


COUNCIL OF THE DISTRICT OF COLUMBIA  
COMMITTEE OF THE WHOLE  
1350 Pennsylvania Avenue, NW  
Washington, DC 20004

MEMORANDUM

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TO: Nyasha Smith, Secretary to the Council

FROM: Phil Mendelson, Chairman 

DATE: July 27, 2020

RE: Notice of intent to move an amendment in the nature of a substitute to the FY21 Budget Support Act at the July 28, 2020 Legislative Meeting

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This memorandum is to provide notice of my intent to move an Amendment in the Nature of a Substitute (ANS) for Bill 23-760, the “Fiscal Year 2021 Budget Support Act of 2020” (FY21 BSA) at tomorrow’s Legislative Meeting. The ANS is attached. It makes several revisions, as well as technical and clarifying changes developed with the Council’s Office of the Budget Director and Office of the General Counsel, the Office of the Chief Financial Officer, and the Executive. The substantive changes are described briefly below.

**TITLE I. GOVERNMENT DIRECTION AND SUPPORT**

Subtitle C. Balanced Budget and Financial Plan Freeze on Salary Schedules, Benefits, and Cost-of-Living Adjustments Act of 2020: Adds the District of Columbia Public Charter School Board to the list of exclusions to the term “covered agency;” removes reference to the out years of the financial plan (which has no effect on the financial plan because the COLAs are not budgeted in the out years); clarifies that this subtitle shall not be construed as prohibiting collective bargaining on non-compensation issues; and provides a process if contingent revenue is available in an insufficient amount to satisfy negotiated salary agreements.

Subtitle G. Access to Jobs Amendment Act of 2020: Makes clarifying changes to the funding and application provisions.

Subtitle H. Paralegal Program Establishment: Removes language limiting this to Fiscal Year 2021 because the program now has recurring funding.

Subtitle K. Campaign Finance Reform Amendment Act of 2020: This subtitle updates the applicability provision of the Campaign Finance Reform Amendment Act of 2018 to reflect the sections of that law that were funded in the FY21 budget and financial plan; includes provisions to ensure continuity between the existing agencies and the new Board; makes the new Campaign Finance Board members unpaid; and maintains the current campaign finance reporting deadlines.

**TITLE II. ECONOMIC DEVELOPMENT AND REGULATION**

Subtitle C. Aligning Opportunity Zone Tax Benefits with DC Community Priorities Act of 2020: Removes the reference to the Racial Equality Achieves Results Act as a subtitle in the Budget Support Act, as that measure is moving as an independent bill.

Subtitle E. Equity Impact Enterprise Establishment Amendment Act of 2020: Updates eligibility to include individuals who have been subjected to racial or ethnic prejudice or cultural bias because of their identity as a member of a group without regard to their individual qualities; changes the disparity study from a grant to a contract, strikes reference to the dollar amount, and expands the time frame for the study from 360 to 450 days.

Subtitle F. Deputy Mayor for Planning and Economic Development Limited Grant Making Authority Amendment Act of 2020: Adds parameters for a \$200,000 grant that was included in the FY21 Local Budget Act; and makes minor drafting changes.

Subtitle G. Tax Abatements for Affordable Housing in High-need Areas Amendment Act of 2020: Updates the title and section headings to include “high-need areas;” reorganizes the requirements; replaces “area median income” with the inclusionary zoning definition of “median family income;” provides that the affordable units shall be on average 80% or less of the median family income, provided, that no household earns more than 100% of the median family income; expands the definition of “high-need affordable housing area” to include 1,000 feet in any direction beyond any of the four planning area boundaries; and adds a rulemaking provision.

Subtitle I. DCIA Employer Engagement Act of 2020: Clarifies the type of industries for the skills training and clarifies the role of feedback from the Industry Advisory Committees.

Subtitle J. Workplace Leave Navigators Program Establishment Amendment Act of 2020: Clarifies the limitations on the assistance provided to employers and that the grants provided shall account for the need for each type of assistance, based on the potential numbers of employees and employers to be served.

Subtitle K. School Year Internship Pilot Program Amendment Act of 2020: Includes homeschooled students as eligible to participate and makes other clarifying changes.

Subtitle O. Universal Paid Leave Fund Amendment Act of 2020: Reorganizes the sections to clarify how the Administrative Fund is funded and used; changes Memorandum of Agreement to Memorandum of Understanding (MOU); requires the Department of Employment Services to transfer funds appropriated for enforcement and hearing appeals of claim determinations no later than October 2, even if the MOU has not yet been executed; and adds the Workplace Leave Navigators Program to the education section of the Universal Paid Leave Act.

Subtitle Q. Equitable Impact Assistance for Local Businesses Act of 2020: Adds to the list of Fund Manager qualifications experience with “businesses owned by economically disadvantaged individuals, businesses owned by individuals who have been subjected to racial or ethnic prejudice or cultural bias because of their identity as a member of a group without regard to their individual qualities, or businesses that otherwise meet the definition of, or are similar to an

equity impact enterprise”; adds preference to applicants that are owned, operated, or controlled by individuals who have been subjected to racial or ethnic prejudice or cultural bias because of their identity as a member of a group without regard to their individual qualities; and makes other clarifying changes.

Subtitle R. Affordable Housing Loan Fund Authorization Amendment Act of 2020: Makes clarifying changes to project eligibility to align with the HUD section 108 program.

Subtitle U. DC Central Kitchen Facility Grant Amendment Act of 2020: This subtitle provides authorizing language for the \$1 million grant included in the FY21 Local Budget Act to the DC Central Kitchen, from the Workforce Investment Council, to build a new training facility.

Subtitle V. C&O Canal Grant Act of 2020: This subtitle provides authorizing language for the Office of Planning to provide the grant included in the FY21 Local Budget Act to an organization partnering with the National Park Service to complete concept design plans for the Chesapeake and Ohio Canal in Georgetown.

### **TITLE III. PUBLIC SAFETY AND JUSTICE**

Subtitle E. Moving the Office on Returning Citizen Affairs Amendment Act of 2020: Includes a conforming amendment to the Office’s establishing statute, providing that the Office is a subordinate Executive agency.

Subtitle I. Monsanto Settlement Act of 2020: Directs \$30 million from the settlement to the Clean Land Fund/Brownfield Revitalization Fund, administered by the District Department of the Environment; and adds a July 28, 2020 applicability date.

### **TITLE IV: PUBLIC EDUCATION**

Subtitle E. Adult and Residential Public Charter School Funding Stabilization Amendment Act of 2020: Changes references to “July 15 payment” to “first quarterly payment” to reflect the delayed transmission of the FY21 Local Budget Act; changes “adult public charter school” to “adult education program” and adds a corresponding definition; and adds an applicability date of July 31, 2020.

Subtitle F. School Financial Transparency Amendment Act of 2020: Makes corrections to citations throughout.

### **TITLE V. HEALTH AND HUMAN SERVICES**

Subtitle B. Medical Marijuana Program Administration Amendment Act of 2020: Adds language to the medical cannabis certified enterprise requirements to include individuals who have been subjected to racial or ethnic prejudice or cultural bias because of their identity as a member of a group without regard to their individual qualities.

Subtitle E. Telehealth Reimbursement Amendment Act of 2020: New subtitle removes “audio-only telephones” from the list of things that are not reimbursable telehealth services (note that due to this subtitle, a technical correction was made to subtitle D. Medicaid Reserve Re-Establishment).

## **TITLE VII. FINANCE AND REVENUE**

Subtitle F. Off Premises Alcohol Tax Rate Amendment Act of 2020: Adds conforming language to § 47-2002(a) that was mistakenly omitted at first reading.

Subtitle J. National Cherry Blossom Festival Fundraising March Act of 2020: Adjusts the rate of the matching dollars within the existing maximum allowed; and extends the deadline for matching donations from March 31 to April 30, 2021.

Subtitle K. Motor Vehicle Fuel Tax and Local Transportation Surcharge Amendment Act of 2020: Breaks out the increase from the tax as a local transportation surcharge in order to effectuate the transfer to the capital improvements program to fund the renovation, repair, and maintenance of local transportation infrastructure. This changes only the mechanism by which the funds are collected; the revenue budgeted for this increase remains the same.

Subtitle L. Advertising and Personal Information Tax Amendment Act of 2020: Strikes this subtitle.

Subtitle L. New Communities Bond Clarification Amendment Act of 2020: This subtitle clarifies that the cap on debt service for bonds applies only to the funds allocated annually from the Housing Production Trust Fund.

Subtitle M. QHTC Tax Incentives Modification Amendment Act of 2020: Restores the original subtitle name and adds an applicability provision.

Subtitle Q. Estate Tax Adjustment Amendment Act of 2020: Makes conforming amendments to the tax code.

Subtitle R. District of Columbia Low-Income Housing Tax Credit Clarification Amendment Act of 2020: This subtitle creates a state-based District of Columbia Low-Income Housing Tax Credit, which will match the federal credit 1:4 and add deeper subsidy to affordable housing projects already deemed eligible for such investment. Funding for this subtitle was included in the FY21 Local Budget Act.

## **TITLE VIII. SPECIAL PURPOSE AND DEDICATED REVENUE FUND AMENDMENTS AND TRANSFERS**

Designated Fund Transfer: Strikes the Fiscal Year 2020 sweeps that were enacted on an emergency basis in the FY 2020 Revised Local Budget Emergency Adjustment Act of 2020; and updates the table to reflect the sweeps made in the FY21 budget and financial plan.

## **TITLE IX. CAPITAL BUDGET**

Fiscal Year 2021 Capital Project Reallocation Approval Act of 2020: Strikes this subtitle because it was enacted on an emergency basis in the FY 2020 Revised Local Budget Emergency Adjustment Act of 2020.

A copy of the proposed ANS is attached. Please contact Jennifer Budoff, Council Budget Director, at 724-5689 if you have any questions.

cc: All Councilmembers  
Council Officers