

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



Natwar M. Gandhi
Chief Financial Officer

MEMORANDUM

TO: The Honorable Phil Mendelson
Chairman, Council of the District of Columbia

FROM: Natwar M. Gandhi
Chief Financial Officer 

DATE: April 5, 2013

SUBJECT: Fiscal Impact Statement – “District of Columbia Statehood Advocacy Act of 2013”

REFERENCE: Draft Resolution shared with the Office of Revenue Analysis on March 29, 2013

Conclusion

Funds are not sufficient in the FY 2013 budget or the FY 2014 through FY 2017 budget and financial plan to implement the bill. The estimated cost of the bill is \$276,250 in FY 2013. Additionally, the bill would require annual appropriations of \$1.1 million, or a total of \$4.4 million over the FY 2014 through FY 2017 budget and financial plan.

Background

To promote District statehood, the bill appropriates \$150,000 to the Council of the District of Columbia to hire a Congressional lobbying firm and \$400,000 to hire a media firm. It also appropriates funding for the offices of the District’s United States Representative and its two United States Senators (“Statehood Delegation”). Each office would receive \$75,000 for hiring staff, and \$75,000 for promoting statehood goals, to include developing web sites and hosting an annual conference. Additionally, each Senator and Representative would receive \$35,000 in annual salary compensation. The bill requires that the Statehood Delegation submit to the Mayor an annual budget request.

Financial Plan Impact

Funds are not sufficient in the FY 2013 budget or the FY 2014 through FY 2017 budget and financial plan to implement the bill. The estimated cost of the bill is \$4,696,250 over the FY 2013 through FY2017 budget and financial plan.

The Honorable Phil Mendelson

FIS: "District of Columbia Statehood Advocacy Act of 2013" Draft Resolution shared with the Office of Revenue Analysis on March 29, 2013

Estimated Cost of Draft bill "District of Columbia Statehood Advocacy Act of 2013"						
FY 2013 – FY 2017^a						
	FY 2013^b	FY 2014	FY 2015	FY 2016	FY 2017	TOTAL
Congressional Lobbying Firm	\$37,500	\$150,000	\$150,000	\$150,000	\$150,000	\$637,500
Media firm and campaign	\$100,000	\$400,000	\$400,000	\$400,000	\$400,000	\$1,700,000
Funding for Statehood Delegation to hire staff	\$56,250	\$225,000	\$225,000	\$225,000	\$225,000	\$956,250
Funding for Statehood Delegation to promote statehood goals	\$56,250	\$225,000	\$225,000	\$225,000	\$225,000	\$956,250
Compensation for Statehood Delegation	\$26,250	\$105,000	\$105,000	\$105,000	\$105,000	\$446,250
Total	\$276,250	\$1,105,000	\$1,105,000	\$1,105,000	\$1,105,000	\$4,696,250

^a This estimate assumes that all of the appropriations in the bill will be annual and not one-time.

^b Assumes bill is effective on July 1, and only one quarter's worth of funding is appropriated in FY 2013.

It is important to note that, the bill is drafted as an appropriations legislation, and it can only be implemented if it is a part of an approved budget. Additionally, under Section 446 of the Home Rule Act, appropriation requests must be submitted to the Congress for active approval.