

**COUNCIL OF THE DISTRICT OF COLUMBIA
COMMITTEE OF THE WHOLE
COMMITTEE REPORT**

1350 Pennsylvania Avenue, NW, Washington, DC 20004

DRAFT

TO: All Councilmembers

FROM: Chairman Phil Mendelson
Committee of the Whole

DATE: November 20, 2018

SUBJECT: Report on Bill 22-997, the “Fiscal Year 2019 Budget Support Clarification Amendment Act of 2018”

The Committee of the Whole, to which Bill 22-997 was referred, reports favorably thereon with amendments and recommends approval by the Council.

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I. BACKGROUND AND NEED

On June 26, 2018, the Council adopted Bill 22-753, the Fiscal Year 2019 Budget Support Act of 2018 (“FY19 BSA”).¹ Following passage of the FY19 BSA, staff at the Council and the Office of the Chief Financial Officer identified certain provisions that need to be clarified or amended to effectuate their intent and implement the Fiscal Year 2019 budget and financial plan as approved by the Council. Bill 22-997, the “Fiscal Year 2019 Budget Support Clarification Amendment Act of 2018”, makes minor, technical, conforming, and clarifying amendments to various provisions supporting the Fiscal Year 2019 budget and financial plan.

¹ Law 22-168 (65 DCR 9388).

Section 2 amends the applicability clause of the Advisory Neighborhood Commissions Omnibus Amendment Act (“Omnibus”)² to reflect that the amendatory section 18(c) within section 2(i) of the Omnibus was funded in the FY19 budget and financial plan.

Section 3 corrects language included in the FY19 BSA’s Danbury Station Water Meter Installation Amendment Act of 2018, which amended An Act To provide for the drainage of lots in the District of Columbia.³ The new language includes all addresses impacted by the project.

Section 4 amends the Washington Convention Center Authority Act of 1994⁴ to repeal a statutory requirement for certain local funding that has since been replaced with dedicated taxes. This replacement was made in the Fiscal Year 2018 budget and was continued in the FY19 budget and financial plan.

Section 5 amends chapter 18 of title 47 of the District of Columbia Official Code to clarify language related to the FY19 BSA’s Small Retailer Property Tax Relief Amendment Act of 2018.⁵ These changes are technical in nature and do not impact the substance of the tax relief.

Bill 22-997 provides needed minor, technical, conforming, and clarifying amendments to various provisions supporting the Fiscal Year 2019 budget and financial plan. The Committee therefore recommends approval of Bill 22-997, as reflected in the Committee Print.

II. LEGISLATIVE CHRONOLOGY

March 2, 2018	Notice of public hearings on the proposed Fiscal Year 2019 Budget and Financial Plan is published in the <i>District of Columbia Register</i> (updates to the schedule of budget oversight hearings published March 9, March 23, April 20, and April 27)
March 21, 2018	Bill 22-753, the “Fiscal Year 2019 Budget Support Act of 2018” is introduced by Chairman Mendelson at the request of the Mayor
March 23, 2018	Committee of the Whole holds a public briefing on the Mayor’s Fiscal Year 2019 Proposed Budget and Financial Plan, including a presentation by Mayor Bowser
March 30, 2018	Notice of Intent to Act on Bill 22-753 is published in the <i>District of Columbia Register</i>

² Section 3 of the Advisory Neighborhood Commissions Omnibus Amendment Act of 2016, effective April 7, 2017 (D.C. Law 21-269; 64 DCR 2162).

³ Section 5(b-1)(1) of An Act To provide for the drainage of lots in the District of Columbia, effective March 29, 1977 (D.C. Law 1-98; D.C. Official Code § 8-205(b-1)(1)).

⁴ Section 208a(h) and (i) of the Washington Convention Center Authority Act of 1994, effective August 12, 1998 (D.C. Law 12-142; D.C. Official Code § 10-1202.08a(h) and (i)).

⁵ § 47-1807.14(d) and § 47-1808.14(d).

April 10, 2018	Bill 22-753 is “read” at the April 10, 2018 Regular Legislative Meeting and referred to the Committee of the Whole with comments on specific subtitles from the Council’s standing committees
March 26 – April 26, 2018	Committees hold public hearings on the budgets of the agencies under their purview and the subtitles of the Fiscal Year 2019 Budget Support Act of 2018 that were referred to each for comments
April 27, 2018	Committee of the Whole holds a public hearing on Bill 22-753, Bill 22-754, and Bill 22-755
May 2 – 4, 2018	Committees mark up and approve their budget recommendations for Fiscal Year 2019
May 15, 2018	Committee of the Whole marks up Bill 22-753
May 15, 2018	First reading on Bill 22-753
June 26, 2018	Final Reading on Bill 22-753
September 14, 2018	Act 22-442 published in the <i>District of Columbia Register</i>
October 2, 2018	Chairman Mendelson introduces Bill 22-997; Bill 22-993, the Fiscal Year 2019 Budget Support Clarification Emergency Amendment Act of 2018; and Bill 22-994, the Fiscal Year 2019 Budget Support Clarification Temporary Amendment Act of 2018
October 2, 2018	Final reading of Bill 22-993 and first reading of Bill 22-994
October 12, 2018	Notice of Intent to Act on Bill 22-997 is published in the <i>District of Columbia Register</i>
October 16, 2018	Final reading of Bill 22-994
November 20, 2018	Committee of the Whole marks up Bill 22-997

III. POSITION OF THE EXECUTIVE

At the October 2, 2018 legislative meeting, Chairman Mendelson moved Bill 22-993, the Fiscal Year 2019 Budget Support Clarification Emergency Amendment Act of 2018, which substantially reflects the attached committee print of Bill 22-997. That emergency measure was approved by unanimous vote and transmitted to the Mayor, who returned it with her signature on October 24, 2018. On October 16, 2018, the Council unanimously approved Bill 22-994, the Fiscal Year 2019 Budget Support Clarification Temporary Amendment Act of 2018, also

substantially similar to the committee print of Bill 22-997. The Mayor returned Bill 22-994 with her signature on November 13, 2018.

IV. COMMENTS OF ADVISORY NEIGHBORHOOD COMMISSIONS

The Committee received no testimony or comments from any Advisory Neighborhood Commission on Bill 22-997.

V. LIST OF WITNESSES⁶

The Committee of the Whole held a public hearing on Bill 22-753 and other budget-related legislation on April 27, 2018.⁷ Pursuant to Council Period 22 rule 501(a)(2), an additional hearing on Bill 22-997 is not required. The April 27, 2018 hearing record is incorporated by reference.

VI. IMPACT ON EXISTING LAW

Bill 22-997 includes amendments to the Fiscal Year 2019 Budget Support Act of 2018, the Advisory Neighborhood Commissions Omnibus Amendment Act of 2016, the Washington Convention Center Authority Act of 1994, An Act To provide for the drainage of lots in the District of Columbia, and Chapter 18 of Title 47 of the District of Columbia Official Code to clarify provisions supporting the Fiscal Year 2019 budget.

VII. FISCAL IMPACT

Funds are sufficient in the fiscal year 2019 through 2022 budget and financial plan to implement the provisions of Bill 22-997, as noted in the attached November 19, 2018 fiscal impact statement.

VIII. SUBTITLE-BY-SUBTITLE ANALYSIS⁸

<u>Section 1</u>	States the short title of Bill 22-997
<u>Section 2</u>	Amends the applicability clause of the Advisory Neighborhood Commissions Omnibus Amendment Act to reflect the FY19 budget and financial plan funding of a provision previously subject to appropriation

⁶ Note: Written testimony and comments are filed with the record for Bill 22-754.

⁷ All of the Council's committees held hearings between March 26 and April 26, 2018, inclusive, on the Mayor's proposed budget; in many cases, testimony at those hearings addressed various provisions of the Fiscal Year 2019 Budget Support Act.

- Section 3 Amends An Act To provide for the drainage of lots in the District of Columbia to reflect all addresses impacted by the Danbury Station Water Meter Installation Amendment Act of 2018
- Section 4 Amends the Washington Convention Center Authority Act of 1994 to repeal a statutory requirement for certain local funding that has since been replaced with dedicated taxes
- Section 5 Amends chapter 18 of title 47 of the District of Columbia Official Code to clarify language related to the Small Retailer Property Tax Relief Amendment Act of 2018
- Section 6 States the act shall apply as of October 1, 2018
- Section 7 Fiscal impact statement
- Section 8 Effective date

IX. COMMITTEE ACTION

On November 20, 2018, the Committee met to consider Bill 22-997, the “Fiscal Year 2019 Budget Support Clarification Amendment Act of 2018.” The meeting was called to order at x:xx p.m., and Bill 22-997 was item V-E on the agenda. After ascertaining a quorum (Chairman Mendelson and Councilmembers Allen, Bonds, Cheh, Evans, Gray, Grosso, McDuffie, Nadeau, Silverman, Todd, R. White, and T. White present), Chairman Mendelson moved the committee print for Bill 22-997 with leave for staff to make technical and conforming changes.

After an opportunity for further discussion, the vote on the committee print was unanimous (Chairman Mendelson and Councilmembers Allen, Bonds, Cheh, Evans, Gray, Grosso, McDuffie, Nadeau, Silverman, Todd, R. White and T. White voting aye). Chairman Mendelson then moved the committee report for Bill 22-997 with leave for staff to make technical, conforming, and editorial changes. After an opportunity for discussion, the vote on the report was unanimous (Chairman Mendelson and Councilmembers Allen, Bonds, Cheh, Evans, Gray, Grosso, McDuffie, Nadeau, Silverman, Todd, R. White and T. White voting aye). The meeting adjourned at x:xx p.m.

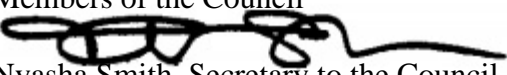
X. ATTACHMENTS

1. Bill 22-997 as introduced
2. Fiscal impact statement for Bill 22-997
3. Legal sufficiency determination for Bill 22-997
4. Committee Print for Bill 22-997

COUNCIL OF THE DISTRICT OF COLUMBIA
1350 Pennsylvania Avenue, N.W.
Washington D.C. 20004

Memorandum

To : Members of the Council

From : 
Nyasha Smith, Secretary to the Council

Date : October 03, 2018

Subject : Referral of Proposed Legislation

Notice is given that the attached proposed legislation was introduced in the Office of the Secretary on Tuesday, October 2, 2018. Copies are available in Room 10, the Legislative Services Division.

TITLE: "Fiscal Year 2019 Budget Support Clarification Amendment Act of 2018",
B22-0997

INTRODUCED BY: Chairman Mendelson

The Chairman is referring this legislation to the Committee of the Whole.

Attachment

cc: General Counsel
Budget Director
Legislative Services


Chairman Phil Mendelson

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A BILL

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To amend the Fiscal Year 2019 Budget Support Act of 2018, the Washington Convention Center Authority Act of 1994, An Act To provide for the drainage of lots in the District of Columbia, and Title 47 of the District of Columbia Official Code to clarify provisions supporting the Fiscal Year 2019 budget.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the “Fiscal Year 2019 Budget Support Clarification Amendment Act of 2018”.

Sec. 2. The Fiscal Year 2019 Budget Support Act of 2018, enacted on September 5, 2018 (D.C. Act 22-442; 65 DCR 9388), is amended as follows:

(a) Amendatory section 5(b-1)(1) of An Act To provide for the drainage of lots in the District of Columbia, effective March 29, 1977 (D.C. Law 1-98; D.C. Official Code § 8-205), within section 6152 Section 6152 is amended by striking the phrase “addresses 1 to 177, and on the east side of Martin Luther King, Jr. Avenue, S.W., addresses 4250 to 4258” and inserting the phrase “addresses 3 to 177, on the east side of Martin Luther King, Jr. Avenue, S.W., addresses 4250 to 4258, and on the west side of South Capitol Street, S.W., addresses 4275 to 4289” in its place.

35 (b) Section 7252 is amended as follows:

36 (1) Amendatory section 47-1807.14(d) of the District of Columbia Official Code
37 within subsection (b) is amended to read as follows:

38 “(d) This section shall not apply if:

39 “(1) The qualified corporation is exempt from or receives any tax credits towards
40 its real property tax for the qualified rental retail location or qualified owned retail location; or

41 “(2) The qualified rental retail location or qualified owned retail location is
42 otherwise exempt from real property tax.”.

43 (2) Amendatory section 47-1808.14(d) of the District of Columbia Official Code
44 within subsection (c) is amended to read as follows:

45 “(d) This section shall not apply if:

46 “(1) The qualified unincorporated business is exempt from or receives any tax
47 credits towards its real property tax for the qualified rental retail location or qualified owned
48 retail location; or

49 “(2) The qualified rental retail location or qualified owned retail location is
50 otherwise exempt from real property tax.”.

51 Sec. 3. Section 208a(h) and (i) of the Washington Convention Center Authority Act of
52 1994, effective September 28, 1994 (D.C. Law 10-188; D.C. Official Code § 10-1202.08a(h) and
53 (i)) are repealed.

54 Sec. 4. Section 5(b-1)(1) of An Act To provide for the drainage of lots in the District of
55 Columbia, effective March 29, 1977 (D.C. Law 1-98; D.C. Official Code § 8-205(b-1)(1)), is
56 amended by striking the phrase “addresses 1 to 177, and on the east side of Martin Luther King,
57 Jr. Avenue, S.W., addresses 4250 to 4258” and inserting the phrase “addresses 3 to 177, on the

58 east side of Martin Luther King, Jr. Avenue, S.W., addresses 4250 to 4258, and on the west side
59 of South Capitol Street, S.W., addresses 4275 to 4289” in its place.

60 Sec. 5. Chapter 18 of Title 47 of the District of Columbia Official Code is amended as
61 follows:

62 (a) Section 47-1807.14(d) is amended to read as follows:

63 “(d) This section shall not apply if:

64 “(1) The qualified corporation is exempt from or receives any tax credits towards
65 its real property tax for the qualified rental retail location or qualified owned retail location; or

66 “(2) The qualified rental retail location or qualified owned retail location is
67 otherwise exempt from real property tax.”.

68 (b) Section 47-1808.14(d) is amended to read as follows:

69 “(d) This section shall not apply if:

70 “(1) The qualified unincorporated business is exempt from or receives any tax
71 credits towards its real property tax for the qualified rental retail location or qualified owned
72 retail location; or

73 “(2) The qualified rental retail location or qualified owned retail location is
74 otherwise exempt from real property tax.”.

75 Sec. 6. Fiscal impact statement.

76 The Council adopts the fiscal impact statement in the committee report as the fiscal
77 impact statement required by section 4a of the General Legislative Procedures Act of 1975,
78 approved October 16, 2006 (120 Stat. 2038; D.C. Official Code § 1-301.47a).

79 Sec. 7. Effective date.

80 This act shall take effect following approval by the Mayor (or in the event of veto by the
81 Mayor, action by the Council to override the veto), a 30-day period of congressional review as
82 provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December
83 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), and publication in the District of
84 Columbia Register.

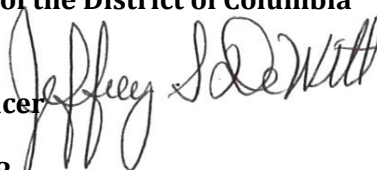
Government of the District of Columbia
Office of the Chief Financial Officer



Jeffrey S. DeWitt
Chief Financial Officer

MEMORANDUM

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

FROM: Jeffrey S. DeWitt
Chief Financial Officer 

DATE: November 16, 2018

SUBJECT: Fiscal Impact Statement – Fiscal Year 2019 Budget Support
Clarification Amendment Act of 2018

REFERENCE: Draft Committee Print of Bill 22-997 as shared with the Office of
Revenue Analysis on November 5, 2018

Conclusion

Funds are sufficient in the fiscal year 2019 through fiscal year 2022 budget and financial plan to implement the bill.

Background

The bill¹ makes technical, conforming and clarifying amendments to various provisions of code that relate to or support the Fiscal Year 2019 Budget Support Act of 2018² (“the Act”).

First, the bill clarifies that the Advisory Neighborhood Commissions Omnibus Amendment Act of 2016³ is partially funded⁴ in the current budget and financial plan. Second, the bill adds to the list of addresses DC Water is authorized to install water meters as part of the Danbury Station water meter installation project.⁵ Third, the bill repeals the statutory requirement that \$3 million of local funding be transferred to the Washington Convention and Sports Authority. The local transfer was offset by

¹ Emergency and Temporary versions this bill (with some differences) were approved by Council. Bill 22-993, Fiscal Year 2019 Budget Support Clarification Emergency Amendment Act of 2018 was passed by Council on October 16, 2018 and expires on January 20, 2019. Bill 22-994, Fiscal Year 2019 Budget Support Clarification Temporary Amendment Act of 2018, passed Council on October 16, 2018 and was approved by the Mayor on November 13, 2018.

² Fiscal Year 2019 Budget Support Act of 2018, effective October 30, 2018 (D.C. Law 22-168; 65 DCR 9388).

³ Effective April 7, 2017 (D.C. Law 21-269; 64 DCR 2162).

⁴ Section 2(g)(1)(B)(ii) and the amendatory section 18(c) within section 2(i) remain unfunded.

⁵ As authorized in Subtitle (VI)(P) of the Fiscal Year 2019 Budget Support Act of 2018.

The Honorable Phil Mendelson

FIS: Bill 22-997, "Fiscal Year 2019 Budget Support Clarification Amendment Act of 2018," Draft Committee Print as shared with the Office of Revenue Analysis on November 5, 2018.

a new dedicated tax stream beginning in fiscal year 2018⁶. Fourth, the bill makes technical changes to the Act's Small Retailer Property Tax Relief Amendment Act that do not have a substantive affect.

Financial Plan Impact

Funds are sufficient in the fiscal year 2019 through fiscal year 2022 budget and financial plan to implement the bill. The changes made are technical or clarifying in nature and do not impact the budget and financial plan.

⁶ Subtitle VII(T) of the Fiscal Year 2018 Budget Support Act of 2017 (the Hospitality Tax Dedication Amendment Act of 2017.) The new tax revenue was dedicated to Washington Convention and Sports Authority for transference to Destination DC for the purpose of marketing the District of Columbia as a destination.

1 A BILL
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3 22-997
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5 IN THE COUNCIL OF THE DISTRICT OF COLUMBIA
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10 To amend the Advisory Neighborhood Commissions Omnibus Amendment Act of 2016, An Act
11 To provide for the drainage of lots in the District of Columbia, the Washington
12 Convention Center Authority Act of 1994, and Chapter 18 of Title 47 of the District of
13 Columbia Official Code to clarify provisions supporting the Fiscal Year 2019 budget.
14

15 BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this
16 act may be cited as the “Fiscal Year 2019 Budget Support Clarification Amendment Act of
17 2018”.

18 Sec. 2. Section 3 of the Advisory Neighborhood Commissions Omnibus Amendment Act
19 of 2016, effective April 7, 2017 (D.C. Law 21-269; 64 DCR 2162), is amended as follows:

20 (a) Subsection (a) is amended as follows:

21 (1) Paragraph (1) is amended by striking the phrase “and amendatory section
22 18(c) within section 2(i) shall apply upon the date of inclusion of their” and inserting the phrase
23 “shall apply upon the date of inclusion of its” in its place.

24 (2) Paragraph (3)(B) is amended by striking the phrase “these sections” and
25 inserting the phrase “section 2(g)(1)(B)(ii)” in its place

26 (b) A new subsection (c) is added to read as follows:

27 “(c) Amendatory section 18(c) within section 2(i) shall apply as of October 1, 2018.”.

28 Sec. 3. Section 5(b-1)(1) of An Act To provide for the drainage of lots in the District of
29 Columbia, effective March 29, 1977 (D.C. Law 1-98; D.C. Official Code § 8-205(b-1)(1)), is
30 amended by striking the phrase “addresses 1 to 177, and on the east side of Martin Luther King,
31 Jr. Avenue, S.W., addresses 4250 to 4258” and inserting the phrase “addresses 3 to 177, on the
32 east side of Martin Luther King, Jr. Avenue, S.W., addresses 4250 to 4258, and on the west side
33 of South Capitol Street, S.W., addresses 4275 to 4289” in its place.

34 Sec. 4. Section 208a(h) and (i) of the Washington Convention Center Authority Act of
35 1994, effective August 12, 1998 (D.C. Law 12-142; D.C. Official Code § 10-1202.08a(h) and
36 (i)), is repealed.

37 Sec. 5. Chapter 18 of Title 47 of the District of Columbia Official Code is amended as
38 follows:

39 (a) Section 47-1807.14(d) is amended to read as follows:

40 “(d) This section shall not apply if:

41 “(1) The qualified corporation receives any tax credits towards payment of the
42 real property tax for the qualified rental retail location or qualified owned retail location; or

43 “(2) The qualified rental retail location or qualified owned retail location is
44 exempt from real property tax.”.

45 (b) Section 47-1808.14(d) is amended to read as follows:

46 “(d) This section shall not apply if:

47 “(1) The qualified unincorporated business receives any tax credits towards
48 payment of the real property tax for the qualified rental retail location or qualified owned retail
49 location; or

50 “(2) The qualified rental retail location or qualified owned retail location is
51 exempt from real property tax.”.

52 Sec. 6. Applicability.

53 This act shall apply as of October 1, 2018.

54 Sec. 7. Fiscal impact statement.

55 The Council adopts the fiscal impact statement in the committee report as the fiscal
56 impact statement required by section 4a of the General Legislative Procedures Act of 1975,
57 approved October 16, 2006 (120 Stat. 2038; D.C. Official Code § 1-301.47a).

58 Sec. 8. Effective date.

59 This act shall take effect following approval by the Mayor (or in the event of veto by the
60 Mayor, action by the Council to override the veto), a 30-day period of congressional review as
61 provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December
62 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), and publication in the District of
63 Columbia Register.

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