

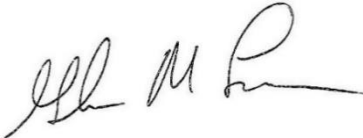
Government of the District of Columbia
Office of the Chief Financial Officer



Glen Lee
Chief Financial Officer

MEMORANDUM

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

FROM: Glen Lee
Chief Financial Officer 

DATE: July 28, 2025

SUBJECT: Fiscal Impact Statement – “Fiscal Year 2026 Budget Support Act of 2025”

REFERENCE: Bill 26-265, Amendment in the Nature of a Substitute as circulated July 27, 2025 and as amended by Chairman Mendelson’s Amendment #1, draft amendment as provided to the Office of Revenue Analysis, July 27, 2025

Conclusion

Funds are sufficient in the fiscal year 2026 through fiscal year 2029 budget and financial plan to implement the Fiscal Year 2026 Budget Support Act of 2025.

The budget and financial plan accounts for the expenditure and revenue implications of the bill.

The bill, the “Fiscal Year 2026 Budget Support Act of 2025,” is the legislative vehicle for adopting statutory changes needed to implement the District’s proposed budget and financial plan for the fiscal years 2026 through 2029. The following pages summarize the purpose and the impact of each subtitle.

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TITLE I – GOVERNMENT DIRECTION AND SUPPORT

Subtitle (I)(A) - Freedom of Information Clarification Amendment Act of 2025

Background

This subtitle would amend D.C. Official Code § 2-534(a) to add that certain materials transmitted to the Criminal Justice Coordinating Council (CJCC) and the District of Columbia Sentencing Commission (Sentencing Commission), respectively, by any court, federal or federally established agency, are exempt from disclosure under the Freedom of Information Act (FOIA). The CJCC was established by law¹ in 2001 to, amongst other responsibilities, make recommendations on the coordination of activities and the mobilization of resources of specific member entities in improving public safety in, and the criminal justice system of, the District. The Sentencing Commission was created by law in 1998² to promulgate voluntary sentencing guidelines for use in the District Superior Court.

Financial Plan Impact

The subtitle does not impact the budget and financial plan.

Subtitle (I)(B) – Cultural and Community Affairs Amendment Act of 2025

Background

The subtitle centralizes within the Executive Office of the Mayor (EOM) the grantmaking functions of the community affairs offices. The grant functions being centralized under EOM include grants made by the Mayor’s Office and Commission on African Affairs, the Mayor’s Office on African American Affairs, the Mayor’s Office on Asian and Pacific Islander Affairs, the Mayor’s Office on Caribbean Community Affairs, the Mayor’s Office on Latino Affairs, the Mayor’s Office of Lesbian, Gay, Bisexual, Transgender and Questioning Affairs, the Mayor’s Office on Returning Citizen Affairs, and the Mayor’s Office of Veterans Affairs.

The subtitle makes the Access to Jobs Grant Pilot Program permanent. The Access to Jobs Grant Program supports the employment of returning citizens by subsidizing employers to hire up to ten returning citizens for work of up to 32.5 hours per week. An employer can apply to hire anywhere from one to ten employees.

Financial Plan Impact

The fiscal year 2026 budget includes multiple grants that will be issued by EOM as it centralizes the grantmaking process for community affairs offices. This includes \$274,000 in recurring funding for the Access to Jobs Grant program.

¹ Fiscal Year 2002 Budget Support Act of 2001, effective October 3, 2001 (D.C. Law 14-28; D.C. Official Code § 22-4232).

² Advisory Commission on Sentencing Establishment Act of 1998, effective October 16, 1998 (D.C. Law 12-167; D.C. Official Code § 3-101 et seq.).

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Subtitle (I)(C) - Surplus Property Sales Fund Amendment Act of 2025

Background

The Chief Procurement Officer is authorized to dispose of any District surplus property through transfers within and among agencies, auctions, scrap sales, destruction, or donations to tax-exempt organizations or other jurisdictions. The Office of Contracting and Procurement (OCP) deposits surplus property sales proceeds and administrative fees collected through disposition agreements into the Surplus Property Sales Fund.³ OCP uses resources in the Fund to pay the administrative costs of maintaining and disposing of surplus property.

The subtitle expands the Fund’s allowable uses to include OCP operational costs.

Financial Plan Impact

The Fund is expected to generate approximately \$5.8 million in revenue in fiscal year 2026. The subtitle does not change the Fund’s projected revenues, but it expands the activities for which OCP can expend the Fund’s resources. The Fund is a lapsing fund. At the end of fiscal year 2024, nearly \$3.4 million lapsed from the Fund to the Local Fund.

Subtitle (I)(D) – Recreational Facilities Assessment Amendment Act of 2025

Background

The subtitle requires the Department of General Services to conduct an annual survey to update information on the condition of spray parks, artificial turf fields, playgrounds, and sporting courts at recreational facilities. The survey must list condition information at each of the required facilities and be made publicly available by March 1 of each year.

Financial Plan Impact

The subtitle does not impact the budget and financial plan. DGS can provide the annual survey of the required facilities within current resources.

Subtitle (I)(E) – Human Services Grant Administration Amendment Act of 2025

Background

The subtitle requires the Department of Human Services (DHS), beginning in fiscal year 2027, to provide grant agreements to grantees for review and signature within 30 days of the start of the fiscal year or, if the grantee has a different term of service, within 30 days of the start of that term of service. Additionally, DHS must issue the first payment to the grantee under the grant no later than 30 days following receipt of a signed grant agreement, or no later than 30 days from the start of the fiscal year or term of service- whichever is later.

Financial Plan Impact

To meet the requirements of the subtitle, DHS will need to increase the pace of legal review and administrative processing of grant agreements and initial payments. The agency has four grant

³ Supply Management Amendment Act of 2015, effective October 22, 2015 (D.C. Law 21-36; D.C. Official Code § 2-358.05)

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administration vacancies in the proposed budget and financial plan that it intends to utilize to improve this process. In addition to that, DHS will require two FTEs to assist with meeting the tighter review and processing timeframe. The costs of the FTEs are outlined below.

Subtitle (I)(E) Human Services Grant Administration Amendment Act of 2025					
Fiscal Year 2026 – Fiscal Year 2029					
(\$ thousands)					
	FY 2026^(c)	FY 2027	FY 2028	FY 2029	Total
Salary ^(a)	\$182	\$248	\$253	\$258	\$944
Fringe ^(b)	\$47	\$64	\$65	\$66	\$243
Total	\$230	\$313	\$319	\$325	\$1,187

Table Notes

- (a) One Grade 12 Step 6 Attorney Advisor and one Grade 11, Step 2 Grant Management Analyst. Assumes salary growth of 2.1 percent in fiscal year 2027 and 2.0 percent in fiscal years 2028 and 2029.
- (b) Assumes a fringe rate of 25.6 percent and fringe growth rate of 2.4% in fiscal year 2027 and 2.35 percent in fiscal years 2028 and 2029.
- (c) Fiscal Year 2026 cost is 75 percent of total annual cost to allow for hiring process in the first quarter.

Subtitle (I)(F) – Advisory Neighborhood Commissions Funding Flexibility Clarification Amendment Act of 2025

Background

The subtitle changes requirements to some day-to-day operations of the Office of the Advisory Neighborhood Commissions and individual ANCs. It also clarifies requirements of doing business with ANCs.

First, it requires commercial banks to provide regular account statements for individual Commissions that are utilizing the bank, and not the combined statements for all Commissions. Second, it allows Commission officers to electronically sign documents. Third, it prohibits contractors from providing paid services to Commissions if the service is already provided by the District government.

Financial Plan Impact

The subtitle does not impact the budget and financial plan.

Subtitle (I)(G) – Community Legal Education and Resources Grant Amendment Act of 2025

Background

This subtitle establishes the Community Legal Education and Resources (CLEAR) program to provide grants to legal services providers that deliver training for legal professionals or legal representation for District residents. The Office of the Mayor is vested with grant- and rulemaking authority to administer the CLEAR grant.

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Financial Plan Impact

The subtitle does not impact the budget and financial plan. This subtitle is meant to supplant the Immigrant Legal Services Program (ILSP) repealed in subtitle (III)(A).

Subtitle (I)(H) – Accountability for Delaying the Budget Amendment Act of 2025

Background

The subtitle provides that if the Mayor submits an annual budget later than the date established by the Council,⁴ the Executive Office of the Mayor and the Office of the City Administrator shall not spend any amounts from nonpersonnel services nor submit any reprogramming or grant budget modification requests until the day after the date on which the Mayor submits the budget to the Council.

Financial Plan Impact

The subtitle does not impact the budget and financial plan.

⁴ Pursuant to section 442(a) of the District of Columbia Home Rule Act,(87 Stat. 798; D.C. Official Code § 1-204.42(a))

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TITLE II – ECONOMIC DEVELOPMENT AND REGULATION

Subtitle (II)(A) - Building Conversion Permit Fee Establishment Amendment Act of 2025

Background

In 2023, the District issued DC’s Comeback Plan,⁵ the District’s 2023 to 2027 economic development strategy. One of the goals is to build a more vibrant Downtown neighborhood that includes an increased downtown population. To support that growth, the District has established programs to incentivize building owners in the District to convert from non-residential uses to residential uses, including the Housing in Downtown tax abatement.⁶ Through the process of converting a building from non-residential to residential uses, the building owner must obtain and pay for the necessary construction permits at the Department of Buildings (DOB). Permit applicants currently pay fees associated with an alteration and repair permit, which are generally a base fee plus an amount based on the value of the construction.

The subtitle establishes a new Building Conversion Permit Fee for non-residential buildings that are converting to residential uses.⁷ The proposed fee structure is consistent with how DOB assesses fees on new construction and addition projects. The following chart outlines the proposed Building Conversion Permit Fee structure for building conversions:

Fee Description	Fee Amount
Permit Fee	\$0.03 per cubic foot of construction
Green Building Fee – Building Conversions	\$0.002 per square foot of construction

Financial Plan Impact

Since 2020, DOB has issued an average of two permits each year for a non-residential to residential building conversion. The new Building Conversion Permit Fee is lower than what is currently charged for conversions, so the proposed fee will reduce permit fee revenues for two projects that are permitted each year. However, additional conversions are expected to occur and have been incentivized through the Housing in Downtown tax abatement program⁸, and these conversions will generate sufficient new permit revenues to offset any lost revenues from the fee reduction.

⁵ <https://dmped.dc.gov/page/downtown>.

⁶ Tax Abatements for Housing in Downtown Amendment Act of 2022, effective September 21, 2022 (D.C. Law 24-167; D.C. Official Code § 47-860.02).

⁷ The fee only applies to projects where the change of use and occupancy is from any non-residential category to Residential Group R-2.

⁸ [Housing in Downtown \(HID\) Program | dmped](#)

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Subtitle (II)(B) - Great Streets Grant Disbursement Amendment Act of 2025

Background

Grants under the Great Streets Program are currently required⁹ to be disbursed in allotments. The subtitle removes this requirement to provide for flexibility in fund disbursement.

Financial Plan Impact

The subtitle does not have an impact on the budget and financial plan. The subtitle changes the timing for disbursements during the fiscal year, but does not affect total disbursements.

Subtitle (II)(C) - Neighborhood Prosperity Fund Amendment Act of 2025

Background

The subtitle changes the definition of a qualifying project for the Neighborhood Prosperity Fund (“Fund”) to expand the types of projects¹⁰ that can be eligible for funding to include Retail Priority Areas, or Main Street corridors supported by the Department of Small and Local Business Development.

Financial Plan Impact

The subtitle does not have an impact on the budget and financial plan. Project spending from the Fund must remain within the available budget.

Subtitle (II)(D) – HumanitiesDC Operating Funding Relief Amendment Act of 2025

Background

HumanitiesDC is a state council that helps enhance the understanding and appreciation for history, literature, language arts, ethics, philosophy, and arts in the District. HumanitiesDC receives a grant from the District’s Commission on Arts and Humanities and then it subgrants those funds to various community organizations to support humanities-related programming. HumanitiesDC can use up to 30 percent of the funds it receives from the Commission on Arts and Humanities for administrative expenses, capacity building, technical assistance, and the evaluation of the HumanitiesDC grant program.

The subtitle increases the share of grant funds that HumanitiesDC can use for administrative and other expenses from 30 percent to 40 percent.

Financial Plan Impact

The fiscal year 2026 Commission on Arts and Humanities budget includes just under \$1.5 million to grant to HumanitiesDC. Increasing the share of the grant that HumanitiesDC can use for administrative and other expenses does not change the overall grant to HumanitiesDC, but it does

⁹ D.C. Official Code § 2-1217.73b(b)(4)(A).

¹⁰ D.C. Official Code § 2-1210.71(b)(3).

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reduce the amount of funds within that budget that HumanitiesDC can grant to other organizations for programming.

Subtitle (II)(E) – Sidewalk Vending Zone Implementation Amendment Act of 2025

Background

Current law requires any person or entity seeking to vend food or other products in public space to obtain a basic business license from the Department of Licensing and Consumer Protection (DLCP) and meet any other requirements established by the Mayor.¹¹

The subtitle authorizes a DLCP employee to act as a sidewalk vending zone manager in lieu of a private organization. The subtitle authorizes a sidewalk vending zone manager to submit vending cart and vending table designs along with its site plan to DLCP and authorizes the Mayor to enforce a vending site plan including approval of vending cart and table designs. The subtitle requires a vending zone manager to obtain a public market manager’s license from DLCP.

The subtitle amends the potential oversight of the Columbia Heights-Mount Pleasant Sidewalk Vending Zone. The subtitle repeals an outdated requirement that the Mayor issue a request for proposal and execute a contract with a private entity to be a sidewalk vending zone manager for this vending zone in 2023. The subtitle establishes that if the Mayor does not contract with a private entity to act as a sidewalk vending zone manager for the Columbia Heights-Mount Pleasant Sidewalk Vending Zone, then the Mayor must establish a Columbia Heights-Mount Pleasant Sidewalk Vending Zone Oversight Committee (Oversight Committee). The Oversight Committee should be comprised of three members, including an Advisory Neighborhood Commissioner serving on Advisory Neighborhood Commission 1A and two representatives appointed by the Council. The Oversight Committee should assist in the development of a vending site plan and work with the relevant District Government agencies on the implementation of the sidewalk vending zone. The Oversight Committee should regularly update Council and assist in outreach efforts to vendors. The authority for the Oversight Committee expires two years after the subtitle’s effective date. The subtitle also prohibits a DLCP employee who may act as the sidewalk vending zone manager for the Columbia Heights-Mount Pleasant Sidewalk Vending Zone from issuing a notice of infraction to a vendor within the zone they manage.

The subtitle repeals a 2009 Citywide Vending Task Force. The subtitle gives DLCP grant-making authority to support vendors obtaining a vending license or purchasing vending equipment. The bill requires the Chief Financial Officer to send an electronic notice to all registered vendors to let them know about the Mayor’s existing amnesty program that runs through fiscal year 2028.¹² The bill authorizes the Mayor to issue rules for the requirements to apply for and be approved for the amnesty program.

Financial Plan Impact

The subtitle expands DLCP’s authorities around sidewalk vending zones, including grant-making and the ability of a DLCP employee to act as a sidewalk vending zone manager. The fiscal year 2026 budget includes sufficient resources for DLCP to implement these new authorities if necessary.

¹¹ Vending Regulation Act of 2009, effective October 22, 2009 (D.C. Law 18-71; D.C. Official Code § 37-131.02).

¹² Street Vendor Advancement Amendment Act of 2023, effective July 1, 2023 (D.C. Law 25-21; D.C. Official Code § 37-131.08c).

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The subtitle directs the Mayor to establish the Oversight Committee if the Mayor fails to contract with a private entity to act as a vending zone manager for the Columbia Heights-Mount Pleasant Sidewalk Vending Zone. The Oversight Committee members will not be compensated and will provide assistance and guidance to government agencies to support the successful implementation of this sidewalk vending zone. The authority for the Oversight Committee expires two years after the subtitle’s effective date. The Oversight Committee does not require budgeted resources.

The amnesty program for delinquent DLCP fines and fees and minimum sales tax payments launched in fiscal year 2024 and runs through fiscal year 2028. The Office of Tax and Revenue (OTR) sent an amnesty notice to registered vendors in 2024 and the fiscal year 2026 budget includes the necessary resources for OTR to notify vendors again.

Subtitle (II)(F) – RFK Campus Infrastructure Fund Establishment Act of 2025

Background

The subtitle establishes a non-lapsing fund called the RFK Campus Infrastructure Fund (“Infrastructure Fund”). The subtitle directs all revenue from the sports facilities fee (see Subtitle VII-E) to the Infrastructure Fund once all of the Ballpark Revenue bond obligations have been paid. The Infrastructure Fund may be used to pay debt service, fund reserves, and pay other bond costs for any bonds issued to pay RFK Campus¹³ infrastructure and parking facility costs, and the subtitle authorizes the Mayor, or any instrumentality or authority designated by the Mayor, to create a security interest in the fund for such purposes. While the primary purpose of amounts in the Infrastructure Fund is for debt service, reserves or bond costs on bonds issued to fund RFK Campus infrastructure and parking costs, the subtitle allows excess amounts (as determined by the Chief Financial Officer) to be used for additional purposes. In fiscal years 2026 and 2027, excess amounts may be used to pay costs associated with early redemption of the Nationals Park bond obligations and for General Fund purposes. In fiscal years 2028 and 2029, excess amounts are directed to the General Fund. Beginning in fiscal year 2030, excess amounts are directed to an RFK Transportation Improvement Fund.¹⁴ If deposits to the RFK Transportation Improvement Fund exceed \$20 million, excess amounts should be deposited in the General Fund.

Financial Plan Impact

The fiscal year 2026 budget plans for early redemption of the Ballpark Revenue Bonds by the end of fiscal year 2026. Upon the repayment of these bonds, revenues from the Ballpark Fee,¹⁵ then renamed the sports facilities fee, will be redirected to the RFK Campus Infrastructure Fund. The Ballpark Fee was due to sunset with the repayment of the Nationals Park bonds, so there is no fiscal impact from the redirection. Excess amounts from the RFK Campus Infrastructure Fund to be used for General Fund purposes that are incorporated in the financial plan are \$6.0 million in fiscal year 2027, \$28.4

¹³ The parcels of land that are the subject of the Transfer of Jurisdiction Plat recorded in the Surveyor’s Office of the District of Columbia on February 5, 2025, on page 13 of subdivision book 223, together with any public streets within or adjacent to such parcels that may be closed from time to time.

¹⁴ The subtitle references the establishment of this fund in the Robert F. Kennedy Campus Redevelopment Act of 2025, as introduced on June 20, 2025 (Bill 26-288).

¹⁵ D.C. Official Code § 47-2762.

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million in fiscal year 2028, and \$29.7 million in fiscal year 2029, for a total of \$64.0 million over the financial plan.

The debt cap analysis includes debt service for the planned bond issuance to support RFK infrastructure and parking.

Subtitle (II)(G) – Revised Game of Skill Machines Consumer Protections Amendment Act of 2025

Background

The subtitle exempts¹⁶ games of skill, sports wagering, and commercial bingo from financial and civil penalties tied to gambling losses.

The subtitle alters the requirements for establishments providing games of skill machines to provide that they must obtain a retailer’s license from the Alcoholic Beverage and Cannabis Administration (ABCA) instead of the Office of Lottery and Gaming (OLG). OLG must notify ABCA if a licensed establishment is the subject of a citation, revocation, or other enforcement action taken by OLG. The subtitle increases the fee for ABCA’s games of skill endorsement from \$200 to \$500.

Financial Plan Impact

There is no fiscal impact from the subtitle. ABCA and OLG can provide the subtitle’s enforcement and regulatory functions within their current resources. There are few games of skill operators in the District, so no additional revenue has been projected from the endorsement fee increase.

Subtitle (II)(H) – Commercial Bingo Amendment Act of 2025

Background

The subtitle legalizes¹⁷ commercial bingo¹⁸ and requires the Office of Lottery and Gaming (OLG) to regulate the operation of bingo games in the District. The definition of commercial bingo is limited to games played where participants are in the same physical location and are competing against each other in a common bingo game, and where each number is drawn and verbally announced by an individual present in the same location as the game’s participants. Only locations licensed and approved by OLG as eligible establishments can operate commercial bingo. The OLG will establish

¹⁶ By amending D.C. Official Code § 16-1702.

¹⁷ 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 passim).

¹⁸ Bingo is a form of gambling in which the winning chances are determined by a random drawing, of a subset of numbered objects among a total set of 75 objects, consecutively numbered from 1 to 75, and the bingo cards held by the players, which cards are sold, rented, or used only at the time of the gambling activity. Commercial bingo means a bingo game for which any type of consideration is paid or collected to play, but does not include a bingo game sponsored, conducted, or held by an entity in accordance with section 24(b), (c), or (d) of 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 § 36-601.23(b), (c), or(d)).

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rules governing application requirements, terms, conditions, and rules for bingo, prize values, premises that can be used to conduct bingo, occasions where bingo may be conducted, and the definition and use of gross receipts from the conduct of bingo. The subtitle allows OLG to issue fines and penalties to card game operators who violate the card gaming laws or rules. The subtitle establishes a 7.5 percent tax on the gross receipts from the sale or charges collected to play commercial bingo.

Establishments selling alcohol under an on-premises retailer’s license class C/R, D/R, C/T, D/T, C/H, D/H, C/X, D/X, C/RB, D/RB, C/N, or D/N must obtain an endorsement from the Alcoholic Beverage and Cannabis Administration (ABCA) to operate commercial bingo on the premises. A commercial bingo endorsement will cost \$300 per year.

Financial Plan Impact

The OLG requires additional employees to regulate and enforce laws and rules pertaining to commercial bingo operations. OLG will hire an Investigator/Licensing Specialist and a Compliance Auditor. The total salary and fringe benefit cost of these employees is \$249,000 in fiscal year 2026 and \$1 million over the financial plan. These expenses will reduce OLG’s transfer to the General Fund by the same amount. There is no additional revenue estimated as a result of this subtitle since it is unknown how many licensees will operate, nor if commercial bingo activity will displace other existing taxable sales. ABCA requires no additional resources to approve commercial bingo endorsements.

Subtitle (II)(H) – Commercial Bingo Amendment Act of 2025					
Total Cost					
(\$ thousands)					
	FY 2026	FY 2027	FY 2028	FY 2029	Total
Salary ^(a)	\$202	\$207	\$211	\$215	\$834
Fringe ^(b)	\$46	\$48	\$51	\$53	\$198
Total	\$249	\$255	\$261	\$268	\$1,032

Table Notes:

- a) One Grade 12 Step 5 Investigator/Licensing Specialist and one Grade 12, Step 5 Compliance Auditor. Assumes salary growth of 2.1 percent in fiscal year 2027 and 2.0 percent in fiscal years 2028 and 2029.
- b) Assumes a fringe rate of 22.9 percent and a fringe growth rate of 2.4 percent in fiscal year 2027 and 2.35 percent in fiscal years 2028 and 2029.

Subtitle (II)(I) – Economic Revitalization Initiatives Amendment Act of 2025

Background

The subtitle expands the Deputy Mayor for Planning and Economic Development’s (DMPED’s) grant-making authority, establishes new grant programs, provides for specific entities to receive grants regardless of requirements under the Grant Administration Act, and requires certain grants be made in specified amounts. The programs established are a Chinatown Long-Term Lease Grant program, a Rhode Island Avenue Support Grant program, and a program to provide small business support for businesses impacted by construction near Pennsylvania Avenue, SE, and Potomac Avenue, SE, and along 8th Street SE, between Pennsylvania Avenue, SE, and Virginia Avenue SE. The entities specified

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to receive other grants are the African American Civil War Memorial Freedom Foundation, a medical cannabis retailer in Ward 8, and the Rosemount Center. DMPED also may award a grant to the Prince Hall Free & Accepted Mason and Order of the Eastern Star Charitable Educational Foundation and to a technology incubator. The level of funding specified for required grants and grant programs is in the table under “Financial Plan Impact,” below.

The Economic Development Special Account¹⁹ (“Fund”) is a nonlapsing fund into which is deposited all fees, revenues and other income from real property and other assets formerly under the authority of the National Capital Revitalization Corporation or the Anacostia Waterfront Corporation, the RLA Revitalization Corporation, the Southwest Waterfront Development Corporation, Southwest Waterfront Holdings Corporation and the Economic Development Finance Corporation, as well as any other monies designated by law. The Fund is managed by DMPED for administering properties under the authority of DMPED, and to provide economic development assistance, including grants and loans, according to code.

The subtitle specifies that a portion of the revenues from a 1 percent sales tax on the sales of hotel nights and similar accommodations will be deposited in the Fund (see also Subtitle VII-C) and it lays out how those revenues may be spent in fiscal year 2026 and fiscal year 2027. DMPED will receive funding for the technology incubator grant-making authority established above, and the Washington DC Economic Partnership (WDCEP) will receive a grant to support retail and business attraction efforts. New grant programs are established for decreasing retail vacancies and generating foot traffic, supporting the Gallery Place and Chinatown neighborhoods during renovation of the Capital One Arena, generating business attraction leads, and preserving the cultural identity of Chinatown. The chart below details how the subtitle directs spending of the dedicated one percent hotel tax at DMPED in fiscal years 2026 and 2027.²⁰

Under Subtitle VII-C, this 1 percent sales tax will sunset on September 30, 2027.

Financial Plan Impact

The subtitle provides for \$2 million of spending at DMPED in fiscal year 2025, \$14.2 million in fiscal year 2026, and a total of \$23.1 million over the financial plan. \$6.5 is funded from Local Funds and \$16.6 million is funded from dedicated taxes.

Subtitle (II)(I) – Economic Revitalization Initiatives Amendment Act of 2025 (\$ thousands)						
	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Directed Grants and Grant Programs, Local Fund						
Chinatown Long-Term Lease Program	\$0	\$250	\$250	\$250	\$250	\$1,000
Rhode Island Avenue Support	\$0	\$350	\$0	\$0	\$0	\$350
Pennsylvania Ave SE construction impacts program	\$0	\$150	\$0	\$0	\$0	\$150

¹⁹ D.C. Official Code § 2-1225.21.

²⁰ Under Subtitle VII-C, this 1 percent sales tax will sunset on September 30, 2027

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Subtitle (II)(I) – Economic Revitalization Initiatives Amendment Act of 2025						
(\$ thousands)						
Ward 8 medical cannabis retailer	\$500	\$0	\$0	\$0	\$0	\$500
Technology Incubator	\$1,500	\$0	\$0	\$0	\$0	\$1,500
Rosemount Center ^a	\$0	\$3,000	\$0	\$0	\$0	\$3,000
Total, Local Funds	\$2,000	\$3,750	\$250	\$250	\$250	\$6,500
Directed Grants and Grant Programs, Dedicated Taxes						
Technology Incubator	\$0	\$2,451	\$0	\$0	\$0	\$2,451
WDCEP	\$0	\$5,140	\$6,140	\$0	\$0	\$11,280
Business Attraction	\$0	\$750	\$0	\$0	\$0	\$750
Gallery Place Chinatown	\$0	\$1,125	\$0	\$0	\$0	\$1,125
Generate foot traffic	\$0	\$750	\$0	\$0	\$0	\$750
Cultural identity Chinatown	\$0	\$250	\$0	\$0	\$0	\$250
Total, Dedicated Funds	\$0	\$10,466	\$6,140	\$0	\$0	\$16,606

Table Notes

a) Rosemount funding is partly dependent on a match of private donations

Subtitle (II)(I) – Washington Convention Center Marketing Authority Marketing Fund Amendment Act of 2025

Background

Current law²¹ requires the Washington Convention Center (WCC) to contract marketing services with Destination, DC, the D.C. Chamber of Commerce, and the Greater Washington Ibero American Chamber of Commerce. The subtitle requires WCC to also contract with the Washington DC Economic Partnership as the designated primary contractor to:

- 1) Foster and enhance economic growth and business prospects in the District,
- 2) Provide support for the retention and expansion of businesses in the District and the attraction of businesses to the District;
- 3) Market and provide support for the marketing of the District as an attractive location to establish, operate and grow businesses.

Financial Plan Impact

The subtitle does not have an impact on the budget and financial plan. The Washington Convention Center will have to use its existing marketing budget, or other available funding, to procure the required services, likely by reducing the contract levels of the other three required contractors.

²¹ D.C. Official Code § 10-1202.08a(e).

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Subtitle (II)(K) – Funding for Theaters Amendment Act of 2025

Background

The subtitle requires the Commission on Arts and Humanities (CAH) to provide three different capital grants in fiscal year 2025: \$4 million to the National Theater for acquisition and repairs, \$500,000 to the Howard Theater for debts service payments related to renovations, and \$285,000 to the Lincoln Theater for repairs and renovations. The subtitle also requires CAH to provide two capital grants in fiscal year 2026: \$500,000 to Woolly Mammoth Theatre Company for operational expenses, and up to \$500,000 to Grupo de Artistas Latinoamericanos, G.A.L.A., Inc, known as GALA Hispanic Theatre for capital repair and renovation expenses. \$450,000 of the G.A.L.A. grant must be disbursed in a lump sum by December 31, 2025. The remaining amount of up to \$50,000 will be disbursed as a matching grant for every non-governmental sourced donation GALA receives.

Financial Plan Impact

Funding is available in the Commission on Arts and Humanities Capital Projects Grant Program²² funds in the current and proposed supplemental fiscal year 2025 budget. The fiscal year 2026 budget for the program has \$4.47 million in the budget in fiscal year 2026. The subtitle directs \$1M of that in fiscal year 2026 to two theaters, leaving \$3.47 million available for other agency projects.

Subtitle (II)(L) – Truxton Circle Eminent Domain Authority Amendment Act of 2025

Background

The subtitle authorizes the Mayor to exercise eminent domain on Lot 48 in Square 3100²³ to allow for revitalization or redevelopment.

Financial Plan Impact

The subtitle does not impact the budget and financial plan. The subtitle authorizes eminent domain, but does not require it. If the Mayor exercises eminent domain on the property, the Mayor will need to identify a funding source to pay for the property once a value for the transfer has been determined.

Subtitle (II)(M) – Housing in Downtown Program Amendment Act of 2025

Background

The Tax Abatements for Housing in Downtown Act of 2022 allows the Mayor to approve tax abatements for certain real properties that are undergoing changes in use from commercial to residential (that results in at least 10 residential units). The total value of tax abatements that the Mayor may approve is subject to a cap. The subtitle lowers the fiscal year 2027 cap from \$6.8 million to \$5 million. The subtitle also expands the eligible areas for the downtown housing tax abatements. Finally, the subtitle amends the Central Washington Activation Projects tax abatement²⁴ to update the base year for calculation of the abatement amount from tax year 2025 to tax year 2026.

²² <https://dcarts.dc.gov/page/capital-projects>

²³ For Fiscal Year 2026 the property is assessed at \$3.5 million.

²⁴ D.C. Official Code § 47-870

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Financial Plan Impact

The subtitle will reduce allowable real property tax abatements in fiscal year 2027 by \$1.8 million, increasing available property tax revenue by that amount. The change in the eligible area does not affect the maximum amount of tax abatements that can be granted.

Housing in Downtown Program Amendment Act of 2025					
Fiscal Year 2026 – Fiscal Year 2029					
(\$ thousands)					
	FY 2026	FY 2027	FY 2028	FY 2029	Total
Increased real property revenue	\$0	\$1,800	\$0	\$0	\$1,800

Subtitle (II)(N) – Rock Creek Tennis Center Transfer of Jurisdiction and Funding Act of 2025

Background

The subtitle authorizes the transfer of jurisdiction of the area containing the Rock Creek Tennis Center from the National Park Service to the District. Once the transfer is complete, the subtitle requires the Department of Parks and Recreation to make improvements to the property to bring the existing tennis center into compliance with Association of Tennis Professionals Tour and Women’s Tennis Association Tour event standards. The subtitle also includes a sense of the Council concerning details of the transfer, including use, public comment and open space.

Financial Plan Impact

The budget includes \$9 million of capital funding in fiscal year 2026 for the subtitle.

Subtitle (II)(O) – Historic Burial Grounds Preservation Program Amendment Act of 2025

Background

The subtitle creates the Paul E. Sluby, Sr. Historic Burial Grounds Preservation Program within the Office of Planning. Subject to available funding, the program will issue grants to qualified charitable organizations for the purpose of preserving and restoring historic burial grounds.

Financial Plan Impact

The program is subject to available funding, however the budget includes \$250,000 of one-time grant funding at the Office of Planning for fiscal year 2026.

Subtitle (II)(P) – Community Land Trust Transfers Amendment Act of 2025

Background

The subtitle defines a community land trust and assigns certain tax privileges to the land trust itself and individuals who acquire a home from a land trust through a land lease. The subtitle defines a land trust as a nonprofit organization that acquires and holds land for the purpose of maintaining affordable housing for low- and middle-income families and utilizes land leases to provide homes for those families.

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The subtitle establishes that the assessed value of a property owned by a land trust that is subject to a land lease is the average rent over the term of the lease, capitalized at a rate of 10 percent. The average rent that is the basis of the assessed value should not exceed the property’s fair market value.

The subtitle also establishes that an individual controlling a land trust-owned property through a land lease is eligible to receive a homestead deduction and receives real property tax exemptions from transfer and deed taxes. The subtitle also provides an exemption from real property transfer and deed recordation taxes for properties transferred to a community land trust.

The subtitle deems that entering into a land lease with a community land trust is a qualifying home occupancy condition for an individual to qualify as a lower income household under District tax law, assuming they meet the income requirements.²⁵ As a lower income household, the household qualifies for a five-year tax exemption from annual real property taxes²⁶ and a recordation tax exemption.²⁷

The subtitle also provides a refund of any real property, transfer, and deed recordation taxes that were paid while owned by a community land trust or transferred to a low-income household since October 1, 2018. The refund for annual real property taxes paid by a community land trust applies to taxes paid by the land trust through September 30, 2025.

Financial Plan Impact

The subtitle applies certain retroactive and prospective tax benefits to a Community Land Trust and individuals controlling land trust property through a land lease. Providing refunds to households that control property under a land lease with a community land trust and for taxes paid by a community land trust through September 30, 2025 will cost \$332,000 in fiscal year 2026. Ongoing real property tax exemptions will cost \$32,000 in fiscal year 2026 and \$748,000 over the four-year financial plan period. The total refund and tax exemption cost is \$1.1 million over the four-year financial plan period. The Office of Tax and Revenue requires \$35,000 in one-time system update and programming costs to accommodate the increase in applications and appropriate tracking of properties that are owned by a community land trust but controlled by a household under a land lease arrangement.

Subtitle (II)(P) – Community Land Trust Transfers Amendment Act of 2025					
Real Property Tax Implications and Administrative Costs					
Fiscal Year 2026 – Fiscal Year 2029					
(\$ thousands)					
	FY 2026	FY 2027	FY 2028	FY 2029	Total
Refunds	\$332	\$0	\$0	\$0	\$332
Annual Real Property Tax Exemption	\$32	\$66	\$68	\$106	\$272
Transfer and Deed Recordation Tax Exemption	\$0	\$238	\$0	\$238	\$476
Office of Tax and Revenue Administrative Costs	\$35	\$0	\$0	\$0	\$35
Total Costs	\$399	\$304	\$68	\$344	\$1,115

²⁵ D.C. Official Code § 47-3502.

²⁶ D.C. Official Code § 47-1001(21)

²⁷ D.C. Official Code § 47-3503.

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Subtitle (II)(Q) – Business License Fee and Penalty Waivers Amendment Act of 2025

Background

The Department of Licensing and Consumer Protection (DLCP) is authorized to implement a fee waiver program to encourage business entities to comply with required business entity filings.²⁸ The subtitle expands any forgiveness program to include any penalties assessed for the failure of a business to file timely. The subtitle also authorizes DLCP to waive late fees and penalties associated with lapsed or expired business licenses.

The subtitle also makes a conforming change to the Business and Entrepreneurship Support to Thrive Amendment Act of 2022, which becomes applicable on October 1, 2025. The change ensures that an applicant for a basic business license is subject to the higher Clean Hands threshold of \$1,000.²⁹

Financial Plan Impact

The subtitle expands DLCP’s ability to waive fees and penalties for business owners. DLCP does not have plans to implement a broad fee waiver program in fiscal year 2026, but will utilize this authority when the DLCP Director determines that a waiver is warranted. The subtitle’s revised Clean Hands threshold is a conforming amendment to legislation funded in the fiscal year 2025 budget.

Subtitle (II)(R) – Events DC Grants Act of 2025

Background

The subtitle authorizes Events DC to issue two grants in fiscal year 2026. The first is a matching grant for the 2026 National Cherry Blossom Festival. Events DC can issue a grant that matches two dollars for every one dollar the Festival raises in corporate donations by April 30, 2026 up to a maximum of \$1.5 million. Events DC should issue this grant from funds transferred in fiscal year 2026 from the District’s non-departmental account.

The subtitle also authorizes Events DC to issue a grant of at least \$350,000 to a nonprofit organization that provides education on how the District has been the center of the fight for freedom and democracy.

Finally, the subtitle authorizes Events DC to issue a grant of at least \$250,000 to a nonprofit organization that occupies space in the Carnegie Library Building that collects, interprets, and shares the history of the District.

Financial Plan Impact

The fiscal year 2026 non-departmental budget includes \$1.5 million to transfer to Events DC to support a matching grant for the 2026 National Cherry Blossom Festival. The budget also includes \$350,000 for a grant to a nonprofit organization providing education about the District’s role in the

²⁸ Business Recovery and Sustainability Fee Reductions Amendment Act of 2021, effective November 13, 2021 (D.C. Law 24-45; D.C. Official Code § 29-102.12(e)).

²⁹ Clean Hands Certification Economic Expansion and Revitalization Amendment Act of 2024, effective September 18, 2024 (D.C. Law 25-217; D.C. Official Code § 47-2862).

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fight for freedom and democracy. The budget includes \$250,000 for Events DC to issue a grant related to the history of the District.

Subtitle (II)(S) – Home Purchase Assistance Restoration and Reform Amendment Act of 2025

Background

The subtitle requires the Department of Housing and Community Development to publish a dashboard with information on the time it takes for each Program Administrator, after receiving an application, to issue a notice of eligibility, issue a notice to proceed, and enter into a final loan agreement.

The subtitle also requires funding to be distributed to eligible applications on a rolling basis upon availability of funding and not a lottery or randomization method.

Financial Plan Impact

The subtitle does not have an impact on the proposed budget and financial plan.

Subtitle (II)(T) – Downtown Business Improvement District Amendment Act of 2025

Background

Under current law, the maximum amount the Downtown Business Improvement District Tax (BID Tax) can be raised in a given year by the BID’s board is three percent. The subtitle increases the maximum growth³⁰ in the tax rate in a given year to five percent. While subtitle authorizes an increase of up to five percent, the BID’s Board³¹ determines the rate within that constraint.

Financial Plan Impact

The subtitle does not have an impact on the budget and financial plan.

³⁰ D.C. Official Code § 2-1215.51(c)(2).

³¹ D.C. Official Code § 2-1215.08(b)(1).

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TITLE III – PUBLIC SAFETY

Subtitle (III)(A) – Immigrant Legal Services Program Amendment Act of 2025

Background

The subtitle repeals the Immigrant Legal Services Program (ILSP). The ILSP was established by law³² in 2018 and administered by the Office of Victim Services and Justice Grants (OVSJG) to provide grants to legal services providers that deliver legal representation for District immigrant residents.

Financial Plan Impact

The subtitle does not impact the budget and financial plan. This subtitle is supplanted by the Community Legal Education and Resources (CLEAR) program established in subtitle (I)(G).

Subtitle (III)(B) – 911-311 Fund Sweep Repeal and Reversal Amendment Act of 2025

Background

The subtitle reverses³³ \$150,000 in recurring transfers from the 911 and 311 Assessments Fund starting with fiscal year 2023. A total of \$300,000 must be transferred from the unassigned fund balance of the General Fund of the District of Columbia to the 911 and 311 Assessments Fund on October 1, 2025.

Financial Plan Impact

The fiscal year 2026 budget includes a \$300,000 transfer from the General Fund to the 911 and 311 Assessments Fund.

Subtitle (III)(C) – Criminal Code Reform Commission Amendment Act of 2025

Background

The Criminal Code Reform Commission (CCRC) was established as an advisory agency in 2016 to provide the Council and Mayor with a comprehensive assessment of the District’s criminal code, including recommendations, if necessary. The CCRC developed recommendations for the District’s criminal statutes and transmitted them to the Council and Mayor in 2021. This subtitle would dissolve the CCRC effective September 30, 2025.

³² Fiscal Year 2019 Budget Support Act of 2018, effective October 30, 2018 (D.C. Law 22-168; D.C. Official Code § 4-1901).

³³ By amending the tabular array in section 8002(a) of the Designated Fund Transfer Act of 2021, effective November 13, 2021 (D.C. Law 24-45; 68 DCR 10375).

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Financial Plan Impact

The proposed fiscal year 2026 budget and financial plan eliminates spending on the CCRC. The disbanding of the CRCC results in local savings of \$908,000 in fiscal year 2026 and \$3.7 over the financial plan.

Subtitle (III)(C) - Criminal Code Reform Commission Amendment Act of 2025					
Total Savings (\$ thousands)					
	FY 2026	FY 2027	FY 2028	FY 2029	Total
Reduction in Spending	\$908	\$926	\$945	\$964	\$3,742

Subtitle (III)(D) – Retired Police Officer and Firefighter Redeployment Amendment Act of 2025

Background

The subtitle allows retired Metropolitan Police Department (MPD) officers and firefighters retired from the Fire and Emergency Medical Services (FEMS) to work as full-time or part-time employees at the Office of Unified Communications (OUC) without jeopardizing retirement benefits. The subtitle also allows retired MPD officers to be hired by the Department of Forensic Sciences (DFS) without jeopardizing retirement benefits.

Financial Plan Impact

The subtitle expands the pool of applicants who can apply for open positions at DFS and OUC. The subtitle does not have a cost.

Subtitle (III)(E) – Background Check Fingerprinting Authority and Rap Back Program Act of 2025

Background

The subtitle requires the Metropolitan Police Department (MPD) to participate on behalf of the District in the Federal Bureau of Investigation's (FBI) Next Generation Identification Record of Arrest and Prosecution Background Service (Rap Back). District agencies that participate in the program submit fingerprints of covered individuals³⁴ to MPD, which forwards the fingerprints to the FBI for a national criminal history check and subscription to the Rap Back Service. When an individual subscribed to the Rap Back services is arrested or involved in criminal activity where fingerprints are taken, the FBI Rap Back Service notifies MPD. MPD will forward this notification to the appropriate participating District agency. The information contained in a notification is to be used by

³⁴ Covered individuals are those who submit to a fingerprint-based background check as a condition of caring for children, persons with a disability, the elderly, or vulnerable adults, protecting property, preventing theft, damage to real or personal property, assaults, disorders, or other illegal occurrences, or for purposes of licensure, appointment, commission, certification, registration, employment, or volunteer service with a participating entity pursuant to District law or regulation.

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agencies only to determine if a covered individual can continue to provide services in the District. MPD may establish fees on covered individuals or participating agencies to implement the program.

Financial Plan Impact

MPD can participate in the Rap Back Service and provide event notifications to agencies with current resources. The fiscal year 2026 budget and financial plan does not include an enhancement to implement the subtitle.

Subtitle (III)(F) – Detainer Amendment Act of 2025

Background

D.C. Official Code § 24-211.07 restricts cooperation with federal immigration authorities absent a judicial warrant or order that authorizes a federal immigration agency to detain the person who is the subject of such warrant or order. The subtitle amends D.C. Official Code § 24-211.07 to clarify that the statute does not prohibit cooperation required by federal law or restrict the sharing of information in accordance with 8 U.S.C. § 1373, which covers communication between government agencies and the Immigration and Naturalization Service.

Financial Plan Impact

The subtitle does not impact the budget and financial plan.

Subtitle (III)(G) – Deputy Mayor for Public Safety and Justice Grant-Making Authority Amendment Act of 2025

Background

This subtitle requires the Office of the Deputy Mayor for Public Safety and Justice to issue no less than \$750,000 in grants in FY 2026 for the purpose of providing nonprofit organizations with competitive grants to increase safety through both hiring security personnel and utilizing additional security measures under the Safe Passage Safe Blocks program. Further, it would modify the existing Safe Commercial Corridors grantmaking authority to add that the definition of eligible organizations encompasses non-profit voluntary business associations and that eligible expenses include salary and fringe benefits for staff, incorporating special police officers in that language.

Financial Plan Impact

The fiscal year 2026 budget includes a \$750,000 appropriation at the Office of the Deputy Mayor for Public Safety and Justice (DMPSJ).

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Subtitle (III)(H) – Access to Justice Initiative Amendment Act of 2025

Background

The subtitle amends D.C. Official Code § 4-1702.01(a) to refine the definition of nonprofit organization partners to include shared legal interpreter banks and to add legal services for individuals and groups subjected to covered judicial and/or administrative housing-related proceedings to the statutory duties of the Access to Justice Initiative (Initiative). Further, the subtitle delineates the Access to Justice (ATJ) program as a component of the Initiative. It also adds the Civil Legal Counsel Projects Program (CLCPP)³⁵ to the list of existing programs that comprise the Initiative,³⁶ to mirror the expansion of responsibilities of the ATJ by law in 2017.³⁷ The subtitle repeals language detailing annual allocations for LRAP³⁶ and CLCPP through the Office of Victim Services and Justice Grants (OVSJG) and instead cross-references funding for the programs through the amended D.C. Official Code § 4-1702.01.

The Initiative is tasked with providing support to nonprofit organizations that deliver civil legal services to low-income and underserved District residents, support to their nonprofit organization partners, and loan-repayment assistance to attorneys in eligible employment.

Financial Plan Impact

The subtitle does not impact the budget and financial plan.

³⁵ CLCPP was established through the Expanding Access to Justice Amendment Act of 2017. The legislation designates the DC Bar Foundation to administer this grant program and eligible grant recipients are those legal service organizations—and associated nonprofits—that provide representation in eviction defense proceedings for low-income District residents.

³⁶ The District of Columbia Bar Foundation administers ATJ and the District of Columbia Poverty Lawyer Loan Repayment Assistance Program (LRAP).

³⁷ Fiscal Year 2018 Budget Support Act of 2017, effective December 13, 2017 (D.C. Law 22-33; D.C. Official Code § 4-1701.01 et. seq.).

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TITLE IV – PUBLIC EDUCATION SYSTEM

Subtitle (IV)(A) - Uniform Per Student Funding Formula Amendment Act of 2025

Background

The subtitle sets³⁸ the fiscal year 2026 base level funding for the Uniform Per Student Funding Formula (UPSFF) at \$15,070, a 2.7 percent increase over fiscal year 2025. The base level funding is multiplied by the weighting for each grade level or add-on service to determine the per student funding at that level or for those services. Beginning in fiscal year 2027, the base level is \$14,110 per student, a 6.4 percent reduction from the fiscal year 2026 amount. The subtitle also reduces³⁹ the July 15 payment to a public charter schools from 35 percent of an existing school's entitlement to 30 percent.

The following tables show the base level funding at each grade level and the various add-ons in fiscal year 2026:

Weightings applied to counts of students enrolled at specific grade levels		
Grade Level	Weighting	Per Student Allocation in FY 2026
Pre-Kindergarten 3	1.34	\$20,194
Pre-Kindergarten 4	1.30	\$19,591
Kindergarten	1.30	\$19,591
Grades 1-5	1.00	\$15,070
Grades 6-8	1.08	\$16,276
Grades 9-12	1.22	\$18,385
Alternative program	1.58	\$23,811
Special education school	1.17	\$17,632
Adult	1.00	\$15,070

Special Education Add-ons			
Level/ Program	Definition	Weighting	Per Student Supplemental Funds
Level 1: Special Education	Eight hours or less per week of specialized services.	0.97	\$14,618
Level 2: Special Education	More than 8 hours and less than or equal to 16 hours per school week of specialized services.	1.20	\$18,084

³⁸ By amending The Uniform Per Student Funding Formula for Public Schools and Public Charter Schools Act of 1998, effective March 26, 1999 (D.C. Law 12-207; D.C. Official Code § 38-2901 et seq.).

³⁹ By amending Section 107b(b)(1) (D.C. Official Code § 38-2906.02(b)(1)).

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Special Education Add-ons			
Level/ Program	Definition	Weighting	Per Student Supplemental Funds
Level 3: Special Education	More than 16 hours and less than or equal to 24 hours per school week of specialized services.	1.97	\$29,688
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.	3.49	\$52,594
Special Education Compliance Funding	Weighting provided in addition to special education level add-on weightings on a per student basis for Special Education compliance.	0.099	\$1,492
Attorney’s Fees Supplement	Weighting provided in addition to special education level add-on weightings on a per student basis for attorney’s fees.	0.089	\$1,341

General Education Add-ons including English Language Learners (ELL)			
Level / Program	Definition	Weighting	Per Student Supplemental Funds
Elementary ELL	Additional funding for English Language Learners in grades PK3-5.	0.50	\$7,535
Secondary ELL	Additional funding for English Language Learners in grades 6-12, alternative students, adult students, and students in special education schools.	0.75	\$11,303
At-Risk	Additional funding for students in foster care, who are homeless, on Temporary Assistance for Needy Families or Supplemental Nutrition Assistance Program, or behind grade level.	0.24	\$4,521
At-risk High School Over-age Supplement	Additional funding beyond the existing at-risk weight for students who are behind grade level in high school.	0.06	\$904
At-risk > 40 percent Concentration Supplement	Weighting provided in addition to at-risk weight for the percentage of at-risk students above 40 percent enrolled in a school where at least 40 percent of the student population is at-risk.	0.07	\$1,055

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General Education Add-ons including English Language Learners (ELL)			
At-risk > 70 percent Concentration Supplement	Weighting provided in addition to at-risk weight for the percentage of at-risk students above 70 percent where at least 70 percent of the student population is at-risk.	0.07	\$1,055

Residential Add-ons			
Level/ Program	Definition	Weighting	Per Student Supplemental Funds
Residential (general)	DCPS or DC PCS that provides students with room and board in a residential setting, in addition to their instructional program.	1.67	\$25,167
Level 1: Special Education - Residential	Additional funding to support the after-hours Level 1 special education needs of students living in a DCPS or DC PCS facility that provides students with room and board in a residential setting.	0.37	\$5,576
Level 2: Special Education - Residential	Additional funding to support the after-hours Level 2 special education needs of students living in a DCPS or DC PCS facility that provides students with room and board in a residential setting.	1.34	\$20,194
Level 3: Special Education - Residential	Additional funding to support the after-hours Level 3 special education needs of students living in a DCPS or DC PCS facility that provides students with room and board in a residential setting.	2.89	\$43,552
Level 4: Special Education – Residential	Additional funding to support the after-hours Level 4 special education needs of limited and non-English proficient students living in a DCPS or DC PCS facility that provides students with room and board in a residential setting.	2.89	\$43,552
LEP/NEP - Residential	Additional funding to support the after-hours limited and non-English proficiency needs of students living in a DCPS or DC PCS facility that provides students with room and board in a residential setting.	0.668	\$10,067

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Special Education Add-ons for Students with Extended School Year (ESY) Indicated in Their Individualized Education Programs (IEPs)			
Level/ Program	Definition	Weighting	Per Student Supplemental Funds
Special Education Level 1 ESY	Additional funding supports the summer school/program needs for students requiring extended school year services in their IEPs.	0.063	\$949
Special Education Level 2 ESY	Additional funding to support the summer school/program needs for students who require extended school year services in their IEPs.	0.227	\$3,421
Special Education Level 3 ESY	Additional funding to support the summer school/program needs for students who require extended school year services in their IEPs.	0.491	\$7,399
Special Education Level 4 ESY	Additional funding to support the summer school/program needs for students who require extended school year services in their IEPs.	0.491	\$7,399

Financial Plan Impact

The 2.7 percent UPSFF base level increase will result in additional formula-driven Local Fund expenditures. The proposed fiscal year 2026 budget includes approximately \$2.6 billion for instructional budgets because of the UPSFF: \$1.4 billion for DCPS and \$1.2 billion for DC PCS.

DCPS will also receive Local funding outside the UPSFF, including early stages funding and IMPACT Bonuses. These additions bring the collective DCPS funding to \$1.4 billion in fiscal year 2026. DC PCS will also receive \$187.4 million for facility allowances in fiscal year 2026, bringing the collective DC PCS formula-driven Local fund budget to \$1.4 billion.

The fiscal year 2027 budget UPSFF base level is reduced by 6.4 percent and generates savings of \$166.2 million (\$88.9 million from DCPS and \$77.3 million from DC PCS) in the fiscal year 2027 and \$497.8 million over the financial plan (\$265.8 million from DCPS and \$232 from DC PCS). Beginning in fiscal year 2027, \$46.7 million has been added to the Department of General Services (DGS) to cover fixed costs at DCPS facilities, reducing the impact of the UPSFF reduction for DCPS.

There is no cost to change the July payment to public charter schools from 35 percent of an existing school's entitlement to 30 percent. Charter schools receive periodic payments that add up to 100 percent of a school's entitlement by April 15. Reducing the first payment to 30 percent does not impact the overall entitlement paid to charter schools over the course of the fiscal year.

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Subtitle (IV)(B) - District of Columbia Library Special Funds Amendment Act of 2025

Background

The District of Columbia Public Library (DCPL) deposits all revenue from revenue-generating activities, such as advertisements and sponsorships, tickets to select public library events, and the purchase, rent, and sale of library-related items, into the Revenue-Generating Activities Fund. DCPL can use the revenue in this Fund to support certain library functions. The subtitle expands⁴⁰ the use of the Fund to include payment of the costs of temporary and contract employees whose work is intended to generate revenue into the Fund.

Financial Plan Impact

The subtitle does not have a cost. The subtitle allows DCPL to pay temporary and contract employees out of the Revenue-Generating Activities Fund.

Subtitle (IV)(C) - Public Charter School Educator Compensation Payments Act of 2025

Background

The subtitle requires the Office of the State Superintendent of Education (OSSE) to make \$30.8 million of direct payments from the Workforce Investments account to public charter local education agencies (LEAs) to increase the compensation of public charter school educators in school year 2025-2026. To receive funds, a public charter LEA’s chief executive officer or head of school must sign an assurance that the funds provided by OSSE will be used exclusively to increase the compensation of public charter school educators and will be paid to the public charter LEA’s educators during school year 2025-2026.

Financial Plan Impact

The fiscal year 2026 Workforce Investments budget includes \$30.8 million for OSSE to distribute to public charter LEAs to increase educator compensation.

Subtitle (IV)(D) - Early Childhood Educator Pay Equity Fund Amendment Act of 2025

Background

The Early Childhood Educator Pay Equity Fund (ECE PEF) is used by the Office of the State Superintendent of Education (OSSE) to provide payments to child development facilities (CDF) that pay eligible early childhood educators fixed salaries or wages that meet or exceed the minimum salaries established in law.⁴¹ Current law requires the District to deposit \$70 million of local funds annually into the ECE PEF. Funds are distributed from the ECE PEF using a CDF payroll funding formula that considers educator roles and credentials at each CDF participating in the program. The ECE PEF also covers educator health insurance premiums and OSSE administrative expenses.

⁴⁰ By amending Section 17(c) of An Act To establish and provide for the maintenance of a free public library and reading room in the District of Columbia, approved June 3, 1896 (29 Stat. 244; D.C. Official Code § 39-117(c)).

⁴¹ D.C. Official Code § 4-410.02.

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The subtitle requires that \$72.1 million be deposited into the ECE PEF in fiscal year 2026 and eliminates recurring annual fund deposits. The subtitle also makes permanent⁴² temporary legislation that sets the minimum salary levels that CDFs must pay early childhood educators to qualify for payments from the ECE PE in fiscal year 2025. The subtitle also sets minimum salary levels for fiscal year 2026. These revisions to the minimum salary scales include adjustments to the credential levels needed to access a particular minimum salary.

From October 1, 2024 through December 31, 2024, CDFs must pay at a minimum:

Assistant Teacher		Lead Teacher	
Credential Level	Minimum Salary	Credential Level	Minimum Salary
Less than a CDA ⁴³	\$43,865/year	CDA or 48 credit hours with greater than or equal to 15 credit hours in ECE	\$54,262/year
CDA	\$51,006/year	Associate in ECE or Associate’s with greater than or equal to 24 credit hours in ECE	\$63,838/year
Associate	\$54,262/year	Bachelor’s in ECE or Bachelor’s with greater than or equal to 24 credit hours in ECE	\$75,103/year

From January 1, 2025 through September 30, 2026, CDFs must pay at a minimum:

Assistant Teacher		Lead Teacher	
Credential Level	Minimum Salary	Credential Level	Minimum Salary
Less than a CDA ⁴⁴	N/A	Child development center teacher or expanded child development home caregiver with a CDA	\$51,006/year (\$24.52/hour)
CDA	\$51,006/year (\$24.52/hour)	Child development home caregiver with a CDA	\$54,262/year (\$26.09/hour)
Associate degree or higher or 60 hours of college-level coursework in any field	\$54,262/year (\$26.09/hour)	Associate in ECE; associate with at least 12 credit hours in ECE; 60 college credit hours with at least 12 credit hours in ECE	\$63,838/year (\$30.69/hour)
		Bachelor’s or higher in ECE; or Bachelor’s or higher with at least 12 credit hours in ECE	\$75,103/year (\$36.11/hour)

Financial Plan Impact

The fiscal year 2026 budget includes \$72.1 million in the ECE PEF, which covers the cost of the CDF payroll funding formula through fiscal year 2026. This is a \$3.6 million increase over the fiscal year 2025 ECE PEF budget. Eliminating the recurring \$70 million over the financial plan reduces spending, resulting in cost savings of \$70 million each fiscal year starting in fiscal year 2027, and totals \$210 million over the financial plan.

⁴² By amending The Day Care Policy Act of 1979, effective September 19, 1979 (D.C. Law 3-16; D.C. Official Code § 4-401 et seq.).

⁴³ CDA means a child development associate credential recognized by the Council for Professional Recognition and accepted by the Office of the State Superintendent of Education to demonstrate competency as a caregiver for young children or a state-awarded certificate that meets or exceeds the requirements for a child development associate credential.

⁴⁴ Less than CDA positions are not eligible for ECE PEF payments beginning January 1, 2025.

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Subtitle (IV)(D) - Early Childhood Educator Pay Equity Fund Amendment Act of 2025					
Total Savings					
(\$ thousands)					
	FY 2026	FY 2027	FY 2028	FY 2029	Total
Cost Savings	\$0	\$70,000	\$70,000	\$70,000	\$221,000

Subtitle (IV)(E) – Early Literacy Intervention Amendment Act of 2025

Background

The subtitle makes⁴⁵ subject to available funding the Office of the State Superintendent of Education’s (OSSE’s) early literacy intervention grant program. The grant program provides resources to Local Education Agencies to provide direct, developmentally appropriate, research-based reading programs.

Financial Plan Impact

The fiscal year 2026 budget and financial plan reduce OSSE’s budget by \$2.1 million in fiscal year 2026 and a total of \$8.6 million across the financial plan to account for eliminating OSSE’s early literacy intervention grant program.

Subtitle (IV)(F) – Healthy Schools Amendment Act of 2025

Background

Healthy school funding supports various programs that promote health, wellness, and nutrition in schools. The subtitle deletes⁴⁶ a reference to fiscal year 2025 and replaces it with language that no longer ties a specific spending amount to a particular fiscal year. The subtitle also requires the Office of the State Superintendent of Education (OSSE) to provide \$300,000 in grants to at least two community-based organizations partnering with schools or childcare development facilities to create and sustain healthy environments in school year 2025-2026.

Financial Plan Impact

The fiscal year 2026 budget includes \$5.7 million in recurring local funding to support healthy school programming. OSSE will use \$300,000 of this funding to issue grants to community-based organizations to create and sustain healthy environments .

⁴⁵ By amending Section 3(b)(24) of the State Education Office Establishment Act of 2000, effective October 21, 2000 (D.C. Law 13-176; D.C. Official Code § 38-2602(b)(24)).

⁴⁶ By amending Section 102 of the Healthy Schools Act of 2010, effective July 27, 2010 (D.C. Law 18-209; D.C. Official Code § 38-821.02).

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Subtitle (IV)(G) – Youth Workforce Development Programs Amendment Act of 2025

Background

The subtitle makes permanent a temporary law⁴⁷ that grants authority to the Department of Employment Services to perform background checks on those directly supervising youth in the Marion Barry Summer Youth Program or the Career Ready Early Scholars program⁴⁸.

Financial Plan Impact

The subtitle does not have an impact on the budget and financial plan.

Subtitle (IV)(H) – Universal Paid Leave Amendment Act of 2025

Background

For fiscal year 2029, the subtitle sets a maximum transfer of \$25,812,158 to the Universal Paid Leave Administration Fund⁴⁹ (“Administration Fund”). Under current law⁵⁰, the maximum amount that can be transferred to the Administration Fund in Fiscal Year 2029 is 15 percent of money deposited in the Universal Paid Leave Fund⁵¹ (“Paid Leave Fund”).

The subtitle also cancels, effective July 1, 2025, two required funding transfers out of the Paid Leave Fund to the General Fund: a required transfer of \$6.5 million in fiscal year 2025 and a required transfer of \$3.4 million in fiscal year 2026.

Financial Plan Impact

The changes to the required fund transfers from the Universal Paid Leave Fund keeps the fund balanced through fiscal year 2029, per the March 1, 2025 OCFO Projected Annual Revenues and Expenditures for the Universal Paid Leave Fund.

Subtitle (IV)(I) – Charter School Facility Allowance Amendment Act of 2025

Background

The subtitle pauses⁵² the statutorily required 3.1 percent annual increase to the per pupil public charter school facility allowance beginning in fiscal year 2027 until fiscal year 2029. In fiscal year 2029, the per pupil facility allowance for public charter is set at \$4,219 per pupil for non-residential facilities and \$11,393 per pupil for residential facilities. Beginning in fiscal year 2030, the facility allowance must increase by 3.1 percent each fiscal year.

⁴⁷ D.C. Law 26-3, Youth Workforce Development Programs Temporary Amendment Act of 2025, Expires on December 14, 2025 (72 DCR 005852).

⁴⁸ D.C. Official Code § 32-242.

⁴⁹ D.C. Official Code § 32-551.02(a).

⁵⁰ D.C. Official Code § 32-551.01(b)(2)(A)(vi).

⁵¹ D.C. Official Code § 32-551.01.

⁵² By amending Section 109 of the Uniform Per Student Funding Formula for Public Schools and Public Charter Schools Act of 1998, effective March 26, 1999 (D.C. Law 12-207; D.C. Official Code § 38-2908).

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Financial Plan Impact

The fiscal year 2026 budget increases the per pupil public charter school facility allowance by 3.1 percent to \$3,850 per pupil. This results in local payments to public charter schools of \$187.4 million in fiscal year 2026. Pausing the 3.1 percent annual increase beginning in fiscal year 2027 results in savings of \$5.8 million in fiscal year 2027 and \$11.8 million in fiscal year 2028. The facility allowance increase required in fiscal year 2029 costs \$17.98 million, bringing the total charter payment in fiscal year 2029 to \$205.4 million. The subtitle has a net cost of \$366,000 over the financial plan.

Subtitle (IV)(I)- Charter School Facility Allowance Amendment Act of 2025					
Net Total (\$ thousands)					
	FY 2026	FY 2027	FY 2028	FY 2029	Net Total`
Costs	\$0	\$0	\$0	\$17,976	\$17,976
Savings	\$0	(\$5,810)	(\$11,800)	\$0	(\$17,610)
Net Total	\$0	(\$5,810)	(\$11,800)	\$17,976	\$366

Subtitle (IV)(J) – Special Needs Public Charter School Funding Authorization Act of 2025

Background

This subtitle directs \$1.2 million in funding to the Public Charter School Board (PCSB) to transmit to St. Coletta Special Education Public Charter School by no later than November 1, 2025, to fund costs exceeding the school’s funding under the Uniform Per Student Funding Formula. St. Coletta provides intensive special education to 250 Level-IV special education students with behavioral needs, multiple disabilities, and medical needs. The special education add-on amount paid to St. Coletta per student is not sufficient to meet the school’s expenses.

Financial Plan Impact

The fiscal year 2026 budget includes \$1.2 million in one-time Local funding in the PCSB budget to transmit to St. Coletta Special Education Public Charter School.

Subtitle (IV)(K) – Experiential Learning Grant Act of 2025

Background

The subtitle requires the Office of the State Superintendent of Education (OSSE) to issue a \$500,000 grant to Live It Learn It to create a microgrant and support program to enhance experiential learning at high-needs schools. OSSE must issue this grant no later than November 1, 2025.

Financial Plan Impact

The fiscal year 2026 budget includes \$500,000 in one-time Local funding in the OSSE budget to transmit to Live It Learn It.

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Subtitle (IV)(L) – Structured Literacy Competency Requirement Amendment Act of 2025

Background

The subtitle adds⁵³ first-grade, second-grade, and third-grade teachers to the list of educators at DC Public Schools (DCPS) and DC Public Charter Schools (DC PCS) who must complete structured literacy training approved by the Office of the State Superintendent of Education or demonstrate competency in structured literacy instruction within one year of being hired. Current law requires that all kindergarten teachers must be trained or demonstrate competency in structured literacy by the end of the 2026-2027 school year. The subtitle requires that first-grade teachers complete training or demonstrate competency by school year 2027-2028, second-grade teachers by school year 2028-2029, and third-grade teachers by 2029-2030.

Financial Plan Impact

First through third-grade teachers at DCPS and DC PCS can complete structured literacy training during regular professional development hours. The fiscal year 2026 budget and financial plan includes resources to implement the subtitle.

Subtitle (IV)(M) – Certified Nurse Aide Workforce Support Amendment Act of 2025

Background

The subtitle requires⁵⁴ that the Office of the State Superintendent of Education (OSSE) provide \$150,000 in one-time funding to a local university with which it has an existing partnership agreement to train certified nurse aides. The funds must be used to train and supervise at least 25 District high school students during the summer to become certified nurse aides. Students participating in the program must be compensated at \$17 per hour and must be paid from OSSE grant funds. OSSE and the university partner must develop a plan to ensure that students who complete the course and their clinical hours take the certified nurse aide certification exam within two months of finishing the program.

Financial Plan Impact

The fiscal year 2026 OSSE budget includes one-time Local funding of \$150,000 to provide grants to a local university to train certified nurse aides.

⁵³ By amending the Structured Literacy Action Plan Act of 2022 (D.C. Law 25-217; D.C. Official Code § 38-2264).

⁵⁴ By amending The State Education Office Establishment Act of 2000, effective October 21, 2000 (D.C. Law 13-176; D.C. Official Code § 38-2601 et seq.).

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Subtitle (IV)(N) – Dual-Language Program Feasibility Study Amendment Act of 2025

Background

The subtitle requires⁵⁵ the Deputy Mayor for Education (DME) to complete a feasibility study for the development and operation of a new dual language education program or dual language education school, located in Ward 6, 7, or 8 and serving grades 6 through 8.

Financial Plan Impact

The fiscal year 2026 DME budget includes one-time Local funding of \$50,000 to contract with a vendor to produce a dual-language feasibility study.

Subtitle (IV)(O) – Community Schools Grant Program Amendment Act of 2025

Background

The subtitle requires⁵⁶ the Office of the State Superintendent of Education (OSSE) to award the Community Schools Incentive Initiative grant recipients an additional year of grant funding in the amount of \$2.4 million. Community Schools Incentive Initiative grants fund partnerships with community organizations that coordinate educational, developmental, family, health, and after-school-care programs.

Financial Plan Impact

The fiscal year 2026 OSSE budget includes one-time Local funding of \$2.4 million to provide an additional year of grant funding to Community Schools Incentive Initiative grant recipients.

Subtitle (IV)(P) – DCPS Reprogramming Limitation Amendment Act of 2025

Background

The subtitle prohibits⁵⁷ DC Public Schools (DCPS) from reprogramming or reallocating any funds appropriated to it for the purpose of providing permanent residence sponsorship services for its educators.

Financial Plan Impact

The DCPS budget includes \$236,000 in fiscal year 2026 and \$949,000 over the financial plan for one attorney position and permanent residency sponsorship services. These funds are prohibited from being reprogrammed or reallocated.

⁵⁵ By amending The Department of Education Establishment Act of 2007, effective June 12, 2007 (D.C. Law 17-9; D.C. Official Code 38-191 et seq.).

⁵⁶ By amending Section 403 of the Community Schools Incentive Act of 2012, effective June 19, 2012 (D.C. Law 19-142; D.C. Official Code § 38-754.03).

⁵⁷ By amending Section 4012 of the DCPS Contracting and Spending Flexibility Amendment Act of 2016, effective October 8, 2016 (D.C. Law 21-160; D.C. Official Code § 38-2955).

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TITLE V – HUMAN SUPPORT SERVICES

Subtitle (V)(A) - State Health Planning and Development Agency Amendment Act of 2025

Background

The Department of Health’s State Health Planning and Development Agency (SHPDA) administers the Health Systems Plan, which serves as a guide for developing healthcare services by both the public and private sectors. The SHPDA also operates and enforces the Certificate of Need program.

The subtitle clarifies⁵⁸ that the SHPDA operates under the direct control of the Department of Health (DC Health). The subtitle also changes the State Health Planning and Development Fund (Fund) from non-lapsing to lapsing and directs any money remaining available in the Fund at the end of a fiscal year to be transferred to the unassigned fund balance of the General Fund. The subtitle specifies the allowable expenses from the Fund, including paying salaries and expenses necessary to carry out the function of the SHPDA.

Financial Plan Impact

Clarifying that DC Health has direct control of the SHPDA does not have a cost. Changing the State Health Planning and Development Fund from a non-lapsing fund to a lapsing fund does not have an impact under current revenue projections for the Fund, because all estimated revenue is either budgeted in the Fund or already specified to be recognized as local revenue.

Subtitle (V)(B) - Office of the Ombudsperson for Children Amendment Act of 2025

Background

Current law⁵⁹ requires the Ombudsperson for Children (“Ombudsperson”) to appoint a Chief Deputy Ombudsperson, who serves as Ombudsperson if the position becomes vacant. The subtitle eliminates the requirement to hire a Chief Deputy Ombudsperson, and requires the Deputy Child and Family Services Agency Ombudsperson to serve as the Ombudsperson if the position becomes vacant.

Financial Plan Impact

Eliminating the Chief Deputy Ombudsperson position requirement saves \$163,000 in fiscal year 2026 and \$675,000 over the four-year financial plan.

⁵⁸ By amending The Health Services Planning Program Re-establishment Act of 1996, effective April 9, 1997 (D.C. Law 11-191; D.C. Official Code § 44-401 et seq.).

⁵⁹ D.C. Official Code § 4-671.02(d).

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Subtitle (V)(B) – Office of the Ombudsperson for Children Amendment Act of 2025					
Savings (\$ thousands)					
	FY 2026	FY 2027	FY 2028	FY 2029	Total
Salary ^(a)	\$132	\$135	\$137	\$140	\$544
Fringe ^(b)	\$32	\$32	\$33	\$34	\$131
Total Savings	\$163	\$167	\$170	\$174	\$675

Table Notes:

- a) Grade 15 Chief Deputy Ombudsperson with salary growth of 2.1 percent in fiscal year 2027 and 2 percent in fiscal years 2028 and 2029.
- b) Assumes fringe benefits of 23.7 percent and a growth rate of 2.4 percent in fiscal year 2027 and 2.35 percent in fiscal years 2028 and 2029.

Subtitle (V)(C) - Environmental Health Amendment Act of 2025

Background

The subtitle clarifies⁶⁰ that DC Health has the authority to regulate actions that affect the environment and ensure compliance with applicable federal and District laws and rules governing practices that affect the environment. The bill also makes conforming changes to clarify the Department of Energy and Environment’s (DOEE) authority concerning environmental health functions.

The subtitle establishes an Environmental Health Administration within DC Health by transferring the existing DOEE Healthy Housing Branch and dormant Medical Waste Management Program to DC Health. All functions, authority, programs, positions, personnel, property, records, and unexpended balances of appropriations, allocations, and other funds related to these programs will be transferred to DC Health. Additionally, all rules, orders, obligations, determinations, grants, contracts, licenses, and agreements for these programs will become the responsibility of DC Health.

The Healthy Housing Branch at DOEE, which includes the Lead Poisoning Prevention and Healthy Homes programs, will move to DC Health. The Healthy Housing Branch reduces and investigates childhood lead poisoning exposure and identifies home environmental health and safety hazards to minimize injury, safety concerns, and respiratory health hazards. The program also works to reduce childhood asthma and respiratory illnesses, reduce blood lead levels in children, and provides educational materials to physicians on the District’s lead screening and reporting law.

Financial Plan Impact

The fiscal year 2026 budget and financial plan transfers \$1.32 million in fiscal year 2026 and \$5.47 million in local funds over the financial plan from DOEE to DC Health to implement the subtitle. The positions that will transfer to DC Health include an Environmental Protection Specialist Supervisor, five Public Health Analysts, an Environmental Protection Specialist, an Epidemiologist, a Public Health Specialist, and a Program Analyst.

⁶⁰ By amending Section 4902(a)(3) of the Department of Health Functions Clarification Act of 2001, effective October 3, 2001 (D.C. Law 14-28; D.C. Official Code § 7-731(a)(3)).

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Subtitle (V)(C) - Environment Health Amendment Act of 2025					
Total DOEE Transfer to DC Health					
(\$ thousands)					
	FY 2026	FY 2027	FY 2028	FY 2029	Total
Salary	\$1,180	\$1,205	\$1,229	\$1,253	\$4,867
Fringe	\$141	\$147	\$153	\$160	\$601
Total Transfer	\$1,320	\$1,352	\$1,382	\$1,413	\$5,468

Subtitle (V)(D) - Cash Assistance Cost of Living Adjustments Amendment Act of 2025

Background

Under current law⁶¹, public assistance payments for the Temporary Assistance for Needy Family (TANF) program, the Program on Work Employment and Responsibility (POWER), and the General Assistance for Children (GAC) program grow by inflation every year. The subtitle prohibits an increase of benefits based on inflation in fiscal year 2027, fiscal year 2028, fiscal year 2029, and fiscal year 2030.

Financial Plan Impact

The change will limit growth of the expenditures beginning in fiscal year 2027, saving a total of \$34.4 million across the four-year plan. The savings for fiscal year 2030 are outside of the plan and are not included in the table.

Subtitle (V)(D) – Cash Assistance Cost of Living Adjustments Amendment Act of 2025					
Total Savings					
(\$ thousands)					
	FY 2026	FY 2027	FY 2028	FY 2029	Total
Reduced growth in spending	\$0	\$5,658	\$11,435	\$17,339	\$34,432

Subtitle (V)(E) – DC Health Care Alliance Reform Amendment Act of 2025

Background

The subtitle limits benefits, changes eligibility and enrollment requirements, and places a moratorium on new adults enrolling in the Health Care Alliance Program (“Alliance”). The subtitle also eliminates the Immigrant Children’s Program (“ICP”).

Beginning on October 1, 2025, Alliance will limit⁶² services available to individuals age 21 or older to primary care services, inpatient and outpatient acute-care hospital services, emergency medical transportation, prescription drugs, and durable medical equipment. Individuals aged 21 and over who are enrolled in Alliance by October 1, 2025 must meet lower income eligibility requirements in

⁶¹ D.C. Official Code § 4-205.52(d-1)(2).

⁶² By amending The Health Care Privatization Amendment Act of 2001, effective July 12, 2001 (D.C. Law 14-18; D.C. Official Code § 7-1401 et seq.).

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fiscal year 2026 and again in fiscal year 2027. Beginning in fiscal year 2028, Alliance will cover only individuals under 21 years of age.⁶³

Also in fiscal year 2026, Alliance will begin providing coverage to individuals under 21. Services available to enrollees under 21 will be limited to primary care, dental, durable medical equipment, and behavioral health services. Home health services, nursing facility services, durable medical equipment, and services provided by an inpatient psychiatric hospital are excluded from coverage. Individuals under 21 are eligible if they meet certain income limits. The income limits for 19 and 20-year-olds are 216 percent of the Federal Poverty Level, and for those under 18, the income limit is 319 percent of the Federal Poverty Level.

The following table summarizes all eligibility changes by age group, fiscal year, and Federal Poverty Level (FPL).

Subtitle (V)(E) - DC Health Care Alliance Reform Amendment Act of 2025					
Alliance Income Eligibility by Age and Fiscal Year					
Age Group	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
21+, enrolled by August 1, 2025	<210% FPL	<133% FPL	<19% FPL	Not Eligible	Not Eligible
19-20	No coverage	<216% FPL			
18 and under	No coverage	<319% FPL			

Beginning on October 1, 2025, the subtitle prohibits new Alliance enrollment by individuals over age 25. Individuals who turn 26 during fiscal year 2026 may remain enrolled in Alliance until September 30, 2026. On October 1, 2026, individuals who are newly enrolled during fiscal year 2026 and are 21 to 26 years old are no longer eligible for continued enrollment and will be exited from the program. Beginning on October 1, 2026, individuals over the age of 21 are prohibited from enrolling in the Alliance program. Individuals who turn 21 during fiscal year 2027 will be exited from the program.

The subtitle requires all Alliance applicants to complete a recertification in-person, over the telephone, or through a web-based portal. Alliance enrollees are provided with a 90-day grace period beyond the end of the enrollee’s certification period to complete any renewal requirements and, if deemed eligible, receive retroactive coverage to the end of the prior certification period without interruption. The subtitle allows the Department of Health Care Finance (DHCF) to establish by rule a limit on the number of District residents that the Alliance may serve.

The subtitle requires Alliance applicants to provide two forms of residency verification to prove they are District residents. Current regulations require only one form of identification. The subtitle prohibits several forms of identification from being used to prove District residency, including:

- Voter registration cards with an address in the District of Columbia;
- Cancelled checks or receipts for mortgage payments for a property within the District of Columbia within the past two months;
- Non-expired automobile insurance policy with District of Columbia residency address;
- A D.C. One Card;

⁶³ By amending Title 22 of the District of Columbia Municipal Regulations.

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- An unexpired homeowner’s or renter’s insurance policy for real property located in the District of Columbia; and
- A completed form designated by the Department to verify residency.

Financial Plan Impact

Collectively, the subtitle’s changes generate savings of \$44.4 million in fiscal year 2026 and \$445.3 million over the financial plan.

Limiting the benefits provided to both children and adults, when compared to the benefits package currently offered through the Alliance program, results in savings of \$21.2 million in fiscal year 2026 and \$90.4 million over the financial plan. Reducing income eligibility for currently enrolled adults each fiscal year generates savings of \$10.2 million in fiscal year 2025 and \$301.8 million over the financial plan. Capping enrollment for adults and requiring additional documentation generates savings of \$11.9 million in fiscal year 2026 and \$44.1 million over the financial plan. Closing enrollment to new adults over the age of 25 in fiscal year 2026 generates savings of \$1.1 million. Closing enrollment for all adults over 21 in fiscal year 2027 generates savings of \$7.9 million.

There are additional Alliance savings in the fiscal year 2026 budget and financial plan that are generated by policy proposals that are not included in the subtitle and table below.

Subtitle (V)(E) - DC Health Care Alliance Reform Amendment Act of 2025					
Total Savings from BSA Program Changes					
(\$ thousands)					
BSA Program Changes	FY 2026	FY 2027	FY 2028	FY 2029	Total
Limited Benefits Package ^(a)	\$21,200	\$21,764	\$23,479	\$23,933	\$90,375
Reduce Income Eligibility for Adults Over Time ^(b)	\$10,191	\$37,155	\$125,904	\$128,548	\$301,798
Enrollment Cap, Additional Documentation ^(a)	\$11,939	\$10,867	\$10,647	\$10,692	\$44,145
Close Enrollment for Adults ^{(c)(d)}	\$1,064	\$7,934	\$0	\$0	\$8,998
Total Program Savings	\$44,394	\$77,719	\$160,030	\$163,173	\$445,316

Table Notes:

- a) Assumes a two percent growth rate.
- b) Cost savings are uneven due to eligibility changes.
- c) Assumes open enrollment for individuals up to 26 during fiscal year 2026.
- d) Assumes individuals who are 26 or turn 26 during fiscal year 2027 will be exited from the program on October 1, 2026.

Subtitle (V)(F) – Medical Cannabis Amendment Act of 2025

Background

The Medical Cannabis Social Equity Fund (the Fund) was established in fiscal year 2023 to receive all proceeds from the tax on gross receipts from the sales of medical marijuana in amounts above the amount certified for the Healthy DC and Health Care Expansion Fund in the approved budget and financial plan, including 100% of medical marijuana sales taxes beginning in fiscal year 2027. In

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addition, the Fund was to receive revenue from the issuance of fines to unlicensed establishments selling marijuana. The first \$100,000 of such fines are designated to be deposited in the Litigation Support Fund, and amounts thereafter are currently designated for the Fund.

The subtitle repeals the Fund and repeals the dedication of marijuana fine revenue (from unlicensed establishments) and sales tax revenue to the Fund. It also repeals the dedication of the first \$100,000 of fine revenue from unlicensed establishments. All revenue from the tax on gross receipts of marijuana sales and all fine revenue from unlicensed establishments will be deposited in the Local Fund.

Financial Plan Impact

The subtitle increases Local Fund revenue by redirecting fines and tax revenue that would be deposited into the Medical Cannabis Social Equity Fund. Local Fund revenue will increase by \$1.98 million in fiscal year 2027 and \$6.0 million over the financial plan.

Subtitle (V)(F) – Medical Cannabis Amendment Act of 2025					
Additional Local Fund Revenue					
(\$ thousands)					
	FY 2026	FY 2027	FY 2028	FY 2029	Total
Additional Local Fund Revenue	\$0	\$1,975	\$2,014	\$2,055	\$6,044

Subtitle (V)(G) – District of Columbia Public Assistance Amendment Act of 2025

Background

Under current law⁶⁴, federally funded Temporary Assistance for Needy Families (TANF) benefits are paid for up to 60 months. The District continues to pay for benefits beyond the 60 months, using local funds. Beginning with fiscal year 2027, the subtitle phases out locally funded public assistance benefits for adults who have received benefits for 60 months. The changes affect adults only; benefits provided to a minor child will not be affected. Specifically, benefits are reduced in fiscal year 2027 by 30 percent of the fiscal year 2026 levels, 50 percent in fiscal year 2028, and 75 percent in fiscal year 2029 and thereafter.

Additionally, recipients are subject to certain job search and job readiness requirements or may be subject to sanction.⁶⁵ Beginning in fiscal year 2027, the subtitle also increases the amount by which TANF benefits are reduced for recipients under sanction from six percent of benefits to 25 percent of benefits.

The subtitle is effective October 1, 2026.

⁶⁴ D.C. Official Code § 4-205.11a(a).

⁶⁵ D.C. Official Code § 4-205.19f(3).

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Financial Plan Impact

The subtitle will reduce locally funded TANF benefits for those receiving benefits for over 60 months and for those under sanction per the chart below, beginning in fiscal year 2027.

Subtitle (V)(G) – District of Columbia Public Assistance Amendment Act of 2025					
Total Savings (\$ thousands)					
	FY 2026	FY 2027	FY 2028	FY 2029	Total
Benefit reductions for over 60-month recipients	\$0	\$12,839	\$21,398	\$32,098	\$66,335
Benefit reductions for sanctioned recipients	\$0	\$2,000	\$2,000	\$2,000	\$6,000
Total Savings	\$0	\$14,839	\$23,398	\$34,098	\$72,335

Subtitle (V)(H) – Health Occupation Criminal Background Checks Amendment Act of 2025

Background

The subtitle shifts⁶⁶ the responsibility of completing criminal background checks for health occupation licensing applications from DC Health to the Metropolitan Police Department (MPD).

Financial Plan Impact

In fiscal year 2026, DC Health will participate in MPD’s Rap Back program and use revenue collected in the Health Occupation Fund to cover the cost of implementing new background check procedures.

Subtitle (V)(I) – Health Benefit Exchange Authority Amendment Act of 2025

Background

The subtitle requires the Health Benefit Exchange (HBX) to establish a Basic Health Program.⁶⁷ Basic Health Programs allow states to provide coverage to individuals who are citizens or lawfully present non-citizens who do not qualify for Medicaid, Children’s Health Insurance Program, or other minimum essential coverage and who have income between 133 percent and 200 percent of the Federal Poverty Level (FPL).

Financial Plan Impact

The Basic Health Program will be available to individuals who no longer qualify for the District’s Medicaid program due to policy changes in fiscal year 2026.⁶⁸ Insurance offered through the HBX Basic Health Program will be available to eligible individuals at little or no cost since federal subsidies

⁶⁶ By amending Section 522(b) of the District of Columbia Health Occupations Revision Act of 1985, effective March 6, 2007 (D.C. Law 16-222; D.C. Official Code § 3-1205.22(b)).

⁶⁷ Pursuant to section 1331 of the Patient Protection and Affordable Care Act (42 U.S.C. § 18051).

⁶⁸ The Department of Health Care Finance fiscal year 2026 budget will eliminate Medicaid coverage for childless adults with incomes greater than 133% of the FPL.

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will cover the monthly insurance premiums of enrolled individuals. There is no cost to the District for requiring HBX to establish a Basic Health Program.

Subtitle (V)(I) – Direct Care Professional Payment Rate Amendment Act of 2025

Background

Current law requires the Department of Disability Services (DDS) and the Department of Health Care Finance (DHCF) to determine Medicaid fee-for-service reimbursement rates in fiscal year 2026 that pay direct care service providers at a rate that is sufficient to support wages of direct care service professionals that, on average, equal the greater of either 117.6 percent of the District minimum wage⁶⁹ (which adjusts every July 1) or 117.6 percent of the District living wage (which adjusts every January 1).⁷⁰ The subtitle makes July 1, 2025 the final wage adjustment and only requires direct care service providers to pay direct care service professionals enhanced wages in fiscal year 2026 and not the remainder of the financial plan.

Financial Plan Impact

Freezing wages in fiscal year 2026 and discontinuing enhanced wages beginning in fiscal year 2027 generates savings of \$3.9 million (\$1.2 million local; \$2.7 million federal) in fiscal year 2026 and \$270.2 million (\$81.1 million local; \$189.1 million federal) over the financial plan.

The Department of Employment Services (DOES) sets the District's living wage on January 1 and the minimum wage on July 1 every year. If the District’s living wage is lower than the minimum wage on July 1, it is adjusted to equal the minimum wage. The District living wage on July 1, 2025, will equal the minimum wage increase to \$17.95 per hour.⁷¹ The subtitle limits cost growth by freezing wage levels for direct care professionals at 117.6 percent of the living wage on July 1, 2025⁷² instead of allowing for any wage increases on January 1, 2026 and July 1, 2026. Freezing wages generates cost savings of \$3.9 million (\$1.2 million local, \$2.7 million federal) in fiscal year 2026.

No longer requiring direct care service providers to pay enhanced wages to direct care service professionals beginning in fiscal year 2027 will result in savings of \$87.0 million in fiscal year 2027 (\$26.1 million local; \$60.9 million federal) and \$266.2 million (\$79.9 million local; \$186.4 million federal) over the financial plan.

Subtitle (V)(I) – Direct Care Professional Payment Rate Amendment Act of 2025						
Total Savings (\$ thousands)						
Agency	Funding Source	FY 2026(a)	FY 2027	FY 2028	FY 2029	Total
DHCF	Local	\$454	\$9,470	\$9,660	\$9,853	\$29,437
	Federal(b)	\$1,059	\$22,098	\$22,540	\$22,991	\$68,687
	Total	\$1,513	\$31,568	\$32,200	\$32,844	\$98,124

⁶⁹ Pursuant to D.C. Official Code § 32-1003.

⁷⁰ Pursuant to D.C. Code § 2-220.01 et seq.

⁷¹ [DOES 2025 Minimum Wage Increase Notice](#).

⁷² 117.6 percent of \$17.95 is \$21.11 per hour.

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Subtitle (V)(J) – Direct Care Professional Payment Rate Amendment Act of 2025						
Total Savings (\$ thousands)						
Agency	Funding Source	FY 2026^(a)	FY 2027	FY 2028	FY 2029	Total
DDS	Local	\$705	\$16,634	\$16,967	\$17,306	\$51,613
	Federal ^(b)	\$1,645	\$38,813	\$39,590	\$40,382	\$120,429
	Total	\$2,349	\$55,448	\$56,557	\$57,688	\$172,042
Total Savings		\$3,862	\$87,016	\$88,756	\$90,532	\$270,166

Table Notes:

- a) Fiscal year 2026 only includes nine months of provider payments since advanced direct payments were made to providers in fiscal year 2025 for all of calendar year 2025.
- b) Assumes 70 percent Federal Medical Assistance Percentage (FMAP).

Subtitle (V)(K) – Homeless Services Reform Amendment Act of 2025

Background

First, the subtitle requires clients in the Department of Human Services (DHS) Rapid Rehousing Program (RRP) to be exited at the end of the time limit for the program, which may be established by the Mayor by rule so long as it is not shorter than 12 months. Clients who have already received a notice of exit prior to the effective date of the Fiscal Year 2026 Budget Support Emergency Act must exit the program after 24 months of benefits or by September 30, 2025. The exits must occur regardless of any pending administrative review, fair hearing, or other appeal. The Mayor may set, by regulation, processes for extension of services but determinations to consider extending a client’s time limit in RRP does not need to be made on an individual basis, and extensions of time limits on the basis of unavailability of funds will be made by the DHS Director.

Second, the Mayor’s proposed budget had planned for use of shelter space for families in a congregate setting to address the demand for shelter, especially during peak demand. The subtitle removes the allowance for family shelters to use congregate settings, maintaining the status quo of requiring private settings for families in shelter. However, removing the congregate setting option means that approximately 180 shelter slots the Mayor’s budget had planned to use for families during hypothermia season are no longer available. The Council’s budget covers the last shelter slots by providing additional funding for DC Flex and housing vouchers per the chart below.

Lastly, the subtitle removes the requirement that case management services automatically be provided to individuals or families participating (or eligible for) the Rapid Re-Housing program. Participants may affirmatively request to receive the services, but they are not required to do so, and DHS is not required to provide the service.

Financial Plan Impact

It is expected that DHS will reduce the total number of participants in RRP by exiting participants who have exceeded 24 months of benefits by September 30, 2025. DHS estimates they will reduce net agency spending in fiscal year 2026 by \$7.98 million and \$64.9 million over the four-year budget and financial plan, by either reducing the number of clients served overall, or by directing them to

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other budgeted programs. The savings is included in the proposed budget and financial plan per the chart below. The estimated savings will likely need to be refined as information on overall participation and exiting of clients in fiscal year 2026 progresses, and engagement of participants in other DHS programs may increase.

The savings from reduced case management services being provided is calculated by looking at estimated case management participants, excluding about 80 percent of those receiving Temporary Assistance for Needy Families, and assuming an estimated 20 percent will opt-in to the program. Under the subtitle, however, DHS is not required to provide the service to the 20 percent.

Further, the current budget includes funding for DC Flex and vouchers to assist with placement of families entering emergency shelter, when shelters are at capacity, and congregate settings cannot be used. It is estimated that approximately 170 additional families in emergency shelter would need to be assisted in another capacity without the use of congregate emergency settings under the Mayor’s plan. To assist an estimated 170 additional families the budget covers costs for 20 D.C. Flex Slots, 20 Permanent Supporting Housing Family (PSH-F) Vouchers, and 160 Targeted Affordable Housing for Families (TAH-F) Vouchers, as follows. Additionally, DHS requires eight FTEs to provide required services associated with the vouchers. These savings and costs are provided in the charts below.

Subtitle (V)(K) – Homeless Services Reform Amendment Act of 2025					
Total Savings					
(\$ thousands)					
	FY 2026	FY 2027	FY 2028	FY 2029	Total
Savings in the DHS Rapid Rehousing Program	\$7,980	\$19,753	\$18,610	\$18,610	\$64,953
Savings from the elimination of mandatory case management services	\$9,115	\$5,000	\$4,766	\$4,766	\$23,652
TOTAL	\$17,095	\$24,753	\$23,376	\$23,376	\$88,600

Subtitle (V)(K) – Homeless Services Reform Amendment Act of 2025					
Total Costs – Private Rooms					
(\$ thousands)					
	FY 2026	FY 2027	FY 2028	FY 2029	Total
DC Flex (20 slots)	\$201				\$201
PSH-F Vouchers (20)	\$940	\$959	\$978	\$998	\$3,877
TAH-F Vouchers (160)	\$6,096	\$6,218	\$6,342	\$6,468	\$25,124
Salaries ^(a)	\$698	\$712	\$726	\$741	\$2,877
Fringe ^(b)	\$179	\$183	\$187	\$192	\$740
TOTAL	\$8,114	\$8,072	\$8,235	\$8,400	\$32,821

Table Notes:

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- a) 8 FTEs with salary growth of 2.1 percent in fiscal year 2027 and 2 percent in fiscal years 2028 and 2029.
- b) Assumes fringe benefits of 25.5 percent and a growth rate of 2.4 percent in fiscal year 2027 and 2.35 percent in fiscal years 2028 and 2029.

Subtitle (V)(L) – Healthy DC and Health Care Expansion Fund Amendment Act of 2025

Background

The subtitle eliminates⁷³ the required \$5.57 million transfer from the Healthy DC and Health Care Expansion Fund to Local Funds in fiscal year 2025. The subtitle is applicable as of September 18, 2024.

Financial Plan Impact

The subtitle reduces Local revenue by \$5.57 million in fiscal year 2025 and increases the Healthy DC and Health Care Expansion Fund revenue by the same amount.

Subtitle (V)(M) – Department of Youth Rehabilitation Services Pilot Programs Establishment Amendment Act of 2025

Background

The subtitle establishes⁷⁴ a pre-apprenticeship pilot program at the Department of Youth Rehabilitation Services (DYRS) in fiscal year 2026 to train youth at New Beginnings and establishes a one-year pilot program at DYRS to support youth re-entry services.

Financial Plan Impact

The fiscal year 2026 budget includes \$300,000 in one-time Local funding for the pre-apprenticeship pilot program and \$500,000 in one-time Local funding for a one-year pilot program that supports youth re-entry services.

⁷³ By amending Section 15b(d) of 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(d)).

⁷⁴ By amending The Department of Youth Rehabilitation Services Establishment Act of 2004, effective April 12, 2005 (D.C. Law 15-335; D.C. Official Code § 2-1515.01 et seq.).

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Subtitle (V)(N) – Child Support Reform Amendment Act of 2025

Background

Under current law⁷⁵, up to \$150 per month of child support payments for families that receive benefits from the Temporary Assistance for Needy Families program (TANF) go to the affected families, while the remainder goes to reimburse the government. The subtitle increases the amount that can be given directly to families from \$150 to \$200 per month.

The subtitle also makes a conforming technical change to make sure the increased pass through does not affect the calculation of a family’s TANF benefit.

Financial Plan Impact

The Office of the Attorney General (OAG) collects the child support payments and divides what is not passed through to families between the federal and District governments. The increase in the pass-through maximum will cost OAG \$150,000 per year.

Subtitle (V)(N) – Child Support Reform Amendment Act of 2025					
(\$ thousands)					
	FY 2026	FY 2027	FY 2028	FY 2029	Total
Cost of the increased pass-through to OAG	\$150	\$150	\$150	\$150	\$600

Subtitle (V)(O) – Truancy Pilot Expansion Amendment Act of 2025

Background

The subtitle extends the authorization⁷⁶ of the Truancy Reduction Pilot Program operated by the Department of Human Services (DHS) through fiscal year 2026. The subtitle requires the Mayor to identify at least 10 schools with truancy rates greater than 35 percent last year to participate in the truancy pilot with DHS during the 2025-2026 school year. One of the schools must be a middle school. The schools must be notified 10 days prior to the first day of school instruction that they have been selected to participate. Participating schools must refer a student aged 14 through 17 to DHS no later than two school days after the accrual of 15 unexcused absences. Schools must refer students aged 10 through 13 to DHS within two days after the accrual of ten unexcused absences. The subtitle also requires DHS to report on the program by March 31, 2026.

The subtitle also authorizes DHS and the Metropolitan Police Department to enter into an agreement to share information related to students’ delinquency status.

⁷⁵ D.C. Official Code § 4-205.19(c)(5).

⁷⁶ D.C. Act 26-102, “Pilot Truancy Reduction Temporary Amendment Act of 2025”, (72 DCR 007686), projected law date September 30, 2025, would extend the authorization through February 2026.

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Financial Plan Impact

The fiscal year 2026 budget provides for 24 positions in the Department of Human Services to operate the program costing \$2.3 million in fiscal year 2026 and \$9.5 million over the four-year budget and financial plan.

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Subtitle (V)(O) – Truancy Pilot Expansion Amendment Act of 2025					
(\$ thousands)					
	FY 2026	FY 2027	FY 2028	FY 2029	Total
Salary ^(a)	\$1,840	\$1,879	\$1,917	\$1,955	\$7,593
Fringe ^(b)	\$471	\$482	\$493	\$505	\$1,953
Total	\$2,312	\$2,362	\$2,411	\$2,460	\$9,546

Table Notes:

- a) 24 FTEs with salary growth of 2.1 percent in fiscal year 2027 and 2 percent in fiscal years 2028 and 2029.
b) Assumes fringe benefits of 26 percent and a growth rate of 2.4 percent in fiscal year 2027 and 2.35 percent in fiscal years 2028 and 2029.

Subtitle (V)(P) – Department of Health Licensure Pathways Amendment Act of 2025

Background

The subtitle establishes⁷⁷ a Health Licensure Pathways program at DC Health beginning on October 1, 2025 to assist internationally trained health professionals and provide guidance on the licensure application process, information on examinations, educational requirements, training requirements, assistance with accessing resources for language support, and exam preparation.

Financial Plan Impact

DC Health requires one additional Program Coordinator and IT supplies to implement the program. The fiscal year 2026 DC Health budget funds these costs by including \$133,000 in fiscal year 2026 and \$536,000 over the financial plan.

Subtitle (V)(P) – Department of Health Licensure Pathways Amendment Act of 2025					
Total Cost					
(\$ thousands)					
	FY 2026	FY 2027	FY 2028	FY 2029	Total
Salary ^(a)	\$104,168	\$106,356	\$108,483	\$110,652	\$429,658
Fringe ^(b)	\$24,688	\$25,280	\$25,874	\$26,482	\$102,325
IT Supplies ^(c)	\$4,000	\$0	\$0	\$0	\$4,000
Total	\$132,856	\$131,636	\$134,357	\$137,135	\$535,983

Table Notes:

- a) Assumes one Grade 12, Step 5 Program Coordinator and salary growth of 2.1 percent in fiscal year 2027 and 2 percent in fiscal years 2028 and 2029.

⁷⁷ By amending The Department of Health Functions Clarification Act of 2001, effective October 3, 2001 (D.C. Law 14-28; D.C. Official Code § 7-731 et seq.).

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- b) Assumes fringe benefits of 23.7 percent and a growth rate of 2.4 percent in fiscal year 2027 and 2.35 percent in fiscal years 2028 and 2029.
- c) Assumes one-time IT supply purchase in fiscal year 2026.

Subtitle (V)(Q) – Grocery Access Pilot Program Establishment Amendment Act of 2025

Background

The subtitle extends⁷⁸ a grocery access pilot grant program to provide up to 1,000 eligible District residents with membership to a grocery delivery service at no cost for an additional year.

Financial Plan Impact

The fiscal year 2026 DC Health budget includes \$120,000 in one-time Local funds to continue the grocery access pilot program.

Subtitle (V)(R) – School-Based Behavioral Health Program Strengthening Amendment Act of 2025

Background

The subtitle requires⁷⁹ the Department of Behavioral Health (DBH) to award school-based behavioral health program grants to community-based organizations in an amount of no less than \$120,000 per school-based clinician. DBH must award a total of \$16.3 million in grants in fiscal year 2026 and prioritize applicants who previously provided school-based behavioral health services. The subtitle also limits how DBH can restrict the use of grant funds. Each grantee must report to DBH on the activities, services provided, and individuals served. The report must include the salary information for each clinician and supervisor funded by the program. DBH must also submit to the Council and the Mayor a comprehensive plan outlining DBH’s strategy for strengthening and improving the program by October 15, 2025.

Financial Plan Impact

The fiscal year 2026 budget includes \$25.4 million for the school-based behavioral health program including \$16.7 million for community-based organization clinical supports. Establishing a base line salary for each clinician does not require additional resources. DBH can provide the required grant oversight and reporting requirements with funds included in the fiscal year 2026 budget.

⁷⁸ By amending The Department of Health Functions Clarification Act of 2001, effective October 3, 2001 (D.C. Law 14-28; D.C. Official Code § 7-731 et seq.).

⁷⁹ By amending Section 115b of the Department of Mental Health Establishment Amendment Act of 2001, effective June 7, 2012 (D.C. Law 19-141; D.C. Official Code § 7-1131.17).

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Subtitle (V)(S) – Substance Use and Behavioral Health Services Targeted Outreach Grant Act of 2025

Background

The subtitle requires DBH to provide grants to non-governmental organizations by October 31, 2025 to provide direct support, relationship development, and resource brokering to individuals in need of substance abuse services and behavioral health services at sites with high drug activity. DBH must issue the following grants to support services at the specified locations:

- \$800,000 from the Opioid Abatement Fund for:
 - The vicinity of the 600 block of T Street, NW;
 - The vicinity of the 1300-1700 blocks of North Capitol Street, NW and 1600-1700 blocks of Lincoln Road, NE;
 - The vicinity of the 3800-4000 blocks of Minnesota Avenue, NE; and
 - The vicinity of the 1300-1800 blocks of Marion Barry Avenue, SE;
- \$200,000 for a one-time grant for services in the vicinity of King Greenleaf Recreation Center located at 201 N Street, SW; and
- \$750,000 in recurring grant funding for services at the following areas in Ward 1:
 - Columbia Heights Civic Plaza;
 - The intersection of Mount Pleasant Street, NW and Kenyon Street, NW;
 - Georgia Avenue, NW, between New Hampshire Avenue, NW, and Harvard Street, NW; and
 - U Street, NW, between 14th Street, NW and Georgia Avenue, NW.

The not-for-profit organizations awarded these grants must report to DBH by November 20, 2026 on the impact of the programs, including but not limited to the number of individuals served, harm reduction supplies distributed, and number of education sessions delivered to target populations.

Financial Plan Impact

The fiscal year 2026 DBH budget includes \$1 million (including \$800,000 from the Opioid Abatement Fund) in one-time grant funding for not-for-profit organizations to complete targeted substance abuse and behavioral health outreach in specific locations. The fiscal year 2026 budget and financial plan includes \$750,000 in recurring funding to complete targeted substance abuse and behavioral health outreach in Ward 1.

Subtitle (V)(T) – Opioid Abatement Directed Funding and Opioid Abatement Advisory Commission Structure Amendment Act of 2025

Background

The subtitle directs⁸⁰ the spending of \$2.107 million in the Opioid Abatement Fund to be used for certain purposes. Specifically, the subtitle directs spending of:

- \$800,000 for behavioral health and substance abuse targeted outreach services (Subtitle V-S);

⁸⁰ By amending Section 5012 of the Opioid Abatement Fund Establishment Act of 2022, effective September 21, 2022 (D.C. Law 24-167; D.C. Official Code § 7-3221).

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- \$400,000 to the Office of the Chief Medical Examiner for the purpose of enabling the testing of illicit drug misuse and the development of novel testing methods for opioids; and
- \$907,000 to the Department of Behavioral Health to support the Superior Court mental health urgent care clinic in fiscal year 2026.

The subtitle changes the composition of the Opioid Abatement Advisory Committee and provides for governance reforms, including reducing the size of the Opioid Abatement Advisory Commission from 21 to 15 members and clarifying membership categories.

Financial Plan Impact

The Opioid Abatement Fund, administered by the Department of Behavioral Health, is projected to have a balance of \$16 million in fiscal year 2026. There is sufficient funding in the Fund to support \$2.107 million of directed spending.

Subtitle (V)(U) – Long-Term Care Strategic Coordinator Amendment Act of 2025

Background

This subtitle establishes⁸¹ within the office of the Deputy Mayor for Health and Human Services (DMHHS) a Long-Term Care Strategic Coordinator position. The person in the position will:

- Coordinate the Age-Friendly DC program;
- Track the long-term care services provided by agencies under the purview of DMHHS;
- Use data to develop a strategy to improve and increase the capacity of the long-term care services workforce to meet the District’s needs;
- Identify and reduce duplication of work across District agencies; and
- Perform other duties relevant to support the long-term care workforce.

Financial Plan Impact

The fiscal year 2026 budget and financial plan repurposes a budgeted vacant position within DMHHS to establish the Long-Term Care Strategic Coordinator.

Subtitle (V)(V) – Health Care and Public Benefits Ombudsman Program Amendment Act of 2025

Background

The subtitle expands⁸² the scope of the Health Care Ombudsman and Bill of Rights Program at the Department of Health Care Finance by allowing the program to counsel and assist individuals

⁸¹ By amending The Study of Long-Term Care Facilities and Long-Term Care Services Act of 2018, effective March 13, 2019 (D.C. Law 22-238; D.C. Official Code § 7-681 et seq.).

⁸² By amending The Health Care Ombudsman Program Establishment Act of 2004, effective April 12, 2005 (D.C. Law 15-331; D.C. Official Code § 7-2071.01 et seq.).

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applying for, currently receiving, or adversely impacted by public benefits determination administered by the Economic Services Agency within the Department of Human Services. The subtitle also changes the program's name to the Health Care and Public Benefits Ombudsman Program.

Financial Plan Impact

The fiscal year 2026 budget and financial plan includes \$173,000 (\$95,000 local, \$78,000 federal) in fiscal year 2026 and \$703,000 (\$392,000 local; \$311,000 federal) over the financial plan to implement the subtitle. The Health Care and Public Benefits Ombudsman Program must hire two additional Management Analysts to respond to an expected increase in cases due to the office’s expanded scope of practice.

Subtitle (V)(V) – Health Care and Public Benefits Ombudsman Program Amendment Act of 2025					
Total Cost					
	FY 2026	FY 2027	FY 2028	FY 2029	Total
Local	\$95,002	\$97,051	\$99,056	\$101,103	\$392,212
Federal Match	\$77,729	\$77,729	\$77,729	\$77,729	\$310,916
Total	\$172,731	\$174,780	\$176,785	\$178,832	\$703,129

Table Notes:

- a) Assumes salary growth of 2.1 percent in fiscal year 2027 and 2.0 percent in fiscal years 2028 and 2029.
- b) Assumes a fringe rate of 23.2 percent and fringe growth rate of 2.4 percent in fiscal year 2027 and 2.35 percent in fiscal years 2028 and 2029.
- c) Assumes federal match of 45 percent.

Subtitle (V)(W) – DHS Grant Act of 2025

Background

The subtitle requires the Department of Human Services (DHS) to issue in fiscal year 2026 a \$250,000 grant to the nonprofit A Wider Circle to support its work providing furniture and home goods to low-income individuals and families.

Financial Plan Impact

The fiscal year 2026 budget includes one-time funding of \$250,000 at DHS for the subtitle’s required grant.

Subtitle (V)(X) – Body Art Regulation Clarification Amendment Act of 2025

Background

The subtitle clarifies⁸³ that the Department of Licensing and Consumer Protection (DLCP) regulates the licensing and registration of body artists and body art establishments. The subtitle clarifies that

⁸³ By amending Section 47-2853.76b of the District of Columbia Official Code.

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DC Health must regulate body art establishments to ensure that the establishments have adequate health, sanitization, sterilization, and safety methods, procedures, equipment, and supplies.

Financial Plan Impact

The subtitle does not impact the fiscal year 2026 budget and financial plan. DLCP and DC Health already regulate body artists and body art establishments in this manner. The subtitle reverses provisions that were set to go into effect on October 1, 2025, to maintain current practices.

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TITLE VI – OPERATIONS AND INFRASTRUCTURE

Subtitle (VI)(A) – District Department of Transportation Fee Update Amendment Act of 2025

Background

The District Department of Transportation (DDOT) permits residents and businesses to place or have placed in public space a dumpster allowing for the disposal of construction debris. DDOT charges monthly fees for these permits that increase based on the length of time the dumpster occupies public space and that are higher for dumpsters in residentially zoned areas as opposed to commercially zoned areas.

The subtitle increases the dumpster permit fees and accelerates the schedule for when a higher fee is implemented. The subtitle also imposes one fee regardless of whether the dumpster is in a residential or commercial zone. The following chart outlines the permit fees for the first six months that a dumpster occupies public space.

Month	Current Residential	Current Commercial	Proposed All Locations
1	\$75	\$75	\$75
2	\$75	\$75	\$150
3	\$75	\$75	\$225
4	\$125	\$100	\$225
5	\$125	\$100	\$300
6+	\$200	\$150	\$450 ^a

Table Notes

a) The subtitle’s proposed fee adds \$150 for each month of occupancy over five months.

Financial Plan Impact

DDOT issues approximately 1,000 public space occupancy permits for dumpsters annually. These permits vary in length from one month to six or more with nearly 80 percent lasting for three months or less. The increased and accelerated permit fees will generate for local funds approximately \$82,000 annually in additional public space occupancy revenues.

Subtitle (VI)(B) – Department of Motor Vehicles Fee Update Amendment Act of 2025

Background

The Department of Motor Vehicles (DMV) provides a wide range of vehicle, driver, and other services to District residents and businesses. DMV charges a fee for each of its services, including parking permits, vehicle registration fees, and car dealer services.

The subtitle increases several DMV fees for certain special parking passes, dealer certificates and tags, some transfer fees, and driver’s license and vehicle registration reinstatement fees. Many of these changes result in fee increases ranging from \$2 to \$17, but apply to limited users of DMV services. Two of the broader changes are to vehicle registration fees and residential permit parking fees. These changes, which are both fee increases and decreases, are outlined in the charts below.

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DMV Registration Fee Class	Current Fee	Proposed Fee
Passenger Class I	\$72	\$70
Passenger Class II	\$175	\$175
Passenger Class III	\$250	\$300
Passenger Class IV	\$500	\$550 (+ \$75/1,000 lbs. over 10,000 lbs.)
Passenger Class V	\$36	\$40
Passenger Class VI	\$72	\$70
Commercial Class I	\$125	\$115
Commercial Class II	\$175	\$225
Commercial Class III ^a	\$250	\$325
Commercial Class IV ^a	\$250	\$450
Commercial Class V	\$500	\$700
Commercial Class VI (8,000-9,999 pounds)	\$500	\$800 (+ \$100/1,000 lbs. over 8,000 lbs.)
Commercial Class VI (10,000 pounds or greater)	\$700 (+ \$50/1,000 lbs. over 10,000 lbs.)	\$800 (+ \$100/1,000 lbs. over 8,000 lbs.)
Trailer Class I (1,499 pounds or less)	\$50	\$85
Trailer Class I (1,500-3,499 pounds) ^b	\$150	\$85
Trailer Class II	\$275	\$175
Trailer Class III ^c	\$500	\$275
Trailer Class IV ^c	\$500	\$400
Trailer Class V	\$700	\$650
Trailer Class VI (8,000-9,999 pounds)	\$700	\$750 (+ \$75/1,000 lbs. over 8,000 lbs.)
Trailer Class VI (10,000 pounds or greater)	\$850 (+ \$75/1,000 lbs. over 10,000 lbs.)	\$750 (+ \$75/1,000 lbs. over 8,000 lbs.)

Table Notes

- The subtitle splits the current Commercial Class III vehicles, which span 5,000 to 6,999 pounds, into two classes of 5,000 to 5,999 pounds and 6,000 to 6,999 pounds (new Class IV).
- Trailers weighing between 1,500 and 3,499 are currently Class II vehicles, but are consolidated into Class I under the subtitle.
- The subtitle splits the current Trailer Class III vehicles, which span 5,000 to 6,999 pounds, into two classes of 5,000 to 5,999 pounds and 6,000 to 6,999 pounds (new Class IV).

Residential Parking Permit	Current Fee	Proposed Fee
First vehicle	\$50	\$55
Second vehicle	\$75	\$80
Third vehicle	\$100	\$115
Fourth and subsequent vehicles	\$150	\$175
Senior vehicles	\$35	\$35

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Financial Plan Impact

Nearly 200,000 District residents or businesses annually avail themselves of the DMV services for which the subtitle adjusts fees. These changes will increase Local revenues by \$844,000 in fiscal year 2026 and \$4.5 million over the four-year financial plan period. Some of the changes require reprogramming and updating DMV’s licensing and registration system. The system updates will cost \$500,000 in fiscal year 2026 and \$606,000 over the four-year financial plan period.⁸⁴

Subtitle VI(B) – Department of Motor Vehicles Fee Update Amendment Act of 2025					
Revenue and Cost Implications					
Fiscal Year 2026 – Fiscal Year 2029					
(\$ thousands)					
	FY 2026	FY 2027	FY 2028	FY 2029	Total
Additional Fee Revenue	\$844	\$1,203	\$1,203	\$1,203	\$4,453
System Updates	(\$500)	(\$35)	(\$36)	(\$36)	(\$606)

Subtitle (VI)(C) - Sustainable Energy Trust Fund Amendment Act of 2025

Background

The Department of Energy and Environment (DOEE) manages the Sustainable Energy Trust Fund⁸⁵ (SETF) which collects surcharges on electric, natural gas, and home heating oil providers in the District to fund energy efficiency and renewable energy projects. The SETF pays for the District’s Sustainable Energy Utility (SEU) which works to reduce energy consumption, increase renewable energy generating capacity, improve energy efficiency in buildings that support low-income residents, and support green-collar jobs in the District. The SETF also provides funding for the District’s Green Finance Authority, energy storage, residential electrification, and other District laws. In fiscal year 2025, the District increased the gas and electricity assessments, generating additional revenue for the SETF.

Currently, the SEU is funded at a minimum of \$20 million annually and allows DOEE to retain, for administrative expenses, ten percent of the greater of SETF revenues or the SEU contract level. The subtitle amends the \$20 million SEU contract minimum to be a \$19.8 million minimum in fiscal year 2026 and \$10 million in fiscal year 2027 and each fiscal year thereafter. The subtitle also sets the amount of SETF resources DOEE can use for administrative expenses at \$4,143,591 in fiscal year 2026 and \$8,532,489 each fiscal year thereafter. The subtitle also authorizes DOEE to extend the option period of the SEU contract by only one year in fiscal year 2025 or fiscal year 2026. Currently, extending an option period must be for a minimum of two years. DOEE must also commission an independent evaluation of the performance and expenditures of the SEU for \$100,000 annually. The subtitle maintains the evaluation, but repeals the requirement that DOEE spend \$100,000 on it.

⁸⁴ The system updates will take between two and five months depending on the complexity of adjusting the various fee schedules. The fiscal year 2026 revenue reflects the delayed collections to accommodate these updates.

⁸⁵ Clean and Affordable Energy Act of 2008, October 22, 2008 (D.C. Law 17-250; D.C. Official Code § 8-1774.10).

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The CleanEnergy DC Omnibus Act (Act) increased SETF assessments starting in fiscal year 2020 and dedicated thirty percent of the new revenues created by the Act to fund programs to benefit low-income residents, workforce development, DOEE’s Sustainable Energy Infrastructure Capacity Building and Pipeline Program, and to support District government retrofit programs. The subtitle maintains the ability to expend SETF resources on these efforts, but removes the dedication of thirty percent of the new revenues created by the Act for these purposes. The subtitle maintains DOEE’s ability to use SETF resources to support residential electrification, but it more explicitly directs that SETF support to the District’s Breathe Easy Program.⁸⁶

The subtitle reduces DOEE’s annual SETF contribution to the Green Finance Authority from \$7 million to \$3.5 million, through fiscal year 2028. The subtitle also maintains support for affordable housing providers in meeting compliance with the District’s building energy performance standards, but eliminates a guaranteed \$3 million annual financial commitment for the effort.

The subtitle makes the SETF a non-lapsing special purpose revenue fund so that the SETF will retain any unexpended funds at the end of a fiscal year.

The subtitle prohibits the District from expending any SETF resources through the budget of the Department of General Services on any gas, steam, electricity, water, sustainable energy, and waste management needs.

However, the subtitle continues the District’s support of the District government’s purchase of renewable energy through purchase power agreements and general energy costs from a utility bill assessment through the establishment of the new Mayor’s Energy Surcharge Fund (“Surcharge Fund”) rather than from the SETF. The following chart outlines the changes to the District’s financial commitments to District energy costs from fiscal year 2026 through fiscal year 2029.

Fiscal Year	Current SETF Contribution	Subtitle’s Surcharge Fund Contribution
2026	\$28,891,770	\$70,101,974
2027	\$28,842,651	\$80,601,974
2028	\$28,609,863	\$80,601,974
2029	\$0	\$80,601,974

Table Note: the current SETF contributions were set when the financial plan ended in fiscal year 2028. Therefore, no contribution was expected from fiscal year 2029 at that time.

The subtitle makes the Surcharge Fund a non-lapsing special purpose revenue fund so that the SETF will retain any unexpended funds at the end of a fiscal year.

With the establishment of the new Surcharge Fund to account for the District’s financial support for the District’s energy bills from customer assessments on gas, electricity, and oil bills, the subtitle breaks the current SETF assessment into two assessments for customers. One assessment is for funds that will continue to go to the SETF and one assessment is for funds that will support the Surcharge Fund. The overall assessment that customers pay remains the same as what is currently dedicated to the SETF. The following chart outlines these assessments.

⁸⁶ Healthy Homes and Residential Electrification Amendment Act of 2024, effective July 19, 2024 (D.C. Law 25-189; D.C. Official Code § 8-1774.17).

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Assessments	Current SETF		Proposed SETF		Proposed Surcharge Fund	
	FY26	FY27	FY26	FY27	FY26	FY27
Gas	\$0.1098	\$0.1172	\$0.032668	\$0.027088	\$0.077132	\$0.090112
Electricity	\$0.00691	\$0.00721	\$0.002056	\$0.001666	\$0.004854	\$0.005544
Oil	\$0.084	\$0.084	\$0.024992	\$0.019414	\$0.059008	\$0.064586

Financial Plan Impact

The SETF is expected to generate approximately \$34.4 million in fiscal year 2026⁸⁷ while the Surcharge Fund will generate \$70.1 million. The subtitle also ensures that at least \$3.5 million of the \$27.5 million is dedicated to the Green Finance Authority.⁸⁸ The following chart outlines the allocation of SETF revenues over the fiscal year 2026 through fiscal year 2029 financial plan period.

Subtitle (VI)(C) – Sustainable Energy Trust Fund Amendment Act of 2025 SETF Resource Allocation Changes Fiscal Year 2026 – Fiscal Year 2029 (\$ thousands)					
	FY 2026	FY 2027	FY 2028	FY 2029	Total
SETF Revenues ^a	\$38,212	\$25,258	\$25,294	\$25,240	\$114,005
SETF Mandatory and Significant Expenditures					
SEU Contract	\$19,800	\$10,000	\$10,000	\$10,000	\$49,800
SEU Contract Administration	\$4,144	\$8,532	\$8,532	\$8,532	\$29,741
Green Finance Authority	\$3,500	\$3,500	\$3,500	\$0	\$10,500
Residential Electrification	\$3,413	\$1,000	\$1,000	\$1,000	\$6,413
Green Building Support	\$1,011	\$1,011	\$1,011	\$1,011	\$4,044
Remaining for Other SETF Uses	\$6,345	\$1,215	\$1,251	\$4,696	\$13,506

Table Notes

- a) SETF revenues include an annual allocation of \$1,011,000 from the Green Building Fund and an annual allocation of fiscal year 2025 SETF revenues across the financial plan in the amounts of \$3,705,961 (FY26) and \$1,292,643 (FY27, FY28, and FY29).

Subtitle (VI)(C) – Sustainable Energy Trust Fund Amendment Act of 2025 Surcharge Fund Revenue Fiscal Year 2026 – Fiscal Year 2029 (\$ thousands)					
	FY 2026	FY 2027	FY 2028	FY 2029	Total
Surcharge Fund Revenues	\$70,102	\$80,602	\$80,602	\$80,602	\$311,908

⁸⁷ This includes approximately \$1 million expected from the Green Building Fund for which the SETF receives 50 percent of the revenues per D.C. Official Code § 6–1451.07 and \$3.7 million carried forward from fiscal year 2025 resources.

⁸⁸ The \$3.5 million is an annual allocation to the Green Finance Authority.

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Subtitle (VI)(D) - Renewable Energy Portfolio Standards Amendment Act of 2025

Background

The District has a renewable energy portfolio standard (RPS) that establishes the share of electricity supplied in the District that needs to come from renewable sources, through the purchase of renewable energy credits (REC). For example, in 2026, 59 percent of electricity must come from Tier One⁸⁹ renewable sources and 5 percent from solar energy sources. Electricity suppliers that do not meet RPS must pay a compliance fee. In 2026, an electricity supplier must pay five cents for each kilowatt-hour shortfall from Tier One renewable sources and forty-four cents for each kilowatt-hour shortfall from solar sources. Compliance fees, if they are the least-cost measure to ratepayers or there are insufficient Tier One sources available, can be recovered from ratepayers through their electricity bills. These compliance fees are paid to the District and deposited into the Renewable Energy Development Fund⁹⁰ (REDF), managed by the Department of Energy and Environment. In fiscal year 2026, the Council exempted electricity sold to the District government from RPS through September 30, 2028 and prohibited the District from purchasing RECs for purposes other than meeting RPS unless District electricity purchases are first in compliance with RPS.⁹¹

The subtitle extends the exception from RPS for District government electricity sales to September 30, 2029.

Financial Plan Impact

The subtitle extends the exemption from RPS for electricity supplied to the District government through fiscal year 2029. District government energy suppliers stopped purchasing renewable energy credits or paying compliance fees in 2024 and the fiscal year 2026 through fiscal year 2029 budget and financial plan does not include funds for the District to pay these costs through their energy suppliers.

Subtitle (VI)(E) – Stormwater Fund Amendment Act of 2025

Background

The Department of Energy and Environment (DOEE) leads the District’s efforts to comply with the Municipal Separate Storm Sewer System (MS4) permit. The permit requires the District to keep trash and other pollutants out of the District’s river systems. DOEE and partner agencies perform various activities, including construction-related stormwater inspections, planting trees, installing stormwater best management practices, street sweeping, and other activities as outlined in the MS4 permit. To fund these efforts, the District imposes a stormwater fee on all District water bills, issued

⁸⁹ Tier One sources include solar, wind, geothermal, ocean, and certain biomass, methane, fuel cells, and wastewater sources.

⁹⁰ Renewable Energy Portfolio Standard Act of 2004, effective April 12, 2005 (D.C. Law 15-340; D.C. Official Code § 34-1436).

⁹¹ Renewable Energy Portfolio Standard Amendment Act of 2024, effective September 18, 2024 (D.C. Law 25-217; D.C. Official Code § 34-1432(b)).

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by DC Water. These fees are deposited into the Stormwater Permit Compliance Enterprise Fund⁹² (Fund).

The subtitle directs the use of \$5,903,293 of the Fund’s resources by the Department of Public Works (DPW) to support that agency’s stormwater management activities.

Financial Plan Impact

The fiscal year 2026 budget allocates \$5.9 million in one-time funding from the Fund’s fund balance to support DPW’s street sweeping and leaf collection programs. Under the MS4 permit, the District must sweep at least 10,932 road miles annually. The Fund generates approximately \$13 million annually in fee revenues.

Subtitle (VI)(F) – Distracted Driving Safety Amendment Act of 2025

Background

The District prohibits drivers from using a mobile telephone or other electronic device unless they are doing so with a hands-free accessory. The District imposes a \$100 fine against a driver who violates distracted driving laws.⁹³

The subtitle establishes a more expansive definition of “other electronic device” to include any handheld or portable electronic device that facilitates communication between two or more people; laptop computers; tablets; handheld computers; any device capable of playing video games, movies, videos, or other forms of entertainment; and any devices that take, transmit, or display photographs. The subtitle expands the definitions of text message, texting, and text to capture more forms of communication than may not have existed when the District’s distracted driving laws were passed in 2004.⁹⁴ The subtitle also prohibits the holding of a mobile telephone or other electronic device, in addition to the use of those devices. The subtitle ensures that the operator of a vehicle that is lawfully parked is exempt from these prohibitions.

Financial Plan Impact

The District Department of Transportation (DDOT) receives federal funding from the National Highway Traffic Safety Administration (NHTSA) to support its efforts to combat distracted driving. NHTSA offers incentive grants to jurisdictions that create awareness around distracted driving and prohibit certain distracted driving activities. The District’s laws are sufficient for DDOT to receive the portion of NHTSA funding associated with awareness, but not to receive approximately \$2 million in funds for the prohibition of certain activities. DDOT has worked with NHTSA and believes the bill will meet the NHTSA prohibition standard to receive the additional funds. DDOT will use this funding to support a dedicated traffic safety unit at the Metropolitan Police Department (MPD), which MPD estimates will cost approximately \$1.9 million. DDOT can only use the funds to support MPD after

⁹² D.C. Official Code § 8-152.02.

⁹³ For a first offense, a driver can have the \$100 fine suspended if they, subsequent to the offense, purchase a hands-free accessory.

⁹⁴ Distracted Driving Safety Act of 2004, effective March 30, 2004 (D.C. Law 15-124; D.C. Official Code § 50-1731.01 et seq.).

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the District’s law is expanded and NHTSA agrees that the District’s amended laws meet the standard for prohibiting certain distracted driving activities.

Subtitle (VI)(G) – Carrier and Vehicle for-Hire Enforcement Amendment Act of 2025

Background

The subtitle amends current law^{95,96} to subject not only taxicabs and passenger vehicles for hire, but any “vehicle for hire,” to impoundment by the Metropolitan Police Department (MPD) or other applicable authorized agent if the vehicle is:

- operated without a valid license;
- operated by an individual without a valid operator’s license/permit;
- subject to two or more unpaid notices or cumulative unpaid infractions that equal to or exceed \$400;
- not licensed for intra-District operation;
- noncompliant under District law covering compulsory/no-fault motor vehicle insurance; or
- does not comply with District inspection standards.

The subtitle updates the reference to intra-District operation to clarify that the associated vehicle is observed providing for-hire service that originates in, or occurs entirely within, the District.

The subtitle repeals annual reporting requirements for the Department of For-Hire Vehicles (DFHV) and mandates carrier-for-hire companies, by January 5, 2026, register with DFHV and the Department of Transportation (DDOT) their total number of operators utilizing in-District delivery dispatch and submit a log of delivery data covering certain criteria.⁹⁷ Further, the subtitle requires that a carrier-for-hire display a trade dress in at least one location on a motor vehicle (or, for another class⁹⁸ of delivery mode, a location subject to approval by the DFHV) no later than January 1, 2026.

Financial Plan Impact

The budget and financial plan funds technology enhancements that DFHV requires to implement the subtitle at a cost of \$190,000 in fiscal year 2026 and \$284,000 over the four-year financial plan period. DFHV also requires additional enforcement resources to support ticket processing and adjudication of \$10,000 in fiscal year 2026 and \$25,000 over the four-year financial plan period.

⁹⁵ The Taxicab and Passenger Vehicle for Hire Impoundment Act of 1992, effective March 16, 1993 (D.C. Law 9-199; D.C. Official Code § 50-331).

⁹⁶ The District of Columbia Taxicab Commission Establishment Act of 1985, effective March 25, 1986 (D.C. Law 6-97; D.C. Official Code § 50-301.01 et seq.).

⁹⁷ Certain criteria include the following categories of information for each delivery originating or terminating inside of the District: the latitude and longitude of where each delivery originated and terminated; date and time of request, pick-up, and drop-off; delivery mode by class; total miles driven, including both while enroute to a pick-up point and while enroute to a drop-off point; and additional trip data that the DFHV or DDOT deems necessary for inclusion.

⁹⁸ Class 1: Pedestrians, electric mobility devices, bicycles, electric bicycles, and e-cargo bikes; Class 2: Electrically-powered motorcycles, motor-driven cycles, and other electric-powered vehicles with no more than three wheels on the ground; Class 3: Internal-combustion engine-powered motorcycles, motor-driven cycles, and other vehicles with no more than three wheels on the ground; Class 4: All motor vehicles not classified as a Class 1, 2, or 3 delivery mode.

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Subtitle (VI)(G) – Carrier-for-Hire Regulation and Enforcement Amendment Act of 2025					
Implementation Costs					
Fiscal Year 2026 – Fiscal Year 2029					
(\$ thousands)					
	FY 2026	FY 2027	FY 2028	FY 2029	Total
System Enhancements	\$190	\$31	\$31	\$31	\$284
Enforcement	\$10	\$5	\$5	\$5	\$25
Total Costs	\$200	\$36	\$36	\$36	\$309

Subtitle (VI)(H) – Parking Enforcement Management Amendment Act of 2025

Background

The subtitle amends current law⁹⁹ to subject vehicles parked on private property under the jurisdiction or management of the District to immobilization or impoundment. The subtitle also funds certain sections of The Fraudulent Vehicle Tag and Parking Enforcement Modernization Amendment Act of 2024⁹⁹ including: a directory of all vehicle identification tags issued by U.S. states and territories; the development of a vehicle infraction point system for the purpose of determining a vehicle’s eligibility for immobilization and impoundment; and the immobilization and impoundment of vehicles assessed 10 or more vehicle infraction points. The subtitle repeals the provision permitting the towing, impoundment, or immobilization of an unattended vehicle on a public highway, that has two or more unpaid infractions or warrants, by a device that does not damage the vehicle unless it is moved as it is supplanted by the implementation of the aforementioned sections within the subtitle.

Financial Plan Impact

The budget and financial plan funds all the costs of implementing the subtitle. The subtitle requires the Department of Motor Vehicles (DMV) to develop a parking tag database that will cost \$350,000 in fiscal year 2026 and \$455,000 over the four-year financial plan period. The Department of Public Works (DPW) requires \$115,000 in fiscal year 2026 and \$151,000 over the four-year financial plan period to connect to the DMV database and ensure the information is available to enforcement officers. The combined cost of operationalizing the database is \$465,000 in fiscal year 2026 and \$606,000 over the four-year financial plan period.

Coordination across agencies utilizing Automated License Plate Reader (ALPR) will require technology updates to allow for interagency cooperation and alignment of policies and procedures at a cost of \$233,000 in fiscal year 2026 and \$305,000 over the four-year financial plan period to implement this provision.

Finally, the subtitle’s vehicle point system provisions will cost \$748,000 at DMV for personnel and associated system updates in fiscal year 2026, and \$1,824,000 across the financial plan.

⁹⁹, D.C. Law 25-325, effective May 2, 2025 (, D.C. Official Code § 50-2431 et seq.).

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Subtitle (VI)(H) - Parking Enforcement Management Amendment Act of 2025					
Implementation Costs					
Fiscal Year 2026 – Fiscal Year 2029					
(\$ thousands)					
	FY 2026	FY 2027	FY 2028	FY 2029	Total
Parking Tag Database Development Costs	\$465	\$47	\$47	\$47	\$606
ALPR Coordination	\$233	\$24	\$24	\$24	\$305
Vehicle Point System					
DMV System Updates	\$450	\$45	\$46	\$47	\$588
DMV Personnel	\$298	\$306	\$312	\$320	\$1,236
TOTAL COSTS	\$1,446	\$422	\$429	\$438	\$2,735

Subtitle (VI)(I) – WMATA Board of Directors Stipend Amendment Act of 2025

Background

The Washington Metropolitan Area Transit Authority (WMATA) member jurisdictions each appoint two directors the WMATA Board of Directors and two alternate directors. The member jurisdictions include the federal government, District of Columbia, State of Maryland, and Commonwealth of Virginia.

The subtitle authorizes the District to pay a stipend to members of the WMATA Board of Directors in the amount of \$20,000 annually to each principal director and \$250 per day to each alternate director when the alternate director serves in place of a principal director.

Financial Plan Impact

The fiscal year 2026 through fiscal year 2029 budget and financial plan provides \$40,000 annually to support stipends for the principal directors appointed to the WMATA Board of Directors by the District of Columbia.

Subtitle (VI)(J) – Public Restroom Facility Program Establishment Amendment Act of 2025

Background

The subtitle establishes a permanent program to provide public restroom facilities by directing the Department of Public Works (DPW) to enter into a contract with a company that has the capability to install Americans with Disabilities Act compliant portable public restrooms that have running water, but do not require connection to the municipal water system to operate; are relocatable at the direction of the DPW Director; and have remote monitoring and automated access. Initially, but subject to funding, the facilities must be installed at six specified locations and within four distinct geographic boundaries. The company is to provide 24-hour maintenance and collect data as the basis for monthly reports submitted to the DPW. The Director may relocate the restrooms as long as prioritization is based off the public restroom/facility pilot report issued pursuant to D.C. Official

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Code § 10-1052. To support additional public restrooms, the Director is granted the authority to enter into MOUs with third-parties. The Mayor is also provided rulemaking authority for implementation.

Financial Plan Impact

The fiscal year 2026 budget includes a one-time \$800,000 appropriation, and a recurring \$315,408 allocation, to the DPW to fund 1.0 FTE to oversee the program and to provide contract funding for the provision of facilities. The fiscal year 2026 contract has funding available for expanding the program to ten facilities. Funding for fiscal year 2027 through fiscal year 2029 is only sufficient for two facilities.

Public Restroom Facility Program Establishment Amendment Act of 2025 Implementation Costs Fiscal Year 2026 – Fiscal Year 2029 (\$ thousands)					
	FY 2026	FY 2027	FY 2028	FY 2029	Total
Facilities	\$1,000	\$204	\$208	\$212	\$1,624
DPW Personnel	\$115	\$117	\$120	\$122	\$476
Total Costs	\$1.115	\$321	\$328	\$335	\$2,100

Subtitle (VI)(K) – Home Electrification Program Amendment Act of 2025

Background

In 2024, the Council approved the Breathe Easy Program (Program) within the Department of Energy and Environment (DOEE) to provide financial support to low- and moderate-income households to electrify their home appliances. The Program requires DOEE to provide no-cost electrification retrofits to over 30,000 low-income households by December 31, 2040. In fiscal year 2024, Council authorized DOEE’s Sustainable Energy Trust Fund (SETF) to expend resources in support of residential appliance conversions from gas to electric, effectively funding the Program’s mandates.

The subtitle maintains the Program’s timeline to convert low-income households and requirement to train industry workers, but clarifies that these activities can only be performed to the extent that funding is available. The subtitle makes permissive a current requirement that DOEE partner with nonprofit organizations to provide training and education to businesses and individuals.

Financial Plan Impact

The fiscal year 2026 budget provides \$3.4 million for electrification retrofits from SETF. The financial plan also provides \$1 million annually from SETF beginning in fiscal year 2027. The subtitle’s language ensures that DOEE can complete electrification retrofits to the extent the agency is able within the allocated funding, even if the funding is insufficient to complete all the required retrofits.

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Subtitle (VI)(L) - PLAZA Program Implementation Schedule Amendment Act of 2025

Background

In 2024, the Council approved the Public Life and Activity Zones Amendment Act (Act) to identify and study closing three corridors in the District that would be suitable for closure to vehicular traffic for 24 cumulative hours each week. The Act directed the Mayor to close one of the corridors by October 1, 2026 and then include the closure of the other two corridors in their long-term transportation plans. The Act authorized the Mayor to issue up to \$2 million in grants to support businesses and other needs related to the corridor closings.

The subtitle delays several of the deadlines related to the reporting and implementation of the roadway closures to account for the fact that the District Department of Transportation (DDOT) will receive funding to implement the Act’s provisions for the first time on October 1, 2025. The subtitle delays from December 31, 2025 to December 31, 2026 the date by which DDOT should deliver a report identifying three corridors suitable for closure to vehicular traffic. The subtitle delays from March 31, 2026 to March 31, 2027 the date by which DDOT must announce the first corridor chosen and from October 1, 2026 to October 1, 2027 the date by which DDOT must implement the closure of the selected corridor. The subtitle delays the requirement for DDOT to issue grants and make and implement new traffic infrastructure from March 31, 2026 to March 31, 2027. Lastly, the subtitle delays from October 1, 2027 to October 1, 2028 the date by which DDOT must include the closures of the remaining two identified corridors from its report in the District’s Multimodal Long-Range Transportation Plan.

Financial Plan Impact

The fiscal year 2026 through fiscal year 2029 budget and financial plan funds the Act,¹⁰⁰ except for the grant program, which remains subject to appropriations. The subtitle’s delays will align the program’s implementation of the affected provisions with the funding that has been provided in the fiscal year 2026 budget according to the following chart.

Subtitle (VI)(L) – PLAZA Program Implementation Funding Amendment Act of 2025					
Funded Provisions of D.C. Law 25-312^a					
Fiscal Year 2026 – Fiscal Year 2029					
(\$ thousands)					
	FY 2026	FY 2027	FY 2028	FY 2029	Total
Personnel	\$112	\$114	\$117	\$119	\$462
Lost Meter Revenue	\$0	\$161	\$161	\$161	\$483
Street Closure Needs	\$0	\$231	\$236	\$241	\$708
Total Costs	\$112	\$506	\$514	\$521	\$1,653

Table Notes:

- a) This chart represents only those elements funded related to the corridor closures and not other provisions of D.C. Law 25-312 also funded in the fiscal year 2026 budget, but unrelated to Subtitle (VI)(L).

¹⁰⁰ See also Subtitle (VII)(M) of this Budget Support Act.

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Subtitle (VI)(M) – Clean City Office Establishment Amendment Act of 2025

Background

The subtitle amends current law¹⁰¹ to establish an Office of the Clean City within the Department of Public Works (DPW), headed by a Clean City Coordinator (Coordinator) appointed by the Mayor, and charged with conducting quarterly cleanliness assessments; partnering with agencies/entities that have cleanliness operational responsibility; assisting with solid waste container infrastructure innovation; advocating for existing law/regulation enforcement; soliciting stakeholder feedback and involvement; and formulating fundraising strategies. Subject to funding, the Coordinator may issue grants to support public space cleaning efforts.

The Mayor's Office of the Clean City (MOCC) was established in March 2001 via Mayor’s Order 2001-31.¹⁰² It is housed in the Executive Office of the Mayor to serve as the central point of contact within the administration to “cleanup [...] and maintain [the District’s] cleanliness.” DPW is charged with executing agreements with agencies that participate in the Mayor’s Clean City Initiative to support the program.

Financial Plan Impact

The budget transfers two FTEs currently in the Executive Office of the Mayor to DPW and funds the positions within DPW.

¹⁰¹ The Sustainable Solid Waste Management Amendment Act of 2014, effective February 26, 2015 (D.C. Law 20-154; D.C. Official Code § 8-1031.01 et seq.).

¹⁰² Office of the Secretary of the District of Columbia, Office of Documents and Administrative Issuances. (2001, March 1). Establishment - District of Columbia Office of the Clean City Coordinator. Retrieved from District of Columbia Municipal Regulations and District of Columbia Register: <https://dcregs.dc.gov/Common/NoticeDetail.aspx?noticeId=N0007655>

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TITLE VII – FINANCE AND REVENUE

Subtitle (VII)(A) - Sales Tax Increase Delay Amendment Act of 2025

Background

The District imposes a 6.0 percent tax on the sale and use of tangible personal property and selected services.¹⁰³ Under the Fiscal Year 2025 Budget Support Act of 2024, increases in this “general rate” sales tax were scheduled to go into effect in fiscal year 2026 (to 6.5 percent) and again for fiscal year 2027 (to 7.0 percent). The subtitle repeals the 6.5% increase for fiscal year 2026. The increased rate for fiscal year 2027 is not affected by the subtitle.

Financial Plan Impact

By forgoing part of the tax increase that was included in the fiscal year 2025 through fiscal year 2028 approved budget and financial plan, the subtitle decreases Local Fund sales tax revenue by \$67.5 million in fiscal year 2026 only. The impact of this revenue reduction is included in the proposed fiscal year 2026 through fiscal year 2029 budget and financial plan.

Subtitle (VII)(B) - Baby Bonds Amendment Act of 2025

Background

The Child Wealth Building Act of 2021¹⁰⁴ established a Child Trust Fund, a District-funded special fund for children born in the District who are covered by Medicaid to receive funds for educational and certain other purposes upon turning 18. The Fiscal Year 2025 Budget Support Act of 2024 allocated tax revenue from sports gaming to the Trust Fund. The subtitle repeals the Child Wealth Building Act of 2021 and repeals the dedication of sports wagering tax revenue to the Child Trust Fund.¹⁰⁵ The subtitle is effective September 30, 2025.

Financial Plan Impact

By repealing the dedication to the Child Trust Fund, the subtitle increases sports wagering tax revenue available for Local Funds by \$16.2 million in fiscal year 2025 and a total of \$85.0 million across the financial plan. Since there were no children old enough to be eligible for payouts from the fund during the financial plan period, there are no budget reductions from the subtitle.

Subtitle (VII)(B) – Baby Bonds Amendment Act of 2025						
	(\$ thousands)					
	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Local Fund Revenue Increase	\$16,196	\$16,346	\$16,497	\$16,650	\$19,341	\$85,030

¹⁰³ D.C. Official Code § 47-2002(a) and § 47-2202(a).

¹⁰⁴ Effective February 18, 2022 (D.C. Law 24-53; D.C. Official Code § 4-681.01 et seq.).

¹⁰⁵ D.C. Official Code § 36-621.15

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Subtitle (VII)(C) -Hotel Surtax Amendment Act of 2025

Background

In fiscal year 2023, the sales tax rate on hotel and similar accommodations was increased by one percent and the sales tax dedication to Destination DC was increased by this amount. This additional one percent tax was set to expire March 31, 2027¹⁰⁶. The subtitle extends the expiration of the additional one percent rate to September 30, 2027 and ends the dedication to Destination DC. Part of the revenue from the one percent hotel sales tax rate will be directed to the Economic Development Special Account at the Office of the Deputy Mayor for Planning and Economic Development. The remaining portion of the revenue will be reserved for Local Funds (as shown in the chart below).

Financial Plan Impact

By delaying the sunset of the one percent hotel sales tax rate by six months, the subtitle increases total tax revenues by \$10.75 million in fiscal year 2027. The subtitle also provides that revenues currently dedicated to Destination DC will instead be partially used for Local Funds with the rest dedicated to the Economic Development Special Account. In fiscal year 2026, \$15.235 million will go to Local Funds and \$10.466 million will go to the Economic Development Special Account. In fiscal year 2027, \$6.14 million will go to the Economic Development Special Account and \$16.146 million will be available for Local Funds.

Subtitle (VII)(C) – Hotel Surtax Amendment Act of 2025					
Fiscal Year 2026 – Fiscal Year 2029					
(\$ thousands)					
	FY 2026	FY 2027	FY 2028	FY 2029	Total
Increase of Revenue Through Extension of the 1% hotel sales tax	\$0	\$10,752	\$0	\$0	\$10,752
Total Revenue from 1% hotel sales tax	\$25,701	\$22,286	\$0	\$0	\$47.987
<i>Reserved for Local Funds</i>	<i>\$15,235</i>	<i>\$16,146</i>	<i>\$0</i>	<i>\$0</i>	<i>\$31,381</i>
<i>Dedicated to Economic Development Special Account</i>	<i>\$10,466</i>	<i>\$6,140</i>	<i>\$0</i>	<i>\$0</i>	<i>\$16,606</i>

¹⁰⁶ D.C. Official Code § 47–2002.03a.

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Subtitle (VII)(D) - Combined Reporting Tax Deduction Delay Congressional Review Emergency Amendment Act of 2025

Background

The subtitle defers a corporate income tax deduction associated with the enactment of combined reporting. If combined reporting requirements resulted in an increase in a publicly traded company’s net deferred tax liability, the combined group would have been eligible for a tax deduction equal to 1/7th of the increase in net deferred tax liability, beginning in 2025. Under the subtitle, the deduction will only be available beginning in tax year 2030.

Financial Plan Impact

The subtitle increases business income tax revenue beginning in fiscal year 2025 by \$7.4 million annually, for a total of \$37.2 million across the financial plan.

Subtitle (VII)(E) – Ballpark Fee and Fund Amendment Act of 2025

Background

In 2004, the District established a Ballpark Fee to support debt (“Ballpark Revenue Bonds”) issued to build Nationals Park stadium. Corporations and unincorporated businesses doing business in the District pay a fee between \$5,500 and \$16,500 annually, depending on the size of their gross receipts and subject to a minimum of \$5,000,000 of gross receipts.

The Ballpark Fee is deposited into the District’s Ballpark Revenue Fund. The subtitle renames the Ballpark Fee the “Sports Facilities Fee” and removes the sunset of the fee that was to take effect upon full repayment of the Ballpark Revenue Bonds. The subtitle directs that the Sports Facilities Fee will be deposited into an RFK Campus Infrastructure Fund¹⁰⁷ upon repayment of the Ballpark Revenue Bonds. Finally, the subtitle amends transfers that were authorized from the Ballpark Revenue Fund to the General Fund to align with the proposed budget and financial plan.

Financial Plan Impact

The District had planned to fully repay the Ballpark Revenue Bonds in fiscal year 2028, so no Ballpark Fee revenue was included in the revenue estimates for fiscal year 2029. Extending the fee past the date of repayment of the Ballpark Revenue Bonds provides for revenue for the RFK Campus Infrastructure Fund, and to the extent those revenues are not required for debt service and a transfer would not violate a bond covenant, the fee may be used for other purposes.¹⁰⁸ As part of the proposed bond issuance to build infrastructure associated with the proposed football stadium (“RFK Infrastructure Bonds”), repayment of the Ballpark Revenue Bonds will be accelerated to the end of fiscal year 2026 through the use of additional debt (“early redemption borrowing”). In fiscal year 2027, the fee will be used to repay the early redemption borrowing and to transfer \$6 million to the General Fund. In fiscal year 2028 and fiscal year 2029, the fee will pay expected interest payments on the RFK Infrastructure Bonds as well as provide a total of \$58 million of revenue for Local Funds over the financial plan.

¹⁰⁷ Established in subtitle II- RFK Campus Infrastructure Fund Establishment Act of 2025, Subtitle II(F)

¹⁰⁸ See Sec. 2052. RFK Campus Infrastructure Fund

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The subtitle further eliminates two transfers from the Ballpark Revenue Fund to Local Funds that were authorized for fiscal years 2027 and 2028, eliminating a total of \$69.25 million from Local Fund Resources that had been included in the previously approved fiscal year 2025 through fiscal year 2028 budget and financial plan.

Subtitle (VII)(E) – Ballpark Fee and Fund Amendment Act of 2025 (\$ thousands)					
	FY 2026	FY 2027	FY 2028	FY 2029	Total
Enterprise Funds revenue increase, extension of fee	\$0	\$0	\$54,699	\$55,916	\$110,615
Less: Estimated RFK Infrastructure bond payments	\$0	\$0	(\$26,261)	(\$26,261)	(\$52,522)
Available for Local Fund	\$0	\$0^a	\$28,438	\$29,655	\$58,093
Reduction in Local Fund resources from Ballpark Revenue Fund transfers	(\$0)	(\$34,060)	(\$35,190)	(\$0)	(\$69,250)
Net impact	\$0	(\$34,060)	(\$6,752)	\$29,655	(\$11,157)

Table Notes:

- a) \$6 million is also included in the financial plan from excess Sports Facilities Fee not estimated to be necessary for early redemption borrowing

Subtitle (VII)(F) – 1000 U Street NW Property Tax Clarification Amendment Act of 2025

Background

The subtitle provides a real property tax exemption and an exemption from deed recordation and transfer taxes for property designated as Lots 37 and 828 in Square 333. The exemption is valid while the property is held by Prince Hall Free & Accepted Mason and Order of the Eastern Star Charitable Educational Foundation, or a successor in interest including the Prince Hall Free & Accepted Mason and Order of the Eastern Star Title Holding Company, and is used in carrying on the purposes and activities of the Prince Hall Free & Accepted Mason and Order of the Eastern Star Charitable Educational Foundation and is not used for exclusively commercial purposes. The subtitle forgives, as of fiscal year 2025, any unpaid tax liability at the Recorder of Deeds. Beginning in fiscal year 2026, the subtitle forgives unpaid real property taxes and provides a refund of any real property taxes paid since tax year 2022.

Financial Plan Impact

The subtitle costs a total of \$4.2 million through fiscal year 2029, as follows:

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Subtitle (VII)(F) – 1000 U Street NW Property Tax Clarification Amendment Act of 2025 (\$ thousands)						
	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Deed and recordation tax revenue reduction	(\$1,294)	\$0	\$0	\$0	\$0	(\$1,294)
Property tax revenue reduction	\$0	(\$1,878) ^a	(\$333)	(\$338)	(\$347)	(\$2,895)
Total cost	(\$1,294)	(\$1,878)	(\$333)	(\$338)	(\$347)	(\$4,189)

Table Notes

a) Includes estimated refund of \$216,685.

Subtitle (VII)(G) – Child Tax Credit Amendment Act of 2025

Background

The Child Tax Credit Amendment Act of 2024 in the Fiscal Year 2025 Budget Support Act of 2024 established a fully refundable child tax credit for District families with dependent children under the age of 6 during the tax year. Starting with tax year 2025, a credit of \$420 per child for up to three children was available. The credit would have increased by a cost-of-living adjustment annually from 2026. The subtitle repeals the child tax credit.

Financial Plan Impact

The subtitle increases income tax revenue by \$14.6 million in fiscal year 2026 and \$60.8 million across the financial plan.

Subtitle (VII)(G) – Child Tax Credit Amendment Act of 2025 (\$ thousands)					
	FY 2026	FY 2027	FY 2028	FY 2029	Total
Revenue increase, individual income taxes	\$14,595	\$15,050	\$15,418	\$15,727	\$60,790

Subtitle (VII)(H) – Non-Lapsing Fund Modifications Amendment Act of 2025

Background

When a special fund or dedicated revenue fund is created in District law, the law indicates whether the fund is lapsing or non-lapsing. Lapsing funds start each fiscal year with no fund balance, because any unexpended revenue is assigned to the unassigned fund balance of the General Fund as of the prior September 30. Non-lapsing funds start each fiscal year with the balance of their accumulated revenues over their accumulated expenditures.

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The subtitle changes District law establishing 57 special local funds, special purpose revenue funds, and dedicated tax funds to make then lapsing, rather than non-lapsing. All of these funds would become lapsing in fiscal year 2025 except for the Drug-, Firearm- or Prostitution-Related Nuisance Abatement Fund which would become lapsing in fiscal year 2026. The subtitle also repeals the DC Circulator Fund and the Automated External Defibrillator Registration Fee Fund.

Fund	DIFS Fund Code
Adverse Health Benefit Decision Grievance Fund	1060132
Air Quality Construction Permits	1060363
Apprenticeship Fines	1060416
Basic Business License Fund	1060272
Benchmarking Enforcement Fund	1060318
Board of Pharmacy Fund	1060133
Combat Sports Commission Fund	1060277
Community-based Violence Reduction Fund	1010042
Community Schools Fund	1010118
Corporate Recordation Fund	1060283
DCHA Rehabilitation and Maintenance Fund	1010093
DCPS School Facility Fund	1060147
Department of Corrections Reimbursement Fund	1060006
Department of Housing and Community Development Unified Fund	1060069
Transportation Initiatives Fund	1060333
Motor Vehicle Inspection Fund	1060310
District of Columbia Jobs Trust Fund	1060104
Drug-, Firearm-, or Prostitution-Related Nuisance Abatement Fund	1060263
Early Childhood Educator Pay Equity Fund	1010213
Eastern Market Fund	1060206
Emancipation Day Fund	1010038
Fair Elections Fund	1010015
Fishing License Fund	1060036
Green Building Fund	1060279
Hazardous Waste and Toxic Chemical Source Reduction Fund [Hazardous Generator Fees]	1060187
Healthy DC and Healthcare Expansion Fund	1011007
Historic Landmark-District Protection Fund	1060236
Home Purchase Assistance Fund	1060027
Indoor Mold Assessment Fund	1060155
Lead Poisoning Prevention Fund	1060181
Lead Service Line Replacement Fund	1010181
Medicaid Collections- 3rd Party Liability	1060128
Medical Cannabis Administration	1060389
Medical Examiner Pathology and Toxicology	1060021
Municipal Aggregation Fund [DC Municipal Aggregation Program]	1060314

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Fund	DIFS Fund Code
OCTFME Special Account	1060009
Office of Veterans Affairs Fund	1060007
Parks and Recreation Fund [Department of Parks and Recreation Enterprise Fund Account]	1060026
Pesticide Registration Fund	1060366
Private Security Camera Incentive Fund	1010043
Product Stewardship Fund	1060159
Public Vehicles for Hire Customer Service Fund	1060381
Recorder of Deeds Automation Fund	1060052
Renewable Energy Development Fund	1060174
Resident Welfare Account	1060033
Soil Erosion and Sediment Control Fund	1060365
Solid Waste Diversion Fund	1060286
St Elizabeths East Campus Redevelopment Fund	1011016
State Athletic Activities, Programs, and Office Fund	1060106
Subrogation Fund	1060146
Targeted Homeowner Grant Fund	1010107
Tree Fund	1060300
Underground Storage Tank Regulation Fund	1060058
Vending Regulations Fund	1060284
Vision Zero Pedestrian and Bicycle Safety Fund	1060340
Wage Theft Prevention Fund	1060103
Walter Reed Redevelopment Fund	1011017

Financial Plan Impact

The subtitle has no impact on the budget and financial plan. When lapsing funds have an excess of revenue over expenditures as of a fiscal year-end close, the revenue may be used to fill reserves or it may be assigned to the uncommitted portion of fund balance. All of the funds included in the subtitle have either (1) all of their certified revenue included in the fund’s fiscal year 2025 and fiscal year 2026 expenditure budget or (2) projected excess resources that are included in the budget and financial plan as transfers to Local Fund revenue or the unassigned General Fund balance under Section 9 of the proposed Fiscal Year 2025 Revised Local Budget Emergency Act or Subtitle I, Non-Lapsing Fund Transfers Act of 2025, described below. Therefore, there is no projected amount to lapse to the unassigned General Fund balance during the financial plan as a result of changing the funds to be lapsing funds.

Subtitle (VII)(I) – Non-Lapsing Fund Transfers Act of 2025

Background

The subtitle provides for certain amounts of tax revenue to be made available for Local funds otherwise dedicated to certain dedicated tax funds, and certain nontax revenue otherwise dedicated to certain special purpose revenue funds. The chart below lists the amounts of revenue to be transferred from the dedicated and special purpose funds to Local funds:

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Agency Code	Fund Number	Fund Name	FY 2026 (in \$)	FY 2027 (in \$)	FY 2028 (in \$)	FY 2029 (in \$)
AG0	1060013	Accountability Fund	38,614	38,614	38,614	38,614
AG0	1060029	Lobbyist Fund	49,988	49,988	49,988	49,988
AM0	1060206	Eastern Market Enterprise Fund	1,307	1,307	1,307	1,307
AM0	1060193	Special Purpose Fund (Non-DC Agencies)	94	94	94	94
AM0	1011014	West End Library/ Firehouse Maintenance	272,430	287,202	210,226	223,134
BA0	1060197	Distribution Fees	7,093	7,093	7,093	7,093
BE0	1060091	Defined Benefits Retirement Program	1,367	1,367	1,367	1,367
BE0	1060208	Reimbursable From Other Governments	1,402	1,402	1,402	1,402
BX0	1011002	Dedicated Taxes	28,635	699,719	1,608,800	2,536,063
CB0	1060035	Child Support - TANF/AFDC Collections	4,964	4,964	4,964	4,964
CB0	1060094	Litigation Support Fund	7,054,057	5,054,057	2,054,057	1,054,057
CB0	1060092	Nuisance Abatement	8,000	7,000	5,000	4,000
CB0	1060415	Tenant Receivership Abatement Fund	0	600,000	0	0
CI0	1060009	Special Purpose Revenue Fund	565,442	525,116	525,116	525,116
CQ0	1060261	Rental Unit Fee Fund	1,584	1,584	1,584	1,584
CR0	1060272	Basic Business License Fund	839,563	839,563	839,563	839,563
CR0	1060283	Corporate Recordation Fund	1,235,244	1,235,244	1,235,244	1,235,244
CR0	1060277	DC Combat Sports Commission Fund	25,000	25,000	25,000	25,000
CR0	1060267	OPLA - Special Account	1,968,404	1,968,404	1,968,404	1,968,404
CR0	1060266	Real Estate Appraisal Fee	150,000	-	140,000	-
CR0	1060265	Real Estate Guaranty and Education Fund	-	175,000	175,000	175,000
CR0	1060284	Vending Regulation Fund	154,575	154,575	154,575	154,575

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Agency Code	Fund Number	Fund Name	FY 2026 (in \$)	FY 2027 (in \$)	FY 2028 (in \$)	FY 2029 (in \$)
EB0	1060131	Economic Development Special Account	2,751	2,732	2,732	2,732
EB0	1060063	Industrial Revenue Bond Program	2,732	2,732	2,732	2,732
EB0	1011016	St Elizabeths East Campus Redevelopment	446,793	449,793	452,793	451,793
FL0	1060006	Corrections Trustee Reimbursement	1,042,898	1,042,898	1,042,898	1,042,898
FX0	1060419	Medical Examiner Pathology and Toxicology	2,701	2,701	2,701	2,701
HA0	1060026	Enterprise Fund Account	1,000,000	1,000,000	1,000,000	1,000,000
HC0	1060151	Board of Medicine	1,509,841	4,584,121	4,584,121	4,584,121
HC0	1060133	Pharmacy Protection	8,937	8,937	8,937	8,937
HC0	1060166	SHPDA Admission Fee	3,768	3,768	3,768	3,768
HC0	1060050	SHPDA Fees	104,633	104,633	104,633	104,633
HC0	1060053	Vital Records Revenue	13,030	13,030	13,030	13,030
HT0	1060386	Individual Insurance Market Affordability and Stability	5,082,000	5,082,000	5,082,000	5,082,000
HT0	1011007	Healthy DC Fund	1,760,322	1,541,682	1,572,515	761,095
HT0	1011019	Outpatient Hospital Directed Payments Provider Fee Fund	5,031,741	4,738,703	4,833,477	5,322,705
KG0	1060363	Air Quality Construction Permits	3,352	3,352	3,352	3,352
KG0	1060318	Benchmarking Enforcement Fund	63,147	63,147	63,147	63,147
KG0	1060368	Economy II Fund	12,892	12,892	12,892	12,892
KG0	1060330	Energy Assistance Trust Fund	51,352	51,352	51,352	51,352
KG0	1060036	Fishing License	1,200	1,200	1,200	1,200
KG0	1060187	Hazardous Generator Fees	17,185	17,185	17,185	17,185
KG0	1060181	Lead Poisoning Prevention Fund	150,000	150,000	150,000	150,000

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Agency Code	Fund Number	Fund Name	FY 2026 (in \$)	FY 2027 (in \$)	FY 2028 (in \$)	FY 2029 (in \$)
KG0	1060366	Pesticide Product Registration	47,517	47,517	47,517	47,517
KG0	1060174	Renewable Energy Development Fund	7,992	7,992	7,992	7,992
KG0	1060369	Residential Aid Discount	6,064	6,064	6,064	6,064
KG0	1060370	Residential Essential Services	42,111	42,111	42,111	42,111
KG0	1060365	Soil Erosion/ Sediment Control	20,147	20,147	20,147	20,147
KG0	1060154	Storm Water Fees	2,512	2,512	2,512	2,512
KG0	1060058	Underground Storage Tank Fines and Fees	580	580	580	580
KV0	1060260	General “O” Type Revenue Sources	401,647	401,647	401,647	401,647
KV0	1060310	Motor Vehicle Inspection Station	16,560	16,560	16,560	16,560
LQ0	1060374	ABC - Import and Class License Fees	69,322	69,322	69,322	69,322
LQ0	1060389	Medical Cannabis Administration Fund	8,697	8,697	8,697	8,697
RJ0	1060146	Subrogation Fund	4,411	4,411	4,411	4,411
RM0	1060070	DMH Federal Beneficiary Reimbursement	800,000	800,000	800,000	800,000
SR0	1060240	HMO Assessment	7,066	7,066	7,066	7,066
SR0	1060242	Insurance Assessment	32,639	32,639	32,639	32,639
TC0	1060381	Public Vehicles-for-Hire Consumer Service	287,778	287,778	287,778	287,778
TO0	1060195	SERV US Program	91	94	94	94

Financial Plan Impact

The subtitle increases tax revenue in Local Funds and nontax revenues in Local funds by \$30.5 million in fiscal year 2026, and a total of \$121.6 million over the financial plan. Revenue in dedicated tax and special purpose revenue funds is reduced by the same amount by which local revenue increases.

Subtitle (VII)(I) - Non-Lapsing Fund Transfers Act of 2025 Transfer to Local Funds (\$ thousands)					
	FY 2026	FY 2027	FY 2028	FY 2029	Total

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From dedicated tax funds	\$7,540	\$7,717	\$8,678	\$9,295	\$33,230
From special purpose revenue funds	\$22,935	\$24,593	\$21,131	\$19,990	\$88,333
Total transfers to Local Funds	\$30,474	\$32,310	\$29,809	\$29,285	\$121,563

Subtitle (VII)(I) – Clean Hands Certification Technical Amendment Act of 2025

Background

District law provides that if a debt is owed to the District of Columbia of more than \$1,000 and/or if an individual or entity has failed to file required District returns, then those individuals or businesses are not entitled to a license or permit. The District uses a Certificate of Clean Hands to confirm that individuals and businesses seeking business licenses or permits are current on tax returns¹⁰⁹ and do not have outstanding debt exceeding \$1,000, except traffic and parking fine debt is not included. The subtitle codifies¹¹⁰ current practice of excluding Department of Motor Vehicle debt from issuance of Certificate of Clean Hands for business licenses and business permits.

Financial Plan Impact

The subtitle does not impact the budget and financial plan. The subtitle codifies current practice regarding the issuance of a Certificate of Clean Hands for the purposes of obtaining a business license or business permit.

Subtitle (VII)(K) - Nonprofit Workforce Housing Properties Tax Exemption Amendment Act of 2025

Background

The subtitle makes changes to existing law that offered an exemption from real property taxes for Nonprofit Workforce Housing properties.¹¹¹ Among other requirements, Nonprofit Workforce Housing properties must have 50% of their units occupied by tenants earning less than 80% of adjusted median income and the remaining units must be occupied by tenants earning less than 120% of adjusted median income.

The subtitle removes a requirement that the tenant maximum income requirements be certified within 12 months of acquisition of the property and allows a property to qualify for the exemption from October 1 of the tax year the tenant maximum income certification is verified by Office of Tax and Revenue (OTR). The subtitle makes additional technical clarifications.

¹⁰⁹ Individuals and entities who have entered into a payment plan for tax debt, and are current on the payment plan, can still obtain a Certificate of Clean Hands

¹¹⁰ By amending Section 47-2862(a)(7) of the District of Columbia Official Code

¹¹¹ D.C. Official Code § 47-1005.03.

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Financial Plan Impact

Three apartment properties have applied for the Nonprofit Workforce Housing tax exemption but OTR determined they did not meet the requirements of the law. Under the subtitle it is projected that two properties will qualify for the exemption as of fiscal year 2026 and an additional property may meet the qualifications in a future fiscal year. The estimated loss of property tax revenue is as follows:

Subtitle (VII)(K) –Nonprofit Workforce Housing Properties Tax Exemption Amendment Act					
(\$ thousands)					
	FY 2026	FY 2027	FY 2028	FY 2029	Total
Revenue Loss	(\$225)	(\$795)	(\$819)	(\$855)	(\$2,694)

Subtitle (VII)(L) - Reservoir District Tax Exemption Amendment Act of 2025

Background

The subtitle provides a twenty-year exemption from real property taxes for a development project to be built on lots 809, 810, 814, and 815 in Square 3128. The project is part of a larger redevelopment of the former McMillian Sand Filtration site – now called the Reservoir District. Plans for the project include one building with 125 mixed-income apartments and a second building with 324 mixed-income apartments and retail space. The property tax exemption would begin in fiscal year 2030. Receipt of the exemption would be subject to meeting certified business enterprise and residential housing affordability requirements specified in the subtitle. The OCFO’s tax abatement financial analysis on the tax exemption can be viewed [here](#).

Financial Plan Impact

The subtitle does not have an impact on the budget and financial plan. The cost of the tax exemption falls outside of the financial plan.

Subtitle (VII)(M) – Subject to Appropriation Amendments

Background

The subtitle makes some or all of three existing laws subject to appropriations in an approved budget and financial plan.

First, the subtitle makes Titles I and II of the Insurance Database Amendment Act of 2024¹¹² subject to appropriations.

¹¹² D.C. Law 25-264; 72 DCR 343.

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Second, the subtitle makes section 3a of the Home Visiting Services Reimbursement Amendment Act of 2024¹¹³ subject to appropriations.

Third, the subtitle makes the portion of the Telehealth Reimbursement Act of 2013 requiring telehealth maternal health services¹¹⁴ coverage through Medicaid or the D.C. Healthcare Alliance program subject to appropriations beginning October 1, 2025.

Fourth, the subtitle reinstates the subject-to-appropriations clause for Section 8 of the Open Movie Captioning Requirement Amendment Act of 2024.

The subtitle also specifies the following laws, or parts of laws, have been funded:

- Birth-to-Three for all DC Act of 2013 (sections Sections102(g)(3), (4), and (5), and Section 104)
- School Improvement Amendment Act of 2023 (paragraphs 1, 4 and 5)
- The Strengthening Traffic Enforcement, Education, and Responsibility (“STEER”) Amendment Act of 2024 (sections 2(a) and sections 3 through 7)
- Child Behavioral Health Services Dashboard Amendment Act of 2024 (entire law)
- Containing Litter and Ensuring Adequate Neighborhood (CLEAN) Collections Amendment Act of 2024 (sections 2(a),2(b),2(c) and 3)
- Fairness in Human Rights Administration Amendment Act of 2024 (entire law)
- Carrier-for-Hire Oversight and Enforcement Act of 2024 (entire law)
- Enhancing Mental Health Crisis Support and Hospitalization Amendment Act of 2024 (entire law)
- Public Life and Activity Zones Amendment (“PLAZA”) Act of 2024 (amendatory sections 202a-d, 202(e)(2) and 202(f) within Section 3b; and sections 4 and 5)
- Recidivism Reduction at DYRS Amendment Act of 2024 (sections 3, 4 and 5)
- Certificate of Need Improvement Amendment Act of 2025 (entire law)
- Board of Trustees Training Amendment Act of 2025 (entire law)
- Farmers Market Support Amendment Act of 2025 (entire law)

Financial Plan Impact

The budget and financial plan removes funding for the laws (or portions of laws) in this subtitle being made subject to appropriations, resulting in savings as summarized in the table below.

Subtitle (VII)(M) – Subject to Appropriations Amendments					
Savings - (\$ thousands)					
	FY 2026	FY 2027	FY 2028	FY 2029	Total
Insurance Database Amendment Act of 2024	\$584	\$234	\$57	\$57	\$932
Home Visiting Services Reimbursement Amendment Act of 2024	\$352	\$432	\$514	\$524	\$1,822

¹¹³ D.C. Law 25-142; 71 DCR 1474.

¹¹⁴ D.C. Official Code § 31-3862.01.

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Subtitle (VII)(M) – Subject to Appropriations Amendments Savings - (\$ thousands)					
	FY 2026	FY 2027	FY 2028	FY 2029	Total
(Local Portion Medicaid Savings)					
Telehealth Reimbursement Act of 2013, Section 3a	\$848	\$865	\$883	\$900	\$3,496
Open Movie Captioning Requirement Amendment Act	(not estimated)				

The budget and financial plan also provides funding for the following laws (or portions of laws), as summarized in the table below:

Subtitle (VII)(M) – Subject to Appropriations Amendments Costs - (\$ thousands)					
	FY 2026	FY 2027	FY 2028	FY 2029	Total
Birth-to-Three for All DC Act of 2018	\$0	\$0	\$0	\$0	\$0
School Improvement Amendment Act of 2023	\$ 300	\$307	\$313	\$320	\$1,240
Strengthening Traffic Enforcement, Education, and Responsibility (“STEER”) Amendment Act of 2024	\$3,733	\$3,677	\$3,225	\$3,294	\$13,929
Child Behavioral Health Services Dashboard Amendment Act of 2024	\$112	\$114	\$117	\$120	\$463
Containing Litter and Ensuring Adequate Neighborhood (CLEAN) Collections Amendment Act of 2024	\$196	\$39	\$39	\$39	\$313
Fairness in Human Rights Administration Amendment Act of 2024	\$425	\$434	\$443	\$452	\$1,754
Carrier-for-Hire Oversight and Enforcement Act of 2024	\$200	\$36	\$37	\$37	\$310
Enhancing Mental Health Crisis Support and Hospitalization Amendment Act of 2024	\$663	\$329	\$336	\$343	\$1,671

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Subtitle (VII)(M) – Subject to Appropriations Amendments					
Costs - (\$ thousands)					
	FY 2026	FY 2027	FY 2028	FY 2029	Total
Public Life and Activity Zones Amendment (“PLAZA”) Act of 2024 (revenue loss)	\$0	\$161	\$161	\$161	\$483
PLAZA Act of 2024 (budget)	\$282	\$460	\$470	\$480	\$1,692
Recidivism Reduction at DYRS Amendment Act of 2024	\$284	\$290	\$296	\$302	\$1,173
Certificate of Need Improvement Amendment Act of 2025	\$481	\$403	\$408	\$414	\$1,705
Board of Trustees Training Amendment Act of 2025	\$100	\$101	\$104	\$106	\$410,100
Farmers Market Support Amendment Act of 2025	\$611	\$753	\$514	\$524	\$612

Subtitle (VII)(N) - Rule 736 Repeals Amendment Act of 2025

Background

Council Rule 736 requires laws approved subject to appropriation to be funded within two fiscal years or they will be subject to repeal. Due to this rule, the following laws or parts of laws will be repealed:

- Section 2(b)(2) and amendatory section 112e of Title I of the Sustainable Solid Waste Management Amendment Act of 2014, effective March 16, 2021 (D.C. Law 23-211; D.C. Official Code § 8-1031.12e), in section 2(k) of the Zero Waste Omnibus Amendment Act of 2020
- The Procurement Agencies Alignment Amendment Act of 2022
- Amendatory section 1204a(b) of the District of Columbia Government Comprehensive Merit Personnel Act, effective December 21, 2022 (D.C. Law 24-212; D.C. Official Code § 1-612.04a(b)), in section 2(d) of the District Government Paid Leave Enhancement Amendment Act of 2022
- Amendatory section 10d(a) of the Construction Codes Approval and Amendments Act of 1986, effective December 21, 2022 (D.C. Law 24-213; D.C. Official Code § 6-1413(a)), in section 2 of The Equal Access to Changing Tables Amendment Act of 2022
- The Bedbug Control Act of 2022
- Limited Equity Cooperative Property Tax Assistance Amendment Act of 2022
- The Whitman-Walker Entities at St. Elizabeths Tax Rebate Amendment Act of 2022
- The Inspector General Enhancement Amendment Act of 2022

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- The No Senior Hungry Omnibus Amendment Act of 2022
- The Give SNAP a Raise Amendment Act of 2022

Financial Plan Impact

The subtitle has no fiscal impact, since these laws were not funded.

Subtitle (VII)(O) - Nonprofit Solar Tax Exemption Amendment Act of 2025

Background

The subtitle will provide that buildings and grounds belonging to and used by an institution, organization, or other entity otherwise exempt from real property taxation shall not be assessed and taxed where the building or grounds are used for solar energy generation, energy storage, and energy management activities. This will allow locally-serving nonprofit institutions leasing space, such as rooftops, as a financing mechanism for solar panel installation or other energy management activities to continue to receive existing available property tax exemptions for the entirety of their property otherwise used for their religious or charitable purposes.

Financial Plan Impact

The subtitle will result in the loss of \$27,000 of real property tax revenue collections in fiscal year 2026, and a total of \$112,000 across the financial plan.

Subtitle (VII)(O) – Nonprofit Solar Tax Exemption Amendment Act of 2025					
	(\$ thousands)				
	FY 2026	FY 2027	FY 2028	FY 2029	Total
Reduction in real property tax revenue	(\$27)	(\$28)	(\$28)	(\$29)	(\$112)

Subtitle (VII)(P) - The Parkside Exemption Amendment Act of 2025

Background

The subtitle provides for an abatement from real property taxes for Lots 866 and 868 in Square 5056. There is planned construction for these lots as part of the Parkside development, and a requirement for the exemption is that the buildings receive their final certificate of occupancy by September 30, 2029. The subtitle’s allowed exemption would only begin October 1, 2029, and the value of the abatement could not exceed \$300,000 annually on either lot.

Financial Plan Impact

The subtitle has no impact on the budget or financial plan. The allowable abatement would first begin outside of the financial plan, in fiscal year 2030.

The Honorable Phil Mendelson

Fiscal Impact Statement for the “Fiscal Year 2026 Budget Support Act of 2025,” Bill 26-265, Amendment in the Nature of a Substitute as circulated July 27, 2025 and as amended by Chairman Mendelson’s Amendment #1, draft amendment as provided to Office of Revenue Analysis, July 27, 2025

Subtitle (VII)(Q) - Reprogramming and TAFA Amendment Act of 2025

Background

The subtitle makes technical changes to the requirements for reprogrammings¹¹⁵ to conform to data fields in the District Integrated Financial System. The subtitle also changes¹¹⁶ the timing for a requirement for a Tax Abatement Financial Analysis (TAFA) to require the TAFA at markup of a bill before committee instead of prior to a hearing on the bill.

Financial Plan Impact

The subtitle has no impact on the budget or financial plan.

Subtitle (VII)(R) - D.C. Central Kitchen, Inc. Tax Rebate Amendment Act of 2025

Background

Current law allows for D.C. Central Kitchen to receive a rebate from the District for the portion of real property tax D.C. Central Kitchen is liable for, and has paid, under its lease of space at 2121 1st Street, SW, provided that the rebate is capped at \$208,000 annually. D.C. Central Kitchen has executed a new lease for additional space at the property. The subtitle allows D.C. Central Kitchen to obtain rebates for more than one lease at the same property, and removes the \$208,000 cap. The subtitle is effective May 1, 2025.

Financial Plan Impact

The subtitle has no impact on the budget or financial plan. D.C. Central Kitchen is already authorized to obtain a rebate for its space of up to \$208,000 annually, and the projected value of the rebate under the additional lease for the expanded space at the property is less than \$208,000 in fiscal year 2025, fiscal year 2026, and each year throughout the financial plan.

¹¹⁵ D.C. Official Code § 47-361 et. seq.

¹¹⁶ By amending D.C. Official Code § 47-4701

The Honorable Phil Mendelson

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Subtitle (VII)(S) – Revised Revenue Funding Act of 2025

Background

The subtitle provides for fiscal year 2026 – fiscal year 2029 expenditures to be increased in the event that fiscal year 2025 revenues exceed the revenues incorporated into the budget and financial plan as well as actual fiscal year 2025 expenditures as estimated by November 15, 2025. The subtitle outlines ten uses of one-time or recurring revenue, in priority order, that may all be funded if there are sufficient excess revenues. These priorities total \$29.98 million over the four-year financial plan.

Financial Plan Impact

The subtitle will increase spending only if new revenues are certified in the September 30, 2025 revenue estimates and such revenues are not required to cover estimated fiscal year 2025 expenses.

The Honorable Phil Mendelson

Fiscal Impact Statement for the “Fiscal Year 2026 Budget Support Act of 2025,” Bill 26-265, Amendment in the Nature of a Substitute as circulated July 27, 2025 and as amended by Chairman Mendelson’s Amendment #1, draft amendment as provided to Office of Revenue Analysis, July 27, 2025

TITLE VIII – TECHNICAL AMENDMENTS

Subtitle (VIII)(A) – Technical Amendments Act of 2025

Background

The subtitle makes technical corrections to several laws and parts of the D.C. Official Code.

Financial Plan Impact

The subtitle has no impact on the budget or financial plan