

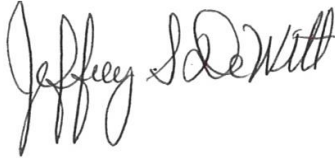
Government of the District of Columbia  
Office of the Chief Financial Officer



Jeffrey S. DeWitt  
Chief Financial Officer

**MEMORANDUM**

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

**FROM:** Jeffrey S. DeWitt  
Chief Financial Officer 

**DATE:** November 16, 2020

**SUBJECT:** Fiscal Impact Statement – Fiscal Year 2021 Budget Support  
Clarification Amendment Act of 2020

**REFERENCE:** B23-964, Draft Committee Print as provided to the Office of Revenue  
Analysis on November 12, 2020

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**Conclusion**

Funds are sufficient in the fiscal year 2021 through fiscal year 2024 budget and financial plan to implement the proposed resolution.

**Background**

The bill makes several clarifying amendments to the Fiscal Year 2021 Budget Support Act of 2020.<sup>1</sup>

The bill provides for the administration of capital funding for the rehabilitation and maintenance of the District's public housing stock under capital project DHA21C. The Office of the Chief Financial Officer ("OCFO") shall advance project allotments to the District of Columbia Housing Authority ("Authority") on a quarterly basis. The bill expands requirements for expenditures on which DCHA may use the funding, including specific restrictions against spending on DCHA operating costs, administrative overhead, or expenses on units which will be demolished, sold or otherwise removed from DCHA inventory. In addition to its annual spending plan, DCHA must submit spending plan updates in the event of significant delays or changes in planned encumbrances and expenditures for any subproject during the fiscal year.

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<sup>1</sup> D.C. Act 23-407, enacted on August 31, 2020.

The Honorable Phil Mendelson

FIS: Bill 23-964, "Fiscal Year 2021 Budget Support Clarification Amendment Act of 2020," Draft Committee Print as provided to the Office of Revenue Analysis on November 12, 2020

The bill amends the eligibility criteria for the grant assistance program for District resident excluded workers administered by Events DC. To be eligible, workers must be ineligible for unemployment insurance, ineligible for COVID-19 relief<sup>2</sup>, or are a returning citizen. Workers also must certify they have lost income due to the COVID-19 public health emergency.

The bill clarifies<sup>3</sup> the definition of "National Capital Arts Cohort" for the purposes of Commission on Arts and Humanities funding to ensure Events DC sponsorships are included in an applicant organization's annual income.

The bill provides for the imposition of fees or processing costs for credit card and electronic payments made to the Chief Financial Officer and allows the Office of the Chief Financial Officer to promulgate regulations on such fees.

The bill makes permanent the provisions of the Capital Gains Deduction Clarification Emergency Act of 2020<sup>4</sup> to ensure provisions of the District's treatment of taxation regarding investments in Qualified Opportunity Zones are applicable to individuals and estates as well as businesses. The bill adds<sup>5</sup> the one percent sales tax rate which is dedicated to Events DC to alcohol sold by bars and restaurants for carry-out and delivery, so that the total sales tax on such alcohol is ten percent. The bill clarifies<sup>6</sup> that rental or leased motor vehicles and trailers are exempt from the motor vehicle title tax provided that the rental or leasing of such vehicle is subject to gross receipts tax.

Finally, the bill makes permanent<sup>7</sup> several provisions regulating games of skill that were passed as emergency and temporary acts on October 6, 2020.<sup>8</sup>

## **Financial Plan Impact**

Funds are sufficient in the fiscal year 2021 through fiscal year 2024 budget and financial plan to implement the proposed resolution. The bill's provisions do not alter the budget and revenue incorporated in the fiscal year 2021 budget and four-year financial plan.

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<sup>2</sup> Defined as federal monetary unemployment assistance provided under the Coronavirus Aid, Relief, and Economic Security Act, approved March 27, 2020.

<sup>3</sup> By amending Section 3(9)(A)(i) of the Commission on the Arts and Humanities Act, effective October 21, 1975 (D.C. Law 1-22; D.C. Official Code § 39-202(9)(A)(i)).

<sup>4</sup> Bill 23-993, passed November 10, 2020

<sup>5</sup> By amending D.C. Official Code § 47-2002.02(2) and § 47-2202.01(2).

<sup>6</sup> By amending D.C. Official Code § 50-2201.03(j)(3)(F)).

<sup>7</sup> By amending the Law to Legalize Lotteries, Daily Numbers Games, and Bingo and Raffles for Charitable Purposes in the District of Columbia, effective March 10, 1981 (D.C. Law 3-172; D.C. Official Code §§ 22-1716 to 22-1718 and 36-601.01 et seq.).

<sup>8</sup> B23-934, Revised Game of Skills Machines Consumer Protections Emergency Act of 2020, enacted on November 2, 2020 and B23-945, Revised Game of Skills Machines Consumer Protections Temporary Act of 2020, transmitted to the Mayor November 2, 2020.