

COUNCIL OF THE DISTRICT OF COLUMBIA
Office of the Budget Director



Jennifer Budoff
Budget Director

FISCAL IMPACT STATEMENT

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

FROM: Jennifer Budoff - Budget Director *Jennifer Budoff*

DATE: July 21, 2020

SHORT TITLE: B23-0761 "Fiscal Year 2021 Local Budget Act of 2020"

TYPE: Amendment 1

REQUESTING OFFICE: Chairman Phil Mendelson

Conclusion

This amendment does not have an adverse impact on the District's budget or financial plan.

Background

The amendment would reduce a portion of the recurring enhancement to personnel services provided to the DC Public Library (DCPL) by \$1.786M, leaving a recurring enhancement of \$914,000 for library hours. In addition, the Council provided a \$1,500,000 recurring enhancement to DCPL to support collections in the library system. This amendment would also make \$350,000 of that enhancement one-time.

The sales tax placed on advertisements in the Fiscal Year 2021 Budget Support Act applied to the "planning, creating, placing, or display of advertising". However, the intention of the tax was only to apply to the placement and display of advertisements. The sales tax on advertisements will be amended at second reading of the Fiscal Year 2021 Budget Support Act to align with the intent which will lower the amount of revenue raised by the tax. This amendment reduces the enhancement provided to the District of Columbia Public Library in order to align the Fiscal Year 2021 budget and financial plan with available resources.