# 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 7, 2026**

**SUBJECT:** **Fiscal Impact Statement – Short-Term Disability Insurance Benefit Protection Clarification Amendment Act of 2026**

**REFERENCE:** **Bill 26-181, Draft Committee Print as provided to the Office of Revenue Analysis on June 16, 2026**

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## Conclusion

Funds are sufficient in the proposed revised fiscal year 2026 budget and proposed fiscal year 2027 through fiscal year 2030 budget and financial plan to implement the bill.

## Background

The bill makes permanent temporary legislation[1] that prohibits[2] private disability insurance providers from reducing short-term disability benefits based on actual or estimated paid leave benefits an eligible individual may be entitled to from the District, regardless of the jurisdiction in which the insurance policy was issued or written.

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[1] Short-Term Disability Insurance Benefit Protection Clarification Temporary Amendment Act of 2026, effective May 21, 2026 (D.C. Law 26-117, §2, 73 DCR 5071).
[2] By amending Section 107(j)(1) of the Universal Paid Leave Amendment Act of 2016, effective April 7, 2017 (D.C. Law 21-264; D.C. Official Code § 32-541.07(j)(1)) and by amending Section 120a the Insurance Trade and Economic Development Amendment Act of 2000, effective April 2, 2001 (D.C. Law 13-265; D.C. Official Code § 31-2231.20a).

**Financial Plan Impact**

Funds are sufficient in the proposed revised fiscal year 2026 budget and proposed fiscal year 2027 through fiscal year 2030 budget and financial plan to implement the bill. Prohibiting short-term disability insurance policies issued or written in other jurisdictions from offsetting or reducing payments based on estimated paid leave does not have a cost. The Department of Insurance, Securities, and Banking can enforce the bill's requirements with current resources.