

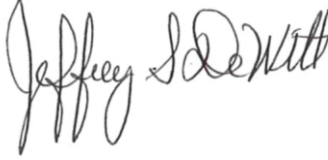
Government of the District of Columbia
Office of the Chief Financial Officer



Jeffrey S. DeWitt
Chief Financial Officer

MEMORANDUM

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

FROM: Jeffrey S. DeWitt
Chief Financial Officer 

DATE: October 26, 2020

SUBJECT: Fiscal Impact Statement – Unemployment Compensation Employer
Classification Amendment Act of 2020

REFERENCE: Bill 23-500, Draft Committee Print as provided to the Office of Revenue
Analysis on October 15, 2020

Conclusion

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

Background

The bill makes amendments to the District of Columbia Unemployment Compensation Act¹ to bring the District law into compliance with requirements set out in the Federal Unemployment Tax Act. Specifically, the bill expands the definition of employment to include service of individuals working for states, their instrumentalities, and Native American tribes. The amendments cover provisions of the unemployment insurance program concerning the District government, instrumentalities of the District, and nonprofit organizations that allow such employers to reimburse the unemployment insurance program for benefits paid to former employees.

Additionally, the bill conforms the District Code to federal law by stating the Federal Pandemic Unemployment Compensation benefits cannot be charged against an employer's account for purposes of determining the employer's rating and applicable tax rate.

Financial Plan Impact

¹ Approved August 28, 1935 (49 Stat 946; D.C. Official Code § 51-101 *et seq.*)

The Honorable Phil Mendelson

FIS: Bill 23-500, "Unemployment Insurance Employer Classification Amendment Act of 2020," Draft
Committee Print as provided to the Office of Revenue Analysis on October 15, 2020

Funds are sufficient in the fiscal year 2021 through fiscal year 2024 budget and financial plan to implement the bill. The bill will not change current practice or the finances of the Unemployment Insurance Trust Fund.