1,409
	Health Facility Fee	$18,768
	Human Services Facility Fee	$121,404
	D.C. General Collections	$71,141
	State Health Planning and Development Agency (SHPDA) Admission Fee	$879,854
	Emergency Medical Services Fees	$2,760
	Public Health Laboratory Fees	$21,136
	Intermediate Care Facilities for Persons with Mental Retardation (ICF-MR) Fees and Fines	$81,449
Department of Human Services	Social Security Insurance Payback	$250,700
District Department of Transportation	Tree Fund	$539,467
District Department of the Environment	Underground Storage Tank Fines and Fees	$24,321
	Soil Erosion/Sediment Control	$800,000
	Pesticide Product Registration	$1,740,000
	Storm Water Fees	$69,508
	Renewable Energy Development Fund	$7,415
	Adjudication Hearings (Water Quality)	$16,932
	Wells Fund	$562
	Hazardous Generator Fees	$16,309
	Economy II	$62,037
	Sustainable Energy Trust Fund	$2,927,809
	Energy Assistance Trust Fund	$3,057,652
Alcoholic Beverage	Keg Registration Fees	$42,312

Fiscal Impact of Subtitle (VIII)(F.1) Fiscal Year 2011 Transfer of Special Purpose Funds Act of 2010 Transfer of Special Purpose Fund Balances to FY 2011 Local Fund		
Agency	**Description**	**Amount**
Regulation Administration		
Office of Contracting and Procurement	Surplus Personal Property	$615
	Supply Schedule Sales Discount	$135,953
Office of Unified Communications	911 and 311 Assessments	$7,311,000
TOTAL		**$92,251,008**

It would also require the CFO to transfer the certified revenues from the Special Purpose Funds detailed below into the unrestricted fund balance of the General Fund, and recognize them as revenue in the fiscal year specified. For FY 2011, $41.3 million would be transferred and $120 million would be transferred over the budget and financial plan period.

Fiscal Impact of Subtitle (VIII)(F.2) Fiscal Year 2011 Transfer of Special Purpose Funds Act of 2010 Transfer of Revenues to FY 2011- FY 2014						
Agency	**Description**	**FY 2011**	**FY 2012**	**FY 2013**	**FY 2014**	**Total**
Department of Real Estate Services	Parking Fees	$318,990	$318,990	$318,990	$318,990	$1,275,960
Office of the Chief Financial Officer	Payroll Service Fees	$1,234	$1,234	$1,234	$1,234	$4,936
	Service Contracts	$8,836	$8,836	$8,836	$8,836	$35,344
	Dishonored Check Fees	$1,322	$1,322	$1,322	$1,322	$5,288
	Miscellaneous Revenue	$1,038	$1,038	$1,038	$1,038	$4,152
	Unclaimed Property Contingency Fund	$4,012	$4,012	$4,012	$4,012	$16,048
	Defined Contribution Plan Administration	$124,372	$124,372	$124,372	$124,372	$497,488
	DC Lottery Reimbursement	$9,807	$9,807	$9,807	$9,807	$39,228
	OPEB Trust Administration	$13,776	$13,776	$13,776	$13,776	$55,104
Office of Planning	Historic Landmark and Historic District Filing Fees	$2,000	$2,000	$2,000	$2,000	$8,000
Department of Human Resources	Defined Benefits Retirement Program	$5,456	$5,456	$5,456	$5,456	$21,824
	Reimbursables from Other Governments	$2,952	$2,952	$2,952	$2,952	**$11,808**
Office of the Attorney General	DUI	$2,851	$2,851	$2,851	$2,851	**$11,404**
	Antifraud Fund	$174,688	$174,688	$174,688	$174,688	**$698,752**
Department of Employment Services	Unemployment Insurance Administrative Assessment	$3,936,000	$3,936,000	$3,936,000	$3,936,000	**$15,744,000**
Office of the Tenant Advocate	Condominium Conversion	$600,000	$600,000	$600,000	$600,000	**$2,400,000**

Fiscal Impact of Subtitle (VIII)(F.2) Fiscal Year 2011 Transfer of Special Purpose Funds Act of 2010 Transfer of Revenues to FY 2011- FY 2014						
Agency	**Description**	**FY 2011**	**FY 2012**	**FY 2013**	**FY 2014**	**Total**
	Rental Accommodation Fees	$576,036	$576,036	$576,036	$576,036	**$2,304,144**
Department of Consumer and Regulatory Affairs	Nuisance Abatement	$80,889	$80,889	$80,889	$80,889	**$323,556**
	Real Estate Guaranty and Education Fund	$501	$501	$501	$501	**$2,004**
	OPLA - Special Account	$14,373	$14,373	$14,373	$14,373	**$57,492**
	Basic Business License Fund	$793,509	$543,509	$793,509	$43,509	**$2,174,036**
	Construction/Zoning Compliance Management Fund	$3,802	$3,802	$3,802	$3,802	**$15,208**
	Green Building Fund	$5,191	$5,191	$5,191	$5,191	**$20,764**
Office of Cable Television	Cable Franchise Fees	$1,875,030	$1,875,030	$1,875,030	$1,875,030	**$7,500,120**
Office of the People's Counsel	Advocate for Consumers	$50,435	$50,435	$50,435	$50,435	**$201,740**
Metropolitan Police Department	Data Processing	$5,000	$5,000	$5,000	$5,000	**$20,000**
	Miscellaneous	$994	$994	$994	$994	**$3,976**
	Automated Traffic Enforcement	$1,482,910	$1,482,910	$1,482,910	$1,482,910	**$5,931,640**
	Gambling Proceeds	$2,476	$2,476	$2,476	$2,476	**$9,904**
Department of Corrections	Corrections Trustee Reimbursement	$15,264	$15,264	$15,264	$15,264	**$61,056**
District of Columbia Public Schools	Nonresident	$608	$608	$608	$608	**$2,432**
	Parking Fees	$72,207	$72,207	$72,207	$72,207	**$288,828**
Public Charter School Board	Administrative Fees	$21,051	$21,051	$21,051	$21,051	**$84,204**
Office of Public Education Facilities Modernization	Lease Income	$1,953,213	$1,953,213	$1,953,213	$1,953,213	**$7,812,852**
Department of Parks and Recreation	Enterprise Fund Account	$1,298	$1,298	$1,298	$1,298	**$5,192**
Department of Health	Vital Records Revenue	$1,678	$1,678	$1,678	$1,678	**$6,712**
	Food Handlers Certification	$227,153	$227,153	$227,153	$227,153	**$908,612**
	DOH - Regulatory Enforcement Fund	$988	$988	$988	$988	**$3,952**
Department of Human Services	SSI Payback	$825,000	$825,000	$825,000	$825,000	**$3,300,000**
Department of Disabilities Services	Vocation Rehabilitation Service Reimbursement	$50,000	$50,000	$50,000	$50,000	**$200,000**
District Department of Transportation	Child Safety Seat Program	$2,000	$2,000	$2,000	$2,000	**$8,000**
	DDOT Operating Fund	$10,726,563	$10,414,563	$10,133,763	$9,881,043	**$41,155,932**
District Department	Underground Storage	$13,532	$13,532	$13,532	$13,532	**$54,128**

Fiscal Impact of Subtitle (VIII)(F.2)
Fiscal Year 2011 Transfer of Special Purpose Funds Act of 2010
Transfer of Revenues to FY 2011- FY 2014

Agency	Description	FY 2011	FY 2012	FY 2013	FY 2014	Total
of the Environment	Tank Fines And Fees					
	Storm Water Fees	$14,035	$14,035	$14,035	$14,035	**$56,140**
	Adjudication Hearings (Air Quality)	$730	$730	$730	$730	**$2,920**
	D.C. Municipal Aggregation Program	$39,253	$39,253	$39,253	$39,253	**$157,012**
	Sustainable Energy Trust Fund	$13,608,600	$0	$0	$0	**$13,608,600**
Department of Public Works	Fee - Out-Of-State Vehicle Registration	$21,200	$21,200	$21,200	$21,200	**$84,800**
	General O-Type Revenue Sources	$200,000	$200,000	$200,000	$200,000	**$800,000**
	Solid Waste Disposal Fee Fund	$208,973	$208,973	$208,973	$208,973	**$835,892**
	Clean City Fund	$1,350	$1,350	$1,350	$1,350	**$5,400**
Department of Motor Vehicles	Commercial Drivers License Program	$72,160	$72,160	$72,160	$72,160	**$288,640**
Office of Contracting and Procurement	D.C. Supply Schedule	$1,531	$1,531	$1,531	$1,531	**$6,124**
Department of Mental Health	DMH Federal Beneficiary Reimbursement	$53,479	$53,479	$53,479	$53,479	**$213,916**
Department of Insurance, Securities, and Banking	Insurance Assessment	$135,341	$135,341	$135,341	$135,341	**$541,364**
	Securities Broker/Dealer Licenses	$1,057,314	$1,057,314	$1,057,314	$1,057,314	**$4,229,256**
	Investment Advisors Licenses	$450,200	$450,200	$450,200	$450,200	**$1,800,800**
	Captive Insurance	$333,510	$333,510	$333,510	$333,510	**$1,334,040**
	Banking Trust Fund	$342,868	$342,868	$342,868	$342,868	**$1,371,472**
	Title Insurance Fees (new)	$750,000	$0	$750,000	$0	**$1,500,000**
D.C. Taxicab Commission	Taxicab Assessment Act	$2,155	$2,155	$2,155	$2,155	**$8,620**
Office of Motion Pictures and Television Development	Production Support	$5,151	$5,151	$5,151	$5,151	**$20,604**
TOTAL		**$41,306,885**	**$26,386,285**	**$27,105,485**	**$25,352,765**	**$120,151,420**

Lastly, the proposed subtitle would require the CFO to transfer monies from either the fund balances or the certified revenues of the specified funds in the table below to the unrestricted fund balance of the General Fund, and recognize them as revenue in the fiscal year specified. For FY 2011, $37.2 million would be transferred and $57.6 million would be transferred over the budget and financial plan period.

Fiscal Impact of Subtitle (VIII)(F.3) Fiscal Year 2011 Transfer of Special Purpose Funds Act of 2010 Transfer of Fund Balance/Revenue to FY 2011-FY 2104					
Fund	**FY 2011**	**FY 2012**	**FY 2013**	**FY 2014**	**Total**
Baseball Fund	$289,000	$636,360	$1,796,896	$17,933,786	$20,656,042
Federal Commercial Revitalization Fund	$2,046,579	$0	$0	$0	$2,046,579
Tobacco Fund	$21,180,000	$0	$0	$0	$21,180,000
Medical Captive Liability Fund	$7,824,000	$0	$0	$0	$7,824,000
Office on Aging Client Reserve Account	$5,865,282	$0	$0	$0	$5,865,282
Total	**$37,204,861**	**$636,360**	**$1,796,896**	**$17,933,786**	**$57,571,903**

Financial Plan Impact

The proposed subtitle would reduce fund balances and certified special purpose revenue in Special Purpose Funds by a total of $170.8 million in FY 2011 and $270 million over the budget and financial plan period, and would increase the local general revenue by the same amount. The impact of the proposed subtitle is incorporated in the FY 2010 budget and the proposed FY 2011 through FY 2014 budget and financial plan. The impact takes into account the amendments offered on June 15, 2010.

Subtitle (VII)(G) – FY 2011 Capital Projects Modification Act of 2010

Background

First, the proposed subtitle would make the following adjustments to capital budget allotment and associated budget authority:

Fiscal Impact of Subtitle (VIII)(G.1) FY 2011 Capital Projects Modification Act of 2010 Capital Realignments FY 2011- FY 2016								
Agency	**Description**	**FY 2011**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**Total**
Reductions								
Office of the Deputy Mayor for Planning and Economic Development	Barry Farms (EB013C)	($947,700)	$0	$0	$0	$0	$0	($947,700)
D.C. Public Library	Francis Gregory (FGR37C)	($3,000,000)	$0	$0	$0	$0	$0	($3,000,000)

Department of Parks and Recreation	Douglas Center (QK438C)	($6,200,000)	($2,500,000)	$0	$0	$0	$0	($8,700,000)
	Edgewood Recreation (QS339C)	$0	$0	$0	($1,000,000)	$0	($2,000,000)	($3,000,000)
	General Improvement (RG0001)	($2,000,000)	$0	$0	$0	$0	$0	($2,000,000)
Total Reductions		**($12,147,700)**	**($2,500,000)**	**$0**	**($1,000,000)**	**$0**	**($2,000,000)**	**($17,647,700)**
Additions								
Public Education Facilities Modernization	Dunbar School (MH137C)	$2,000,000	$0	$0	$0	$0	$0	$2,000,000
Department of Transportation	Streetcars (SA306C)	$1,947,700	$0	$0	$0	$0	$0	$1,947,700
Department of Parks and Recreation	Edgewood Recreation (QS339C)	$6,200,000	$2,500,000	$0	$0	$0	$0	$8,700,000
	Douglas Center (QK438C)	$0	$0	$0	$1,000,000	$0	$2,000,000	$3,000,000
	Noyes Field (RG008)	$1,000,000	$0	$0	$0	$0	$0	$1,000,000
	Dakota Playground (RG009)	$500,000	$0	$0	$0	$0	$0	$500,000
	Therapeutic Recreation	$500,000	$0	$0	$0	$0	$0	$500,000
Total Additions		**$12,147,700**	**$2,500,000**	**$0**	**$1,000,000**	**$0**	**$2,000,000**	**$17,647,700**

Second, for FY 2011, any remaining unobligated balance of authority and allotment for the City Wide Pavement Restoration project (DDOT-CEL19C) would be transferred the Street Alley Maintenance and Repair project (DDOT- CE301C). It would also prohibit any budget from being reprogrammed into the City Wide Pavement Restoration project and would require before the close of FY 2011 that any obligations existing in this project upon the effective date of this act be liquidated or de-obligated, any remaining unobligated balance transferred the Street Alley Maintenance and Repair project and the project closed.

Third, it would provide FY 2011 capital budget authority to the Renovation of University Facilities (UDC- UG706C) in the amount of $500,000 backed by O-Type revenue received from student fees for use in design and construction of the new student center project.

Fourth, it would give the he Deputy Mayor for Planning and Economic Development grant-making authority for the purpose of providing funds to implement capital projects for the Ft. Lincoln and the Lincoln Theater capital projects.

Fifth, it would amend the FY 2011- FY 2013 allotments and associated budget authority for each capital project in the following chart to correct an error in the Mayor's proposed Fiscal Year 2011 budget.

Fiscal Impact of Subtitle (VIII)(G.2) FY 2011 Capital Projects Modification Act of 2010 Corrections for FY 2011- FY 2013				
Agency	**Description**	**FY 2011**	**FY 2012**	**FY 2013**
Office of the State Superintendent	Student Longitudinal Education Data System (N2802C)		$4,000,000	**$3,600,000**
Office of the State Superintendent	**Special Education Data System (N2803C)**	**$5,400,000**	**$2,500,000**	**$1,500,000**

Sixth, it would require the Mayor to submit to the Council for its review and approval a comprehensive plan for financing, operations, and necessary capital facilities for the Streetcar Project, together with a resolution that the plan would be deemed approved within 45 days unless a proposed disapproval resolution were filed prior to that time by a Councilmember and the Council voted to disapprove the plan. It also would stipulate that the $34.5 million of capital funds allocated for the Streetcar Project in FY 2011 would not be released until the Council approved the plan.

Lastly, subject to the above Streetcar plan approval, the proposed subtitle would increase the FY 2011 capital borrowing authority by $47 million over the Mayor's FY 2011 budget proposal and would allocate it as follows: a) $47 million in budget authority and $34.5 million budget allotment to DDOT for Streetcars: H Street-Benning line; and b) $12.5 million in budget allotment to DMH for St. Elizabeth's Hospital (HX501C) to repay the amount allocated to the Streetcar project in FY 2010.

Financial Plan Impact

The proposed legislation would make a number of changes to the capital expenditure plan as noted in the tables above. Specifically, it would realign $17.6 million in capital expenditures across multiple projects. It would also make a number of technical amendments and corrections to the capital investment plan. Lastly it would increase capital borrowing authority for FY 2011 by $47 million, specifically to support the Streetcar project. This increase cab be achieved under the 12 percent debt service cap. The impact of the proposed legislation is incorporated into the FY 2011 through FY 2014 Capital Investment Plan. The impact takes into account the amendments made on June 15, 2010.

Subtitle (VII)(H) – Capital Projects Modification Act of 2010

Background

The proposed subtitle would make substantial changes to the FY 2010 and FY 2011 capital budget authority.

First, it would realign the capital budget authority for 12 projects by decreasing the specified allotment and associated budget authority for FY 2010 and adding that same amount back to the project in FY 2011 (and more in the case of two projects).[213]

Fiscal Impact of Subtitle (VII)(H.1) – Capital Projects Modification Act of 2010 Budget Authority Decreased in FY 2010 and Added to FY 2011				
Agency	**Project #**	**Project Title**	**FY 2010 Decreased Amount**	**FY 2011 Increased Amount**
Office of the Deputy Mayor for Planning and Economic Development	EB402C	Pennsylvania Avenue, SE, Properties	$3,400,000	$3,400,000
Fire and Emergency Medical Services	LB637C	Engine 15	$2,508,459.43	$2,508,459.43
	LC337C	Engine 21	$479,097.89	$479,097.89
	LC437C	Engine 22	$3,000,000	$5,100,000
	LC837C	Engine 26	$2,051,000	$2,051,000
	LE337C	Engine 5	$479,096.89	$479,096.89
	LE737C	Engine 27	$1,533,743	$1,533,743
	LE937C	Special Operations Facility	$238,912	$857,190.64
	LI237C	Integrated Management Information System	$860,639	$860,639
District of Columbia Public Library	MCL03C	Martin Luther King Jr. Memorial Library	$901,351.60	$901,351.60
Office of the Chief Technology Officer	EQ101C	Master Lease Wireless	$1,865,215	$1,865,215
Office of the Chief Technology Officer	N2101C	Mainframe Relocation	$723,372	$723,372
TOTAL			**$18,040,887**	**$20,759,165**

Second, it would rescind $60 million in allotments and budget authority for 33 capital projects in FY 2010 as listed below.

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[213] For the same project phases and from the same type of funding sources as the fiscal year 2010 decreased amounts.

Fiscal Impact of Subtitle (VII)(H.2) – Capital Projects Modification Act of 2010 Budget Allotment and Authority Rescinded for FY 2010			
Agency	**Project**	**Project Name**	**FY 2010 Rescission Amount**
DCPS	NL937C	Complete Renovation and Modernization	$1,417,422
	SG120C	General Improvements	$855,953
	SG138C	General Improvements	$1,008,000
	SG305C	Modernization	$1,951,935
	NR638C	H.D. Woodson	$4,139,000
Department of Parks and Rec.	RG005C	Roof Replacement	$300,000
	RR007C	Facility Renovation	$300,000
Master Equipment Lease/Purchase Program	FR102C	Move to Virginia Avenue	$315,000
	N1901C	PC Refresh	$13,730
	N1902C	OCTO Application Support Server Refresh	$60,815
	EQ401C	Child Tracking System	$28,070
Public Benefits Corporation	Various	Close-out of former PBC	$991,000
Department of Transportation	EDS01C	Georgia Avenue/7th Street	$4,825,286
	EDS00C	Great Streets: General Planning	$1,600,000
	EDS02C	Great Streets: H Street NE/Benning Road	$1,200,000
	EDS03C	Great Streets: Nannie Helen Burroughs Avenue SE	$400,000
	EDS06C	Great Streets: M. L. King Jr. Avenue SE/S Capitol Street	$800,000
Dept. of Real Estate Services	EA710B	Neighborhoods Revitalization	$34,000
	N1401C	Government Centers Pool/Anacostia Gateway	$1,600,000
	N1412C	Government Centers Pool/Anacostia Gateway	$29,000
	N1415C	Public Safety Hdqts (authority only)	$12,500,000
OCTO	N1601B	DC WAN	$27,088
	N1704C	IT Infrastructure Implementation	$182,000
	N1707C	Infrastructure Support Systems	$457,000
	N1710C	Data Center Consolidation	$657,912
	N1801C	Shared Facility Upgrade	$646,039
	N2701C	Applications Maintenance Transition Project	$100,000
	N3699C	SMP Pool (Paygo Budget 0301)	$486,000
	N1702C	DC Cable Net	$253,961
OPEFM	YY133C	Selective Additions and New Construction	$2,000,000
Department of Health	HC501C	Community Clinics Construction	$4,350,133
DMPED	EDS	Unallocated Great Streets	$4,000,000
Department of Mental Health	HX501C	St. Elizabeths Hospital (allotment)	$12,500,000
TOTAL			**$60,029,344**

Third, it would increase the FY 2010 capital budget authority for the following 35 projects by a total of $64.4 million.

Fiscal Impact of Subtitle (VII)(H.3) – Capital Projects Modification Act of 2010 Budget Allotment and Authority Increased for FY 2010			
Agency	**Project**	**Project Name**	**FY 2010 Addition Amount**
Department of Parks and Recreation	NEW	Georgetown Waterfront Park	$600,000
	QS339C	Edgewood Recreation	$1,000,000
	QJ901C	Boys & Girls Clubs	$3,143,000
	QI237C	Marvin Gaye Park/Rec.	$1,200,000
	QI937C	Rosedale Recreation Center	$2,042,344
	QB338C	Roper-Deanwood	$4,600,000
Department of Transportation	CA302C	Repair/Maintain Curbs/Sidewalks/Alleys	$700,000
	CE301C	Pavement Marking and Traffic Calming	$300,000
	SA306C	Streetcars	$963,101
	SA306C	Streetcars	$500,001
	SA306C	Streetcars	$12,500,000
WMATA	SA202C	Metro Bus (to support the Circulator in East Washington)	$399,345
Child and Family Services Agency	RL201C	Performance-Based Contracts	$124,000
	RL202C	Performance Based Contracts (Faces.Net)	$65,000
Department of Healthcare Finance	MPM01C	Administrative Service Organization (Medicaid billing system)	$2,200,000
Department of Mental Health	HX403C	Mental Health Housing Initiatives	$1,000,000
Fire & Emergency Services Dept.	NEW	Engine Company 28	$1,900,000
OPEFM	NR637C	Woodson Senior High School	$4,139,000
	NEW	Autism Suites	$337,088
	NEW	Ward 8 Playgrounds	$850,000
	YY230C	Stabilization	$650,262
	NEW	Murch Demountables	$400,000
	NEW	Middle School IT/Arts & Sciences Initiative	$4,173,346
	NEW	Pre-K Classroom Conversions	$750,286
	NEW	Noyes & Hearst Demountables	$900,000
	NEW	DC Schools Kitchen (planning and Design)	$3,598,000
	NF937C	Complete Modernization	$300,000
	WT337C	Modernization – Whittier ES	$2,000,000

Fiscal Impact of Subtitle (VII)(H.3) – Capital Projects Modification Act of 2010 Budget Allotment and Authority Increased for FY 2010			
Agency	**Project**	**Project Name**	**FY 2010 Addition Amount**
Department of Public Works	NEW	Paygo swap to Street Sweeping	$486,000
MPD	CTV10C	MPD Tactical Village Training Facility	$3,200,000
	CTV10C	MPD Tactical Village Training Facility	$2,000,000
DMPED	EB404C	Lincoln Theater	$500,000
		Bruce Monroe ES Interim	$1,500,000
Department of Health	HC301C	MMIS Completion	$1,985,000
DC Public Library	FGR37C	Francis Gregory Neighborhood Library	$3,400,000
TOTAL			**$64,405,773**

Fourth, it would make the following changes to the Washington Metropolitan Area Transit Fund ("Fund")[214]:

- Retain appropriated Fund 0300 (IT Bonds) budget allotment and associated budget authority of $12.5 million as the required federal match.
- Exchange appropriated Fund 0300 budget (IT bonds) allotment and associated budget authority of $13 million currently accounted for in the Fund with an equal amount of appropriated Fund 0301 budget in various projects identified by the Chief Financial Officer, as shown in the Budget Request Act Report, to transfer up to this amount as a Paygo capital subsidy in FY 2010 to be used as operating budget resources.
- Redirect $3 million of Fund 0300 (IT bonds) allocations to the following four Great Street projects: General planning (EDS00C), H Street NE/Benning Road (EDS02C), Nannie Helen Burroughs Avenue SE (EDS03C), and M. L. King Jr. Avenue SE/S Capitol Street (EDS06C).
- Allocate $15.5 million to Streetcars project from the following sources:
    - $1.48 million of Fund 0300 allocations from the Washington Metropolitan Area Transit Fund
    - $1.46 million from various projects identified above including $963,101 in rescissions from various projects and $500,000 from Great Streets Georgia Avenue (KA0 project EDS01C).
    - $25 million, half from allotment to St. Elizabeth's Hospital (RM0 project HX501C) and half from the redirection of associated budget authority from the Public Safety Headquarters (Daly Building) project (AM0 project N1415C), as noted above.

[214] Established by the Washington Metropolitan Area Transit Fund Act of 2006, effective June 16, 2006 (D.C. Law 16-132; D.C. Official Code § 9-1108.01).

- Exchange $770,000 in appropriated Fund 0300 budget (IT bonds) allotment and associated budget authority accounted for in the Fund with an equal amount of Pay-Go budget from Stuart Hobson MS IT/Arts & Sciences Demonstration.
- Exchange $3 million in appropriated Fund 0300 budget allotment and associated budget authority currently accounted for in the Fund with an equal amount of Appropriated Fund 0332 budget in the District Department of Transportation project KA0 CE310C, Street and Alley Maintenance and Repair. Additionally redirect budget allotment and associated budget authority of $4,000,000 from Paygo funding from various other projects accounted elsewhere in this title. Transfer the resulting $7 million to local funds in the Department of Transportation and recognized as Other type revenue in a special non-lapsing fund to remain available until expended or rescinded, or the end of fiscal year 2011, whichever occurs first.
- Exchange $20 million in IT Bonds currently accounted for in the Fund with an equal amount of Master Lease capital identified elsewhere in this subtitle. The resulting Paygo budget allotment and associated budget authority in the amount of $20 million shall be transferred to local funds and recognized as revenue for the fiscal year in which the Paygo funds are budgeted.
- Rescind $3.2 million from various projects as indentified by the OCFO.

Fifth, it would amend the Reallocation of Specific Capital Budget Funding Act of 2009[215] as follows:

- Replace $991,000 reallocated from FEMS for Firefighting Apparatus Replacement with capital budget funding from three projects, specifically: $550,000 from project HC104C, entitled "Immunization Program" in the Department of Health, $411,000 from project HC103C, entitled "STD Clinic" in the Department of Health, and $30,000 from project AH707C, entitled "Public Art Fund" in the Commission on the Arts and Humanities.
- Allocate $347,000 from project CE301C, entitled "Pavement Marking and Traffic Calming" in the District Department of Transportation, to project BF208C, entitled "Performance Based Budgeting" in the Office of the Chief Financial Officer, to support budgeting requirements of Title VI, Public Works, Subtitle I, Cost Driven Re-formulation of the District Department of Transportation Budget for FY 2011

Sixth, it would amend the Capital Projects Modification Act of 2009[216] as follows:

- Replace $354,556, from project FB0 20600C, entitled "Fire Apparatus Replacement" with the following funds:
    - $40,000 from BX0 AH722C, entitled "Public Art Fund" in the Commission on the Arts and Humanities;
    - $59,000 from project HA0 NTE01C, entitled "Technology Acquisition" in the Department of Parks and Recreation;
    - $51,000 from HA0 RR010C, entitled "Facility Renovation" in the Department of Parks and Recreation;
    - $145,000 from RR011C, entitled "Facility Renovation" in the Department of Parks and Recreation;

[215] Effective March 3, 2010 (D.C. Law 18-111; 57 DCR 181).
[216] Efective March 3, 2010 (D.C. Law 18-111; 57 DCR 181).

- $38,000 from HA0 RR021C, entitled "Mitchell Park" in the Department of Parks and Recreation;
- $3,000 from RM0 XA627C, entitled "Information Technology" in the Department of Mental Health; and
- $58,000 from RMO HX401C, entitled "Construct New Hospital" in the Department of Mental Health.

- Increase pay-go capital converted to local funds from "$357,000" to "$394,000" for project JM102C, entitled "Rewriting of Zoning Regulations."
- Convert an additional $2.65 million of pay-go capital into local from project AWC01C, entitled "Anacostia Waterfront Corporation Subsidy."

Seventh, it would create FY 2010 $3.8 million capital budget authority backed by O-Type revenue received from student fees for use in design and construction of the new student center project, and of $2.2 million backed by revenues received from the District Department of the Environment for design and construction of a "green" roof for Building 52.

Eighth, it would direct, subject to available funding, $2 million of capital or pay-go funds to the District of Columbia Public Library to expand library services at the site of the closed Charles Young Elementary School in Ward 5.

Lastly, it would adjust the FY 2010-2015 Capital Improvement Plan and Capital Projects to include a new project for improvement of internet access and technology in grades 6, 7, and 8, specifically targeting public schools that have not yet received full or Phase I modernizations, where these improvements have not been made, including: a) Stuart Hobson Middle School Intelligent Technology and Arts Demonstration at $1.277 million; b) Middle School Intelligent Technology and Arts Improvements at $3.8 million; c) Middle School Intelligent Technology Project at $600,000; and d) other sub-projects and funds as provided for in this or subsequent acts.

Financial Plan Impact

In multiple steps, the proposed subtitle would realign approximately $105 million in Fund 300 (IT bonds), $40.6 million in Paygo capital, and approximately $4 million in master lease funds. It would also realign $7.8 million in capital fund pool cash. The total capital realignments effectuated in FY 2010 by the proposed subtitle is approximately $157.4 million. The impact of the proposed legislation is incorporated into the FY 2011 through FY 2014 Capital Investment Plan. The impact takes into account the amendments offered on June 15, 2010.

Subtitle (VII)(I) – Timing of the Issuance of Tax Increment Financing Bonds Amendment Act of 2010

Background

The proposed subtitle would repeal the Tax Increment Finance (TIF) bond authority for the Broadcast Center One project, and would amend the Payment In Lieu of Taxes (PILOT) and TIF bond authority of the Southwest Waterfront Project, the Southeast Federal Center Project, and the Great Streets Retail TIF to establish limits on the authority for timing of bond issuances. This subtitle would restate the authority for the following bond issues to limit the amount to be issued prior to October 1, 2014:

- For the Southwest Waterfront Project, no more than $70 million of the authorized $198 million in PILOT bonds may be issued prior to October 1, 2014.
- For the Southeast Federal Center, no more than $35 million of the authorized $90 million in PILOT bonds may be issued prior to October 1, 2014.
- For the Great Streets Retail Priority Areas, no more than $55 million of the authorized $95 million in TIF bonds may be issued prior to October 1, 2014.

Financial Plan Impact

This subtitle reduces the Economic Development Debt authority by approximately $229 million during the budget and financial plan period. By restating the timing for these projects, the District will be able to fund additional Capital projects in FY 2011. This subtitle has been incorporated into the proposed FY2011 through FY 2014 budget and financial plan.

Subtitle (VII)(J) –Withholding of Tax on Lottery Winnings Act of 2010

Background

The proposed subtitle would amend Chapter 18 of Title 47 of the D.C. Official Code to require the D.C. Lottery and Charitable Games Control Board to deduct and withhold income tax from lottery winnings[217] of D.C. residents in the year in which the payment is made. The amount of tax withheld would be computed using the highest income tax rate in effect at the time of the payment.[218] Under current law, the lottery winnings of residents are subject to District income taxes; the proposed legislation would not change the amount of taxes owed by D.C. lottery winners, only the timing of when those taxes would be paid.

Financial Plan Impact

The proposed subtitle would have no impact on the amount of net tax revenue the District collects from lottery winnings of D.C. residents, as lottery winnings of residents are currently subject to D.C. income taxes. The proposed legislation would only impact the timing of the collection of these taxes.

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[217] Lottery winnings are defined as winnings, whether as a lump sum or annuitized, that are subject to withholding as defined in Section 3402(q) of the IRS Code of 1986.

[218] Taxes owed would be computed in such manner equal to the highest rate of tax under D.C. Official Code §§ 47-1806.03 (individual), 47-1807.02 (relating to franchise tax), or 47-1808.03 (relating to unincorporated business franchise tax), as applicable, in accordance with procedures to be established by the Chief Financial Officer.

Subtitle (VII)(K) – Estate Tax Clarification Act of 2010

Background

The proposed subtitle would amend Chapter 11 of Title 20 of the D.C. Official Code to clarify the rules with respect to federal estate and generation-skipping transfer tax rules applicable to wills and trusts of District descendants dying after December 31, 2009. The clarification of the rules is necessary due to absence of the federal estate tax in 2010.

Financial Plan Impact

Clarifying the rules with respect to federal estate and generation-skipping transfer tax would have no impact on budget and financial plan. District decoupled from Federal tax laws on estate taxes in FY 2010; as such, this provision would not affect the District's estate tax collections.

Subtitle (VII)(L) –Retail Incentive Act Amendment of 2010

Background

The proposed subtitle would amend the Retail Incentive Act of 2004[219] to extend the latest date for the issuance of Bonds from December 31, 2013 to September 30, 2015, to allow the Mayor to use the existing Debt Authority in the downtown defined in the Act for a demonstration project for a restaurant, and to require the Mayor to "use best efforts" to ensure one or more demonstration projects are located in Ward 7 or Ward 8.

Financial Plan Impact

Extending the date for which the Mayor is authorized to use existing Debt Authority would have no impact on the budget and financial plan or the District's debt cap. Additionally, adding restaurants to the definition of projects that can be included in the demonstration and requiring the Mayor to "use best efforts" to locate a demonstration project in Ward 7 or Ward 8 would have no impact on the budget and financial plan.

[219] Effective September 8, 2004 (D.C. Law 15-185; D.C. Official Code § 2-1217.71 *et seq.*)

Subtitle (VII)(M) – Pew Charitable Trusts Limited Tax Abatement Act of 2010

Background

The proposed subtitle would amend the D.C. Official Code to abate 40 percent of the annual real property taxes owed on property Lot 40, Square 377 for 30 years, so long as the property continues to be owned by the Pew Charitable Trusts. The real property tax abatement would become effective October 1, 2011.

Fiscal Impact of Subtitle (VII)(M) – Pew Charitable Trusts Limited Tax Abatement Act of 2010
Estimated Revenue Impact to General Fund

	FY 2011	FY 2012 [1]	FY 2013 [1]	FY 2014 [1]	Four Year Total
Assessed Value	$109,079,460	$104,825,361	$106,921,868	$111,412,587	$432,239,276
Estimated Tax Liability	$2,011,970	$1,933,269	$1,972,055	$2,055,133	$7,972,427
Estimated Value of Abatement	$804,788	$773,308	$788,822	$822,053	$3,188,971
Total Negative Fiscal Impact	**$804,788**	**$773,308**	**$788,822**	**$822,053**	**$3,188,971**

[1] The assessed value of the property is expected to decline by 4 percent in FY 2012 and then grow by 2 percent in FY 2013 and 4 percent in FY 2014.

Financial Plan Impact

Implementation of the proposed subtitle is estimated to reduce property tax collections by $804,788 in FY 2011 and approximately $3.2 million over the budget and financial plan period. The impact of the proposed subtitle is incorporated in the proposed FY 2011 through FY 2014 budget and financial plan.

Subtitle (VII)(N) – Health Care Expansion Act of 2010

Background

The proposed subtitle would amend Title 47 of the District of Columbia Official Code to establish a tax of 6% on the gross receipts from the sale of or charges for medical marijuana.[220] All tax revenues would be deposited in the Healthy DC and Health Care Expansion Fund,[221] a non-lapsing fund that is to be used to fund the Healthy DC program and other medical assistance programs administered by the Department of Health Care Finance (DHCF).

[220] As defined in the Legalization of Marijuana for Medical Treatment Initiative of 1999, transmitted on December 21, 2009 (D.C. Act 13-138).

[221] The Healthy DC Fund was established by the Hospital and Medical Services Corporation Regulatory Act of 1996, effective March 2, 2007 (D.C. Law 16-192; D.C. Official Code § 31-3514.02). This Fund was renamed the Healthy DC and Health Care Expansion Fund by B18-753 The Medicaid Resource Maximization Emergency Amendment Act of 2010, which was enacted on May 7, 2010. Subtitle (V)(C)–Medicaid Resource Maximization Amendment Act of 2010 would make this name change permanent.

Financial Plan Impact

Taxing medical marijuana at a rate of 6% is estimated to result in annual revenues of $26,700 in FY 2011 and $400,500 over the four year budget and financial plan. The impact of the proposed subtitle is incorporated in the proposed FY 2011 through FY 2014 budget and financial plan.

Fiscal Impact of Subtitle (VII)(N) – Health Care Expansion Act of 2010 Estimated Impact of Assessment on Healthy DC and Health Care Expansion Fund					
	FY 2011	**FY 2012**	**FY 2013**	**FY 2014**	**Four Year Total**
Annual Revenues	$26,701	$53,402	$106,805	$213,609	$400,517

Assumptions

- In FY 2011, .02% of the population purchase medical marijuana. This percentage doubles each year.
- The average monthly purchase is 1 ounce.
- The cost per ounce is $350.

Subtitle (VII)(O) – Agency Fiscal Officer Reporting Act of 2010

Background

The proposed subtitle would require each Agency Fiscal Officer (AFO) to submit quarterly reports to the Chairperson of the Council Committee that has purview over the AFO's agency. Each report would be required to include the agency's actual expenditures, obligations, and commitments, organized by source of funds, and compared to their approved spending plan. Additionally, the report must be accompanied by the AFO's observations regarding spending patterns and steps taken to assure spending remains within the approved budget."

Financial Plan Impact

Requiring AFO's to submit the above-mentioned reports and financial summaries to the Council would have no impact on the budget and financial plan. The AFO's currently prepare these quarterly reports for the agencies under their purview. No additional resources or staff time are necessary to comply with the requirements of the proposed subtitle.

Subtitle (VII)(P) – Withholding Tax Compliance Reform Act of 2010

Background

The proposed subtitle would disallow withholding exemptions for tax delinquents.

Specifically, the proposed subtitle would amend §1812.08(e) of Title 47 of the District of Columbia Official Code to require zero withholding exemptions for employees with unpaid tax liability, employees who failed to file a required District of Columbia income tax return, or employees subject to a tax refund interception request. Such employees, once in compliance, would be allowed to apply for authorization to increase the number of withholding exemptions to a level that would not have resulted in underpayment of taxpayers' most recent income tax return.

Financial Plan Impact

Funds are sufficient in the FY 2011 through FY 2014 proposed budget and financial plan to implement the provisions of the proposed legislation. The proposed legislation, if implemented on January 1, 2011, would increase individual income tax collections by an estimated $4.4 million in FY 2011 and approximately $10.3 million in the four-year financial plan period. The Office of Tax and Revenue would incur a one-time administrative cost of $90,000. This includes approximately $85,000 for reprogramming costs, and $5,000 for mailing costs. No additional funds are required for ongoing administration of the proposed changes.

The net fiscal positive impact of the proposed legislation is estimated to be $4.3 million in FY 2011 and $10.2 million in the FY 2011 through FY 2014 budget and financial plan period.

Much of the positive impact of the proposed legislation would fall in the first calendar year of its implementation, when a large number of taxpayers would not be entitled to withholding exemptions. In the following year, these increased collections would be balanced out by the increased refunds, except for a small proportion of taxpayers who might not take the necessary action to claim a refund.

Estimated Fiscal Impact of Subtitle (IIV) (P)- Withholding Tax Compliance Reform Act of 2010 FY 2011 - FY 2014					
	FY 2011	**FY 2012**	**FY 2013**	**FY 2014**	**Four Year Total**
Estimated increase in income tax collections[a]	$4,414,737[b]	$2,840,148[c]	$1,537,800[c]	$1,537,800[c]	$10,330,485
One time administrative costs	$90,000[d]				$90,000
Net positive fiscal impact	**$4,324,737**	**$2,840,148**	**$1,537,800**	**$1,537,800**	**$10,240,485**

Table Notes

[a] Estimated for approximately 20,000 taxpayers with an average of 2.5 withholding exemptions, taxed at 7 percent in the first tax year. In the second tax year and subsequent tax years, it is assumed that 4,000 taxpayers are subject to the additional withholding.

[b] Each fiscal year reflects 75% of the withholding from that tax year and 100% of the refunds from the prior tax year. For FY2011, only the withholding is reflected.

[c] Six percent of the filers are expected to remain delinquent in the out-years.

[d] One time administrative costs include $5,000 for mailing and $85,000 for reprogramming of OTR's tax database.

Subtitle (VII)(Q) – Sustainable Capital Investment and Fund Balance Restoration Act of 2010

Background

The proposed subtitle, which was introduced and accepted as an amendment on June 15, 2010, would amend Title 47 of the D.C. Official Code to establish requirements for a Pay-as-you-go Capital Account, Fiscal Stabilization Reserve Account, and Cash Flow Reserve Account. Specifically the proposed subtitle would:

- Require the Mayor starting in fiscal year 2012 to submit an annual operating budget that includes a pay-as-you-go capital account ("Account") for the current fiscal year and each year of the financial plan. The Account must be funded by May 1 of each fiscal year. The annual amount of local funds in this account must equal the projected local fund revenue, as defined in the Proposed Budget and Financial Plan, of the succeeding fiscal year, minus the certified local fund revenue for FY 2011, as contained in the most recent official revenue estimate of the OCFO, multiplied by 25 percent. This requirement would expire when the debt service expenditures on all General Fund tax supported debt equals 5 percent of General Fund expenditures.

  All funds in the Account would be required to be used for the purpose of reducing future District borrowing for capital purposes by use of the funds in the Account in lieu of proposed borrowing. Any use of these funds must be accompanied by a certification of the OCFO that the funds are available in the Account and will be used to replace proposed District Bonds that otherwise would have been issued for those purposes and that the District will not otherwise borrow such amounts for other purposes. Use of funds in the Account will reduce an identical amount in existing Capital Improvements Program.

  For the purposes of certifications, the OCFO must certify that all expenditures from the Account, if treated as if they were expenditures for District Bonds, would not have caused the District to exceed the borrowing limitations contained in the Limitation on Borrowing and Establishment of the Operating Reserve Act of 2008[222]

- Require the OCFO to create a segregated, nonlapsing account within the cumulative General Fund balance to be designated the Fiscal Stabilization Reserve Account, which may be used by the Mayor for those purposes permitted for use of the Contingency Reserve Fund[223] (except for cash flow management purposes) as certified by the OCFO, with Council approval. At full funding, the Fiscal Stabilization Reserve Account must be equal to 2.34 percent of the District's General Fund operating expenditures for each fiscal year.

[222] D.C. Official Code § 47-334 *et seq.*
[223] D.C. Official Code § 1-204.50a(a)(b)(4)

- Require the OCFO to create a segregated nonlapsing account within the cumulative General Fund balance to be designated the Cash Flow Reserve Account, which may be used by the OCFO to cash-flow needs, provided that any amounts must be replenished to the Cash Flow Reserve Account in the same fiscal year. At full funding, the Cash Flow Reserve shall equal 8.33 percent of the District's General Fund operating budget for each fiscal year.

Finally, if either the Fiscal Stabilization Reserve Account or the Cash Flow Reserve Account are below full funding, as specified in the legislation, the proposed subtitle would require the OCFO to deposit 50 percent of the undesignated end-of-year fund balance into the Fiscal Stabilization Reserve Account and then into the Cash Flow Reserve Account to fully fund these accounts to the extent that it allows.

In the event the amounts required for the Fiscal Stabilization Reserve Account or the Contingency Reserve Fund, pursuant to section 450A of the Home Rule Act are reduced, the amount required to be deposited in the Fiscal Stabilization Reserve Account must be increased in similar amounts.

Financial Plan Impact

Based on the projected local revenues for FY 2011 through FY 2014 budget and financial plan period, the proposed subtitle would require that the District set aside approximately $18 million in FY 2012, $53 million in FY 2013, and $90 million in FY 2014 as Pay-go capital.

The set-asides for the Cash Flow Reserve and the Operating Cash reserve are sensitive to the general fund revenue and subject to the availability of the fund balance at the time of the transfer, and therefore cannot be reliably estimated at this time.

Subtitle (VII)(R) – Healthy Schools Revenue Act of 2010

Background

The proposed subtitle would amend the D.C. Official Code to extend the District sales tax to the sale of "soft drink", as defined in the legislation as "non-alcoholic beverage with natural or artificial sweeteners." The term "soft drink" does not include beverages prepared for immediate consumption[224], or that contain milk or milk products; soy, rice or similar milk substitutes; fruit or vegetable juice, unless the beverage is carbonated; or coffee, coffee substitutes, cocoa, or tea.

Financial Plan Impact

Extending the District sales tax to "soft drink" sales would increase sales tax revenue by approximately $7.9 million in FY 2011 and $33.1 million over the FY 2011 through FY 2014 budget and financial plan. The impact of the proposed subtitle is already incorporated into the

[224] As defined in subsection g-1 of section 47-2001 of the D.C. Official Code.

proposed FY 2011 through FY 2014 budget and financial plan. The impact takes into account the amendments made on June 15, 2010, making the tax effective as of October 1, 2010.

It is important to note that the sales tax revenue generated under this title would not be dedicated to the Healthy Schools Fund. The monies set aside for this fund must be annually appropriated.

Estimated Fiscal Impact of Subtitle (VII)(R) - Healthy Schools Revenue Act of 2010					
	FY 2011	**FY 2012**	**FY 2013**	**FY 2014**	**Four Year Total**
Include soft drinks among taxable goods					
Sales Tax Rate	6%	6%	5.75%	5.75%	
Estimated increase in sales tax collections	$7,930,000	$8,260,000	$8,280,000	$8,640,000	$33,110,000

Table Notes:
(1) ratio of spending to wages nationally multiplied by DC resident wages - assumes 25 percent of soda purchased outside DC
(2) ratio of spending to wages nationally multiplied by 50 percent of DC wages - captures non-resident spending; assumes soft drinks are approximately 5 percent of food away from home.
(3) assume that 25% of fruit drinks are carbonated and 25 percent of tea is sweetened.
(4) assume a reduction in in-District consumption due to tax - part of the demand destruction is less consumption and part is purchase in other states.
Based on BLS Consumer Expenditure Survey data, Rudd Center, USDA and ORA analysis.

Subtitle (VII)(S) – Real Property Assessments Improvement Act of 2010

Background

The proposed subtitle, introduced as an amendment on June 15, 2010, would require that the Office of the Inspector General (OIG) arrange for an independent audit, by an outside firm, of the Office of Tax and Revenue (OTR) for the purposes of examining the District's management and valuation of commercial real property assessments. The audit would focus on the evaluation of the commercial real property assessment process, the organizational structure, workload statistics, performance measures, compensation requirements, staffing levels, training, qualifications, and staff development functions, and examine hiring practices. It would also include recommendations for improving the assessment process. The OIG would be required to submit its first findings by December 1, 2010, and repeat the audit every three years, if not asked to do sooner. The audit and the accompanying report would be funded by the Board of Real Property Assessments and Appeals (BRPAA).

Under the proposed subtitle the Chief Financial Officer would be required to submit by July 1, 2010, an examination of the District's performance for the last five years in commercial real property valuation cases appealed by a taxpayer from BRPAA and decided by the Superior Court of the District of Columbia or the District of Columbia Court of Appeals.

Financial Plan Impact

The proposed FY 2011 budget allocates $239,166 to BRPAA in order to support reform efforts. The audit required by the proposed subtitle would be supported by an MOU that would draw on these funds. The reporting requirements on the OCFO can be met by resources within the OCFO's budget. However, the OCFO might need additional time to complete this report.

Subtitle (VII)(T) – Extension of Retail TIF Authority

Background

The proposed subtitle would amend the Tax Increment Financing Authorization Act of 1998[225] and Retail Incentive Act of 2004[226] to extend the duration of time for TIF authority. Specifically, it would extend the TIF authority through January 1, 2014 (under current law, the authority expired on January 1, 2010) and allow the Mayor to issue TIF Bonds up to 10 years (under current law, it is 4 years) after the issuance of the Rules of Operation for the Downtown Retail Priority Area;

Financial Plan Impact

Extending the date for which the Mayor is authorized to issue debt would have no impact on the budget and financial plan. At the time such debt is issued, it would be counted towards the District's debt cap.

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[225] D.C. Law 12-143; D.C. Official Code § 2-1217.02(b), effective September 11, 1998.
[226] D.C. Law 15-185; D.C. Official Code § 2-1217.73(b)(3), effective September 8, 2004.