DRAFT

TO: Members of the Council of the District of Columbia

FROM: Chairman Phil Mendelson
Committee of the Whole

DATE: July 1, 2021

SUBJECT: Report and Recommendations of the Committee of the Whole on the Fiscal Year 2022 Budget and Corresponding Budget Support Act

The Committee of the Whole, having conducted hearings and received testimony on the Mayor's proposed fiscal year 2022 operating and capital budgets for the agencies under its purview, reports its recommendations for consideration by members for inclusion in the final Fiscal Year 2022 Budget. The Committee also comments on several subsections of the Fiscal Year 2022 Budget Support Act of 2021, and makes its own additional proposals.

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INTRODUCTION

Introduction to this Report

This report presents the Council of the District of Columbia Committee of the Whole's recommendations regarding funding allocations for the fiscal year 2022 budget for the agencies under the Committee's purview. In addition, the Committee comments on policy priorities and concerns raised during performance oversight and budget hearings, provides comments and amendments on the Mayor's proposed Budget Support Act subtitles, and proposes its own additional subtitles.

Committee of the Whole, Overview

The Committee of the Whole is currently one of ten standing committees of the Council. The Committee of the Whole is responsible for the annual budget; several agencies as outlined in this report; and any other matters assigned to it by the Council's Rules or by the Chairman.

The Chairman of the Council is the Chairman of the Committee of the Whole and its members include all members of the Council. In addition to its oversight and legislative responsibilities, the Committee reviews all measures reported from other committees for completeness of the record, legal sufficiency, and adherence to rules regarding fiscal impact.

Committee Review of the Budget

The Committee is charged with oversight over the performance and annual operating and capital budgets of the above agencies included in the budget.

Last year, the world was stricken with a viral pandemic that is only now coming under control in the District. The Mayor declared a public health emergency on March 11, 2020. In response, Congress has provided billions of dollars of aid to the District, states, and territories. The Council twice delayed the Mayor submission of the FY 2022 budget to allow for the Mayor to propose how to spend these federal dollars. As a result, on May 27, 2021, Mayor Bowser submitted to the Council a proposed Fiscal Year 2022 Budget and Financial Plan that allocates resources for programs and services for the upcoming fiscal year in line with the reduced revenues.

In order to review the Mayor's budget proposal, determine the needs of each agency under its jurisdiction, and provide the public with an opportunity to comment, the Committee held virtual hearings via the Zoom videoconferencing platform. The Committee also allowed the public to submit written testimony, and transcribed voicemail testimony. Typical of Council committee budget reports, testimony and written statements are made a part of the record but are not attached to the report.

The Committee has listened to testimony from the public and agency heads to better understand the operations and needs of the various agencies. In this report, the Committee provides analysis of the budget requests, states its concerns, makes revisions, and offers budget policy recommendations.

As such, the Committee presents its recommendations for the District's fiscal year 2022 budget that the Committee believes that the recommendations contained herein provide each agency under its purview with the funds necessary to fulfill its core mission and represent the policy priorities that best serve the people of the District of Columbia.

The Committee also provides thanks to the Council Budget Office and the staff of the Committee of the Whole, without whose support this budget process would not have been possible: Evan Cash, Committee and Legislative Director; Christina Setlow, Deputy Committee Director; Blaine Stum, Legislative Policy Advisor; LeKisha Jordan, Legislative Policy Advisor; Destiny Price, Committee Assistant; Max Brossy, Fellow; and Anne Phelps, Budget Counsel.

Committee of the Whole 2020/21 Performance Oversight Hearing Schedule

Wednesday, March 9, 2021 at 9:00 a.m. via Zoom
- Education Public Witnesses

Thursday, March 10, 2021 at 9:00 a.m. via Zoom
- Office of the State Superintendent of Education
- State Board of Education
- Office of the Student Advocate
- Ombudsman for Education
- Office of the Deputy Mayor for Education
- D.C. Public Charter School Board
- District of Columbia Public Schools
- DC State Athletic Association

Thursday, March 11, 2021 at 3:00 p.m. via Zoom
- District of Columbia Auditor
- Office of Budget and Planning
- New Columbia Statehood Commission
- District of Columbia Retirement Board
- Other Post-Employment Benefits Fund

Monday, March 15, 2021 at 3:00 p.m. via Zoom
- Metropolitan Washington Council of Governments
- Washington Metropolitan Area Transit Administration

Wednesday, March 17, 2021 at Noon via Zoom
- Commission on the Arts and Humanities
- University of the District of Columbia

Thursday, March 18, 2021 at Noon via Zoom
- Metropolitan Washington Airports Authority
- Office of Zoning
- Office of Planning
- Department of Consumer and Regulatory Affairs

Committee of the Whole Fiscal Year 2022 Budget Hearing Schedule

Thursday, June 3, 2021 at 9:00 a.m. via Zoom
- Education Public Witnesses

Friday, June 4, 2021 at Noon via Zoom
- Metropolitan Washington Council of Governments
- Commission on the Arts and Humanities
  University of the District of Columbia

Monday, June 7, 2021 at Noon via Zoom
- Council of the District of Columbia
- New Columbia Statehood Commission
- District of Columbia Auditor
- Office of Budget and Planning
- District of Columbia Retirement Board
- Other Post-Employment Benefits Fund

Tuesday, June 8, 2021 at 9:00 a.m. via Zoom
- Office of the State Superintendent of Education
- State Board of Education
- Office of the Student Advocate
- Ombudsman for Education
- Office of the Deputy Mayor for Education
- D.C. Public Charter School Board
- District of Columbia Public Schools
- DC State Athletic Association

Thursday, March 18, 2021 at Noon via Zoom
- Office of Zoning
- Office of Planning
- Department of Consumer and Regulatory Affairs

COMMITTEE TRANSFERS SUMMARY TABLE

(whole dollars)

Committee	Description	Amount	Type
Committee on Transportation and the Environment	Transfer In: UDC Master Gardener Program Expansion for Ward 7 and 8 Students	$16,800	One Time Local
Committee on Transportation and the Environment	Transfer In: MWCOG Food and Agriculture Regional Member (FARM)	$40,000	One Time Local
Committee on Transportation and the Environment	Transfer In: DC Water Lead Line Audit by the Council	$200,000	One Time Local
Committee on Transportation and the Environment	Transfer In: Zero Waste grant program at OSSE	$100,000	Recurring Local
Committee on Transportation and the Environment	Transfer In: Fund Bill 23-193, Electric Vehicle Readiness Act at DCRA	$116,000	Recurring Local
Committee on Labor and Workforce Development	Transfer Out: Shift Career Coaches to Workforce Investment Council	($9,126,000)	One Time Local
Committee on Health	Transfer Out: Fund the Maternal Health Resources and Access Act of 2021	($1,440,000)	One Time Local
	Total:	**($10,093,200)**	

Agency FY 2022 Operating Changes Summary Table

(dollars in whole dollars)

Agency	Amount	Type	Attributes	Description
Council of the District of Columbia	$200,000	One Time Local	Pgm. 2000/0027 CSG 40	DC Water lead service line replacement study
Metropolitan Washington Council of Governments	$40,000	One Time Local	Pgm. 1000/1100 CSG 50	MWCOG Food and Agriculture Regional Member FARM Program
Commission on the Arts and Humanities	($8,594,240)	Dedicated Taxes	Pgm. 2000/2012 CSG 50	Eliminate National Capital Arts Cohort to align to subtitle COW-A
Commission on the Arts and Humanities	($7,673,432)	Dedicated Taxes	Pgm. 2000/2013 CSG 50	Decrease to Arts and Humanities Cohort to align to Subtitle COW-A
Commission on the Arts and Humanities	($306,937)	Dedicated Taxes	Pgm. 2000/2014 CSG 50	Reduction in Humanities Grants aligned to Subtitle COW-A
Commission on the Arts and Humanities	$16,574,609	Dedicated Taxes	Pgm. 2000/2020 CSG 50	New General Operating Support Grants aligned to Subtitle COW-A
Office of Planning	($500,000)	One Time, ARPA Local	Pgm. 7000/7010 CSG 50	Shift Tenleytown Framework and Woodley/Cleveland Park Design Guidelines from Citywide to Neighborhood Planning.
Office of Planning	$500,000	One Time, ARPA Local	Pgm. 3000/3010 CSG 41	
Office of Planning	($500,000)	One Time, ARPA Local	Pgm. 7000/7010 CSG 50	Reduce funds for Streets for People Grants
Office of Planning	$250,000	One Time, ARPA Local	Pgm. 7000/7010 CSG 41	Fund PDR Land Use Study - Funds B24-1, Sec. 4.
Office of Planning	$250,000	One Time, ARPA County	Pgm. 7000/7010 CSG 50	Fund a Small Area Plan for the Ivy City community
DC Public Charter School Board	($5,400,000)	One Time ARPA FY22-24	Pgm. 0010/1000 CSG 41	Recognize savings due to reduced FIS for DC Law 22-21
Deputy Mayor for Education	($200,000)	One Time ARPA FY22-23	Pgm. 2000/2010 CSG 11	Eliminate 1.0 FTEs and NPS for FY22 and FY23 for the Family Coaches Program
Deputy Mayor for Education	($50,000)	One Time ARPA FY22-23	Pgm. 2000/2010 CSG 14	
Deputy Mayor for Education	($2,331,250)	One Time ARPA FY22-23	Pgm. 2000/2011 CSG 41	
Deputy Mayor for Education	$2,000,000	One Time ARPA FY22	Pgm. 2000/2011 CSG 50	Increase in Out of School Time Grants
Deputy Mayor for Education	($1,500,000)	One Time ARPA FY22-24	Pgm. 2000/2011 CSG 50	Decrease MPD De-Escalation Training
Deputy Mayor for Education	($139,810)	One Time ARPA FY22-23	Pgm. 2000/2011 CSG 11	Technical Correction to transfer Career Coaches to the Workforce Investment Council
Deputy Mayor for Education	($36,052)	One Time ARPA FY22-23	Pgm. 2000/2011 CSG 14	
Deputy Mayor for Education	($8,950,138)	One Time ARPA FY22-23	Pgm. 2000/2011 CSG 50	

Agency	Amount	Type	Attributes	Description
Office of the State Superintendent for Education	$100,000	Recurring, Local	Pgm. E500/E504 CSG 50	Increase for Zero Waste Food Program Grant Program
Office of the State Superintendent for Education	($5,140,187)	One Time, ARPA FY22-24	Pgm. E700/E707 CSG 50	Shift DC Futures Tuition Assistance from OSSE to UDC Subsidy
University of the District of Columbia Subsidy	$5,140,187	One Time, ARPA FY22-24	Pgm. 1000/1100 CSG 50	
University of the District of Columbia Subsidy	$16,800	One Time, ARPA Local	Pgm. 1000/1100 CSG 50	UDC Master Gardener Program Expansion for Ward 7 and 8 Students
State Board of Educaiton	$160,000	One Time ARPA FY22-23	Pgm. SB00/SB02 CSG 12	1.0 New FTE for the Office of the Ombudsman to support predicted increase in post-pandemic family caseload.
State Board of Educaiton	$31,360	One Time ARPA FY22-23	Pgm. SB00/SB02 CSG 14	
State Board of Educaiton	$160,000	One Time ARPA FY22-23	Pgm. SB00/SB03 CSG 12	1.0 New FTE for the Office of the Student Advocate to support predicted increase in post-pandemic family caseload.
State Board of Educaiton	$31,360	One Time ARPA FY22-23	Pgm. SB00/SB03 CSG 14	
Department of Consumer and Regulatory Affairs	$34,839	Recurring, Local	Pgm. 1000/1040 CSG 40	Fund L23-194, the Electric Vehicle Readiness Amendment Act of 2020
Department of Consumer and Regulatory Affairs	$34,111	Recurring, Local	Pgm. 2000/2020 CSG 41	
Department of Consumer and Regulatory Affairs	$47,050	Recurring, Local	Pgm. 4000/3080 CSG 41	
Non-Departmental	$5,658,530	One Time, ARPA State	Pgm. 1000/1100 CSG 50	Enhance to support Charter Stabilization Funding
Other Post-Employment Benefits Administration	$1,069,000	Enterprise Funds	Pgm. 1100/1101 CSG 41	Align budget with actual expenditures from OPEB fund
General Funds Total:	**($10,093,200)**			
Enterprise Total:	**$1,069,000**			

AGENCY FY 2022 CAPITAL BUDGET SUMMARY TABLE

(thousands of dollars)

The Mayor's proposed fiscal year 2022 capital budget for agencies under the purview of the Committee of the Whole includes the following capital projects in fiscal year 2022. The Committee recommends adoption of the capital budget as shown below.

Project No.	Project Title	Available Allotment	FY 2022 Budget	FY 2023 Budget	FY 2024 Budget	FY 2025 Budget	FY 2026 Budget	FY 2027 Budget	Total FY 2022-27
COUNCIL OF THE DISTRICT OF COLUMBIA									
WIL04C	John A. Wilson Building Fund	1,267	0	0	0	0	0	0	0
WIL05C	IT Upgrades	3,759	0	0	0	0	0	0	0
Total		**5,026**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
OFFICE OF ZONING									
JM102C	Zoning Information Technology Systems	15	0	0	186	0	0	0	186
Total		**15**	**0**	**0**	**186**	**0**	**0**	**0**	**186**
COMMISSION ON THE ARTS AND HUMANITIES									
CHH04C	Charles Hamilton Houston Bronze Statue	**300**	**0**	**0**	**0**	**0**	**0**	**0**	0
CTN04C	Chinatown Friendship Archway Renovation	0	0	0	0	0	0	0	0
Total		**300**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
DEPARTMENT OF CONSUMER AND REGULATORY AFFAIRS									
ISM07C	IT Systems Modernization	974	3,000	2,375	3,000	0			8,375
ISM11C	DCRA Business Portal	115	0	0	0	0	0	0	0
ISMNEC	Short-Term Rental Technology	1,828	0	0	0	0	0	0	0
Total		**2,917**	**3,000**	**2,375**	**3,000**	**0**	**0**	**0**	**8,375**
DISTRICT OF COLUMBIA PUBLIC SCHOOLS									
ET940C	DCPS Capital Projects	150,889	284,747	265,561	277,247	244,358	273,679	248,348	1,593,940
Total		**150,889**	**284,747**	**265,561**	**277,247**	**244,358**	**273,679**	**248,348**	**1,593,940**
OFFICE OF THE STATE SUPERINTENDENT FOR EDUCATION									
EMG16C	Educational Grant Management System II	9	0	0	0	0	0	0	0
GD001C	Data Infrastructure	1,131	4,134	0	0	0	0	0	4,134
GDMMSC	Common Lottery: My School DC	0	1,094	0	0	0	0	0	1,094
MODARC	New Satewide Special Eduation Data Sys	1,967	0	0	0	0	0	0	0
SIS01C	Single State-Wide Student Information Sys	32	0	0	0	0	0	0	0
Total		**3,139**	**5,228**	**0**	**0**	**0**	**0**	**0**	**5,228**
UNIVERSITY OF THE DISTRICT OF COLUMBIA									
ET940C	Higher Edcuation Back Office	1,522	0	0	0	0	0	0	0
UG706C	Renovation of University Facilities	55,233	7,500	36,500	37,000	23,000	3,000	7,500	114,500
Total		**56,755**	**7,500**	**36,500**	**37,000**	**23,000**	**3,000**	**7,500**	**114,500**
SPECIAL EDUCATION TRANSPORTATION									
BRM15C	1601 W Street NE Building Renovation	16,453	4,000	0	0	0	0	0	4,000
BRM16C	2215 5th Street NE Building Renovations	4,856	0	0	0	0	0	0	0
BU05B0C	Bus-Vehicle Replacement	1,882	0	0	3,500	4,000	5,682	5,853	19,035
BU501C	DOT GPS	0	961	0	0	0	0	0	961
Total		**23,191**	**4,961**	**0**	**3,500**	**4,000**	**5,682**	**5,853**	**23,996**
WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY									
SA311C	IT Systems Modernization	207	49,500	0	0	0	0	0	49,500
SA501C	DCRA Business Portal	32,752	278,164	280,658	283,159	285,300	285,566	289,499	1,702,346
TOP02C	Short-Term Rental Technology	529	0	1,000	1,000	1,000	1,000	1,000	5,000
Total		**33,488**	**327,664**	**281,658**	**284,159**	**286,300**	**286,566**	**290,499**	**1,756,846**
GRAND TOTAL		**275,720**	**633,100**	**586,094**	**605,092**	**557,658**	**568,927**	**552,200**	**3,503,071**

AGENCY FISCAL YEAR 2022 BUDGET RECOMMENDATIONS

The Committee presents the following with regard to the agencies and programs under its purview. The information contained herein provides for each agency: (I) a brief overview of its purpose and function; (II) a summary of the Mayor's fiscal year 2022 budget proposal; (III) commentary on issues and concerns the Committee has identified; and (IV) the recommended changes to the proposed budget as well as policy recommendations.

COUNCIL OF THE DISTRICT OF COLUMBIA

Committee Recommendations – See Page xvi

I. AGENCY OVERVIEW

The Council of the District of Columbia is the legislative branch of the District of Columbia government. The Council sets policy through the enactment of laws. The Council is comprised of 13 members – a representative elected from each of the eight wards and five members, including the Chairman, elected at-large. The Council conducts its work through standing committees and Councilmember staff that perform legislative research, bill drafting, budget review, program and policy analysis, and constituent services.

II. MAYOR'S PROPOSED BUDGET

Mayor's Proposed Fiscal Year 2022 Operating Budget[1]

The Mayor's Fiscal Year 2022 budget proposal for the Council of the District of Columbia is $28,557, a decrease of $100, or 2.4 percent, under the current fiscal year. The proposed budget supports 201.0 FTEs, which represents a decrease of 5.0, or 2.4 percent, under the current fiscal year.

Table AB-A: Council of the District of Columbia;
Total Operating Funds Budget FY 2016-2022

	Actual 2016	Actual 2017	Actual 2018	Actual 2019	Actual 2020	Budget 2021	Mayor 2022
Total Funds	21,295	22,359	24,144	25,765	26,072	28,657	28,557
FTEs	181.0	185.1	193.0	196.2	197.5	206.0	201.0

Source: *Budget Books (dollars in thousands)*

[1] The Mayor's proposed budget provides numbers rounded to dollars in thousands; therefore, all figures presented here are dollars in thousands. Percent change is based on whole dollars.

Local Funds: The Mayor's proposed budget is comprised entirely of local funds.

III. COMMITTEE COMMENTARY

The Committee provides the following commentary and concerns in relation to the proposed Fiscal Year 2022 (FY 2022) budget and agency performance over the last year.

FY 2020 and FY 2021 Accomplishments: The Secretary to the Council is responsible for internal administrative, budget, and operational support to the Council. Other central offices include the Office of the General Counsel, which provides legal counsel and legislative advice, and the Office of the Budget Director, which provides advice and support in crafting the annual District budget.

Over the last year, the Council intricately has woven social media and electronic platforms and solutions into its processes as a result of the COVID-19 pandemic. Over the last 15 months, the Council hosted all Legislative Meetings, Committee of the Whole sessions, and committee hearings virtually utilizing video conference software, and broadcast on Facebook or YouTube, in addition to the Council's website and the Office of Cable Television, Film, Music, and Entertainment. The Council has focus on creatively engaging constituents during the pandemic, coupled with existing social media presence. This resulted in high levels of engagement.

In addition, for Council Period 24, the Council established the Council Office on Racial Equity (CORE) under a framework laid out by adoption of the Rachial Equity Achieves Results Act of 2020. This new office provides a resource to consider racial equity impacts at various stages of the legislative process, including issuance of Racial Equity Impact Assessments on most permanent legislation. This office holds great potential to positively affect legislation that will benefit the residents of the District.

FY 2021 Budget: The FY 2022 budget submission includes funding for the 3% retirement matching program instituted by the Council in FY 2019, and the student loan repayment program instituted in FY 2020. The proposed budget is adequate to support 10 standing committees in FY 2022.

Council Information Technology Fund: The Council has a Council Technology Projects Fund that captures all excess monies remaining in the operating budget for the Council at the end of each fiscal year in the form of capital funds. Therefore, any underspending by the Council supports future information technology needs of the Council. The Fund is administered by the Council Chief Technology Officer and currently has a pre-encumbered available balance of approximately $1.9 million.

IV. COMMITTEE RECOMMENDATIONS

Committee's Recommended Fiscal Year 2022 Operating Budget

The Committee on Transportation and the Environment transferred $200,000 to the Committee to support to undertake a comprehensive assessment of DC Water's Lead Service Line Replacement Plan, released June 14, 2021. The Council's assessment should analyze DC Water's cost estimates for implementation of the Plan, including comparing costs from other jurisdictions and whether expenditures included in the Plan are directly related to lead water service line replacement work. The assessment will also examine the feasibility of the projected timeline in the Plan, as well as DC Water's new lead service line replacement planning and prioritization model.

The Committee recommends the following changes to the Council of the District of Columbia FY 2022 budget:

1. Increase Program/Activity 2000/0027, CSG 40 by $200,000 (One Time, Local).

OFFICE OF THE DISTRICT OF COLUMBIA AUDITOR

Committee Recommendations

I. AGENCY OVERVIEW

The Office of the District of Columbia Auditor (ODCA) was established by the United States Congress in section 455 of the Home Rule Act, approved December 24, 1973 (87 Stat. 803; DC Official Code § 1-204.55). ODCA's mission is to "support the Council of the District of Columbia by conducting audits that improve the economy, efficiency, and accountability of District government." ODCA is also required to certify revenue estimates in support of general obligation bonds issued by the District government. Additionally, D.C. Official Code §1-204.55(c) states: "(t)he District of Columbia Auditor shall have access to all books, accounts, records, reports, findings, and all other papers, things, or property belonging to or in use by any department, agency, or instrumentality of the District government and necessary to facilitate the audit."

Pursuant to the Home Rule Act, the District of Columbia Auditor is appointed by the Chairman of the Council, subject to the approval of a majority of the Council. Under D.C. Official Code § 1-205.55(b), the District of Columbia Auditor, whose term of appointment is six years, is required "each year [to] conduct a thorough audit of the accounts and operations of the government of the District."

II. MAYOR'S PROPOSED BUDGET

Mayor's Proposed Fiscal Year 2022 Operating Budget[2]

The Mayor's fiscal year 2022 budget proposal for the Office of the District of Columbia Auditor is $5,653 which represents no change from the current fiscal year. The proposed budget supports 31.7 FTEs, which represents an increase of 0.1, or 0.3 percent, from the current fiscal year.

Table AC-A: Office of the District of Columbia Auditor; Total Operating Funds Budget FY 2016-2022

	Actual 2016	Actual 2017	Actual 2018	Actual 2019	Actual 2020	Budget 2021	Mayor 2022
Total Funds	4,549	4,669	5,945	5,415	5,075	5,653	5,653
FTEs	29.2	30.9	30.4	30.5	27.9	31.8	5,653

***Source**: Budget Books (dollars in thousands)*

Local Funds: The funding for this account is comprised entirely of local funds.

III. COMMITTEE COMMENTARY

The Committee provides the following commentary in relation to the proposed fiscal year 2022 budget and agency performance over the last year.

Discretionary Audits Carry Over Funding: Beginning with FY 2021, the Council authorized the Auditor to carry over unspent funds to be used in a subsequent fiscal year. This enables additional flexibility in scheduling the timing for audits and conducting additional discretionary audits. With the new authority, the Auditor carried over $500,377 from FY 2020 to FY 2021 – roughly split between personal and non-personal services. This year, the Auditor is on track to carry over around $400,000.

Rent Costs: The Auditor occupies leased office space at 717 17th Street NW under a lease negotiated almost 20 years ago. The space has become obsolete by today's standards, especially with regard to space efficiency for a number of employees that spend significant time away from the office in the field conducting audits. The Auditor is working with the Department of General Services (DGS) on finalizing a new lease for space at 1331 Pennsylvania Avenue NW. However, given that the new lease is not yet finalized, DGS is negotiating with the current landlord to stay until March 31, 2022. If the new space is not yet ready, the Auditor may continue the current lease

[2] The Mayor's proposed budget provides numbers rounded to dollars in thousands; therefore, all figures presented here are dollars in thousands. Percent change is based on whole dollars.

on a month-to-month basis. The Committee encourages the Auditor, working with DGS, to finalize the new lease as soon as possible.

Deputy Auditor for Public Safety: One recommendation of the Police Reform Commission's April 1, 2021 report entitled Decentering Police to Improve Public Safety, the Police Reform Commission's was creation of a deputy auditor for public safety within the Office of the District of Columbia Auditor. The Commission outlines specifics as to the deputy auditor's recruitment, tenure, basis for removal, subpoena authority, access to employees and records, all of which are "intended to ensure that the deputy auditor possesses the power and resources needed to conduct mandatory and discretionary audits independently, while being insulated, to the extent possible, from politics."

According to testimony of the Auditor, her office is open to creation of such an office. However, such a new function would require requiring additional funding of at least an additional $2 million annually for the number and caliber of staff that would be required to meet the mandates outlined in the Commission report. During the May 20, 2021, joint hearing on the Commission's recommendations Office of Police Complaints Executive Director Michael Tobin indicated he would support having the kind of accountability role envisioned in a deputy auditor for public safety housed within the Office of Police Complaints. He emphasized that the OPC staff, unlike the current ODCA staff, has explicit subject matter expertise on policing issues. It would be incumbent on the Auditor to recruit and secure the most capable candidate possible to serve as deputy auditor for public safety.

IV. COMMITTEE RECOMMENDATIONS

Committee's Recommended fiscal year 2022 Operating Budget

The Committee recommends the no changes to the Office of the District of Columbia Auditor's FY 2022 budget as submitted by the Mayor.

Policy Recommendations

1. The Committee recommends that the Auditor work with the Department of General Services to identify office space that meets the current and future needs of the agency, with an emphasis on outfitting the space to promote public health and safety.

2. The Committee recommends that Auditor monitor funds in the Audit Engagement Fund and ensure that the funds are being used for the intended purposes. Should the fund continue to grow, the allowable uses of the fund should be reconsidered working with the Committee.

3. The Committee recommends that the full Council examine funding a Deputy Auditor for public safety position as recommended by the Police Reform Commission.

METROPOLITAN WASHINGTON COUNCIL OF GOVERNMENTS

Committee Recommendations

I. AGENCY OVERVIEW

"Region Forward" is the mission and commitment by the Metropolitan Washington Council of Governments (COG). COG's member governments include 24 local jurisdictions. Also participating are representatives of the Maryland and Virginia State Legislatures, as well as the U.S. Congress. The member governments work together on a variety of issues regarding transportation, public safety, the environment, and human services. To make "Region Forward" a reality, COG serves as a discussion forum, expert resource, issue advocate, and catalyst for action. It also fosters cooperative relationships among government bodies throughout the metropolitan region, advocates quality of life for all, promotes better air and water quality, encourages a multi-modal transportation system that prioritizes management, performance, maintenance, and promotes regional emergency response coordination planning.

For nearly 60 years, COG has helped tackle metropolitan Washington's biggest challenges, such as restoring the Anacostia River, ensuring that the Washington Metropolitan Area Transit Authority (WMATA) Metrorail system was fully built, and strengthening emergency preparedness after September 11, 2001. Most recently COG had been tasked with helping the District, Maryland, and Virginia develop a new State Safety Oversight Agency for the WMATA Metrorail system, the Metrorail Safety Commission, as well as assisting the three jurisdictions in securing long-term dedicated funding for WMATA. COG is supported by financial contributions from its participating local governments, federal and state grants and contracts, and donations from foundations and the private sector.

II. MAYOR'S PROPOSED BUDGET

Mayor's Proposed Fiscal Year 2022 Operating Budget:[3]

The Mayor's FY 2022 budget proposal for COG is $554, an increase of $12, or 2.2 percent, over the current fiscal year. The proposed budget supports no FTEs, representing no change from the current fiscal year. This budget proposal represents the District's annual payment to COG and is equal to the dues required to be a member of COG.

[3] The Mayor's proposed budget provides numbers rounded to dollars in thousands; therefore, all figures presented here are dollars in thousands. Percent change is based on whole dollars.

Table EA-A: Metropolitan Washington Council of Governments; Total Operating Funds Budget FY 2017-2022

	Actual 2017	Actual 2018	Actual 2019	Actual 2019	Actual 2020	Budget 2021	Mayor 2022
Total Funds	472	495	520	242	554	586	555
FTEs	0	0	0	0	0	0	0

***Source**: Budget Books (dollars in thousands)*

Local Funds: The Mayor's proposed budget is comprised entirely of local funds.

III. COMMITTEE CONCERNS

The Committee provides the following commentary and concerns in relation to the proposed FY 2022 budget and agency performance over the last year.

Funding for COG is determined by a funding formula based in large part on the population of each member's jurisdiction. As the population grows, each member's jurisdiction can count on owing more in COG dues. Any annual increases in dues is subjected to a five percent cap. Under COG's bylaws, member contributions are calculated based on a prorated share of the region's population. Based on work program priorities and revenue requirements, each fiscal year an assessment rate is applied to population forecasts for each COG member jurisdiction. Based on population estimates, the District's FY 2022 proposed contribution to COG is $555 which is $31 less than the previous year. According to COG, this is the result of a one-year reduction in dues as a result of the pandemic.

Dues from member jurisdictions account for approximately eight percent of COG's total budget. This funds regional programs, such as the Cooperative Purchasing Program, which gives member jurisdictions the ability to save money by participating in certain contracts, such as cooperating with Maryland to obtain a bulk rate for road deicing chemicals. The remaining 92 percent represents funding from federal and state contracts that involve regional projects, including transportation and homeland security projects.

IV. COMMITTEE RECOMMENDATIONS

Committee's Recommended Fiscal Year 2022 Operating Budget:

The Committee on Transportation and the Environment transferred $40,000 in one-time local funds to the Metropolitan Washington Council of Governments (MWCOG) to support making the Food and Agriculture Regional Member (FARM) ad-hoc committee a permanent committee at MWCOG. As with other MWCOG issues such as air quality and water supply, the food and agriculture system's interconnectedness often demands a regional response. These funds will allow MWCOG to build stronger connections within the region's food and farm economy.

The Committee recommends adoption of the fiscal year 2022 budget for the Metropolitan Washington Council of Governments as proposed by the Mayor with the following changes:

1. Increase Program/Activity 1000/1100, CSG 50 by $40,000 (One Time, Local).

Policy Recommendations:

1. The Committee recommends that the Metropolitan Washington Council of Governments continue to implement programs and policies to increase regional cooperation and foster regionalism, especially with respect to reimaging the post-pandemic region.

STATEHOOD INITIATIVES AGENCY

Committee Recommendations

I. AGENCY OVERVIEW

The mission of the Statehood Initiatives Agency (SIA) is to allow for the development and implementation of a coherent and effective means to promote statehood for the District of Columbia through lobbying efforts in Congress, educating District residents and citizens throughout the United States, and aligning the efforts of various stakeholder groups who advocate for District of Columbia statehood. The SIA provides funding for the executive director of the Office of the Statehood Delegation and the New Columbia Statehood Fund, both of which are designed to support the efforts of the District's elected Statehood Delegation (Delegation).

II. MAYOR'S PROPOSED BUDGET

Mayor's Proposed Fiscal Year 2022 Operating Budget[4]

The Mayor's FY 2022 budget proposal for the Statehood Initiatives Agency is $241 which represents no change from the current fiscal year. The proposed budget supports 3.0 FTEs, which represents no change from the current fiscal year.

[4] The Mayor's proposed budget provides numbers rounded to dollars in thousands; therefore, all figures presented here are dollars in thousands. Percent change is based on whole dollars.

Table AR-A: Statehood Initiatives Agency;
Total Operating Funds Budget FY 2016-2022

	Actual 2016	Actual 2017	Actual 2018	Actual 2019	Actual 2020	Budget 2021	Mayor 2022
Total Funds	290	240	324	302	291	241	241
FTEs	1.3	1.0	1.0	3.9	0.9	3.0	3.0

***Source**: Budget Books (dollars in thousands)*

Local Funds: The Mayor's proposed budget is comprised entirely of local funds.

III. COMMITTEE COMMENTARY

The Committee provides the following commentary and concerns in relation to the proposed FY 2022 budget and agency performance over the last year.

Commission Budget: The New Columbia Statehood Initiative and Omnibus Boards and Commissions Reform Amendment Act of 2014[5] created the New Columbia Statehood Commission (Commission), the Office of the Statehood Delegation, and the New Columbia Statehood Fund. The Commission and Delegation are both budgeted under the Statehood Initiatives Agency in the budget, and funds from the Statehood Fund would also be reflected in this agency. The Commission must, under that law, adopt a budget comprised of the funds appropriated by the Council. The Committee urges the Commission to adopt such a budget prior to the commencement of FY 2022.

Staffing Structure: Over the last 6 years, the Commission has employed staff on an *ad hoc* basis, with limited full time staff, part time staff, and interns. According to testimony from Senator Paul Strauss, this year, the Commission established an Executive Director position to support the entire Commission. The Committee supports this approach and encourages the Commission to continue to strive for a centrally managed staff that will support the Commission's efforts with respect to Statehood.

IV. COMMITTEE RECOMMENDATIONS

Committee's Recommended Fiscal Year 2022 Operating Budget

The Committee recommends no change to the FY 2022 budget for the Statehood Initiatives Agency as proposed by the Mayor.

[5] Effective May 2, 2015 (D.C. Law 20-271; D.C. Official Code § 1-129 *et seq.*).

Policy Recommendations

1. The Committee recommends that the Commission convene ahead of the new fiscal year to adopt its detailed FY 2022 budget based on the budget approved by the Council.

2. The Committee recommends that the Commission develop a comprehensive, multi-year strategy to achieve statehood and develop future budget requests to support the plan.

3. The Committee recommends that the Commission implement a centrally managed staff Executive Director, to support the Commission's activities.

OFFICE OF BUDGET AND PLANNING

Committee Recommendations

I. AGENCY OVERVIEW

The Office of Budget and Planning (OBP) is a component of the Office of the Chief Financial Officer (OCFO). OBP prepares, monitors, analyzes, and executes the District's budget, including operating, capital and enterprise funds, in a manner that facilitates fiscal integrity and maximizes services to taxpayers. This program also provides advice to policy-makers on the District government's budget and has the primary responsibility for ensuring that the budget is balanced at the time of budget formulation and maintaining that balance throughout the year as the budget is executed.

II. MAYOR'S PROPOSED BUDGET

Mayor's Proposed Fiscal Year 2021 Operating Budget

The Mayor's fiscal year 2021 budget proposal for the Office of Budget and Planning is $6,326, an increase of $7, or less than 0.1 percent, over the current fiscal year. The proposed budget supports 41.0 FTEs which represents a decrease of 1.0, or 0.2 percent, under the current fiscal year.

**Table AT1-A: Office of Budget and Planning;
Total Operating Funds Budget FY 2016-202**

	Actual 2016	Actual 2017	Actual 2018	Actual 2019	Actual 2020	Budget 2021	Mayor 2022
Total Funds	5,715	6,006	6,026	6,182	5,606	6,326	6,598
FTEs	38.8	40.2	39.9	38.6	38.4	40.0	45.0

Source*: Budget Books (dollars in thousands)*

Local Funds: The funding for this account is comprised entirely of local funds.

III. COMMITTEE COMMENTARY

The Committee provides the following commentary and concerns in relation to the proposed fiscal year 2022 budget and agency performance over the last year.

Federal Aid Dollars: As part of the COVID federal aid packages, the District received several billion dollars for fiscal years 2021 and 2022. The Office of Budget and Planning will receive five additional FTEs to expand its tracking and reporting capabilities for COVID-related funds, including Coronavirus Aid Relief and Economic Security (CARES) Act funds and American Rescue Plan Act (ARPA) funds. We anticipate meeting extensive District-wide reporting requirements for the ARPA funds. These FTEs are funded with ARPA Revenue Replacement funds and are anticipated to recur only through FY 2024. The positions are classified as Term employees given the temporary nature of their role.

IV. COMMITTEE RECOMMENDATIONS

Committee's Recommended Fiscal year 2022 Operating Budget

The Committee recommends no change to the fiscal year 2022 budget for the Office of Budget and Planning as proposed by the Mayor.

Policy Recommendations

1. The Committee recommends the OCFO continue to modernize its budget IT systems to more effectively and efficiently provide support to the Executive and Council in budget formulation, especially when unplanned events like COVID-19 require flexibility.

2. The Committee recommends that OCFO scrutinize mid-year funding changes requested by the Executive, and consult with the Council before approving such shifts, to ensure they do not run counter to the Council's intended budget actions.

COMMISSION ON THE ARTS AND HUMANITIES

Committee Recommendations

I. AGENCY OVERVIEW

The Commission on the Arts and Humanities (Commission) was established by the Commission on the Arts and Humanities Act, effective October 21, 1975 (D.C. Law 1-22; D.C. Official Code § 39-201 *et seq.*). The Commission is an independent body that consists of 18 members. Its role is to evaluate and initiate action on matters relating to the arts and humanities and encourage programs and the development of programs which promote progress in the arts and humanities.

The mission of the Commission on the Arts and Humanities (Commission) is to provide grants, programs, and educational activities that encourage diverse artistic expressions and learning opportunities so that all District of Columbia residents and visitors can experience the District's rich arts and humanities community.

The Commission, with recommended changes proposed by the Committee, will operate through the following five programs:

(1) Agency Management - Provides administrative support and the required tools to achieve operational and programmatic results. This program is standard for all agencies using performance-based budgeting;

(2) Arts Building Communities - Provides grants for performances, exhibitions, and other services to individual artists, arts organizations, and neighborhood and community groups so that they can express, experience, and access the rich cultural diversity of the District. An emphasis is placed on traditionally underserved populations, including first-time applicants, seniors, young emerging artists, experimental artists, folk and traditional artists, and artists in East of the River neighborhoods.

This program contains the following 4 activities:

- **Facilities and Buildings Grantmaking** - Provides grants to eligible arts organizations for the purchase or renovation of a facility designed for the management, production or presentation of performances, exhibitions, or professional training in the arts or humanities. Grant support for facility-based projects is also provided. The grants are competitively awarded by the agency using the agency's criteria.

- **General Operating Support Grants** - Provides grants to organizations that belong to eligible arts organizations. The grants are competitively awarded by the agency using the agency's criteria.
- **Humanities Grant Program** - Provides subgrants for the humanities made through HumanitiesDC. HumanitiesDC shall be required to enter into a Memorandum of Understanding (MOU) with the Commission. The MOU shall set forth certain administrative requirements for HumanitiesDC to abide by when it obtains District funds and awards subgrants involving District funds

(3) DC Creates Public Art - Provides the placement of high-quality and administrative support services for the public so that they can benefit from an enhanced visual and cultural environment, with an emphasis on geographically challenged areas of the District. This program places artwork with the Metro transit system and the numerous murals and sculptures in and around the District. The goals are to artistically enhance economic development and sustainable neighborhoods.

This program contains the following 4 activities:

- **Neighborhood and Public Art** - Projects are identified through the culmination of intensive public realm planning processes in partnership with neighborhood advisory groups, Main Street programs, other District government agencies, and private developers. Large-scale works are permanently installed in prominent public locations throughout all eight wards of the District. The program is a citywide benefit because it produces tangible art installations for display in public spaces. The art is inventoried, maintained, and owned by the District. The program also provides partial financial support for artists and organizations to produce public art in public space that the artist or arts organization owns, manages, and maintains.
- **Lincoln Theatre** - Provides for the maintenance of the Lincoln Theatre and associated projects.
- **Art Bank** - In support of visual artists and art galleries in the Washington metropolitan area. Art Bank funding acquires fine artwork each year to expand the District's Art Bank Collection, a growing collection of moveable works showcased in public space.
- **MuralsDC** - In partnership with the Department of Public Works, MuralsDC facilitates the creation of large-scale murals on walls frequently targeted or at high risk for graffiti. In conjunction with the surrounding community, MuralsDC identifies artists with a record of working with large scale media. The community and artists embark on a dialogue, followed by the installation of a mural on the pre-determined wall.

(4) Arts Learning and Outreach - Provides grants, educational activities, and outreach services for youth, young adults, historically underserved populations, and the general public so that they can gain a deeper appreciation for the arts, and to enhance the overall quality of their lives. Specific focus is on providing quality arts education and training experiences to District youth from those in pre-kindergarten through 21 years of age, quality cultural experiences to historically underserved populations, as well as grants and cultural events to the general public, so that they can access and participate in educational opportunities in the arts.

This program contains the following 3 activities:

- **Community Outreach** - Provides funding for community outreach-based projects including special performances, workshops, consultants and other opportunities that aim to enhance the agency's operations and the cultural community of the District;
- **Arts Education** - Provides funding to the Department of Employment Services (DOES) to give young adults work experience in the arts and humanities and grants to support arts programming for youth. Funding to DOES supports opportunities for young adults to receive work experience in the arts and humanities under the auspices of the Mayor Marion S. Barry Summer Youth Employment Program. Arts and Humanities Education Projects grants are open to any arts and humanities organization executing an educational initiative for youth in the District. Youth arts and humanities grants are competitively awarded by the agency using the agency's criteria.
- **Local/Regional Field trips** - Provides grants for field trips in the DC metropolitan area to provide DC Public School students with the opportunity to view an art exhibition, performance, or humanities event.

(5) Administration - Provides technical assistance and legislative services to the Commission so that it can provide funding opportunities to District artists and arts organizations.

II. MAYOR'S PROPOSED BUDGET

Mayor's Proposed Fiscal Year 2022 Operating Budget[6]

The Mayor's fiscal year 2022 budget proposal for the Commission on the Arts and Humanities (Commission) is $38,367, a decrease of $359, or 0.9 percent from the current fiscal year. The proposed budget supports 35 FTEs which represents no change from the current fiscal year.

**Table BX-A: Commission on the Arts and Humanities;
Total Operating Funds Budget FY 2016-2022**

	Actual 2016	Actual 2017	Actual 2018	Actual 2019	Actual 2020	Approved 2021	Proposed 2022
Total Funds	$15,351	$20,868	$28,617	$30,742	31,628	38,726	38,367
FTEs	17.6	28.0	25.9	27.0	28.1	35.0	35.0

Source: *Budget Books (dollars in thousands)*

[6] The Mayor's proposed budget provides numbers rounded to dollars in thousands; therefore, all figures presented here are dollars in thousands. Percent change is based on whole dollars.

Dedicated Taxes: The Mayor's proposed budget is $37,523, a decrease of $326, or 0.9 percent, from the current fiscal year. The proposed budget supports 33.0 FTEs, an increase of 3.5, or 11.9 percent, from current fiscal year.

Federal Funds: The Mayor's proposed budget is $761, which is an increase of $42, or 5.9 percent from the current fiscal year. The proposed budget supports 2.0 FTEs, a decrease of 3.5, or 63.6 percent, from the current fiscal year.

Intra-District Funds: The Mayor's proposed budget is $84, a decrease of $75, or 47.3 percent, from the current fiscal year.

III. COMMITTEE COMMENTARY

The Committee provides the following commentary and concerns in relation to the proposed FY 2022 budget and agency performance over the last year.

Dedicated Funding: In 2019, the Council showed its commitment to the arts and humanities by creating a dedicated funding stream for the Commission. The Council directed 0.3 percent of the general sales tax revenue to the Commission. The committee report noted that "[a]dequate funding is the cornerstone of any public arts program, and the Council's investment will help ensure that the [District] remains a vibrant and imaginative place to live, work, and visit."[7] This was a major change to provide more stability and support for the arts and humanities.

The FY 2022 budget maintains the dedicated taxes under D.C. Official Code §§ 47-2002(d) and 47-2202(b). These sections require that 0.3 percent of the District's six percent retail sales tax be directed to the Commission on the Arts and Humanities pursuant to D.C. Official Code § 39-205.01.

Grants Funding Structure: Beginning the FY 2020 budget, Council approved restructuring the grantmaking programs and divisions within the Commission. The Council consolidated most of the Commission's grant funding budget (CSG 50) and moved it to Program 2000 - Arts Building Communities (Program). Within the Program, the Council approved establishing four divisions to include the Facilities and Buildings Grantmaking division, the National Capital Arts Cohort division, the Arts and Humanities Cohort division, and the Humanities Grant Program. Under D.C. Official Code § 39-205(c-1), these divisions must receive 77% of the annual budget allocated to the Commission. Of that funding, 17% is for capital projects in support of the Arts and Humanities Cohort or the National Capital Arts Cohort, 50% is for grants to support the Arts and Humanities Cohort, 28% is for grants to support the National Capital Arts Cohort, and 5% is for the Humanities Grant Program. The budget proposed by the Commission for FY 2022 was already exceeding the goals of this formula with only 20% budged for administrative expenses.

[7] Committee of the Whole, Report on Bill 22-754, the "Fiscal Year 2020 Local Budget Act of 2019", 4, May 15, 2019.

The impetus for creating the National Capital Arts Cohort (NCAC) was to end the previous practice whereby large organizations would come to the Council requesting earmarks to support general operations. Under the model adopted by the Council, NCAC would have dollars dedicated in the Commission's budget, rather than the Council earmarking funds.

The Committee has worked with stakeholders to revise this structure to provide the Commission with additional funds to support all eligible arts organizations on a competitive basis. Under the restructuring proposed by the Committee, beginning with the FY 2022 budget, the NCAC would be eliminated, the general operating grants dollars would be removed from the Arts and Humanities Cohort, and those funds would be pooled into a new General Operating Support Grantmaking program that would provide competitive operating grants to all eligible organization.

Table BX-B: Commission on the Arts and Humanities; Arts Building Communities Funding

	Approved 2021	Proposed 2022	Change From 2021
Facilities & Buildings Grantmaking	$5,267	$5,218	-$49
National Capital Arts Cohort	$8,675	$0	-$8,675
The Arts & Humanities Cohort	$15,046	$5,908	-$9,138
General Operating Support Grantmaking	$0	$16,575	$16,575
Humanities	$1,549	$1,228	-$321[8]
Total Grants to Organizations	$30,538	$28,929	-$1,609

Source*: Budget Books (dollars in thousands)*

Under this proposal, the HumanitiesDC grant would be reduced to 4% of the grants budget rather than 5%. However, the funds will go directly to HumanitiesDC. Moreover, the Humanities funding will still be about $1 million more per year than historically.

Table BX-C: Commission on the Arts and Humanities; Humanities Funding FY 2015-2022

Actual 2015	Actual 2016	Actual 2017	Actual 2018	Actual 2019	Actual 2020	Approved 2021	Proposed 2022
$185,000	$219,900	$278,786	$196,600	$1,145,060	$1,291,250	$1,309,000	$1,277,749

Source*: Post-hearing responses from CAH*

[8] See Table BX-D

Under the revised allocations, HumanitiesDC will receive substantial support from the District government. According to HumanitiesDC, its current total budget is $2.5 million, with more than half coming from the Commission. According to an FY 2016 income survey conducted by the Federation of State Humanities Councils (the most recent available), the average state government funding to state humanities councils was $181,000. Only 3 states provided more than $1 million in funding to its humanities Council. On a per capita basis, Connecticut had the highest state contribution to a humanities council: 50 cents per resident. The District was second (in FY 2016) at 41 cents of state funding per resident. Under the Committee's proposed budget (at 4%), the humanities budget would be $1.78 per DC resident.

Table BX-D: Commission on the Arts and Humanities;
Top 6 State Funding per Capita (FY 2016)

State Humanities Council	Federal & NEH Funds	Total State Funds	State Funds Per Capita	Corporate Funds	Individual Donations	Other	Total Income
Connecticut Humanities	$700,350	$1,779,629	$0.50	$94,012	$25,402		$7,966,707
HumanitiesDC	$582,479	$281,900	$0.41	$11,965	$35,897		$1,878,477
Vermont Humanities	$597,260	$217,959	$0.35	$234,300	$154,678		$2,045,510
WV Humanities Council	$695,130	$495,000	$0.27	$81,630	$117,619		$3,713,016
Wyoming Humanities	$588,526	$143,500	$0.25	$66,829	$32,899	$28,146	$1,588,310
Virginia Humanities	$1,326,008	$1,869,945	$0.22	$307,294	$880,206	$337,112	$15,005,590
Proposed HumanitiesDC	-	$1,227,749	$1.78	-	-	-	-

Source: *Federation of State Humanities Councils FY 2016 Income Survey*

While more recent data is not yet available, the Federation is in the process of starting a Fiscal Year 2020 income survey of humanities councils. Regardless, funding for HumanitiesDC has grown from less than $200,000 in FY 2015, to now almost $1.3 million – growing 6.5 times in only five years.

Commission Dynamics: The Committee is concerned about the ability of the current Commissioners to get along and work constructively. This seems to have arisen as a problem within the last 18 months. Recently one Commissioner publicly referred to the Commission as a "mess." The problem is more likely about personalities than substantive issues. While the Commission has struggled through the pandemic to find ways to support the arts community, including solo artists with limited means, its commitment to equity and diversity has been demonstrated through the establishment of a Task Force on Equity & Inclusion and the adoption of the Task Force's recommendation. In other words, the members of the Commission seem to support the same goals, but are fighting with each other as if they don't.

Another concern is that over the past 18 months individual Commissioners have taken it upon themselves to interact more directly with the staff, sometimes not even working through the Executive Director. Before independence the problem was exactly opposite: staff was forbidden by the then Executive Director from having any interaction whatsoever with Commissioners. That was not appropriate. But neither is it appropriate for individual Commissioners to work outside the Commission or the Executive Director to direct the staff.

The Committee is also concerned that the size of the Commission may no longer be appropriate to its responsibilities. Established by the Council in 1975, the Commission has 18 members of whom (originally) two were to be appointed from each ward. Some time ago the ward allocation was eliminated, but still, 18 members is large by comparison to other boards and commissions, especially those with a large operating budget. Twenty years ago, the Commission's annual budget was only $2.2 million. Five years ago, the Commission's annual budget was $16.9 million. But for FY 2022 the Commission's annual budget is $38.4 million. It is generally agreed that the size of the Board should be reduced.

IV. COMMITTEE RECOMMENDATIONS

Committee's Recommended Fiscal Year 2022 Operating Budget

The Committee recommends adoption of the fiscal year 2022 budget for the Commission on the Arts and Humanities as proposed by the Mayor with the following changes:

1. Decrease Program/Activity 2000/2012, CSG 50 by $8,594,240 (Dedicated Taxes)

2. Decrease Program/Activity 2000/2013, CSG 50 by $7,673,432 (Dedicated Taxes)

3. Decrease Program/Activity 2000/2014, CSG 50 by $306,937 (Dedicated Taxes)

4. Increase Program/Activity 2000/2020, CSG 50 by $16,574,609 (Dedicated Taxes)[9]

Policy Recommendations

1. The Committee recommends the Commission work with the Office of Planning to assemble and facilitate the Cultural Planning Steering Committee (required by statute) to review the recommendations made in the Cultural Plan. Further, the Commission should work with the Council and the Mayor to determine how to implement the Cultural Plan best and to determine what resources should be allocated for the Cultural Plan.

2. The Committee encourages the Commission to continue its work to promote diversity in the arts and to implement the recommendations of the Task Force on Equity and Inclusion, including targeted outreach to artists and musicians in marginalized communities for funding and partnership opportunities.

[9] Collectively, these changes bring the budget in line with formula revisions in Subtitle COW-A.

3. The Committee urges the Commission to adapt guidelines for Commissioners' interactions with CAH staff (that guides it, not prohibits it), and to undertake strategies to promote better relationships, or more collegial relationships, among Commissioners.

OFFICE OF PLANNING

Committee Recommendations

I. AGENCY OVERVIEW

The mission of the Office of Planning (OP) is to guide development of the District of Columbia, including the preservation and revitalization of our distinctive neighborhoods, by informing decisions, advancing strategic goals, encouraging the highest quality development outcomes, and engaging all communities.

OP performs planning for neighborhoods, corridors, districts, historic preservation, public facilities, parks and open spaces, and individual sites. In addition, OP engages in urban design, land use, and historic preservation review. OP also conducts historic resources research and community visioning, and manages, analyzes, maps, and disseminates spatial and Census data.

II. MAYOR'S PROPOSED BUDGET

Mayor's Proposed Fiscal Year 2022 Operating Budget[10]

The Mayor's fiscal year 2022 budget proposal for the Office of Planning is $18,295, an increase of $6,285 or 52.3 percent, from the current fiscal year. The proposed budget supports 78.0 FTEs, an increase of 2.0 or 2.6 from the current fiscal year.

Table BD-A: Office of Planning
Total Operating Funds Budget FY 2016-2022

	Actual 2016	Actual 2017	Actual 2018	Actual 2019	Actual 2020	Budget 2021	Mayor 2022
Total Funds	9,927	10,138	10,628	11,205	13,893	12,010	18,295
FTEs	64.6	70.6	72.0	72.6	74.0	76.0	78.0

Source: *Budget Books (dollars in thousands)*

[10] The Mayor's proposed budget provides numbers rounded to dollars in thousands; therefore, all figures presented here are dollars in thousands. Percent change is based on whole dollars.

Local Funds: The Mayor's proposed budget is $17,139, an increase of $5,824 or 51.5 percent, from the current fiscal year. The proposed budget supports 74.5.0 FTEs, an increase of 2.0 or 2.8 from the current fiscal year.

Special Purpose Funds: The Mayor's proposed budget is $100, a decrease of $50, or 33.3 percent, from the previous fiscal year. The proposed budget supports no FTEs, which represents no change from the previous fiscal year.

Federal Grant Funds: The Mayor's proposed budget is $1,046, which represents an increase of $511, or 95.5 percent from the previous fiscal year. The proposed budget supports 3.5 FTEs which represents no change from the previous fiscal year.

Private Grant Funds: The Mayor's proposed budget is $10, representing $0 or 0 percent, from the previous fiscal year. The proposed budget supports no FTEs, which represents no change from the previous fiscal year.

III. COMMITTEE COMMENTARY

The Committee provides the following commentary and concerns in relation to the proposed fiscal year 2022 budget and agency performance over the last year.

Neighborhood Planning Initiatives: OP is currently developing three Small Area Plans that it expects to send to the Council for its approval in early 2022. Those plans include Congress Heights, Pennsylvania Ave. SE, and Chevy Chase neighborhoods. In addition, the proposed FY 22 budget supports new neighborhood-focused planning efforts. This includes a New York Avenue Vision study, a Friendship Heights Development Framework, a Tenleytown Development Framework, and Woodley Park and Cleveland Park Design Guidelines. These efforts will inform future planning efforts, and any analysis could become a Small Area Plan (SAP), which is distinguished by its procedures requirements that include adoption by Council. The the determination of what planning efforts may become a SAP will occur as the analyses are scoped with the community.

Further, according to Director Trueblood, the Tenleytown and Woodley and Cleveland Park planning were inadvertently included in the Citywide Planning budget line item (7010) and should instead be included in the Neighborhood Planning budget line item (3010). The Committee recommends moving these budget items to align the budget with the program purposes. The new Neighborhood Planning Initiatives as recommended for approval by the Committee are outlined in the table below, including the source of funding:

Table BD-B: Office of Planning
FY 2022 Neighborhood Planning Initiatives

Project	Budget	Funding Source
New York Avenue Vision Study	$250,000	Local Funds
Friendship Heights Development Framework	$285,000	Local Funds
Tenleytown Development Framework	$250,000	ARPA Local Funds
Woodley and Cleveland Park Design Guidelines	$250,000	ARPA Local Funds
Total	**$1,035,000**	

Citywide Planning Initiatives: The proposed FY 22 budget supports two new citywide-focused planning initiatives – a food access grant program known as Nourish DC, which utilizes federal grant dollars, and the Streets for People initiative, an effort to reimagine public spaces and reclaim streets for people through the creation of recurring monthly street closures along various streets and corridors. Nourish DC is a "good food fund" that will support access to quality food for District residents. According to Director Trueblood, the funds supplement other funding budgeted to the Deputy Mayor for Planning and Economic Development who will likely administer the dollars. The funds are ARPA County grant funds to be used for this purpose. The Streets for People project includes one term employee, contractual services funding to create technical toolkits to support repurposed public spaces, and a grant program for Main Streets and Business Improvement Districts to maintain and install new public infrastructure.

The Committee is generally supportive of these initiatives. However, as noted above, funding is necessary to complete the industrial land study called for in the Comprehensive Plan. Thus, the Committee recommends reducing the grant dollars available for additional public space improvements by $250,000 and shifting those dollars to fund the PDR study. The Committee also notes that in FY 21, the Council approved $500,000 in funding to expand sidewalks in Georgetown for additional public space and streateries which is a project that would have fallen under such a grant program. This will leave $2.2 million available for Streets for People grants. The new Citywide Planning Initiatives as recommended for approval by the Committee are outlined in the table below, including the source of funding:

Table BD-C: Office of Planning
FY 2022 Citywide Planning Initiatives

Project	Budget	Funding Source
Streets for People Administration (1 FTE)	$115, 537	APRA Local Funds
Streets for People Toolkit	$2,434,462	ARPA Local Funds
Streets for People Grants	$2,200,000	ARPA Local Funds
Streets for People Total	*$4,750,000*	*ARPA Local Funds*
Nourish DC Grants	$500,000	ARPA Grant Funds
Production, Distribution, and Repair Land Study	$250,000	ARPA Local Funds
Total	**$5,500,000**	

Comprehensive Plan: The District of Columbia's Comprehensive Plan is a twenty-year framework that guides future growth and development. Originally adopted in 2006 and amended in 2011, it addresses a wide range of topics to guide the development and experience of the city. OP launched the Comprehensive Plan amendment cycle in 2016 and received nearly 3,000 amendments, which according to OP was ten times the amount anticipated. The Council adopted the final amendments to the Comprehensive Plan on May 18, 2021 and the National Capital Planning Commission found no adverse impact to the federal interest, as required by law, on July 1, 2021. The Comprehensive Plan will become effective once Congress has completed its review, and, pursuant to the language in the Comprehensive Plan Amendment Act (Bill 24-1), the final version of the plan will be then be published with updated future land use and generalized policy maps to be ratified by the Council. In addition, Bill 24-1 included an unfunded requirement that OP complete a study of industrial land in the District to inform future planning analyses with respect to placing "back of the house" land uses. The $250,000 necessary for OP to complete this study by January 1, 2023 was not included in the budget, however $250,000 was included for a New York Avenue Vision Study that OP testified will contribute to the eventual study. Director Trueblood testified that the funding necessary for the PDR study was separate from this amount. The Committee recommends reducing funding for the new Streets for People initiative and repurpose the funding to complete this vital study.

Census: The pandemic contributed to delays in the federal Census. While the District overall had response rates comparable to those across the nation, the rate of response for certain populations - the homeless, immigrant communities, and those without access to technology - and in Wards 7 and 8 were lower than desired. Moreover, the federal Census Bureau will not have final census track data for the District to use in redistricting, compressing the timeframe for the Council to complete changes to Ward and Advisory Neighborhood Commission boundaries. In April, the Census Bureau released initial state-level counts showing the District's current population as 689,545, a 14.6 percent increase since the 2010 Census. Later this year, it is expected that Census Bureau will release redistricting data. To support the OP and the Council's redistricting effort, the FY 2022 budget request includes $46,500 for a specialized redistricting software tool which the Committee supports.

Historic Preservation: The Historic Preservation Review Board (HPRB) is the official body of advisors appointed by the Mayor to guide the government and public on preservation matters in the District of Columbia. The HPRB also assists with the implementation of federal preservation programs and the review of federal projects in the District. In order for the HPRB to adequately serve the District and support the mission of the Historic Preservation Office (HPO), members are expected to understand the Secretary of Interior Standards for Evaluation of Historic Properties, along with District historic preservation standards. At the hearing on OP's budget request, the Committee asked about concerns that have been raised suggesting that HPRB may make judgements or use criteria that are not in line with the standards. The Committee continues to recommend that new and existing HPRB members receive rigorous regular training on applicable standards. Concerns were also raised about the ability of the public to fully interact with HPRB public meetings, including the ability to watch proceedings over virtual platforms, and the ability to see members as they deliberate. The Committee understands that there are limitations with any virtual platform but encourages OP to work with stakeholders to ensure that virtual meetings provide adequate access and information.

OP's only special purpose fund (SPR), the Historic Landmark and Historic District Filing Fees, generates revenue from fees and fines and is used to nominate historic districts or landmarks. The FY 21 certified resources for this SPR fund is $140,851.00, and the FY 22 certified projected revenues is $100,000. For FY 22, the Historic Homeowner Grant Program, funded from the SPR account, is budgeted at $250,000, which is no change from the previous year. In FY 20, OP issued $170,629 in grant funds.[11] The Committee recommends HPO continue to increase public awareness of these grants and seek to expend allocated funds in a timely fashion.

In addition, to support this historic preservation efforts of the Office of Planning, the Mayor recommended $150,000 grant to support the DC History Center. The Committee has identified additional funding in past budgets to fund such grants. OP already has grantmaking authority pursuant to D.C. Official Code § 1-328.02, thus no accompanying subtitle is necessary.

IV. COMMITTEE RECOMMENDATIONS

Committee's Recommended Fiscal Year 2022 Operating Budget

The Committee recommends the following changes[12] to the Office of Planning FY 2022 budget as proposed by the Mayor:

1. Increase Program/Activity 3000/3010, CSG 41 by $500,000 (ARPA Local, One Time).[13]

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[11] Office of Planning Budget Chapter, Mayors Proposed FY 22 Budget, Agency Performance Plan
[12] FY 2022 funds unless otherwise noted.
[13] Shifts funding for Tenleytown Development Framework and Woodley and Cleveland Park Design Guidelines from Citywide Planning to Neighborhood Planning, and corrects the CSG to be contractual services rather than grants.

2. Decrease Program/Activity 7000/7010, CSG 50 by $500,000 (ARPA Local, One Time).[14]

3. Decrease Program/Activity 7000/7010, CSG 50 by $500,000 in FY 2024 (ARPA Local, One Time).[15]

5. Increase Program/Activity 3000/3010, CSG 41 by $250,000 (ARPA-Local, One Time).[16]

6. Increase Program/Activity 7000/7010, CSG 41 by $250,000 (ARPA Local, One Time).[17]

7. Transfer $500,000 for FY 2022 and $500,000 for FY 2023 to the Committee on Business and Economic Development (ARPA-County, One Time) ($1,000,000 total).[18]

Policy Recommendations

1. The Committee recommends that OP continue to assess the short and long-term planning impacts of the pandemic and on recovery.

2. The Committee recommends that OP continue to provide a multi-year work program for proposed planning initiatives, including small area plans and design and market studies to help establish expectations and demonstrate consideration of policy priorities in areas experiencing or seeking change. The Committee encourages OP to use in-house expertise and resources, to consider ways to tailor planning initiatives to be accomplished more quickly, at lower cost, and with implementable recommendations that reflect coordination with other public and private activities.

3. The Committee asks that OP provide the Council access to the new Census information systems as soon as practicable to aid the Council in redistricting legislation.

4. The Committee recommends that new and tenured HPRB members receive rigorous training on the Secretary of Interior Standards for Evaluation of Historic Properties.

5. The Committee recommends that HPRB work with stakeholders to ensure maximum visibility and participation during HPRB virtual meetings.

6. The Committee recommends HPO continue to increase public awareness of the Historic Homeowner Grant Program and seek to expend allocated funds in a timely fashion.

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[14] *Id.*
[15] Reduce Streets for People Grant program by $500,000 in FY 2024.
[16] Fund a Small Area Plan for the Ivy City community.
[17] Fund Section 4 of Bill 24-1 related to a PDR Land Study.
[18] Transfer to DMPED for Nourish DC Fund- Good Food Fund to be allocated at Councilwide (not reflected in th.

OFFICE OF ZONING

Committee Recommendations

I. AGENCY OVERVIEW

The mission of the Office of Zoning (OZ) is to provide administrative, professional, and technical assistance to the Zoning Commission (ZC) and the Board of Zoning Adjustment (BZA) in support of their oversight and adjudication of zoning matters in the District of Columbia.

OZ administers the zoning application processes for the ZC and the BZA. The agency reviews and accepts applications, schedules hearings to determine whether cases meet specified zoning criteria, schedules meetings to make determinations with respect to pending applications, and issues legal orders. Technology plays a critical role in support of this process by enhancing effectiveness and transparency. OZ also spearheads outreach to citizens of the District of Columbia to ensure a robust understanding of the zoning application process.

II. MAYOR'S PROPOSED BUDGET

Mayor's Proposed Fiscal Year 2022 Operating Budget[19]

The Mayor's fiscal year 2022 budget proposal for the Office of Zoning is $3,822, an increase of $626, or 19.4 percent, from the current fiscal year. The proposed budget supports 24.0 FTEs, an increase of 3.0 or 14.3 percent from the current fiscal year.

Table BJ-A: Office of Zoning;
Total Operating Funds Budget FY 2015-2021

	Actual 2016	Actual 2017	Actual 2018	Actual 2019	Actual 2020	Approved 2021	Mayor 2021
Total Funds	2,837	3,070	2,871	2,901	3,335	3,256	3,858
FTEs	19.6	19.0	19.0	18.0	21.0	21.0	24.0

***Source**: Budget Books (dollars in thousands)*

Local Funds: The Mayor's proposed budget is $3,232, a decrease of -$79, or -2.4 percent, over the current fiscal year. The proposed budget supports 21.0 FTEs, the same as the current fiscal year.

[19] The Mayor's proposed budget provides numbers rounded to dollars in thousands; therefore, all figures presented here are dollars in thousands. Percent change is based on whole dollars.

Intra-District Funds: The Mayor's proposed budget is $24, which represents no change from the current fiscal year and supports no FTEs.

III. COMMITTEE COMMENTARY

The Committee provides the following commentary and concerns in relation to the proposed fiscal year 2021 budget and agency performance over the last year.

OZ Attorneys: The quality and timeliness of BZA and ZC orders is contingent upon having sufficient legal resources. OZ and the Office of the Attorney General (OAG) have had a long-standing arrangement that enabled OAG land use attorneys to spend most of their time in support of OZ's work, in addition to in-house attorneys at OZ. As of FY 2021, OZ had three attorneys and OAG had 3 attorneys, all working on zoning cases. The Committee has always intended that all zoning work at OZ be conducted with OZ attorneys. The Committee is supportive of the addition of 3 new attorneys at OZ which will allow this work to finally come in house. This will also allow OAG, as it had intended, to stand up a more robust land use public interest law division at OAG.

According to OZ Director Sara Bardin, it is her intent that the new positions be advertised in the coming months, and that the three attorneys be in place by the new fiscal year. Each of the new positions will be competitively advertised. OZ is also working with the Department of General Services to identify office space that can house the entire OZ staff. One new consideration is that because agencies have been utilizing telework for the past 15 months, there are new options for working outside of the agency's main office space. The Committee supports whatever space needs OZ may request.

IV. COMMITTEE RECOMMENDATIONS

Committee's Recommended Fiscal Year 2021 Operating Budget

The Committee recommends no change to the fiscal year 2022 budget for the Office of Zoning as proposed by the Mayor.

Committee's Recommended Fiscal Year 2021 Capital Budget

The Committee recommends no change to the fiscal year 2021 budget for the Office of Zoning capital budget as proposed by the Mayor.

Policy Recommendations

1. OZ should work with the Department of General Services to identify appropriate office space, furnishings, and equipment in the future to house the OZ land use attorneys.

2. The Committee recommends that OZ continue to rigorously train ZC and BZA members and newer staff, including reviews of recent appeals and multidisciplinary training related to the impacts of development.

3. The Committee recommends that OZ continue its efforts to integrate technology into the zoning process.

DISTRICT OF COLUMBIA PUBLIC CHARTER SCHOOL BOARD

Committee Recommendations

I. AGENCY OVERVIEW

The mission of the District of Columbia Public Charter School Board (PCSB) is to provide quality public school options for District students, families, and communities by conducting a comprehensive application review process, providing effective oversight and meaningful support to the District's public charter schools, and actively engaging key stakeholders.

PCSB serves as the District's independent authorizer of public charter schools. In addition to chartering new public charter schools, it is responsible for ensuring that existing public charter schools comply with applicable local and federal laws and that they are held accountable for both academic and non-academic performance. The PCSB is comprised of seven board members, who are appointed by the Mayor with the advice and consent of the Council, and who work in concert with a staff that is managed by an Executive Director.

II. MAYOR'S PROPOSED BUDGET

Mayor's Proposed Fiscal Year 2022 Operating Budget[20]

The Mayor's fiscal year 2022 budget proposal for the Public Charter School Board is $13,988, an increase of $3,901, or 38.7 percent, over the current fiscal year. The proposed budget supports 0.0 FTEs, representing no change from the current fiscal year

[20] The Mayor's proposed budget provides numbers rounded to dollars in thousands; therefore, all figures presented here are dollars in thousands. Percent change is based on whole dollars.

Table GB-A: Public Charter School Board;
Total Operating Funds Budget FY 2016-2022

	Actual[21] 2016	Actual[22] 2017	Actual 2018	Actual 2019	Actual 2020	Approved 2021	Mayor 2022
Total Funds	0	721	9,573	9,330	10,700	10,087	13,988
FTEs	0.0	0.0	0.0	0.0	0.0	0.0	0.0

***Source**: Budget Books (dollars in thousands)*

Local Funds: The Mayor's proposed budget is $3,232, a decrease of -$79, or -2.4 percent, over the current fiscal year. The proposed budget supports 21.0 FTEs, the same as the current fiscal year.

Intra-District Funds: The Mayor's proposed budget is $24, which represents no change from the current fiscal year and supports no FTEs.

III. COMMITTEE COMMENTARY

The Committee provides the following commentary and concerns in relation to the proposed fiscal year 2022 budget and agency performance over the last year.

***New Director**:* In 2007, with the advent of mayoral control in the District, the Public Charter School Board (PCSB) became the sole, independent charter authorizer in the District.[23] From 2012 to August 2020, PCSB was led by then Executive Director Scott Pearson, but in November 2019, the Board announced that Mr. Pearson was leaving the at the end of School Year (SY) 2019-2020 and that they were going to conduct a nationwide search for his replacement.[24] On May 27, 2020, Dr. Michelle Walker-Davis was announced as PCSB's new Executive Director.[25]

Beginning at the PCSB in August 2020, Dr. Walker-Davis is no stranger to the District, District of Columbia Public Schools (DCPS) or the public charter school sector. With over 20 years of experience, early on in her career, Dr. Walker-Davis spent seven years working in education in the District, serving in the Office of Budget and Planning, as the Senior Advisor on Education to former Mayor Anthony Williams, and as Chief of Strategic Planning and Policy for

[21] PCSB did not use the District's financial system in fiscal year 2016. PCSB's approved fiscal year 2016 budget was $8,000,000. The amount in the table reflects what was reported in the District's fiscal year 2018 congressional submission budget book.
[22] PCSB did not use the District's financial system in fiscal year 2017. PCSB's approved fiscal year 2017 budget was $8,013,987. The actual amount in the table reflects what was reported in the District's fiscal year 2019 congressional submission budget book..
[23] *See* D.C. Law 17-9, the "District of Columbia Public Education Reform Amendment Act of 2007"
[24] *See* https://dcpcsb.org/dc-public-charter-school-board-executive-director-announces-his-departure.
[25] https://thedcline.org/2020/05/27/press-release-dr-michelle-j-walker-davis-to-lead-dc-public-charter-school-board/.

DCPS. After leaving the District and prior to beginning her tenure as PCSB's Executive Director, Dr. Walker-Davis spent nine years in the Saint Paul Minneapolis Public School system and was the Executive Director of Generation Next, which is a coalition of leaders from across Minneapolis and Saint Paul, dedicated to closing the achievement gap.

While the Committee was anxious about a transition occurring at the helm of PCSB in the middle of a global pandemic, the Committee is pleased with Dr. Walker-Davis's first year as PCSB's Executive Director. Thus far, she has commissioned PCSB's first strategic plan; worked with the Executive and public charter sector to navigate a myriad of challenges related to the pandemic; and demonstrated her commitment to cross-sector collaboration, which is needed now more than ever. Moreover, the Committee appreciates Dr. Walker-Davis's partnership with both it and the Council and is looking forward to continuing to work with Dr. Walker-Davis and the PCSB.

Approval of New Charter Schools: Since the creation of public charter schools in the District in 1996, the public charter sector has grown rapidly. As the sole charter authorizer in the District, the PCSB has continuously approved new charters year after year. During SY 2020-2021, 66 LEAs, of which five were new, operated 128 campuses and served almost 44,000 students – close to half of the public school students in the District. In SY 2021-2022, two additional LEAs are expected to open, bringing the total number of LEAs to 69 when accounting for DCPS. Yet, despite the continued growth of the sector, the 2018 Master Facilities "Plan" found that about a fifth of all school buildings are less than 65% full. Additionally, in 2019, Deputy Mayor for Education Paul Kihn sent a letter to the PCSB asking them to consider this underutilization in determining whether to approve the new charter LEA applications before them.[26] Specifically, he requested that the PCSB "focus on improving our existing schools as well as ensuring new school options are of the highest quality and meet identified community needs."[27]

The Committee echoes the Deputy Mayor's request of the PCSB. Although the Committee supports PCSB's independent charter authorizing authority and the robust public charter school sector in the District, when determining whether to approve a new charter LEA, one of the factors that the PCSB should consider is the number of empty seats in existing schools. To be clear, the Committee does **not** support a moratorium when it comes to opening new charter schools. Despite the underutilization of certain types of schools and in certain wards in the District, exorbitant waitlists, in areas such as dual language, demonstrate that if a public charter school addresses that unique need, it should be allowed to open. Thus, the Committee requests that PCSB consider both the types of schools needed in the District and the underutilization of existing school seats in both DCPS and public charter schools as part of its charter approval process. Additionally, the Committee believes PCSB should fully articulate how these factors will guide their decisions and determine whether its approval process needs to be reexamined in light of these factors.

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[26] https://dme.dc.gov/sites/default/files/dc/sites/dme/publication/attachments/School%20system%20capacity%20assessment%20new%20public%20charter%20applications%20FINAL%20051519.pdf.
[27] *Id.*at 2.

IV. COMMITTEE RECOMMENDATIONS

Committee's Recommended Fiscal Year 2022 Operating Budget

The Committee recommends the following change to the fiscal year 2022 budget for the Public Charter School Board as proposed by the Mayor:

1. Decrease Program/Activity 0010/1000, CSG 41 by $2,400,000 (ARPA-State, One Time) for FY22, by $1,500,000 for FY23, and by $1,500,000 in FY24.[28]

Policy Recommendations

1. The Committee recommends that PCSB elevate its consideration of both the types of schools needed in the District and the underutilization of existing school seats in both DCPS and public charter schools as part of its charter approval process.

2. The Committee urges PCSB to articulate fully how school type and underutilization of existing seats will guide their charter approval decisions and determine whether its approval process needs to be reexamined in light of these factors.

DISTRICT OF COLUMBIA PUBLIC CHARTER SCHOOLS

Committee Recommendations

I. AGENCY OVERVIEW

The mission of the District of Columbia Public Charter Schools is to provide an alternative, free education for students who reside in the District.

Each public charter school is publicly funded through the Uniform Per Student Funding Formula (UPSFF) and either serves as its own local education agency (LEA) or is a part of a network of public charter schools that comprise one LEA. While each public charter LEA is autonomous, it must be approved by the District's chartering authority, the Public Charter School Board (PCSB), in order to operate in the District. Additionally, each public charter LEA has to

[28] Mayor's errata letter requested a reduction due to overfunding compliance for the Child Lead Exposure Act 2017. This funding is being transferred to non-departmental to be used to fund the Public Charter Schools Equity in Stabilization Funding Amendment Act of 2021.

follow local and federal laws and regulations and is subject to oversight by the PCSB and the District's state education agency, the Office of the State Superintendent of Education.

This agency represents the total amount of local funds appropriated to the public charter school sector through the UPSFF. These local funds are held in escrow accounts, and payments, which are based on the public charter LEA's actual enrollment for that school year, are made to each LEA on a quarterly basis.

II. MAYOR'S PROPOSED BUDGET

Mayor's Proposed Fiscal Year 2022 Operating Budget[29]

The Mayor's fiscal year 2022 budget proposal for the District's public charter schools is $1,010,608 an increase of $75,708, or 8.1 percent, over the current fiscal year. The proposed budget supports 1.0 FTE, representing no change from the current fiscal year.

**Table GC-A: District of Columbia Public Charter Schools;
Total Operating Funds Budget FY 2016-2022**

	Actual 2016	Actual 2017	Actual 2018	Actual 2019	Actual 2020	Approved 2021	Mayor 2022
Total Funds	738,844	779,669	871,862	887,463	922,553	934,900	1,101,608
FTEs	1.0	1.0	1.0	1.0	1.0	1.0	1.0

***Source**: Budget Books (dollars in thousands)*

Local Funds: The Mayor's proposed budget is $3,232, a decrease of -$79, or -2.4 percent, over the current fiscal year. The proposed budget supports 21.0 FTEs, the same as the current fiscal year.

Intra-District Funds: The Mayor's proposed budget is $24, which represents no change from the current fiscal year and supports no FTEs.

III. COMMITTEE COMMENTARY

The Committee provides the following commentary and concerns in relation to the proposed fiscal year 2022 budget and agency performance over the last year.

UPSFF Increase: The Uniform Per Student Funding Formula (UPSFF) is a funding system that was established by D.C. Law 12-207, the "Uniform Per Student Funding

[29] The Mayor's proposed budget provides numbers rounded to dollars in thousands; therefore, all figures presented here are dollars in thousands. Percent change is based on whole dollars.

Formula for Public Schools and Public Charter Schools and Tax Conformity Clarification Amendment Act of 1998,"[30] and was designed to ensure that all local education agencies (LEA) in the District receive the same level of funding on a per-student basis, regardless of whether the LEA is the District of Columbia Public School (DCPS) system or a public charter school. The UPSFF is intended to cover all LEAs' operational costs, including school-based instruction, student classroom support, utilities, administration, custodial services, and instructional support, such as curriculum and testing. The UPSFF establishes a foundational per-student amount, upon which weights, like adult, alternative, at-risk, and funding for students with special needs, are added to provide the total amount that each LEA receives for each of its enrolled students.

The Mayor's proposed fiscal year 2022 budget provides for a UPSFF foundational level of $11,720 per student – a 3.6 percent increase to the fiscal year 2021 UPSFF foundational base level of $11,310 per student. The Mayor's proposed budget also changes the ELL and at-risk weights, adding new funding weights as follows: 1) English Language Learners – tiering the weight so that ELL students enrolled in pre-K – 5 receive a different weight than ELL students enrolled in grades 6-12; and 2) at-risk students who are at least one year older than the grade in which they are enrolled will receive an additional weight on top of the already established at-risk weight. These changes comport with the recommendations in the August 2020 USPFF study, which evaluated four key funding formula areas: 1) At-Risk Adequacy; 2) At-Risk Concentration; 3) Foundation Level Cost Drivers; and 4) the ELL Weight Structure.[31] According to the study, statewide assessment performance (i.e. the PARCC assessment) data shows that students who are designated as at-risk because they are over-age or in foster care are significantly behind both students not designated as at-risk and their peers who are designated as at-risk for other reasons. With regard to ELL students, the study demonstrated that ELL students in grades 6-12 perform significantly worse than ELL students in pre-K – 5th grade on the PARCC assessment. For this reason, the Mayor proposes tiering the ELL weight based on grade – ELL students who are in grades pre-K – 5 will receive a 0.5 weight, but ELL students who are enrolled in grades 6-12 will receive a 0.75 weight.

The Committee welcomes this increase to the overall UPSFF and the at-risk and ELL weights to better assist our students who need the most support. These additional funds will enable LEAs to buy additional technology, which is necessary due to distance learning, as well as more resources to aid in closing the achievement gap. Thus, the Committee supports the 3.6 percent increase to the UPSFF foundation level and urges the Executive to continue prioritizing education in future budgets.

Charter Stabilization Funding: As part of determining how much funding each LEA will receive via the UPSFF funding formula and in crafting the District's education budgets, the Deputy Mayor for Education, the Office of the State Superintendent of Education (OSSE), and each LEA work together each year to craft a projected enrollment count for each school and each LEA in the District. Those enrollment counts are then used, in conjunction with the UPSFF, to determine the necessary funding for each LEA that is included in the proposed budget transmitted to the Council

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[30] *See* D.C. Law 12-207, effective March 26, 1999, codified at D.C. Code §§38-2901 *et seq.*
[31] *See* https://dme.dc.gov/publication/2020-upsff-study.

each year. Thus, the projected enrollment for each LEA is vital to ensuring that enough funds are included in each annual budget.[32]

Yet, while the District of Columbia Public Schools (DCPS) are funded solely based on the projected enrollments to ensure that they have enough enrollment reserves to account for any unforeseen circumstances,[33] this is not the case for DC public charter schools. The first of the four quarterly payments for each DC public charter LEA is based on a school's estimated population as of June 30th of that year.[34] However, the second and third payments are based on a public charter LEA's unverified October enrollment, which is based on a single enrollment count done on October 5th of each year.[35] The last quarterly payment of the fiscal year, which occurs in April of each year, is based on the audited October enrollment for that current school year.[36] If the public charter LEA actually has a higher October enrollment than its projected enrollment, it receives additional funding to account for those additional students in the last three quarterly payments. But if its October enrollment is lower than its projected enrollment, three of its four quarterly payment are lower than its first.

Because of this, during the consideration of the fiscal year 2021 budget, the Committee heard from several public charter schools who expressed concerns about how they would be funded in fiscal year 2021 given the impact of the COVID-19 pandemic. To addresses their concerns, in the fiscal year 2021 budget, the Council included a subtitle, the "Adult and Residential Public Charter School Funding Stabilization Amendment Act of 2020," which funded adult and residential public charter schools based on their projected enrollment for School Year (SY) 2020-21 instead of their actual enrollment if their actual enrollment was less than their projected enrollment. This provided funding stability for those public charter schools during an uncertain time.

While the Committee was clear that this stabilization was only to be for one year, adult, early childhood, and residential public charter schools have reached out to the Committee requesting another year of stabilization funding. Despite the subtitle only applying to adult and residential public charter schools in fiscal year 2021, early childhood education (ECE) programs have suffered large enrollment losses during the pandemic, as families have chosen to keep their children home or enroll them in childcare instead of in school.[37] Additionally, according to AppleTree Early Learning Center Public Charter School, which is comprised of only pre-K or early childhood programs, their enrollment in Wards 7 and 8 "is running 35% behind what we

[32] Note that while schools in the District generally begin in August each year, the District's fiscal year runs from October 1 – September 30. This means that LEAs would be almost two months into the school year before they received funding for that particular school year, which would cause major delays in order supplies and in providing and adequate education to students. To ensure that schools have sufficient funds during the entire school year, LEAs receive their first quarterly payment in July of each year, about a month in advance of school beginning and about three months before the beginning of the fiscal year.
[33] Since DCPS is a District agency and District agencies must not be anti-deficient, the projected enrollment for DCPS includes enough padding each year to ensure that enough funds for DCPS are included in each annual budget.
[34] *See* D.C. Code § 38-2906.02(b).
[35] *See id.*
[36] *See id.*
[37] *See* Jack McCarthy, AppleTree Early Learning PCS, FY22 Budget Testimony, June 25, 2021, pages 1-2.

expect this time of year."[38] Further, because ECE and adult charter schools are not considered Title I schools, they have been ineligible for any of the emergency education federal funds (also known as ESSER) being administered by the Office of the State Superintendent (OSSE). Although they have received some funds from OSSE to match the ESSER I and II funding that Title I LEAs received, they are poised to only receive one-eighth of what Title I schools received under ESSER III, which is the largest education-related set of federal COVID-19 related funds.[39] This creates even larger funding issues for adult and ECE charter schools.

Given these reasons, the Committee has decided to establish a fund in the non-departmental section of the budget, from which funds will be transferred to OSSE to provide stabilizing funds for adult, residential, and ECE public charter schools or programs. Because SY 2021-2022 projections for charter LEAs are based on their significantly reduced enrollment in SY 2020-2021, the Committee cannot follow the same route that was taken in the fiscal year 2021 budget. Thus, the need for a stabilization fund administered by OSSE. The Committee is hopeful that this will be the last year that stabilization funds are needed. Additionally, the Committee must note that generally providing stabilization funding to public school LEAs in the District should flow through the UPSFF. However, the Committee believes that exigent circumstances necessitate providing this discrete set of public charter schools and programs with stabilization funding outside of the UPSFF for the fiscal year 2022 budget cycle.

Charter Facilities Allowance: Since 1999, public charter LEAs have received a per-student facilities allowance, and for years, it has been included in the UPSFF.[40] Because charter schools are not a part of the government but are private entities that receive public funding to educate the District's students, they are not able to participate in the District's Capital Improvement Plan (CIP). Thus, the facilities allowance is meant to provide some parity between the charter sector and DCPS, which does receive hundreds of millions of dollars through the CIP to renovate and maintain their buildings.

Since fiscal year 2009, the allotment has been set as a dollar value – rather than using a formula to determine it, which is what had been done until then[41] -- that has generally gradually increased each fiscal year. In fact, when the allowance was last renewed as part of the fiscal year 2018 budget, a consistent 2.2% increase was added for fiscal years 2019, 2020, and 2021 (see Table B below). However, as shown in Table B below, that renewal also ceased any increase after fiscal year 2021. Thus, as the law is written, the per-student charter facility allowance will stay flat despite rising costs and inflation.

Fiscal Year	Per-Student Charter Facility Allowance
2018	$3193[42]
2019	$3,262

[38] *Id.* at 2.
[39] *See* letter from Adult and ECE PCS to Chairman Mendelson (on file with the Committee)
[40] *See* Section 109 of D.C. Law 12-207, codified at D.C. Code §38-2908.
[41] *See id.*
[42] This was the rate for the vast majority of public charter school students that did not live at school. Residential, or boarding, charter schools received a per-student facility allowance of $8,621. *See id.*

2020	$3,3335
2021	$3,408
2022	$3,408

Source: D.C. Code §38-2908

Thus, throughout this year's budget process, the Committee has heard from advocates and charter school LEA leaders who request that the D.C. Code be amended to provide for a 3.1 percent increase annually.[43] At the June 3, 2021 hearing on the fiscal year 2022 budget for all education agencies, the DC Charter School Alliance (Alliance) testified that the Bureau of Labor Statistics show that "the cost of constructing new school buildings has risen by an average of 3.1 percent each year from 2016 to 2020."[44] Hence, the advocates' request for the facility allowance to increase by that percentage each year. Additionally, according to a survey conducted by the Alliance, more than half of the public charter school leaders who responded indicated that they are "unable to cover all [of their] facilities costs with charter facilities funding at the current allotment level."[45]

Moreover, while Mayor Bowser announced on December 21, 2020 that the Executive was going to provide $10 million in grants to public charter schools to help them re-open for in-person learning, the grant process did not open until March 11, 2021, and[46] schools did not find out if they were receiving funding until May 2021. Thus, despite OSSE including another round of $10 million facility grants for public charter schools this summer, charter leaders do not have faith that they will receive the funding in time to prepare for in-person schooling, which is set to begin for most schools at the end of August.[47] Instead, charters would rather receive guaranteed facility funding through the facilities allotment.

While the Committee cannot include funding for an increased allotment at this time, it is committed to continuing conversations with the public charter school sector to determine an equitable and fair process for adequately funding public charter facility needs. Given that OSSE is providing $20 million in charter facility funding, in addition to the $156.6 million, that the charter sector will receive through the facility allotment in fiscal year 2022, the Committee believes that they will have adequate funds for fiscal year 2022. However, the Committee does acknowledge that charter facility costs are rising and that charters do need a path forward to obtain a facility allowance that keeps up for inflation. Additionally, the Committee would be remiss if it did not acknowledge that the advocates have attempted to reach a compromise with the Committee by agreeing to delay the 3.1 percent increase to the facility allowance until fiscal year 2023 and beyond. Although the Committee greatly appreciate this collaboration, this is not a viable path forward currently. In order to take this approach, the Committee would still need to identify funding in fiscal years 2023, 2024, and 2025 since the District's budget must be balanced over the four-year financial plan.

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[43] **Add cite**.
[44] *See* Testimony from Shannon Hodge, 6.3.21, page 3 fn2.
[45] *Id.* at 3.
[46] *See* https://mayor.dc.gov/release/mayor-bowser-announces-10-million-grants-support-public-charter-school-reopening-efforts
[47] Hodge Testimony, at pg. 4.

IV. COMMITTEE RECOMMENDATIONS

Committee's Recommended Fiscal Year 2022 Operating Budget

The Committee recommends no change to the fiscal year 2022 budget for the District of Columbia Public Charter Schools as proposed by the Mayor.

Policy Recommendations

1. The Committee welcomes this increase to the overall UPSFF and the at-risk and ELL weights to better assist our students who need the most support.

2. The Committee proposes establishing a charter stabilization fund for adult, early childhood, and residential public charter schools or programs to assist them with maintaining their budgets in fiscal year 2022, as the Committee believes that exigent circumstances necessitate providing this discrete set of public charter schools and programs with stabilization funding outside of the UPSFF but only for the fiscal year 2022 budget cycle.

3. The Committee is committed to continuing conversations with the public charter school sector to determine an equitable and fair process for adequately funding public charter facility needs.

DISTRICT OF COLUMBIA PUBLIC SCHOOLS (DCPS)

Committee Recommendations

I. AGENCY OVERVIEW

The mission of the District of Columbia Public Schools ("DCPS") is to provide a world-class education that prepares all students, regardless of background or circumstance, for success in college, career, and life. The DCPS budget is organized into three main divisions: Central Office, School Support, and Schools. Each of these three divisions is broken down into separate activities, all of which align to both the agency's spending plan and its organizational chart.

II. MAYOR'S PROPOSED BUDGET

Mayor's Proposed Fiscal Year 2022 Operating Budget[48]

The Mayor's fiscal year 2022 budget proposal for the District of Columbia Public Schools is $1,321,355,865, an increase of $179,089,160 or 15.7 percent, under the current fiscal year. The proposed budget supports 9333.2 FTEs, an increase of 72.3 FTEs, or 0.8 percent from the fiscal year 2021 approved budget.

Table XX-A: District of Columbia Public Schools (DCPS)
Total Operating Funds Budget FY 2016-2022

	Actual 2016	Actual 2017	Actual 2018	Actual 2019	Actual 2020	Approved 2021	Mayor 2022
Total Funds	904,764	964,601	973,002	1,012,125	1,082,912	1,142,266	1,321,356
FTEs	8360.6	8382.4	8342.5	8,117.9	8,766.6	9,260.9	9,333.2

***Source**: Budget Books (dollars in thousands)*

Mayor's Proposed Fiscal Year 2022 Capital Budget

The Mayor's proposed capital improvements plan includes $284,747,197 for DCPS, representing a decrease of $28,465,469, or -9.1%, from the fiscal year 2021 approved budget. The proposed plan authorizes $265,561,000 for fiscal year 2023, $277,247,000 for fiscal year 2024, $244,358,000 for fiscal year 2025, $273,679,000 for fiscal year 2026, and $248,348,000 for fiscal year 2027. This funding supports school modernizations and small capital improvements to DCPS schools and buildings.

Table XX-B: District of Columbia Public Schools (DCPS)
Total Capital Funds Budget FY 2016-2022

	Actual 2016	Actual 2017	Actual 2018	Actual 2019	Actual 2020	Approved 2021	Mayor 2022
Total Funds	345,971	380,268	289,437	389,345	363,637	296,536	284,747
FTEs	3.0	3.0	3.0	5.0	12.0	10.0	10.0

***Source**: Budget Books (dollars in thousands)*

[48] The Mayor's proposed budget provides numbers rounded to dollars in thousands; therefore, all figures presented here are dollars in thousands. Percent change is based on whole dollars.

III. COMMITTEE COMMENTARY

The Committee provides the following commentary and concerns in relation to the proposed fiscal year 2022 budget and agency performance over the last year.

The Committee believes that public education can be a great equalizer in our society. The ability to access a quality public education enables the opportunity of America for everyone. It gives people the knowledge and tools to help themselves. A quality public education can be our greatest weapon in the fight against social and economic inequality, but deeply embedded inequalities can undermine this potential.

School Reopening after the COVID-19 Pandemic & Learning Loss: The COVID-19 pandemic created significant challenges for schools and school districts across the nation. There were disruptions to the school year and school experience in the form of school closures and virtual learning. Many students remained in a virtual learning posture for the entirety of the 2020-21 school year. Lack of access to essentials and social isolation among other issues stemming from the pandemic have affected nearly all students, and the achievement gap between our black and white students has widened, with learning loss being significant in math and reading for at-risk students specifically.

Based on historical learning trends and prior research on how out-of-school-time affects learning, Brookings estimated that students would potentially begin fall 2020 with roughly 70% of the learning gains in reading relative to a typical school year. In mathematics, students were predicted to show even smaller learning gains from the previous year, returning with less than 50% of typical gains.[49] EmpowerK12, a DC educational data nonprofit, conducted a study on how COVID-19 has impacted DC education and found that as of December 2020, students lost four months of learning in math and 1 month of learning in reading. At risk students lost five months of learning in math and four months of learning in reading, with this group falling significantly behind their peers.[50] Fewer students are on track for PARCC proficiency in grades 3-8 and early literacy proficiency declined for students in grades K-12.

As we worked to reopen and bring students back into schools, the District of Columbia Public Schools (DCPS) implemented CARE classrooms, to support students in grades PK – 5th with virtual learning while in-person in classrooms with school-staff. Schools then began to welcome back select teachers and students to in-person instruction in the spring of 2021 because we know that students learn better when they are in person with a high-quality teachers who are able to provide group and differentiated instruction. Still, because of the strict social distancing guidelines, schools were unable to bring back all students that wanted to an in-person seat and the majority of students remained in school virtually. DCPS schools will fully reopen with in-person learning for all students, every day in the fall for the 2021-2022 school year.

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[49] Megan Kuhfeld, Jim Soland, Beth Tarasawa, Angela Johnson, Erik Ruzek, and Karyn Lewis. "How is COVID-19 impacting student learning?: Initial Findings from Fall 2020." Brookings – Brown Center Chalkboard. December 2020.

[50]https://static1.squarespace.com/static/5f9857f027d55d2170cd92ac/t/5fdacf6433c6977cf5a9fb4e/1608175462658/EK12+DC+Student+Achievement+COVID+Slide+Deck.pdf

To combat the learning loss, DCPS plans to implement high dosage tutoring across all of its schools. Research provides strong evidence that high-dosage tutoring can produce large learning gains for a wide range of students, including those who have fallen behind academically. Tutoring is one of the most effective ways to increase achievement for students from lower income families. A 2017 study examined interventions that aimed to improve educational achievement for elementary and middle school students from low socioeconomic backgrounds. Of all the interventions examined, including feedback and progress monitoring, cooperative learning, computer-assisted instruction, and mentoring of students, tutoring was most effective. DCPS will provide funding to schools be able to provide this intervention to identified students

While COVID-19 vaccinations are widely and readily available in the District, many residents are hesitant to get the vaccine for themselves or their students and thus, are hesitant to send students back to school in the fall for fear that schools are not safe and students will still contract the virus and pass it along to unvaccinated, elderly family or others in the home. The Committee of the Whole held a hearing on May 26 that focused on school reopening for residents in Wards 7 and 8 where we heard from families who expressed tentativeness about their students returning to in-person instruction in the fall. Following the hearing, the Deputy Mayor of Education reported that only 3.5% of residents in Ward 7 are fully vaccinated and only 1.7% of residents in Ward 8 are fully vaccinated, which further contributes to families reasoning for electing to have their students remain in a virtual posture at least until there is a safe vaccine option for all children.

To ensure that all District of Columbia students receive an equitable education, the Committee urges DCPS to better support families and communities on the return to in-person instruction and help increase awareness of COVID-19 vaccine availability and effectiveness. If DCPS believes that in-person instruction is optimal and best for students to learn and achieve, then it is incumbent upon DCPS central administration, in partnership with other agencies, to increase efforts to get all current DCPS students re-enrolled in school and prepared for in-person instruction in the fall.

UPSFF Increase: The UPSFF system of funding was established by the District of Columbia School Reform Act of 1995 and was designed to ensure that all public schools receive the same level of funding on a per-student basis, regardless of what neighborhood the school is in or where a student lives. The UPSFF is intended to cover all local education agency operational costs for D.C. traditional and public charter schools, including school-based instruction, student classroom support, utilities, administration, custodial services, and instructional support, such as curriculum and testing. The UPSFF is based on a foundational amount, upon which at-risk funding and funding for students with special needs are based.

The Mayor’s proposed fiscal year 2022 budget provides for a UPSFF foundational level of $11,720 per student, a 3.6 percent increase to the fiscal year 2021 UPSFF foundational base level of $11,310 per student. The Mayor’s proposed budget also provides new funding weights for English Language Learners and at-risk students, and over-age students as was recommended in the USPFF study released in August 2020 that evaluated four key funding formula areas: 1. At-Risk Adequacy; 2. At-Risk Concentration; 3. Foundation Level Cost Drivers; and 4. English Language Learners (ELL) Weight Structure. Among the Study's key findings was that for students designated at-risk, performance data shows that students specifically designated as over-age or CFSA are most significantly behind both students not designated at-risk and their at-risk student peers. The Committee welcomes this increase to the overall UPSFF and the at-risk and ELL weights to better support our neediest students. These additional funds will enable local education agencies (LEA) to buy additional technology, which is necessary due to distance learning, as well as more resources to aid in closing the achievement gap. Thus, the Committee supports the three percent increase to the UPSFF foundation level and urges the Executive to continue prioritizing education in future budgets.

These additional funds will enable local education agencies (LEA) to support schools with additional funding that is critical to providing the resources and services necessary for schools to thrive beyond the COVID-19 pandemic and will aid in closing the achievement gap. Thus, the Committee supports the three percent increase to the UPSFF foundation level and urges the Executive to continue prioritizing education in future budgets. Although we view the Mayor's subtitle to be legally sufficient, the Committee recommends limiting the authorization to provide stabilization funding outside the UPSFF to Fiscal Year 2022 and expressing the fact that exigent circumstances necessitate providing the stabilization funding outside the UPSFF for this budget cycle.

School level budgets: Each year, the District of Columbia Public Schools (DCPS) publicizes the initial budgets for each of its 118 schools ahead of the release of the Mayor's final budget. And each year, we hear from many school communities that their budgets are being reduced significantly, and schools are feeling forced to reduce critical staff and programs to accommodate the budget cuts. In February 2021, DCPS released the school level budgets for each school and again, instead of school budgets remaining stable or increasing year over year, many schools saw a decrease in their funding in a year in which it is arguable that schools need more resources than they've had in order to swiftly accelerate learning for all students. In April, the Committee held a hearing to examine how the initial school budgets would impact critical decisions for the upcoming school year, to understand how cutting school budgets – all of which was restored in the final budget – promotes school stability, something that the Committee has focused on year over year.

The District continues to struggle with a digital divide which will continue to exacerbate the disparities in learning loss through the end of the 2020-2021 school year. During virtual instruction, attendance and enrollment were down at DCPS schools, reflecting pandemic impacts on at-risk students and family migration driven by economic upheaval. Mental health services at DCPS schools were under-resourced pre-pandemic. The State of D.C. Schools report also showed that in the school year 2019-2020, there was only one mental health professional for every 206 pre-kindergarten to grade 12 students across the city. The Committee and many advocates for schools and students believe that DCPS must adopt a "hold harmless" approach to school-level budgeting that starts with a minimum funding amount equivalent to last year's funding levels. This would reduce many of the staffing cuts anticipated under the initial budget allocations released in April.

On Tuesday, April 27th, Councilmember Christina Henderson (At-Large) introduced emergency legislation that required that school level funding for all District of Columbia Public Schools in school year 2021-2022 be in amounts equal to or greater than those provided in 2020-2021. The Committee supported this legislation and seeks to work closely with DCPS to find an alternative funding model that promotes stability for schools and students.

Student and Educator Mental Health: The Mayor's proposed budget included an investment of $8 million in federal funding that would expand the School Based Mental Health Initiative and increase school based mental health services in every DCPS and public charter school in the District. This would acceleration the expansion of the program and place a licensed social worker in every DCPS and DCPCS in the next school year instead of only expanding the program by one additional cohort of schools this year. The COVID-19 pandemic has presented many challenges to students, educators, and parents. Children already coping with mental health conditions have been especially vulnerable to the changes, and now we are learning about the broad impacts on students as a result of schools being closed, physically distancing guidelines and isolation, and other unexpected changes to their lives.[51]

The need for the need for mental health supports for students and educators remains great. Schools are still not able to provide appropriate mental health supports or services to help students with the challenges they face both inside and outside of the school, especially amidst the COVID-19 pandemic. The Committee believes that it is imperative to address the mental health needs among our students and educators in order to better support the academic and social needs of all students. The Committee supports the Mayor's investment and looks forward to finding additional ways to help students navigate the adjustment back into school.

The Committee knows that more work needs to be done when it comes to school based mental health services and the demand millions more dollars in this area are not lost on the Committee. Looking ahead, the Committee will continue to work with the DME, DCPS, the public charter schools, the Department of Behavioral Health, and advocates to continue to find ways to enhance school-based mental health services.

School Security: The District of Columbia Public Schools on average have one security guard for every 165 students, whereas they have only one social worker for every 254 students, one counselor for every 352 students, and one psychologist for every 529 students. Schools populated mainly by students of color have more police officers, as well as more metal detectors, K-9 units, and military-grade weapons. Many studies have documented the harmful psychological effects of law enforcement interacting with young people, especially in schools which often times are considered safe spaces. In response to data requests during 2020 and 2021 performance oversight hearings, the Metropolitan Police Department (MPD) released some limited data with respect to student arrests on school grounds. For school year 2018-2019, there were 178 such

[51] "School during the pandemic: Mental Health Impacts on Students." National Alliance on Mental Illness

arrests. For the 2019-2020 school year, as of March 13, 2020 (the last day of in-person instruction), there had been 98 arrests in schools.

On April 21, 2021, the Committee held a public oversight hearing titled "School Security in District of Columbia Public and Public Charter Schools" to build on testimony received at the October 21, 2020 Roundtable on "School Security in District of Columbia Public Schools." The October hearing focused on what was needed for a smooth transition of the security contract to DCPS, and also on best practices around security in schools and reimagining school security for the 2021-2022 school year. At the April hearing, the Committee heard from DCPs officials on the transition of the contract, the Police Reform Commission's recommendations on police presence in schools and school security and how DCPS has reimagining the use of school security in its schools.

The Committee heard testimony from DCPS leadership and supports the commitment to increase social-emotional supports for security staff, and to take a holistic approach in our schools, which includes training in social emotional supports for staff and students, such as social workers and counselors and developmentally appropriate interventions.

IV. COMMITTEE RECOMMENDATIONS

Committee's Recommended Fiscal Year 2022 Operating Budget

The Committee recommends no changes to fiscal year 2022 budget for the District of Columbia Public Schools operating budget as proposed by the Mayor.

Committee's Recommended Fiscal Year 2022 Capital Budget

The Committee recommends the following changes to the District of Columbia Public Schools FY 2022 capital budget as proposed by the Mayor:

1. Increase of $45,000 in FY 2021 for Foxhall Modernization/Renovation (GI5FHC)[52]

Policy Recommendations

1. The Committee supports the 3.6 percent increase to the UPSFF foundation level and urges the Executive to continue prioritizing education in future budgets.

2. The Committee implores DCPS to increase support and outreach to families and communities regarding the return to in-person instruction and to help increase awareness

[52] Analysis of traffic in the area around Hardy Park, located at 4500 Q. Street, N.W. and the proposed MacArthur Boulevard School, located at 4500 MacArthur Boulevard, N.W

of COVID-19 vaccine availability and effectiveness so that families feel safe returning to schools.

3. The Committee supports the additional funds provided to DCPS schools to stabilize schools' funding, and recommends the Executive ensure that, beginning next year, schools no longer suffer budget cuts year over year unless there are significant reductions in enrollment or student populations.

DC STATE ATHLETICS COMMISSION

Committee Recommendations

I. AGENCY OVERVIEW

The mission of the D.C. State Athletics Commission is to oversee the state interscholastic athletics programs and competitions in the District through oversight of the D.C. State Athletics Association (DCSAA), which is in turn charged with ensuring that interscholastic athletics programs are compatible with the educational mission of member schools; providing for fair competition between member schools; promoting sportsmanship and ethical behavior for participants, coaches, administrators, officials, and spectators; promoting gender equity and equal access to athletic opportunity; and protecting the physical well-being of participants and promoting healthy adolescent lifestyles.

II. MAYOR'S PROPOSED BUDGET

Mayor's Proposed Fiscal Year 2022 Operating Budget[53]

**Table XX-A: DC State Athletics Commission;
Total Operating Funds Budget FY 2016-2022**

	Actual 2016	Actual 2017	Actual 2018	Actual 2019	Actual 2020	Approved 2021	Mayor 2022
Total Funds	0	2,872	1,181	1,275	1,249	1,286	1,270
FTEs	0.0	5.0	5.0	6.0	6.2	6.0	7.0

Source: *Budget Books (dollars in thousands)*

[53] The Mayor's proposed budget provides numbers rounded to dollars in thousands; therefore, all figures presented here are dollars in thousands. Percent change is based on whole dollars.

III. COMMITTEE COMMENTARY

The Committee provides the following commentary and concerns in relation to the proposed fiscal year 2022 budget and agency performance over the last year.

Cost controls: The DCSAC appears to be diligent in controlling its costs, as it has reported no expenditures related to FOIA requests, investigations, audits, reviews, lawsuits, studies, reports, labor grievances, settlements, judgements, or allegations regarding its practices or operations. DCSAC is compliant with DC law regarding official vehicle use, which has demonstrably kept their costs down in this regard. The Commission reports that it has followed the Mayor's directives regarding hiring and spending decisions stemming from the pandemic.

Performance Oversight: In FY22, DCSAC hopes to expand its jurisdiction from high school athletics to include middle school athletics. (grades 6 – 8). DCSAC also wishes to add several new competitive sports to its existing lineup: swimming, golf, lacrosse, and wrestling – all for both boys and girls. The Commission recognizes and acknowledges the obvious costs necessary to do each but believes that the short- and long-term social benefits outweigh the short-term monetary, logistical, and programmatic costs to taxpayers.

During FY19-20, the Commission had been in discussions to formalize internal KPIs, but the pandemic necessitated an indefinite pause on those discussions. However, the Commission maintains an informal, internal KPI: student-athlete participation rates. From FY13-14 to FY18-19, high school student-athlete participation grew 43%, compared to negligible changes in MD & VA (they note these numbers reflect nothing poorly for MD & VA, but represent the fact that DC's high-school-age population is growing.)

The Committee supports the DCSAC's efforts to expand the competitive sports options offered to the students in our public schools and looks forward to supporting DCSAC as they work to rebuild after the sudden passing of Director Clark Ray.

COVID-19: DCSAC highlighted the deep and widespread effects of the pandemic. In the FY21 performance oversight hearing, DCSAC former Director Clark Ray cited data which suggested a correlation between high school scholastic athletic participation and higher grades, higher GPA, and lower truancy rates. The pandemic has inverted that. Some students in the District view athletics as their "only way out" of a bad home life or an underserved community, and the Commission has noted a dramatic decline in student-athletes' mental health, satisfactory attendance, and GPA scores, along with a spike in student-athlete suicides. Student-athletes view engagement with their coaches as critical mentorship opportunities, which have plummeted during the pandemic. Further, coaches serve as critical observers of student-athletes' mental health, and can connect student-athletes with professional mental health resources for well-rounded care.

IV. COMMITTEE RECOMMENDATIONS

Committee's Recommended Fiscal Year 2022 Operating Budget

The Committee recommends no change to the fiscal year 2022 budget for the DC State Athletics Commission as proposed by the Mayor.

NON-PUBLIC TUITION

Committee Recommendations

I. AGENCY OVERVIEW

Non-Public Tuition (NPT) is administered by the NPT program, which is housed within the Office of the State Superintendent of Education (OSSE). Despite being a part of OSSE, NPT funds are separated from OSSE's budget, and this budget is an accounting of those separate funds.

The mission of the NPT program is to provide funding, oversight, and leadership for required special education and related services for children with disabilities who attend special education schools and programs under the federal Individual with Disabilities Education Act (IDEA). NPT funds a variety of required specialized services, including instruction, related services, educational evaluations, and other supports and services provided by day and residential public and nonpublic special education schools and programs. Additionally, the NPT program funds students with disabilities, who are District residents placed by the District's Child and Family Services Agency (CFSA) into foster homes and attending public schools in those jurisdictions.

II. MAYOR'S PROPOSED BUDGET

Mayor's Proposed Fiscal Year 2022 Operating Budget[54]

The Mayor's fiscal year 2022 budget proposal for Non-Public Tuition is $59,454, a decrease of $784, or -1.3 percent, over the current fiscal year. The proposed budget supports 18.0 FTEs, representing no change from the current fiscal year.

[54] The Mayor's proposed budget provides numbers rounded to dollars in thousands; therefore, all figures presented here are dollars in thousands. Percent change is based on whole dollars.

Table GN-A: Non-Public Tuition;
Total Operating Funds Budget FY 2016-2022

	Actual 2016	Actual 2017	Actual 2018	Actual 2019	Actual 2020	Approved 2021	Mayor 2022
Total Funds	66,092	64,752	61,395	61,813	60,059	60,238	59,454
FTEs	18.0	18.0	18.0	18.0	16.6	18.0	18.0

***Source**: Budget Books (dollars in thousands)*

Local Funds: The Mayor's proposed budget is $58,454, a decrease of -$784, or -1.3 percent, over the current fiscal year. The proposed budget supports 18.0 FTEs, the same as the current fiscal year.

Intra-District Funds: The Mayor's proposed budget is $1,000, which represents no change from the current fiscal year and supports no FTEs.

III. COMMITTEE COMMENTARY

The Committee provides the following commentary and concerns in relation to the proposed fiscal year 2022 budget and agency performance over the last year.

Reducing the Number of Students Served by Non-Public Institutions: One long-term goal of the NPT program is to reduce the need for District students to be placed in non-public educational institutions. The Office of the State Superintendent of Education (OSSE) plans to develop the capacity of local public schools to serve students with disabilities directly, instead of placing students in specialized non-public schools outside of OSSE's or the local education agency's (LEA) direct jurisdiction.

Table B: Non-Public Tuition Students;
Actual Total Students Enrolled FY 2017-2021

	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021
Actual Total	1,228	1,048	1,237	880	816

***Source**: See footnote.*[55]

[55] https://osse.dc.gov/sites/default/files/dc/sites/osse/publication/attachments/Q93%20Attachment%20-%20FY16%20Nonpublic.xlsx; https://osse.dc.gov/sites/default/files/dc/sites/osse/page_content/attachments/Q6%20Attachment%20-%20Nonpublic%20FY18%20and%20FY19%20to%20date.xlsx; https://osse.dc.gov/sites/default/files/dc/sites/osse/page_content/attachments/Q6%20Attachment%20-Nonpublic%20FY17%20and%20FY18.xlsx; https://osse.dc.gov/sites/default/files/dc/sites/osse/page_content/attachments/Q6%20Attachment%20Nonpublic

Since Fiscal Year 2017, the number of NPT students has decreased dramatically, from 1,228 to 816 in Fiscal Year 2021, as depicted in Table B above. Given that most of the NPT program's costs come from paying tuition to the non-public institutions that serve the District's students with special needs and that OSSE is working diligently to lower the number of students who need to attend a non-public institution, it is not surprising that the fiscal year 2022 budget is decreasing. Specifically, the proposed budget calls for a 1.5% reduction in funds available for tuition compared with the previous fiscal year, or about $862,000.

The Committee is pleased to see that the number of students attending non-public institution is trending downward. The District's LEAs should provide all of our students, regardless of their needs, with a free, appropriate public education. Thus, the Committee will continue to monitor the number of students attending non-public institutions. Additionally, the Committee recommends that the NPT office in OSSE continue to work with the District's LEAs to ensure that they are providing their students with a free, appropriate public education in the least restrictive environment, thereby reducing the need for students to be placed in non-public institutions.

Staffing Levels: While the Mayor's proposed budget for Fiscal Year 2022 is slightly below the approved Fiscal Year 2021 budget, the funding for full-time equivalent (FTE) staff members dedicated to NPT remains constant. Under the Mayor's proposed budget, there will be the same number of FTE employees for the following fiscal year as there were for this fiscal year, 18. This will enable continuity of service for students, their families, other District government agencies that partner with OSSE to ensure the success of NPT, and the non-public institutions themselves. This stability is essential for everyone involved at all stages of the process to maintain expectations regarding levels of service. Thus, the Committee supports maintain the staffing levels in the NPT program for this fiscal year. Given that the NPT program is dedicated to lowering the number of students who are in the NPT program and attending non-public institutions, the Committee does recommend that the NPT program examine its staffing levels each year to ensure continuity of services while reducing costs associated with the program as the number of NPT students decline

IV. COMMITTEE RECOMMENDATIONS

Committee's Recommended Fiscal Year 2022 Operating Budget

The Committee recommends no change to the fiscal year 2022 budget for Non-Public Tuition as proposed by the Mayor.

Policy Recommendations

%20FY19%20and%20FY20%20to%20date.xlsx; https://dccouncil.us/wp-content/uploads/2020/02/osse.pdf; https://dccouncil.us/wp-content/uploads/2019/02/Binder2.pdf

1. The Committee recommends that the NPT office in OSSE continue to work with the District's LEAs to ensure that they are providing their students with a free, appropriate public education in the least restrictive environment, thereby reducing the need for students to be placed in non-public institutions.

2. The Committee does recommend that the NPT program examine its staffing levels each year to ensure continuity of services while reducing costs associated with the program as the number of NPT students decline

OFFICE OF THE DEPUTY MAYOR FOR EDUCATION

Committee Recommendations

I. AGENCY OVERVIEW

The Office of the Deputy Mayor for Education ("DME") is responsible for developing and implementing the Mayor's vision for academic excellence and supporting the education-related District Government agencies in creating and maintaining a high quality education continuum from early childhood to K-12, to postsecondary and the workforce. The three major functions of the DME include: overseeing a District-wide education strategy; managing interagency and cross-sector coordination, and providing oversight and/or support for the following education-related agencies: DCPS, OSSE, the Department of Parks and Recreation (DPR), DCPL, PCSB, the University of the District of Columbia (UDC), Department of Employment Services (DOES), and the Workforce Investment Council (WIC).

II. MAYOR'S PROPOSED BUDGET

Mayor's Proposed Fiscal Year 2022 Operating Budget[56]

The Mayor's fiscal year 2022 budget proposal for the Office of the Deputy Mayor of Education is $33,836,270, an increase of $11,236,553 or 49.7 percent, under the current fiscal year. The proposed budget supports 44 FTEs, an increase of 4 FTEs, or 10.0 percent from the fiscal year 2021 approved budget.

[56] The Mayor's proposed budget provides numbers rounded to dollars in thousands; therefore, all figures presented here are dollars in thousands. Percent change is based on whole dollars.

Table XX-A: Deputy Mayor for Education
Total Operating Funds Budget FY 2016-2022

	Actual 2016	Actual 2017	Actual 2018	Actual 2019	Actual 2020	Approved 2021	Mayor 2022
Total Funds	3,929	4,621	7,520	17,181	16,963	22,600	33,836
FTEs	15.3	21.0	19.0	19.0	31.2	40.0	44.0

Source: *Budget Books (dollars in thousands)*

III. COMMITTEE COMMENTARY

The Committee provides the following commentary and concerns in relation to the proposed fiscal year 2022 budget and agency performance over the last year.

Out of School Time (OST) Commission: The Out of School Time (OST) Commission is a public body composed of engaged residents and representatives from government agencies to support equitable access to high-quality OST programs for District of Columbia youth. Through coordination among government agencies, targeted grant-making, data collection and evaluation, and the provision of training, capacity building and technical assistance to OST providers, the Commission provides resources and support to ensure a citywide system of high-quality OST programs.

Afterschool activities are a key part of the out-of-school-time (OST) landscape in the District. The time that children and youth spend outside of school participating in enrichment activities helps prepare them for success, access emotional and social support, and build and maintain community. Student growth and achievement happens beyond the traditional school day. OST programs are important to students' overall healthy development and present important opportunities for them to get connected to the right resources and enrich their lives before and after school and during the summer months.

However, parents report difficulty finding the right afterschool program for their child; 70% of parents report it is difficult to find an appropriate option, underscoring the need for more, and more accessible, afterschool programming in the District. Tens of thousands of the District's students participate in OST activities each year and programs have become especially important during the COVID-19 pandemic, helping to maintain community, providing essential services and connecting families to resources. District of Columbia parents see the value in afterschool programs, and overwhelmingly support public dollars going toward these activities that help their kids continue to learn and grow after the traditional school day ends. Parents clearly value the programs that serve their children after school, and while OST programs currently serve tens of thousands of District youth, more young people would benefit if programs were more readily available.

The Committee supports the Mayor provided funds to support the OST program and partners but would like to increase the number of youth directly impacted by programming by the Office of Out of School Time Grants and Youth Outcomes. To do so, the Committee has moved funding to the OST Commission to disseminate additional grants in order to reach more students in need.

Safe Passage: In July 2016, the Deputy Mayor for Education and the Deputy Mayor for Public Safety and Justice piloted a District agency sponsored safe passage program to ensure students could without fear of violence. Nearly 150 volunteers from over 20 governmental agencies provided an adult presence at high traffic metro stations, such as Deanwood and Anacostia, on the last day of school and the first week of the SYEP program. That safe effort was replicated during the first Monday and Friday of the DCPS's 2016-17 school year and continued through the 2019-2020 school year until the start of the COVID19 pandemic. For the upcoming school year, Safe Passage is expanding by adding a student outreach hub, staffed by CFSA experts, to support schools' efforts to re-engage students who have disengaged. Through DC For Hire Vehicles, the office of the DME will also provide dedicated micro-transit shuttles from Ward 7 and 8 schools in our Safe Passage zones, and a comprehensive "Man the Block" program, putting caring adults on the routes to and from school as well as afterschool mediation.

The Committee supports the Mayor's investment of $7.2 million for youth safety initiatives, including the expansion of Safe Passage and out-of-school-time activities for youth. However, the Committee does not support a portion of those funds being used to enhance training for school resource officers. Not only does the DME budget included enhanced training for school resource officers, but there is also funding allocated to training for school resources office in the Metropolitan Police Department's FY22 budget. In addition, the DCPS's Dr. Brenda Elliott testified on April 21, 2021 that DCPS is training contracted security guards to support safe and positive schools. Dr. Brenda testified "With the contract under DCPS management, we can enhance the professional development we provide to security guards. For example, we have already delivered training to all our guards on trauma-responsive practices within a trauma-informed school. We are also planning to train guards on restorative justice practices, language access, verbal de-escalation, and cultural competency. These trainings will not only give guards tools and techniques to respond thoughtfully when issues arise, but they will help them build stronger connections with our students, families, and school communities."

The Committee believes that funding beyond these two additional sources for the same purpose is redundant, and the Committee would like to see funding shifted from training of security guards to another effort that better promotes the education, health, and well-being of DC residents.

Truancy and Attendance: Truancy is often thought of as an education issue: children cannot learn if they are not in school and thus fall behind their peers. Education is an equalizer – regardless of a person's socioeconomic status or background, a strong education can provide him or her with the opportunity to succeed. If a student is truant, he or she is not learning. Children often fail to attend school because of some dysfunction in their lives – whether it is because of mental health issues, learning disabilities, bullying problems, problems in the home, domestic violence, or a myriad of other issues. Hence, truancy also is an early warning indicator that a child and/or his or her family may need assistance or that the child is at risk for juvenile justice involvement.

Over the past thirteen years, notorious and tragic situations like Banita Jacks, the South Capitol Street murders, and Relisha Rudd could have been avoided if more attention was given to truancy as not only an educational issue but as a criminal justice issue (as an early warning system).[57] Addressing truancy is one of the few proactive strategies that government can take to prevent crime. But addressing truancy has other far-reaching benefits. Addressing the cause of a child's truancy is likely to keep him or her in school. Graduation rates increase. The value of education as an antidote to poverty is realized. Teen pregnancy, demand for TANF, the cycle of poverty – may all be reduced generally. A child with potential . . . may reach that potential.

Given the importance of this issue, the Committee shared joint oversight with the Committee on Education over all truancy matters from 2013 (when the Committee on Education was reconstituted) to 2020, and since the Committee has reabsorbed all education-related issues, it continues to have oversight over truancy and attendance. Millions in resources and programming have been spent to try and move the needle on both truancy and chronic absenteeism. Yet, despite the continued focus on both, both truancy and chronic absenteeism rates have continued to rise in both DCPS and public charter schools. Additionally, the COVID-19 pandemic has complicated how schools tackle truancy and chronic absenteeism. Because of the swift rise in the number of COVID-19 cases in the District, the Executive had to make a quick and sudden decision to move to distance/remote learning during the middle of March 2020. While DCPS and public charter schools in the District were discussing the possibility of having to move to distance/remote learning, few, if any, of them were truly prepared when the time came. Additionally, because of the uncertainty and suddenness nationwide, the US Department of Education decided to waive the traditional attendance requirements, which allowed for the District's Office of the State Superintendent of Education (OSSE) to provide DCPS and DC public charter schools flexibility when it came to attendance. This resulted in schools not having to report daily attendance feeds to OSSE and the District's attendance regulations being halted, making it impossible to track truancy and chronic absenteeism during distance learning. Given that the remainder of School Year (SY) 2019-2020 was conducted via distance learning, this means there is no way to track truancy or chronic absenteeism for over a third of that school year.

While OSSE required local education agencies to take, track, and report attendance and truancy during SY 2020-2021, there were a myriad of issues, such as the lack of stable internet, that has made the data unreliable for this school year. Moreover, while OSSE also required LEAs only to count a student as present if they engaged during remote learning, this is not what actually occurred. For example, DCPS students were counted as present as long as they logged onto their learning platform at least once a day regardless of whether they engaged with their teachers or peers or completed their assignments. Thus, students could log on and then turn off their cameras and take a nap but still be counted as attending school that day.

[57] Eight-year-old Relisha Rudd disappeared from the D.C. General family homeless shelter on March 1, 2014. On March 13, 2014, a counselor at Payne Elementary School wrote a referral to CFSA noting the child's many absences – more than 30 days. Reporting the truancy to CFSA earlier might have enabled that agency to intervene before her disappearance and presumed death.

Looking ahead, the Committee is highly concerned about truancy and attendance rates in SY 2021-2021. Although the DME's budget includes millions in American Rescue Plan Act (ARPA) funds for addressing attendance, or issues that may affect attendance, next school year, the DME does not seem to have a strong plan in place. The budget includes funds for scaling up an attendance letter pilot that only improved attendance by a handful of percentage points during the pilot; communication technology platforms; a family coaching program, which was attempted by DCPS several years ago but abandoned because it did not produce results; and a back to in-person school public relations campaign, which also seems similar to something attempted by the DME a few years ago but which produced anemic results. While the budget also has funding for four additional staff members for the Child and Family Services Agency educational neglect triage unit, the Committee believes that a stronger, more proactive approach – other than a public relations or letter campaign – should be taken.

Because so many families still distrust the school system – both DCPS and charter – they do not want to send their children back to in-person learning in the fall, and the Committee does not think that a public relations campaign will be enough to convince them otherwise. Thus, the Committee expects there to be a large number of truant students next school year. Moreover, OSSE and the DME have been clear that the only students who can participate in remote learning during SY 2021-2022 are those who have a signed medical exception from in-person learning from their doctors or those attending an online charter school, such as Friendship Online Public Charter School. Thus, the Committee is worried that students will enroll but not actually attend school in-person next year. This will drive up the truancy rate. For this reason, the Committee urges the DME, OSSE, and the LEAs to have a contingency plan to educate those students should the Committee's concerns come to fruition. Without one, the District will be left flat-footed and unready to aid the youth who need it the most.

Workforce Investment Council (WIC): The Mayor's proposed FY2021 budget includes an initiative to onboard and hire 25-50 Career Coaches for the purpose of advising unemployed residents on their next occupational endeavor. The funding for the Career Coaches was miscoded in the Deputy Mayor for Education (DME) budget and requires a technical reduction to correct for the miscoding. The $4.56 million should be transferred from the DME's Program 2000 (Department of Education), Activity Code, 2010 (Agency Oversight and Support), to DME's Program 3000 (Workforce Investment), Activity Code, 3012 (Workforce Investment). The Committee on Labor and Workforce Development recommends the transfer of funds, and the Committee of the Whole supports the transfer proposed.

IV. COMMITTEE RECOMMENDATIONS

Committee's Recommended Fiscal Year 2022 Operating Budget

The Committee recommends the following changes to the fiscal year 2022 budget for the Office of the Deputy Mayor for Education as proposed by the Mayor:

1. Decrease Program/Activity 2000/2010, CSG 11 by $100,000 (ARPA Local, One Time) each in FY 2022 and FY 2023.[58]

2. Decrease Program/Activity 2000/2010, CSG 14 by $25,000 (ARPA Local, One Time) each in FY 2022 and FY 2023.[59]

3. Decrease Program/Activity 2000/2010 by 2.0 FTEs.[60]

4. Decrease Program/Activity 2000/2010, CSG 41 by $1,350,000 (ARPA-County, One Time) in FY 2022 and $981,250 (ARPA-County, One Time) in FY 2023.[61]

5. Increase Program/Activity 2000/2011, CSG 50 by $2,000,000 (ARPA-Local, One Time) for FY 2022.[62]

6. Decrease Program/Activity 2000/2010, CSG 50 by $500,000 (ARPA-Local, One Time) each for FY 2022, FY 2023, and FY 2024.[63]

7. Decrease Program/Activity 2000/2010, CSG 11 by $69,905 (ARPA – Fund Detail 8153, One Time) each for FY 2022 and FY 2023.[64]

8. Decrease Program/Activity 2000/2010, CSG 14 by $18,026 (ARPA – Fund Detail 8153, One Time) each for FY 2022 and FY 2023.[65]

9. Decrease Program/Activity 2000/2010, CSG 50, by $4,475,069 (ARPA – Fund Detail 8153, One Time) each for FY 2022 and FY 2023.

Policy Recommendations

1. The Committee recommends increasing the number of youth directly impacted by programming by the Office of Out of School Time Grants and Youth Outcomes by providing additional grant funding to the OST Commission to disseminate to grantees.

2. The Committee highly urges the DME to formulate a stronger, more proactive approach – other than a public relations or letter campaign – to convince both DCPS and charter families to return to school in-person in the fall.

[58] Eliminate the salary associated with the 1 FTE for the family coaches program.
[59] Eliminate the fringe associated with the 1 FTE for the family coaches program.
[60] Eliminate the 1 FTE associated with the family coaches program and the 1 FTE associated with the WIC career coaches program, which was incorrectly added to the DME-main portion of the budget.
[61] Eliminate the funding associated with the family coaches program in FY 2022 and FY 2023.
[62] Increase OST grant funds in FY 2022 by $2,000,000.
[63] Eliminate the MPD de-escalation training.
[64] Technical correction – funds should have been loaded into the WIC portion of the DME's budget.
[65] Technical correction – funds should have been loaded into the WIC portion of the DME's budget.

3. The Committee encourages the DME, OSSE, and the LEAs to develop a contingency plan to educate students who enroll in a school but do not attend in-person and who do not have a medical reason for refusing to do so.

OFFICE OF THE STATE SUPERINTENDENT OF EDUCATION

Committee Recommendations

I. AGENCY OVERVIEW

The Office of the State Superintendent of Education (OSSE) is the District's state education agency (SEA) and works in partnership with education and related systems to sustain, accelerate, and deepen progress for the District's students. As the SEA, OSSE has oversight responsibility over all federal education programs and related grants administered in DC. Additionally, OSSE has responsibility for setting state-level standards and annually assessing student proficiency, ensuring access to childcare and universal pre-K programs, providing funding and support to adult education providers and local education agencies (LEA) in achieving objectives, ensuring the state tracks and make available accurate and reliable data, and assessing meaningful interventions to ensure quality improvements and compliance with state and federal law.

OSSE also houses the District's special education transportation division (OSSE-DOT) and the non-public tuition (NPT) program. Further, OSSE administers the District's public charter school quarterly payments. Notably, OSSE-DOT, NPT, and the public charter school payments are represented in separate budget chapters and not included in the budget discussed in this chapter. For information on these three budgets and discussion of issues related to the relevant division/program, please see their respective chapters.

II. MAYOR'S PROPOSED BUDGET

Mayor's Proposed Fiscal Year 2022 Operating Budget[66]

The Mayor's fiscal year 2022 budget proposal for the Office of the State Superintendent of Education is $687,823, an increase of $90,898, or 15.2 percent, over the current fiscal year. The proposed budget supports 473.0 FTEs, representing an increase of 2.0 FTEs, or 0.4 percent, over the current fiscal year

[66] The Mayor's proposed budget provides numbers rounded to dollars in thousands; therefore, all figures presented here are dollars in thousands. Percent change is based on whole dollars.

**Table GD-A: Office of the State Superintendent of Education;
Total Operating Funds Budget FY 2016-2022**

	Actual 2016	Actual 2017	Actual 2018	Actual 2019	Actual 2020	Approved 2021	Mayor 2022
Total Funds	393,688	401,199	443,515	436,707	457,124	596,925	687,823
FTEs	339.1	360.9	459.9	468.4	459.5	471.0	473.0

Source: *Budget Books (dollars in thousands)*

Local Funds: The Mayor's proposed budget is $174,420, an increase of $4,941, or 2.9 percent, over the current fiscal year. The proposed budget supports 297.8 FTEs, representing no change from the current fiscal year.

Dedicated Taxes: The Mayor's proposed budget is $5,630, a decrease of $66, or -1.2 percent, over the current fiscal year. The proposed budget supports 20.4 FTEs, representing a decrease of 5.0 FTEs, or -19.6 percent, from the current fiscal year.

Special Purpose Revenue Funds: The Mayor's proposed budget is $1,623, an increase of $453, or 38.7 percent, over the current fiscal year. The proposed budget supports 5.5 FTEs, representing no change from the current fiscal year.

Federal Payments: The Mayor's proposed budget is $98,358, an increase of $28,358, or 40.5 percent, over the current fiscal year. The proposed budget supports 24.3 FTEs, an increase of 7.0 FTEs, or 40.5 percent, over the current fiscal year.

Federal Grant Funds: The Mayor's proposed budget is $367,931, an increase of $57,149, or 18.4 percent, over the current fiscal year. The proposed budget supports 119.5 FTEs, representing no change from the current fiscal year.

Private Grant Funds: The Mayor's proposed budget is $147, an increase of $17, or 13.1 percent, over the current fiscal year. The proposed budget supports 1.0 FTE, representing no change from the current fiscal year.

Intra-District Funds: The Mayor's proposed budget is $39,714, an increase of $47, or 0.1 percent, over the current fiscal year. The proposed budget supports 4.4 FTE, representing no change from the current fiscal year.

Mayor's Proposed Fiscal Year 2022 Capital Budget

The Mayor's proposed capital improvements plan includes $5,228 for OSSE, representing a $2,309 increase, or 44.2 percent, over the six-year plan. The proposed plan authorizes $5,228 for fiscal year 2022 – $1,094 to rebuild the codebase for the My School DC common lottery system and $4,134 to continue building out the District's state longitudinal educational database.

III. COMMITTEE COMMENTARY

The Committee provides the following commentary and concerns in relation to the proposed fiscal year 2022 budget and agency performance over the last year.

Childcare: Since 2007, OSSE has been responsible for the oversight of the childcare sector in the District.[67] Specifically, OSSE licenses and regulates child development facilities, oversees the childcare subsidy program, ensures that infants and toddlers who have special needs receive services under IDEA Part C, and works to improve the quality of childcare. Additionally, OSSE oversees the Pre-K Enhancement and Expansion Program (PKEEP), which provides funding based on the Uniform Per Student Funding Formula (UPSFF) to child development facilities that provide high-quality pre-K programs to three and four-year olds.

Given that the District provides universal pre-K, much of OSSE's focus over the last five years has been on improving the quality of care provided to children from 0-3 years old. Instead of simply thinking of childcare as just daycare, OSSE, and the Council, have shifted to viewing it as early childhood education since research shows that an achievement gap can begin in infancy.[68] However, much of this progress has stalled since March 2020, as the childcare sector has had to focus solely on staying open.

During the COVID-19 pandemic, child development facilities, particularly those that are solely private (i.e. do not receive any childcare subsidy payments from the District) and those that are a mixture of subsidy and private pay, struggled to be paid by parents or had to close for a period of time. Additionally, cleaning and personal protective equipment costs have skyrocketed, and while a vast majority of the District's child development facilities are now open, many struggle to meet capacity either due to space constraints[69] or because parents are hesitant to send their children back. This has all created a difficult situation for many ECE providers.

Understanding that a stable ECE sector is crucial to economic recovery, over the past year, OSSE's Division of Early Learning (DEL) has focused on providing technical assistance to child development facilities and has partnered with the Washington Area Community Investment Fund (WACIF) and the Low Income Investment Fund (LIIF) to distribute the millions in federal childcare-related relief funds that the District has received.[70] Specifically, OSSE has disseminated:

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[67] *See* D.C. Law 17-9, the "District of Columbia Public Education Reform Amendment Act of 2007.
[68] *See* https://news.stanford.edu/news/2013/september/toddler-language-gap-091213.html; *see also* Birth to Three law.
[69] CDC guidance still recommends social distancing. https://www.cdc.gov/coronavirus/2019-ncov/community/schools-childcare/guidance-for-childcare.html
[70] The District has received: $6 million in Child Care and Development Block Grant (CCDBG) Coronavirus Aid, Relief, and Economic Security (CARES) Act funding; $16.7 million in CCDBG and $2.5 million in Governor's Emergency Education Relief Fund II from the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA) funding; and $24.9 million CCDBG funds and $39.8 million in childcare stabilization grants, both from the American Rescue Plan (ARPA).

- $5.8 million was used to provide emergency grants to providers who were added to the DC Road to Recovery Fund;
- $1.4 million to stand up and support emergency childcare for essential workers during spring/summer 2020;
- $1.7 million to repay the childcare subsidy account, which was depleted when OSSE was paying subsidy providers based on enrollment instead of attendance;
- $2.5 million in Governor's Emergency Education Relief Fund II funding to provide additional assistance to providers.
- $10.7 million for a new grant program to deliver financial relief to licensed childcare facilities; and
- $3 million for targeted assistance to providers affected by the public health emergency.

Yet, the District's childcare sector will need continued stabilization in fiscal year 2022. Thus, OSSE's proposed fiscal year 2022 budget includes almost $68 million in additional federal COVID-19-related relief funds for this very purpose. While $35.8 million of which will go directly to childcare providers to be spent as they see fit, OSSE will utilize the remaining $32.1 to increase the childcare subsidy rate; increase infant and toddler supply in shortage areas in the District; pay providers to open more childcare spots preemptively so that there are openings when individuals return to work; provide bonuses to early childhood providers who stay in their profession for more than a year; and assist childcare workers who are seeking a higher credential or degree.

However, despite these increases, the childcare advocacy community also seeks $60 million in local, recurring funds to be added to the fiscal year 2022 budget for ECE sector pay parity, as required by D.C. Law 22-179, the "Birth to Three for All DC Act of 2018." While the Committee supports the Birth to Three bill, it questions whether including $60 million in fiscal year 2022 is the right approach. The Birth to Three bill scales up pay parity over a four-year period, increasing pay by 20% the first year, 50% the second, 75% the third, and 100% the fourth. Yet, this is not what the advocates are suggesting. Instead, because it has been five years since the Birth to Three bill has been approved by the Council, the advocates suggest that the District ignore the scaling called for in the bill and jump straight to where the District would be if the bill had been funded and begun several years. The Committee disagrees with this approach.

OSSE has not yet had an opportunity to develop the salary scale or completed an updated cost of care analysis, both of which are called for in the bill before pay parity scaling begins. Advocates have also admitted to the Committee that the proposed $60 million is a "best guess" at where the District should be in terms of pay but actually based on updated cost of care data. Additionally, providing $60 million in local, recurring funding, does not actually achieve 100% pay parity, so additional funds will need to be found in the out years to achieve the actual goals of the Birth to Bill legislation. Rather than take this haphazard approach, especially with a program that will ultimately cost hundreds of millions of dollars, the Committee believes that the more thoughtful approach called for in the Birth to Three bill should be followed. Further, given that the childcare sector is still recovering from the impact of the pandemic, the Committee feels that the emphasis should be on stabilizing the sector in fiscal year 2022. Since Birth to Three has no enforcement mechanism if a childcare provider fails to use the funds given to it to increase its workers' pay, the only recourse OSSE currently has is to pull the facility's ability to participate in the District's childcare subsidy program. This could potentially destabilize the sector, as it would result in less childcare subsidy slots at a time when more are needed.

The Committee does recognize that the Executive should have funded the Birth to Three bill in past budget cycles and understands the frustration childcare providers have over their languishing pay. For this reason, the Committee strongly encourages OSSE to complete its cost of care analysis by August 1, 2021 and for it to work collaboratively with childcare advocates and the Council to identify an enforcement method, other than simply removing a provider from the subsidy program, by December 31, 2021. Additionally, the Committee believes that instead of doing a pilot in fiscal years 2023 and 2024 around pay parity, OSSE should use the $18.5 million in fiscal year 2023 to increase childcare workers' pay by 20% and work with the Mayor to identify funds in fiscal years 2024 and beyond to continue increasing ECE educators' salary according to the scale set forth in the Birth to Three bill.

Administration of COVID-19 Federal Funding: As the District's SEA, OSSE is responsible for administering the state-level Elementary and Secondary School Emergency Relief (ESSER) Fund allocations awarded to the District for our Title I schools via the three COVID-19 federal relief legislation – the CARES Act (ESSER I), CRRSA (ESSER II), and ARP Act (ESSER III).[71] With each ESSER allocation, 90% of the funds must go to the states' LEAs, and each LEA has broad authority with regard to how it spends the funds. While OSSE is able to determine how to use the ESSER I and ESSER II 10% set-aside, the ARP Act requires OSSE to use 5% of the ESSER III 10% set-aside to tackle learning loss, 1% on summer programming, and 1% on after-school programming. This amounts to $19,315,858, $3,863,172, and $3,863,172, respectively.[72] Table B outlines the award amounts DC has received under each federal relief bill:

Table GD-B: Office of the State Superintendent of Education; ESSER I-III Federal Funding

Federal Program w/LEA Subgrant	Period of Availability	Total Allocation to DC	OSSE's 10% Allocation	Max. Amount for OSSE Admin. (0.5%)
CARES Act (ESSER I)	3/13/20 – 9/30/22	$42,006,354	$4,200,635	$210,032
Coronavirus Response & Relief Supplemental Appropriations Act (CRRSA-ESSER II)	3/13/20-9/30/23	$172,013,174	$17,201,317	$860,066

[71] Adult public charter schools, preK schools, and non-Title I schools are not eligible for any ESSER funding. However, OSSE has tried to provide relief to these schools by either providing them SOAR funding or funds from OSSE's allotment of ESSER funding.

[72] Note that the afterschool and summer programming set-asides are being used by the Deputy Mayor for Education to expand Out-of-School Time programming.

American Rescue Plan (ARP-ESSER III)	3/13/20-9/30/24	$386,317,154	$38,631,715	$1,931,586

See: https://osse.dc.gov/recoveryfunding

Although OSSE and the LEAs must obligate their federal funds within one year of receiving them, they have a few years to spend the funds, as denoted in the "Period of Availability" column in Table B. Thus, over the past year, OSSE has worked as quickly as possible to inform LEAs of their funding amount under each grant, and to provide transparency, OSSE has posted the allocations that each LEA will receive on their website.[73]

However, there has been less transparency with regard to how OSSE plans to spend their ESSER II and ESSER III set-asides, as OSSE's proposed fiscal year 2022 budget does not include these funds. While OSSE has talked broadly about how they hope to spend the funds, the Committee still lacked clarity and has only just received information from OSSE and through the Council's grant budget modification process. Thus, Tables C-E put forth more detailed plans on OSSE's use of their ESSER II and III state-asides:

**Table GD-C: Office of the State Superintendent of Education;
OSSE's Plans for Its ESSER II State Set-Aside**

Description	Estimated Cost
Comparable funding to non-Title I LEAs and CBOs serving adult learners	$5.8 M
Partner w/DBH to expand the District's comprehensive school-based behavioral health system to the 13 remaining DCPS and public charter schools in Cohort 3	$2.2 M
Offer supports for under and disengaged youth through redefining the scope and expanding the impact of the ReEngagement Center. This includes research to provide responsive programming to support a successful 9th grade transition.	$1.5 M
Enable DBH's ChAMPS program to expand its mobile crisis team capacity in response to heightened demand; make available suicide prevention curricula and training for all middle and high schools; and support LEA capacity building to respond to individual student crises	$1.308 M
Establish a self-service, interactive training platform with on-demand wellness resources available to all ECE and K-12 educators in the District and support school-level capacity building in educator wellness structures and practices to help ensure that educator wellness continues to be embedded in school structures after the pandemic.	$1.2 M
Launch a parent resource center for the parents of students with disabilities to support them in navigating the special education landscape and the unique challenges of virtual learning and recovery from learning loss during the pandemic	$1.0 M

[73] *See* https://osse.dc.gov/recoveryfunding.

Provide technical assistance and consultative supports that complement LEAs' investments in physical infrastructures to support the establishment of safe outdoor learning spaces and high indoor air quality and invest in 2 fellows to provide additional team capacity	$430,000
Complete a citywide review of kindergarten readiness using the EDI tool to collect critical information about the cognitive development and social, emotional, and physical wellbeing of four-year olds in the District.	$350,000
Expand existing dual enrollment programming opportunities for 155 students	$200,000
Support IT development across a variety of new COVID-related applications including the Continuous Education Plans and assessment collection	$120,000

**Table GD-D: Office of the State Superintendent of Education;
OSSE's Plans for Its ESSER III Learning Loss State Set-Aside**

Description	Estimated Cost
Invest in infrastructure supports, such as citywide standards, foundational training for tutors, and data collection to inform research; provide capacity building support through grants to schools and/or CBOs to assist in scaling high-dosage tutoring, particularly in high need areas where there is currently very limited supply (e.g. middle school math)	$3.0 M
Conduct a citywide audit of current curricula used by schools and leverage this knowledge to support implementation of our Comprehensive Literacy Plan; make available high-quality offerings; support adoption with aligned professional development; and provide citywide training available to all teachers on the science of reading.	$3.5 M
Support instructional leaders in reviewing high-quality math curricula and provide aligned professional development for leaders and teachers in order to assist with adoption and expand and extend access throughout the recovery period to the high-quality offering, Zearn.	$1.5 M
Provide LEAs with grants to support the development and implementation of non-math and LEA curricula that meet certain quality standards in order to support whole-child development.	$2.5 M
Expand and deepen OSSE's professional learning for general and special educators through a suite of micro-credential offerings that provide flexible and on-demand access to professional development and invest in a fellowship program for school and LEA leaders to support them in building the systems and mindset needed to develop inclusive learning environments.	$3.5 M
Support school teams in building high-quality EL programs that reflect the WIDA English Language Development Standards Framework in order to boost English learners' academic achievement and language learning. Supports include a comprehensive institute for school teams, targeted technical assistance, and a micro-credential for teachers.	$500,000
Conduct a citywide review of assessment literacy and data use. Leverage this review into a multi-pronged strategy for improving the quality and effective use of interim and other non-summative assessment data through means such	$2 M

as technical assistance, training, and access to approved assessments, in order to inform instruction and accelerate learning for students.	
Offer cross sector professional development and coaching to help teachers quickly enhance their toolkit with the delivery of content in a virtual or in-person posture, with a train-the-trainer model launching during the summer	$800,000
Additional evidence-based projects still under review	$2.016 M

Table GD-E: Office of the State Superintendent of Education;
OSSE's Plans for The Remainder of Its ESSER III State Set-Aside

Description	Estimated Cost
Establish vision, governance framework, and implementation plan for a portfolio of policy initiatives that reflect lessons learned from the pandemic and support more flexible school models moving forward. These would include strengthening standards for competency-based education, establishing the framework for dual enrollment for high school coursework and for high-quality online options, and strengthening the educational administration of students in the justice system.	$1.5 M
Invest in research to evaluate the impact of key recovery strategies and provide learnings to the field to support continuous improvement in practice and to inform policy changes. This work will also fulfill our obligation to the US Department of Education for the waiver of statewide assessment administration in SY 2020-2021.	$2.0 M
Conduct a landscape analysis, stakeholder engagement, and research on the benefits and feasibility of launching a new Kindergarten readiness or early elementary statewide assessment. Such an assessment would provide critical information about progress and gaps in early grades that we don't yet have and would inform policymaking and school practice.	$1.0 M
Develop and implement a strategy for strengthening positive school climates & cultures, including consideration of school-based training and credentialing as trauma-informed schools and access to a high-quality school climate survey.	$1.5 M
To support the acceleration of student learning as the District recovers from the public health emergency, we will expand collection and use of course and academic progress data. Initially, OSSE will conduct a landscape assessment of LEA courses and instructional resources and develop technical assistance resources aimed at building LEA data capacity so they can best use data to inform academic recovery.	$2.0 M

Given the vast amount of additional federal funding that will flow through OSSE over the next few years, the Committee implores OSSE to use strong oversight and to ensure that the agency is overly transparent about how it and its subgrantees are utilizing the federal COVID-19 recovery grant funding. This funding presents the District with an opportunity to not only assist our students in recovering the learning loss that has occurred during the pandemic but to transform the education that our students receive. Yet, if OSSE does not maintain strong oversight over the usage of the federal relief funding, we will miss that opportunity. Moreover, because there have already been so many questions and confusion around just OSSE's plans, the Committee is apprehensive that millions of dollars will be spent without transparency and public input. Such a scenario breeds an environment that is ripe for abuse.

The Committee acknowledges that OSSE has been responsive to the Committee and answered the many questions that have come from the Council over the last year in a timely manner. However, many of those responses have been broad or asked for patience as OSSE develops its plans for using the ESSER state-level set-asides. Additionally, while the Council has finally received some information about OSSE's plans, many questions remain. Which LEAs will be served? How many students? When are the application and dissemination timelines? How much funding will go to each organization? How is OSSE measuring effectiveness of the methods being used? What will be done if the outcomes are not as expected? When will OSSE decide to change direction, if needed? If the Committee, which has spent hours pouring over the information coming in from OSSE and called multiple hearings, still has these questions, what does this mean for the public? Hence, the Committee calls on OSSE to provide greater transparency around not just its and its subgrantees' plans for the funding but also how the funds are actually spent and the outcomes achieved or not achieved in in fiscal years 2021 – 2024.

Tackling Learning Loss: In March 2020, due to the COVID-19 pandemic, the District's public education students transitioned from in-person learning to synchronous and asynchronous remote learning for the remainder of School Year (SY) 2019-2020 and throughout much of this current school year, SY 2020-2021. While the District's dedicated public teachers worked to ensure that their students were being served and were learning, student experiences have greatly differed, often among socioeconomic lines, during the pandemic. Students whose parents could afford to provide one-on-one or small group tutoring did so. Yet, families that lacked the technical infrastructure, such as laptops and high-speed internet service, were at a disadvantage since school was completely remote. Even when students received a laptop and a hotspot or free WiFi, the signal was not strong enough for students to engage actively in their classes. In turn, while some students have thrived, many students have experienced academic learning loss, which has exacerbated the learning loss that they already incurred prior to the pandemic.

According to a study done in fall 2020 by EmpowerK12, a local educational think tank, District students – both District of Columbia Public Schools (DCPS) and public charter schools – have lost four months of learning in math and one month of learning in reading.[74] Moreover, at-risk students[75] have fared much worse, losing five months of learning in math and four months of learning in reading, and students with special needs have suffered six months of learning loss in math.[76] Given these findings, EmpowerK12 predicts that the District's PARCC[77] scores will drop 14 points – from 38% proficient to 24% proficient – in English Language Arts and 19 points in math – from 32% proficient to 13% proficient – between SY 2019-2020 and SY 2021-2022. Additionally, EmpowerK12's study demonstrates that the achievement gap has widened during

[74] *See* https://www.empowerk12.org/research-source/covid-impact-achievement-dc.
[75] *Define at risk*
[76] *See* https://www.empowerk12.org/research-source/covid-impact-achievement-dc.
[77] PARCC stands for Partnership for Assessment of Readiness for College and Careers and is the District's annuak statewide assessment.

the pandemic. Further, because our students who are most at-risk academically did not participate in the study[78] and because the study was done in fall 2020, it is very likely that the learning loss suffered during the pandemic will be worse than predicted.

Such results deeply concern the Committee, which is why the Committee has held five hearings on this topic since January 2021. According to the testimony from the Deputy Mayor for Education and OSSE,[79] their plan for combatting the learning loss is to have students return to in-person instruction and to utilize high-dosage tutoring (HDT) over the next four years. Yet, that plan assumes that students will return at the beginning of the school year, and to try to spur this to occur, OSSE has limited remote learning next fall to only those students who have a medical reason for not returning to in-person learning. However, the Committee has heard from numerous families in Wards 7 and 8 who have stated that they are not comfortable sending their child back to in-person learning this fall. Thus, what will happen to those students? What if those students need strong support to combat the months or years of learning loss that they have suffered? Will they simply not receive assistance because the recovery plan is simply return in person? Why not develop a plan to meet families where they are? The Committee strongly urges OSSE to develop a contingency plan for those students who will not return to in-person learning in the fall but who are not medically precluded and who are have experienced learning loss during the pandemic.

With regard to HDT, while it is one of the more effective methods for bringing students up to grade level, the Committee does caution against HDT supplanting other important subjects during the school day, such as art, music, social studies, and science. Additionally, OSSE must conduct thorough monitoring and oversight to ensure that the HDT funds are being used effectively and achieving results. Similarly to the concerns the Committee has about the transparency around OSSE's administration of the state-level set-aside, the Committee also is concerned about how OSSE is going to monitor and provide transparency around the $40 million in HDT funding that OSSE plans to disseminate. Given that HDT is one of OSSE's, and the Executive's, main strategies for combatting the learning loss experienced by students during the pandemic, the Committee believes that there must be greater transparency around the uses and outcomes of the HDT funding. Thus, the Committee recommends inclusion of a BSA subtitle to ensure this transparency occurs.

Early Literacy/Reading Disorders: Reading is fundamental, and the one skill that affects every other subject in education. Up until the third grade, a child is learning to read, but by the end of third grade, a child reads to learn. Thus, if a child falls behind and is not reading on grade level by the end of third grade, s/he is four times more likely to drop out of high school than proficient readers.[80] For this reason, the Council has focused on early literacy for years and has provided funding specifically for an early literacy intervention grant since 2016. This grant continues to be included in the Mayor's proposed fiscal year 2022 budget but despite the Council adding $900,000 in recurring funding during fiscal year 2021, the Mayor has reduced this grant by $500,000 to $2.1 million in her proposed budget.

[78] https://www.empowerk12.org/research-source/covid-impact-achievement-dc.
[79] *Add cites*
[80] *https://assets.aecf.org/m/resourcedoc/AECF-Early_Warning_Full_Report-2010.pdf.*

As the SEA, OSSE also recognizes the fundamental importance of reading and early literacy, and in fiscal year 2020, the US Department of Education awarded OSSE the Comprehensive Literacy State Development (CLSD) grant, which lasts five years and includes a total of $16 million in federal funding. OSSE will subgrant a majority of the funding to LEAs, CBOs, and non-profits in years 2-5 to support the implementation of best practices such as high-quality curriculum adoption, aligned job-embedded professional development, intervention systems, family early literacy initiatives, and tutoring support for struggling and at-risk readers.[81] Thus, in fiscal year 2022, OSSE will award $3.8 million in grant funding to subgrantees for the aforementioned purposes.

Additionally, because of the drops in early literacy that have occurred during the pandemic, OSSE proposes using $3.5 million of its ESSER III Learning Loss set-aside to conduct a citywide audit of current curricula used by schools and leverage this knowledge to support implementation of OSSE's Comprehensive Literacy Plan; make available high-quality offerings; support adoption of curricula based in the science of reading with aligned professional development; and provide citywide training available to all teachers on the science of reading. However, OSSE does not include funds in its fiscal year 2022 budget for the funding of Bill 23-150, the "Addressing Dyslexia and Other Reading Difficulties Amendment Act of 2020," despite unanimous Council approval at the end of Council Period 23. Bill 23-150 seeks to improve the educational outcomes for students with reading difficulties, including dyslexia, through increased training of educators, universal screening of all K-2 public school students, greater intervention for students who demonstrate that they have a reading difficult, and adoption by local education agencies of a science-based reading curriculum – similar goals OSSE intends to achieve through its $3.5 million ESSER III commitment and the $3.8 million in CLSD subgrants. Yet, OSSE contends that none of this money can be used to meet the costs provided for in the bill's fiscal impact statement.

The Committee is disappointed by OSSE's stance. While Bill 23-150 does focus on dyslexia and other reading difficulties, the heart of the bill is aimed at reducing the number of students who are diagnosed dyslexic by proactively addressing reading difficulties at the onset. If students are proactively taught a curriculum based in the science of reading, screened, and offered interventions when they display issues with reading, it is possible to prevent them from becoming dyslexic. Moreover, by focusing on the science of reading and providing teachers with training on foundational literacy, OSSE is actually tackling many of the goals and requirements set forth in the bill. Thus, the Committee believes that the ESSER III and CLSD grant funding should count toward the costs associated with Bill 23-150 and requests that OSSE re-examine its position. Because the more intensive training is meant to follow a train the trainer model, the costs associated with this training will be born in fiscal year 2023 and 2024 and will drop significantly after fiscal year 2024. Hence, ARPA federal funds or federal literacy grant funds should be possible sources of funding.

Data Infrastructure: OSSE is responsible for collecting, storing, and disseminating much of the educational data that cuts across both DCPS and the public charter sector. To facilitate this, in federal fiscal years 2007 and 2012, OSSE received two grants, totaling over $10 million, from

[81] *See* OSSE's 6.25.21 FY22 supplemental responses, page 12-13.

the US Department of Education to create a statewide longitudinal data system (SLDS).[82] Additionally, in 2016, the Council provided $1.1 million in new operating funds and $11.9 in capital funds so that OSSE could continue to expand the capabilities of its SLDS.[83] OSSE's fiscal year 2022 capital budget includes $4.134 million for OSSE to continue this expansion.

As part of D.C. Law 22-268, the "District of Columbia Education Research Practice Partnership Establishment and Audit Act of 2018," the Council requested that the DC Auditor's Office (ODCA) conduct an audit of the data-management and data collection practices of the District's LEAs, OSSE, the Office of the Deputy Mayor for Education, and the Public Charter School Board (PCSB) in preparation for the establishment of the District Research Practice Partnership (RPP). Thus, in March 2019, ODCA initiated a contract audit. In the ODCA's audit, *Measuring What Matters: More and Better Data Needed to Improve D.C. Public Schools*, the ODCA contends that OSSE does not actually have a SLDS, despite one being required in the "Office of the State Superintendent of Education Special Education Supplemental Funding and Educational Data Warehouse Amendment Act of 2007."[84] OSSE disagrees with ODCA's assertion.

D.C. Code Section 38-2609 calls for OSSE, in conjunction with the Office of the Chief Technology Officer (OCTO), to develop and implement a longitudinal educational data warehouse system (EDW) that can utilized by a multitude of parties, such as LEAs, the University of the District of Columbia, policymakers, researchers, institutions of higher education.[85] Additionally, the Code states that the EDW shall be used to compile, analyze, research, and organize student, teacher, and school level data for, among other things, aiding in local and state level policymaking and programming.[86] OSSE believes that it has met these requirements. In follow-up responses to their June 8, 2021 fiscal year 2022 budget hearing, OSSE argues that they "collect and maintain detailed data on our students including enrollment, attendance, assessment, discipline, and postsecondary enrollment . . . on faculty and staff[,] . . . have data quality and governance protocols in place, and these data are linked across entities and over time."[87] Additionally, OSSE notes that is has shown the Committee "its ability to conduct analysis using longitudinal data about our students[,] . . . LEAs can see data related to their students' educational history to serve them effectively through extensive visualization tools."[88]

The Committee concurs with OSSE's conclusion that it has a statewide data system that houses longitudinal data but believes that the system must be expanded and improved upon as quickly as possible so that OSSE has accurate, longitudinal, and comprehensive data that can be used by the RPP. Additionally, the Committee agrees with ODCA's recommendations that OSSE collect course-level data and establish an early warning system that LEAs can use to determine if their students are off track and at risk for disengaging and not graduating, and the Committee

[82] *See* 3.10.21 ODCA Educational Data Audit, page 13.
[83] *Id.* at 14.
[84] *See* Title IV.B. of Law 17-20 and D.C. Code Sec. 38-2609.
[85] D.C. Code Sec. 38-2609.
[86] *Id.*
[87] Page.5.
[88] *Id.*

concurs with ODCA's two recommended BSA subtitles to accomplish these goals.[89] OSSE has been receptive to the idea of collecting course-level data and plans to spend around $2 million in ESSER funding to develop and pilot a course coding system.[90] However, OSSE has been lukewarm on the idea of establishing an early warning system, despite the Code already requiring one.[91] The Committee believe such a system would be an invaluable tool for LEAs to have and to use, particularly given that students have experienced a large amount of learning loss during the pandemic and that more students have disengaged with school.

In addition to the above recommendations, the Committee advocates for OSSE to compile and organize data in a user-friendly interactive manner that helps residents understand the underlying data, while maintaining the ability for individuals to download comprehensive data sets for independent analysis. While OSSE releases a large amount of data, one must often cobble it together to understand both its meaning and the implications behind it. Further, to improve transparency, the Committee advises OSSE to work with OCTO to make OSSE's website more intuitive and user-friendly. Finding information on OSSE's website can be difficult and time-consuming, which should not be the case. As DC's SEA, it is incumbent upon OSSE to ensure that it not only shares information but do so in a manner that is a help, not a hinderance, to the public.

IV. COMMITTEE RECOMMENDATIONS

Committee's Recommended Fiscal Year 2022 Operating Budget

The Committee recommends the following change to the fiscal year 2022 budget for the Office of the State Superintendent of Education as proposed by the Mayor:

1. Decrease Program/Activity E700/E707, CSG 50 by $5,140,187 (ARPA State, One Time).[92]

2. Increase Program/Activity E500/E504, CSG, 50 by $100,000 (local, recurring).[93]

3. Accept the transfer from the Committee on Transportation and the Environment of $100,000 (local/recurring).[94]

[89] *See* ODCA's attachments to its 6.7.21 FY22 Budget Hearing Testimony
[90] *See* page 6 of OSSE's follow-up responses to its 6.8.21 FY22 budget hearing.
[91] **Add cite**.
[92] Reduce ARPA State Funding for DC Futures: Tuition Assistance Program by $1,636,800 in fiscal year 2022; $1,712,140 in fiscal year 2023; and $1,791,241 in fiscal year 2024.
[93] This is to support a grant at OSSE for reducing food waste at schools under the Zero Waste Omnibus Amendment Act of 2020.
[94] This provides for the $100,000 in local, recurring funds to fund the OSSE grant.

Committee's Recommended Fiscal Year 2022 Capital Budget

The Committee recommends no change to the fiscal year 2022 budget for the Office of the State Superintendent of Education capital budget as proposed by the Mayor.

Policy Recommendations

1. The Committee strongly encourages OSSE to complete its cost of care analysis by August 1, 2021.

2. The Committee calls for OSSE to work collaboratively with childcare advocates and the Council to identify a way to enforce the pay parity requirement in the Birth to Three Act by December 31, 2021.

3. The Committee suggest that OSSE should use the $18.5 million in ARPA funding, which has been identified for the pay parity pilot, in fiscal year 2023 to increase childcare workers' pay by 20% and to work with the Mayor to identify funds in fiscal years 2024 and beyond to continue increasing ECE educators' salaries according to the scale set forth in the Birth to Three Act.

4. The Committee implores OSSE to use strong oversight with regard to the administration of the federal COVID-19 relief funding.

5. The Committee requests that OSSE provide greater transparency around how both it and its subgrantees spend the federal COVID-19 relief funding and the related outcomes achieved or not achieved in fiscal years 2021 – 2024.

6. The Committee strongly recommends that OSSE develop a contingency plan for educating students, particularly those who have experienced learning loss, who are not medically precluded but refuse to return to in-person learning in the fall.

7. The Committee requests that OSSE re-examine its position and allow for CLSD and ESSER III state set-aside learning loss funds to be used to fund the training requirements called for in Bill 23-150.

8. The Committee calls for the expeditious expansion and improvement of OSSE's SLDS so that the RPP has immediate access to accurate, longitudinal, and comprehensive data.

9. The Committee agrees with DC Auditor's recommendations that OSSE collect course-level data and establish an early warning system that LEAs can use to determine if their students are off track and at risk for disengaging and not graduating, and the Committee concurs with ODCA's two recommended BSA subtitles to accomplish these goals.

10. The Committee advocates for OSSE to compile and organize data in a user-friendly interactive manner that helps residents understand the underlying data, while maintaining the ability for individuals to download comprehensive data sets for independent analysis.

11. The Committee advises OSSE to work with OCTO to make OSSE's website more intuitive and user-friendly.

SPECIAL EDUCATION TRANSPORTATION

Committee Recommendations

I. AGENCY OVERVIEW

The mission of Special Education Transportation, also known as the Office of the State Superintendent of Education Division of Student Transportation (OSSE-DOT), is to provide safe, reliable, and efficient transportation services that positively support learning opportunities for eligible students from District of Columbia. OSSE-DOT's work is designed to achieve four main objectives: 1) safety; 2) efficiency; 3) reliability; and 4) customer focus.

OSSE-DOT provides transportation services to more than 3,000 students with special needs to over 230 schools in the DC regional area. Additionally, OSSE-DOT provides field trip transportation for students, supports the Special Olympics by providing transportation for participants, and supports many city-wide emergencies and initiatives. While OSSE-DOT is housed within OSSE, it's budget is separate from OSSE's and is reflected in this chapter.

II. MAYOR'S PROPOSED BUDGET

Mayor's Proposed Fiscal Year 2022 Operating Budget[95]

The Mayor's fiscal year 2022 budget proposal for Special Education Transportation is $116,782, a decrease of $3,841, or -5.3 percent, over the current fiscal year. The proposed budget supports 1,388.3 FTEs, representing no change from the current fiscal year.

[95] The Mayor's proposed budget provides numbers rounded to dollars in thousands; therefore, all figures presented here are dollars in thousands. Percent change is based on whole dollars.

Table GO-A: Special Education Transportation;
Total Operating Funds Budget FY 2016-2022

	Actual 2016	Actual 2017	Actual 2018	Actual 2019	Actual 2020	Approved 2021	Mayor 2022
Total Funds	100,107	108,3001	101,970	114,168	117,418	120,623	116,782
FTEs	1,346.4	1,362.3	1362.5	1,385.8	1,266.8	1,388.3	1,388.3

***Source**: Budget Books (dollars in thousands)*

Local Funds: The Mayor's proposed budget is $107,782, a decrease of -$3,341, or -3.0 percent, over the current fiscal year. The proposed budget supports 1,388.3 FTEs, representing no change from the current fiscal year.

Intra-District Funds: The Mayor's proposed budget is $9,000, a decrease of $500, or -5.3 percent, over the current fiscal year. The proposed budget supports 0.0 FTEs, which represents no change from the current fiscal year.

Mayor's Proposed Fiscal Year 2022 Capital Budget

The Mayor's proposed capital improvements plan includes $23,966 for OSSE-DOT, representing an increase of 17,571, or 274.76%, over the six-year plan. The proposed plan authorizes $4,961 for fiscal year 2022, $3,500 for fiscal year 2024, $4,000 for fiscal year 2025, $5,682 in fiscal year 2026, and $5,853 for fiscal year 2027. Of those amounts, in fiscal year 2022, $4,000 is for the renovation of the W Street NE Bus Terminal and $961 is for OSSE-DOT's GPS project. The remaining funds in fiscal years 2024-2027 are for the replacement of OSSE's buses, as needed.

III. COMMITTEE COMMENTARY

The Committee provides the following commentary and concerns in relation to the proposed fiscal year 2022 budget and agency performance over the last year.

Overtime vs. Vacancies: OSSE-DOT employs almost 1,400 individuals, most of whom are bus drivers and attendants, and transports over 3,000 students with special needs to over 230 schools. Given that the students all have special needs, some require transportation to non-public schools that are quite a distance outside of the District. Moreover, OSSE-DOT is also responsible for transporting students with special needs who are District residents and who are in the care of DC but live outside the city (e.g. children in foster care). Both situations result in longer bus routes, and since the drivers and attendants are paid hourly, if they have to work longer than the work week prescribed in their collective bargaining agreement, they are entitled to overtime pay.

For fiscal year 2022, OSSE-DOT is projected to spend $8.332 million in overtime costs but is slated to have 63 critical vacancies, 35 of which are for bus attendants and 28 of which are for bus drivers. In fiscal years 2019 – the last full fiscal year in which students attended school in person – and 2018, OSSE-DOT only spent $6.781 million and $5.8 million, respectively, in overtime costs. Thus, the large increase in projected overtime seems to be coming from the fact that instead of hiring more bus driver and attendants, OSSE-DOT will have to pay their drivers and attendants to work overtime to cover all of their bus routes.

This does not make sense to the Committee. Instead of paying for so much overtime, the Committee recommends converting the excess overtime funding into funding for salary and fringe for the 63 vacancies. Because the salary and fringe only costs $3.8 million, there will be enough overtime left to address OSSE-DOT's needs. Given that many individuals need employment because of the COVID-19 pandemic and that many of the bus drivers and attendants who work for OSSE are often District residents, turning the overtime into new jobs is not just a sound financial idea but also a smart employment strategy. Additionally, the Committee urges OSSE-DOT to examine its overtime spending and institute measures that will help reduce overtime spending.

W Street Bus Terminal: Currently, OSSE-DOT has four bus terminals – 5th Street, New York Ave., Southwest, and Adams Place – which house OSSE-DOT's buses and serve as hubs for its bus drivers and attendants. OSST-DOT is also in the process of building a fifth terminal on W Street, N.E. in Ward 5. While the District purchased the land for this terminal in 2016, OSSE-DOT has not been able to start construction until recently due to contract bidding issues. Once it is completed, the buses and staff who report to the New York Avenue terminal – OSSE-DOT's largest terminal – will move there. The New York Avenue terminal, which is leased and not owned by the District, will then serve as swing space for the 5th Street terminal's buses and staff while that terminal is under construction. Once the 5th Street renovation is complete and its buses and staff are able to return, the New York Ave. terminal will serve as swing space for other District capital projects until the lease for that property ends in fiscal year 2026.

It has been brough to the Committee's attention that some of the neighbors surrounding the W Street terminal do oppose OSSE-DOT relocating from the New York Avenue terminal to W Street. Specifically, they request that another traffic study be completed[96] and have expressed concerns about the air pollution caused by OSSE-DOT's buses, as they believe them to be diesel-fueled and have asked for an air study. While the Committee understands the neighbors' concern, it supports the relocation of the New York Ave. terminal to W Street for several reasons. First, the District bought W Street back in 2016 but leases the New York Avenue terminal, for which it paid over $1.1 million in rent for in fiscal year 2021 alone and is projected to pay $1.2 million in fiscal year 2022. Second, OSSE-DOT has no diesel-fueled buses and is looking to convert to electric-powered buses as its fleet ages out. There is over $19 million in the Capital Improvement Plan in fiscal years 2024-2027 for fleet replacement, so by the time the W Street terminal is built, OSSE will be only a year away from beginning to replace its older bus models. Additionally, an air-quality study as already been completed on this project. Third, the New York Avenue lease

[96] As part of a compromise to address neighbors' concerns, former City Administrator Rashad Young agreed to another traffic study but because the District was in the middle of a public health emergency and the traffic was not at its normal volume, the decision was made to hold off on the traffic study.

expires in fiscal year 2026, and the District needs it to serve as swing space up until that point. Thus, delaying the W Street renovations is not an option. Additionally, the New York Avenue landlord wants to sell the property as soon as the lease expires given the land's value and does not want to lease the property to the District beyond fiscal year 2026. Fourth, OSSE-DOT and the Department of General Services struggled to find commercially zoned land that was large enough to replace the New York Avenue terminal. Once the lease for the New York Avenue terminal expires, OSSE-DOT will have no place to locate all of the buses and staff based out of that terminal if the W Street project is not able to proceed. This would be incredibly problematic because none of OSSE-DOT's other bus terminals can absorb any more buses or staff. Moreover, when the W Street land was purchased by the District, it was already commercially zoned. Thus, while neighbors have concerns about a commercial enterprise at this location, this land has been zoned for such just. It would be different if this land was residential when purchased and then converted into a commercial space, but that is not the case here. Fifth, once completed, OSSE-DOT will be able to perform maintenance on its fleet at the W Street terminal, which OSSE-DOT cannot currently do at any of its existing terminals. This will result in a cost-savings to the District. For all of the above reasons, the Committee believes that the W Street terminal project should move forward. Yet, the Committee does think that OSSE-DOT should continue to work with the W Street neighbors to address their concerns while construction is underway.

IV. COMMITTEE RECOMMENDATIONS

Committee's Recommended Fiscal Year 2022 Operating Budget

The Committee recommends the following changes to the fiscal year 2022 budget for Special Education Transportation as proposed by the Mayor:

1. Decrease Program/Activity T200/T203, CSG 15, by $33,114 (Local, Recurring)
2. Decrease Program/Activity T300/T301, CSG 15, by $33,115 (Local, Recurring)
3. Decrease Program/Activity T400/T401, CSG 15, by $33,114 (Local, Recurring)
4. Decrease Program/Activity T500/T501, CSG 15, by $33,114 Local, Recurring)
5. Decrease Program/Activity T600/T601, CSG 15, by $33,114 (Local, Recurring)
6. Decrease Program/Activity T600/T610, CSG 15, by $600,000 (Local, Recurring)
7. Decrease Program/Activity T600/T620, CSG 15, by $1,000,000 (Local, Recurring)
8. Decrease Program/Activity T600/T630, CSG 15, by $1,000,000 (Local, Recurring)
9. Decrease Program/Activity T600/T640, CSG 15, by $1,000,000 (Local, Recurring)

10. Decrease Program/Activity T700/T702, CSG 15, by $33,114 (Local, Recurring)
11. Decrease Program/Activity T700/T703, CSG 15, by $33,114 (Local, Recurring)
12. Increase Program/Activity T600/T610, CSG 12, by $670,569 (Local, Recurring)
13. Increase Program/Activity T600/T620, CSG 12, by $670,564 (Local, Recurring)
14. Increase Program/Activity T600/T630, CSG 12, by $670,564 (Local, Recurring)
15. Increase Program/Activity T600/T640, CSG 12, by $670,564 (Local, Recurring)
16. Increase Program/Activity T600/T610, CSG 14, by $287,386 (Local, Recurring)
17. Increase Program/Activity T600/T620, CSG 14, by $287,384 (Local, Recurring)
18. Increase Program/Activity T600/T630, CSG 14, by $287,384 (Local, Recurring)
19. Increase Program/Activity T600/T640, CSG 14, by $287,384 (Local, Recurring)
20. Increase Program/Activity T600/T610 by 21 FTEs
21. Increase Program/Activity T600/T620 by 20 FTEs
22. Increase Program/Activity T600/T630 by 16 FTEs
23. Increase Program/Activity T600/T640 by 6 FTEs

Committee's Recommended Fiscal Year 2022 Capital Budget

The Committee recommends no change to the fiscal year 2021 budget for the Special Education Transportation capital budget as proposed by the Mayor.

Policy Recommendations

1. The Committee recommends converting the excess overtime funding into funding for salary and fringe for the 62 vacancies.
2. The Committee urges OSSE-DOT to examine its overtime spending and institute measures that will help reduce overtime spending.
3. The Committee requests that OSSE-DOT continue to work with the W Street neighbors to address their concerns while construction on the W Street terminal is on-going.

DC State Board of Education

Committee Recommendations

I. AGENCY OVERVIEW

The mission of the District of Columbia State Board of Education ("State Board") is to provide policy leadership, support, advocacy, and oversight of public education to ensure that every student is valued and gains the skills and knowledge necessary to become informed, competent, and contributing global citizens. The State Board views its role in the achievement of this mission as one with shared responsibility, whereby it engages families, students, educators, community members, elected officials, and business leaders to play a vital role in preparing every child for college and/or career success. The Office of the Ombudsman and the Office of the Student Advocate are independent agencies housed within the State Board.

II. MAYOR'S PROPOSED BUDGET

Mayor's Proposed Fiscal Year 2022 Operating Budget[97]

The Mayor's fiscal year 2022 budget proposal for the D.C. State Board of Education is $2,170,061, a decrease of $17,043, or -0.8 percent, over the current fiscal year. The proposed budget supports 30.0 FTEs, one more than in the Mayor's FY 2021 budget proposal.

Table XX-A: DC State Board of Education;
Total Operating Funds Budget FY 2016-2022

	Actual 2016	Actual 2017	Actual 2018	Actual 2019	Actual 2020	Approved 2021	Mayor 2022
Total Funds	1,017	1,499	1,711	1,738	1,876	2,187	2,170
FTEs	15.5	21.0	23.0	29.0	27.0	29.0	30.0

***Source**: Budget Books (dollars in thousands)*

[97] The Mayor's proposed budget provides numbers rounded to dollars in thousands; therefore, all figures presented here are dollars in thousands. Percent change is based on whole dollars.

III. COMMITTEE COMMENTARY

The Committee provides the following commentary and concerns in relation to the proposed fiscal year 2022 budget and agency performance over the last year.

COVID-19 Impact: The Mayor's proposed budget for FY2022 included funds for one additional FTE employee at the DC State Board of Education (SBOE), while including no funds for any additional FTEs at the Office of the Ombudsman or the Office of the Student Advocate. However, the funds in the Mayor's proposed budget for FY2022 are actually insufficient for hiring a FTE at the classification the SBOE requires.

During the 2020-2021 school year, the Office of the Ombudsman and the Office of the Student Advocate (OSA) saw a significant increase in their caseloads, with students and families reaching out frequently with challenges they're experiencing with schools during the pandemic. In the Ombudsman's office, the family cases mainly revolved around the provision of special education services in a virtual learning posture, while the OSA heard from many families about issues ranging from safety of school facilities to concerns about returning to in-person instruction. To better manage the uptick in support required for families, the Office of the Student Advocate has requested the support of an additional Student Advocate and the Office of the Ombudsman seeks an Assistant Ombudsman and an intake coordinator.

To support both offices, the Committee commits to funding one FTE at each the Office of the Ombudsman and the Office of the Student Advocate for FY 2022 and FY 2023 to help each office manage the continued increase in outreach from families following the COVID-19 pandemic and the return to in-person instruction.

Librarians: In February 2021, the District of Columbia Public Schools (DCPS) released the initial school budgets for each of its 118 schools. Included in the school budgets is some flexibility for the principals to make critical decisions about the needs and staffing for their school. However, this year's school budgets revealed that many DCPS principals decided to not fulfill their full-time librarian position, and to instead, allocate that funding to another position on the school staff. While DCPS has provided this autonomy to its principals for some time, the agency's FY21 budget responses provided to the Committee revealed that in the 2020-2021 school year, 40 DCPS schools did not have librarian or employed a part-time librarian. For the upcoming 2021-22 school year, 37 schools have elected to not have a librarian or have a part-time librarian. Half of those schools are located in Wards 7 and 8.

Naturally, librarians and advocates across the District protested the ability for the librarian role to be expendable. The SBOE passed a resolution supporting the push from schools and other advocates to legislate the requirement and associated funding for a minimum number of librarians in each school, regardless of the school's enrollment. However, some schools east of the river, in particular, those that have the flexibility to not have a librarian, are utilizing the policy change to spend these funds on things they determine they need more for their community, or would be more helpful for their community, such as hiring an additional IEP coordinator or reading specialist.

The Committee supports maintaining the stability of schools year over year, which includes stabilizing the staffing and resources provided to students over time. While the Committee does not believe that a legislative change is the best way to address this issue, it maintains the position that school stability is paramount.

Department of General Services and the Metropolitan Police Department: In its FY22 budget responses provided to the Committee, the SBOE focused on its offices in the Old Council Chambers at the Marion Barry Building, located at One Judiciary Square. The Board highlighted its frustration with the Department of General Services' (DGS) inability to proceed with the Council-approved plan to upgrade the Board's office space, despite adequate funding in DGS' capital projects budget. For several years, the SBOE has also repeatedly flagged accessibility issues with the Office of Human Rights, as the Barry Building is not ADA-compliant.

The Committee looks forward to hearing from the SBOE regarding the impact of MPD's move to the Barry Building and if, at all, additional capital supports are required.

IV. COMMITTEE RECOMMENDATIONS

Committee's Recommended Fiscal Year 2022 Operating Budget

1. Increase Program/Activity SB00/SB02, CSG 12 by $80,000 (ARPA Local, One Time) each in FY 2022 and FY 2023 and addition of 1.0 FTEs.[98]

2. Increase Program/Activity SB00/SB02, CSG 14 by $15,680 (ARPA Local, One Time) each in FY 2022 and FY 2023.

3. Increase Program Activity SB00/SB03, CSG 12 by $80,000 (ARPA Local, One Time) each in FY 2022 and FY 2023 and addition of 1.0 FTEs.[99]

4. Increase Program Activity SB00/SB03, CSG 14 by $15,680 (ARPA Local, One Time) each in FY 2022 and FY 2023.

Committee's Recommended Fiscal Year 2022 Capital Budget

The Committee recommends no change to the fiscal year 2022 budget for the State Board of Education, Office of the Ombudsman, and the Office of the Student Advocate capital budgets as proposed by the Mayor.

[98] 1.0 FTE for the Office of the Ombudsman to support predicted increase in post-pandemic family caseload.
[99] 1.0 FTE for the Office of the Student Advocate to support predicted increase in post-pandemic family caseload.

UNIVERSITY OF THE DISTRICT OF COLUMBIA

Committee Recommendations

I. AGENCY OVERVIEW

The University of the District of Columbia (UDC) is an urban land grant institution of higher education. Through its community college, flagship, and graduate schools, UDC offers affordable post-secondary education to District of Columbia residents at the certificate, associate, baccalaureate, and graduate levels. These programs prepare students for immediate entry into the workforce, the next level of education, specialized employment opportunities, and life-long learning.

The University is governed by a board of trustees comprised of 15 members, 11 of whom are appointed by the Mayor with the advice and consent of the Council, one who is a full-time student in good-standing at the University, and three who have either graduated UDC or one of its predecessor institutions.

II. MAYOR'S PROPOSED BUDGET

Mayor's Proposed Fiscal Year 2022 Operating Budget[100]

The Mayor's fiscal year 2022 budget proposal for the University of the District of Columbia is $165,791 a decrease of $8,430, or -4.8 percent, under the current fiscal year. The proposed budget supports 948.4 FTEs, representing no change from the current fiscal year.

Table GF-A: University of the District of Columbia;
Total Operating Funds Budget FY 2014-2020

	Actual 2016	Actual 2017	Actual 2018	Actual 2019	Actual 2020	Budget 2021	Mayor 2022
Total Funds	154,968	164,015	168,255	179,406	175,308	177,091	168,661
FTEs	932.4	957.7	968.4	968.4	968.4	948.4	948.8

Source: *Budget Books (dollars in thousands) and email from UDC's Agency Fiscal Officer.*[101]

[100] The Mayor's proposed budget provides numbers rounded to dollars in thousands; therefore, all figures presented here are dollars in thousands. Percent change is based on whole dollars.
[101] Email from Lori Morgan to Christina Setlow on June 22, 2021 (on file with the Committee).

Enterprise Funds: It is important to note that UDC's entire budget is aggregated into an Enterprise Fund. The fiscal year 2022 budget proposal for UDC includes a $90,773 subsidy provided via local funds. The remaining balance of UDC's budget, $77,888, is comprised of grants, tuition, fees, an endowment, and indirect costs. Please see pages XX-XX of this report for further information regarding the subsidy.

Mayor's Proposed Fiscal Year 2022 Capital Budget

The Mayor's proposed capital improvements plan includes $114,500 for UDC, representing a decrease of $22,000 or -16.1%, over the six-year plan. The proposed plan authorizes $7,500 for fiscal year 2022, $36,500 for fiscal year 2023, $37,000 for fiscal year 2024, $23,000 for fiscal year 2025, $3,000 for fiscal year 2026, and $7,500 for fiscal year 2027. This funding is for construction and renovation of UDC sites.

III. COMMITTEE COMMENTARY

The Committee provides the following commentary and concerns in relation to the proposed fiscal year 2022 budget and UDC's performance over the last year.

Capital Projects: Over the past decade, UDC has faced a decline in its capital budget. The approved fiscal year 2012 budget included over $212 million for UDC over the six-year Capital Improvement Plan (CIP) period, but within two years, UDC's CIP budget was reduced down to just $70.234 million. Because of these reductions, the University had to reevaluate their capital project plan, placing several projects on the back burner or eliminating them altogether, and arguably, the University has never fully recovered from these massive capital budget cuts.

Despite the Council adding over $100 million to UDC's capital budget since fiscal year 2016,[102] the Bowser Administration's commitment to the University's capital budget over the same period has been inconsistent. In her proposed fiscal year 2016 budget, the Mayor eliminated all of the University's capital funds for fiscal year 2016, reducing UDC's capital budget by $15 million. While the Mayor added over $81 million to UDC's CIP budget in her proposed fiscal year 2019 budget, she proposed decreasing UDC's capital budget by over $27 million the next year. Further, in her proposed fiscal year 2021 budget, she reduced UDC's capital budget by $11.5 million.

Unfortunately, the Mayor proposes to cut UDC's capital budget for a third year in a row – this time by $22 million. In doing so, she has effectively eliminated the $28 million that the Council added in fiscal year 2021 so that UDC could purchase the Old Congress Heights (OCH) School for its Workforce Development and Lifelong Learning (WDLL) programs by 2026. Thus,

[102] In 2015, the Council added $25 million to UDC's capital budget - $5 million in fiscal year 2015, $10 million in fiscal year 2016, and $10 million in fiscal year 2017. In the fiscal year 2019 budget, the Council also added $15 million in capital funding to UDC's budget to assist the University in renovating its facilities. Further, as part of the fiscal year 2020, the Council added $35 million to UDC's capital budget so that the University could purchase 4250 Connecticut Avenue, and in the fiscal year 2021 budget, the Council included $28 million to the CIP so that UDC can purchase the Old Congress Heights School by 2026.

the only way that UDC can still purchase the school on the original timeline is to shelve projects that it desperately needs to complete.[103] As the Committee has noted over the past several years, UDC has critical infrastructure needs: renovating 4250 Connecticut Ave.; renovating and expanding Bertie Backus for its Community College and WDLL programs; replacing windows, elevators, and roofs; overhauling its mechanical, plumbing, electrical, HVAC, and IT systems; purchasing OCH; completing interior renovations for many of the buildings on its buildings throughout the city; building out infrastructure for its CAUSES programs; campus-wide paver restoration and drainage system replacement; and general maintenance and upkeep. These needs cost over $260 million over the six-year CIP, but the Mayor has only included $114.5 million for UDC in her proposed fiscal year 2022 budget, leaving the University with an enormous $149.5 million gap to fill.[104]

Moreover, over half of the funds being eliminated from UDC's proposed CIP budget are in fiscal year 2022, making it especially difficult for the University, because with only four months left before the beginning of the fiscal year, it discovered that it is now going to have only $7.5 million instead of the $19.125 million that it had planned on to address its critical needs. For example, the University will no longer be able to renovate 4250 Connecticut Ave., one of its top priorities, because of this change. Given that many of the University's capital projects require significant planning and multiple years for completion, it needs more than four months' notice.

Each year that the University has to delay these projects, the more operating funds it has to spend on costly, piecemeal, and temporary fixes. Thus, the District, specifically the Mayor, has to commit fully to supporting the District's only public institution of higher education. The Council has continuously demonstrated its commitment to the University and its infrastructure needs – even when the Council was faced with a difficult and tight budget in fiscal year 2021, it was able to identify $28 million to support the University. But if the Mayor is simply going to eliminate the funds that the Council has included, then University will never be able to address its critical issues. For a decade the Executive has siphoned off the University's capital funds for projects that is has deemed more essential or important. This simply has to stop. In order for UDC to be a premiere institution of higher education, the District must stand behind the University financially and funds its critical needs. Hence, the Council strongly urges the Executive to provide the University with the capital funding that it needs and to provide the University with stability by not removing the capital funding that the Council includes for UDC in future budgets.

Private Fundraising: Since fiscal year 2014, the Council has set aside funds for the University as part of a fundraising match. Originally as a means of supporting UDC's accreditation efforts, the Council set aside a million dollars in matching funds in fiscal year 2014 to aid the University with accreditation activities and readiness.[105] For every dollar UDC raised in private donations, up to a maximum of a million dollars, the District matched those donations dollar for dollar. While the University was unsuccessful in raising private funds in fiscal year 2014 for this match, the Council agreed to extend the match opportunity to the University again in fiscal year 2015. UDC rose to the challenge that year and again in 2016.

[103] *See* 6.4.21 Budget Testimony of President Mason.
[104] *See* 6.17.21 UDC budget hearing follow up responses, page 4-5.
[105] *See* Title X, Sec. 10002 of D.C. Law 20-61, the Fiscal Year 2014 Budget Support Act of 2013.

Starting in fiscal year 2017, the Council put forth more stringent match requirements – for every two dollars the University raised, it would receive a dollar, up to $1.5 million. The University was just short of fulfilling the match in fiscal year 2017, but in fiscal year 2018, it raised over $3.4 million. It also met the match in fiscal year 2019 for a total of $4.5 million.[106] While UDC was working toward meeting the match again in fiscal year 2020, its fundraising efforts were stalled by the COVID-19 global pandemic. Thus, the Committee approved UDC's request for the match requirements for fiscal year 2020 be amended to a one-to-one match ratio so UDC would receive the full $1.5 million match given that it had successfully raised $1.5 million in private funds thus far. Given UDC's financial needs because of the global pandemic and because the pandemic has hindered greatly fundraising by all institutions – including UDC – the Council agreed to also keep the match requirements for fiscal year 2021 to a one-to-one match ratio.[107] The maximum amount of the fundraising match remained at $1.5 million.[108]

As in past years, the Committee believes the fundraising match should be continued in fiscal year 2022 and also return to a 2:1 ratio – for every two dollars that the UDC raises, it will receive one dollar, up to a maximum of $1.5 million. While UDC would prefer the more relaxed match requirements, the Committee cautioned in its fiscal year 2021 budget report that the relaxed match requirements were only due to the COVID-19 pandemic and that we expected the more stringent match requirements to return in fiscal year 2022.[109] Hence, the Committee's recommendation for fiscal year 2022.

Although the District, and UDC, are still recovering from the pandemic, the Committee has full faith in the University's ability to return to the more stringent match requirements and to raise $3 million in fiscal year 2022. Since the match's inception, the Committee has been impressed by the steps the University has taken in terms of increasing its private fundraising and risen to the challenge. In the aftermath of the pandemic, the University and its students will need more funding to succeed, and by setting a stricter but attainable fundraising match, the Committee hopes to propel the University to procure those additional funds through private means. Looking ahead, the Committee recommends that UDC maintain its fundraising efforts and continue to identify methods for broadening its donor base and diversifying its fundraising sources as it recovers from the pandemic.

Enrollment: A key to a successful education system in the District is a thriving public university, and instrumental to having a thriving public university is its enrollment. Thus, as the District's only public institution of higher education, it is essential that UDC's enrollment not only remain steady but grow. Given this, the Committee has monitored the University's enrollment over the years. A part of this monitoring involves not just watching UDC's overall enrollment but also looking at the enrollment of UDC's four-year institution, Community College (UDC-CC),

[106] $3 million raised by the University and $1.5 million, in matching funds, from the District government.
[107] *See* Title 1, Sec.105 of D.C. Act 23-286, the COVID-19 Response Supplemental Emergency Amendment Act of 2020, effective April 10, 2020. This amendment moved the deadline for fundraising from April 1, 2020 to May 1, 2020 to provide the University with additional time to receive all eligible fundraising given COVID-19. *See id.*
[108] *See id.*
[109] *See* COW FY21 Budget report.

and law school. Since UDC-CC was formed in 2009, the Committee has focused on UDC's enrollment data beginning with that academic year. Table B below shows UDC's enrollment, broken down by undergraduate, graduate, law school, and community college, from academic year 2010-11 through its most recent academic year, 2020-2021.

Table GF-B: University of the District of Columbia; Enrollment Academic Years 2010-2011 through 2020-21

Students	Fall 2010	Fall 2011	Fall 2012	Fall 2013	Fall 2014	Fall 2015	Fall 2016	Fall 2017	Fall 2018	Fall 2019	Fall 2020
Undergraduate	2,636	2,129	2,019	2,026	1,959	2,124	2,051	2,009	1,957	1,938	1,791
Graduate	207	263	253	299	312	320	368	388	377	371	340
Law School	337	365	380	344	315	313	286	280	256	257	228
UDC-CC	2,675	2,529	2,838	2,686	2,532	2,361	1,899	1,850	1,910	1,890	1,594
Total	**5,855**	**5,286**	**5,490**	**5,355**	**5,118**	**5,118**	**4,604**	**4,527**	**4,500**	**4,456**	**3,953**

Source: UDC's FY 2019-2020 2nd Round Performance Oversight Responses & FY 2020-2021 Performance Oversight Responses

As the Committee noted in last year's report, UDC has defended the slight declines from School Years 2017-2018 to 2019-2020 as enrollment actually holding steady since the enrollment declined by less than a hundred students overall during that time period.[110] Additionally, universities and colleges nationwide were seeing a drop in enrollment prior to the COVID-19 pandemic due to a decline in enrollment amongst 18-24 year-old students (traditionally the ages of students enrolled in college), and even without the pandemic, this decline was expected to continue for several years, as noted in UDC's strategic plan, *The Equity Imperative*.[111] Further, given that UDC's student body is typically older than most colleges, retention rather than enrollment was driving the decline in enrollment prior to the pandemic, as students' struggled to juggle their school/work/life balance, leading them to drop out.[112] UDC also believes that the DC TAG program makes it incredibly hard for them to compete with many universities and colleges, as DC residents can receive funds to go to every public university or HBUC in the country and every university in the District, except UDC.[113]

Looking at the enrollment for the most recent academic, the Committee is not surprised to see that it dropped considerably – approximately 11% university-wide – given the COVID-19 pandemic. The Committee expressed concerns in last year's report about UDC's ability to weather the pandemic in terms of enrollment and predicted that its enrollment would drop. While UDC was hopeful that students who decided to stay home in the District would decide to attend UDC, this did not come to fruition, as many universities and colleges, including UDC, transitioned to distance-learning for this school year. Additionally, because of the pandemic, the number of individuals who graduated high school in spring 2020 and then went straight to college in fall 2020 declined by 22 percent, and when looking at low-income and minority students, this decline rose to nearly 30 percent.[114] Further, almost 300 students unenrolled before the final add/drop date in

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[110] COW FY21 Budget report
[111] *Id.*
[112] *See id.*
[113] *See* UDC's FY20-21 performance oversight responses, page 101.
[114] *See* UDC FY20-21 performance oversight responses, page 101.

fall 2020, because they ultimately decided that they could not incur the tuition and fees.[115] This is not surprising to the Committee given the economic recession that has occurred due to the pandemic.

Given that COVID-19 cases are dropping as more individuals become vaccinated, the Committee is hopeful that for School Year 2021-2022 UDC will be able to stem the enrollment decline that occurred due to the pandemic and that its enrollment numbers will begin to bounce back. Moreover, the Committee is pleased to see efforts, such as the DC Futures: Tuition Assistance Program, in the Mayor's proposed fiscal year 2022 budget that will assist UDC in attracting and retaining students. In addition to providing scholarships to attend UDC, this program will provide significant coaching and student support services to ensure that students remain enrolled at the University and will graduate.[116] It will also provide UDC with $1.6 million so that the University can strength its internal programming.[117] Thus, DC Futures will hopefully provide the University with a means and model for growing and maintaining its enrollment. Yet, because this program is funded with federal dollars appropriated through the American Rescue Plan and hence not expected to be permanent as of now, the Committee does urge the University not to rely solely on the DC Futures program. The University must continue aggressively to identify other successful strategies for enrolling and retaining students over the next several years, and the Committee will continue to monitor closely UDC's progress in doing so.

High-Demand Career Pathways: As the District's only public institution of higher education, UDC serves many purposes – as a community college, comprised of both a non-credit bearing workforce development program and a two-year associate degree-bearing entity; as a four-year undergraduate institution; as a graduate degree-bearing institution, both master's degrees and doctorate programs; and as a law school. Given all of these roles, the University has multiple entry points for students, so UDC has begun to focus on how they can build "seamless multi-credentialed learning pathways," or pipelines, that have "multiple on and off ramps" and that will allow students to build on the knowledge that they learn at each level, thereby working their way to higher degrees along the pathway.[118] Moreover, because the University is a HBCU,[119] UDC is looking to create these pathways in high-demand careers in the District where minority, particularly Black and Latinx, representation is low or shortages exist. Thus, UDC is looking to build out pathways – STEM/IT and nursing – whereby, an individual could begin at either the workforce development, associate, or bachelor's degree level, and a teaching pathway that would allow either DC high school graduates or education paraprofessionals to earn their teaching degree. All three pathways would require additional funding and are top funding priorities for the University. Although the University requested budget enhancements from the Executive for them, they did not receive funding for any of the pathways.

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[115] *See* 9.23.20 email attachment from Taneka Miller, Executive Director of State and Local Affairs, UDC to Christina Setlow, COW Committee staff (on file with the Committee).
[116] *See* OSSE's FY21 Budget Hearing Follow-up Responses, page 16-17. While this program will also provide scholarships to students who attend Trinity University and Catholic University, the majority of the scholarships will go to students who attend UDC, including the Community College, and Trinity University.
[117] *Id.*
[118] *See* UDC 6.4.21 FY22 Budget Hearing Testimony, page 1.
[119] Historically Black College and University

The Committee strongly endorses UDC's plan and agrees with the three career fields that UDC has chosen. Over the last three decades, computing jobs have grown by over 338%,[120] and with Amazon's second headquarters (HQ2) on its way to the DC metro area, District residents need to be trained and educated so that they can benefit from all the jobs that will come with the opening of Amazon's HQ2. Nursing has been one of UDC's strongest programs, but no seamless pathway yet exists between the workforce development training, the associate degree program, and the bachelor's program. With regard to teaching, the District needs more teachers that reflect the student body population and a way for District of Columbia Public School (DCPS) or public charter school students to receive a high-quality, affordable education so that they can then be hired by DCPS or public charter schools when they graduate from UDC. Additionally, the District also has a number of education paraprofessionals who need a pathway so that they can become certified teachers in the District. By focusing on these three high demand careers, the Committee is hopeful that these pathways will also assist the University in bolstering its enrollment.

While the Executive did not identify funding for the creation and sustainability of these three pathways, the Committee would like the Council to find funding, if possible and is optimistic that another committee, such as the Committee on Labor and Workforce Development, may be able to do so. If the Council is unable to identify all or part of the funding that UDC needs, the Committee encourages the University to work with the District's Department of Employment Services and Workforce Investment Council to determine if WIOA[121] funding could be used given the direct link to workforce development and career training or if the that federal funding can be used to support UDC's other academic and workforce development priorities.

Supporting Early Childhood Education in the District: Often, when individuals think about education and how to close the achievement gap, they concentrate on leveling the playing field in K-12 education. However, taking such a limited view ignores the fact that the vast majority of a child's brain development occurs by the age of five.[122] Thus, in the first five years of a child's life, instead of focusing on just childcare, policymakers and local education agencies (LEA) need to see that development period as early childhood education (ECE).[123] To that end, all children need to receive a high-quality, developmentally appropriate education from birth that is taught by high-quality, properly credentialed ECE teachers.

To effectuate such a change in the District, in December 2016, the Office of the State Superintendent of Education (OSSE) issued regulations, which required that all childcare providers attain the requisite credentialing or degrees to become ECE teachers. Specifically, OSSE is requiring all ECE teachers to have at least an associate degree in ECE, child and family studies,

[120] STEM/IT funding information from UDC (on file with the Committee).
[121] Workforce Innovation and Opportunity Act
[122] Add cite.
[123] While ECE is often categorized as the education of children who are 0-5 years of age, in the District, ECE is often thought of as the education of 0-3 year old children since the District offers universal pre-K to any three or four-year old who resides in the District.

or a closely related field by December 2, 2023.[124] As a result and as a natural progression of UDC's work in educating pre-K teachers, UDC began to offer a targeted associate degree program to the bilingual ECE teachers in the District. This program was operating successfully until this current academic year, when UDC had to pull back on the program due to a lack of funds. During both OSSE's and UDC's performance oversight and fiscal year 2022 budget hearings this year, the Committee has heard from numerous bilingual ECE providers who are asking the Council to provide UDC with funding so that UDC may continue the program.[125] Likewise, UDC has expressed the willingness to continue the program with not just the current students that is has but also to add additional cohorts of students given the demand. Additionally, UDC has requested that it be able to expand the Higher Education Incentive (HEI) Program[126] that the University has for pre-K teacher training to also include ECE educator training and degree attainment.

Given the mission of UDC and that one of its three founding institutions was a teacher's college, the Committee believes that UDC should continue its bilingual ECE teacher program but also understands the financial pressure that UDC faces. Additionally, the Committee commiserates with the hundreds of bilingual ECE providers who must attain an associate degree if they are to continue as ECE educators and acknowledges the time pressure that the educators face since they only have until December 2, 2023 to meet the degree deadline. Given these factors, the Committee commits to working with UDC and the bilingual ECE educators to try and identify a solution that will address the needs of both parties. The Committee also suggests that both parties continue to work with OSSE and the various ECE teacher prep programs funded through OSSE to identify funding sources, which will alleviate the financial pressures of both UDC and the bilingual ECE educators. Further, the Committee agrees with UDC's legislative change to the HEI fund and recommends inclusion of a subtitle into the fiscal year 2022 Budget Support Act to make the requisite changes.

Federal COVID-19 Relief Funds: The University has requested that the Committee add $29.7 million in federal funds to reflect the receipt of two additional rounds of COVID-19 relief awards via the U.S. Department of Education's Higher Education Emergency Relief Fund (HEERF). Of the $29.7 million, in aggregate, $7.8 million must go to students in the form of emergency financial assistance grants, while $21.9 million is available for an array of institutional uses. UDC plans to use the $21.9 million to fund the following: reductions in tuition and fee costs for students; the provision of software and hardware to students and educators; improvements to UDC's information technology infrastructure; mitigating revenue losses associated with enrollment volatility and reductions to ancillary streams (e.g., parking, classroom rentals, etc.); the purchase of personal protective equipment for students, staff, and faculty; providing shuttles or Metro Passes to learning sites; and a range of other initiatives oriented around improving students' access to learning opportunities and content.

[124] *See* DCMR Title 5-A, § 165.1. OSSE will also allow an individual to have an associate degree in some other field but the ECE teacher also has to meet certain coursework and observation requirements. *Id.* Notably, OSSE originally required ECE teachers to fulfill this requirement by December 2, 2020 but OSSE has extended the deadline to 2023.
[125] *See OSSE's FY 20-21 performance oversight hearing; UDC's FY 20-21 performance oversight hearing; 6.3.21 OSSE's FY22 budget hearing; and UDC's 6.4.21 FY22 budget hearing.*
[126] *See* D.C. Code §38-274.01.

IV. COMMITTEE RECOMMENDATIONS

Committee's Recommended Fiscal year 2022 Operating Budget

The University of the District of Columbia has requested a technical fix to reflect the federal COVID-19 relief awards that the University has received for fiscal year 2022.

The Committee recommends the following change to the University of the District of Columbia Fiscal Year 2022 budget:

1. An increase of $29.7 million in federal funds to reflect the receipt of two additional rounds of COVID-19 relief awards via the U.S. Department of Education's Higher Education Emergency Relief Fund (HEERF): $17.7M provided via the Coronavirus Response and Relief Supplemental Appropriations Act, 2021 (CRRSAA) (Pub. L. 116-260), and $12.0M provided via the American Rescue Plan Act of 2021 (Pub. L. 117-2). Of the $29.7 million, in aggregate, $7.8 million must go to students in the form of emergency financial assistance grants, while $21.9 million is available for an array of institutional uses.

2. The Office of Budget and Planning is working with on a technical adjustment to align the $6,741,000 reflected in GC0 with that of GF0. This will not change the dollar amount in the budget but will change the narrative for GF0.

Committee's Recommended Fiscal year 2022 Capital Budget

The Committee recommends adoption of the fiscal year 2022 budget for the University of the District of Columbia as proposed by the Mayor.

Policy Recommendations

1. The Council strongly urges the Executive to provide the University with the capital funding that it needs and to provide the University with stability by not removing the capital funding that the Council includes for UDC in future budgets

2. The Committee supports continued inclusion of the UDC fundraising match at a ratio of 2:1 – for every two dollars the University raises, the District will match, up to $1.5 million.

3. The Committee recommends that UDC maintain its fundraising efforts and continue to identify methods for broadening its donor base and diversifying its fundraising sources as it recovers from the pandemic

4. The Committee notes that the University must continue aggressively to identify other successful strategies for enrolling and retaining students over the next several years.

5. The Committee encourages the University to work with the District's Department of Employment Services and Workforce Investment Council to determine if WIOA funding could be used to fund the University's academic and workforce development priorities, including the three high-demand career pathways.

6. The Committee commits to working with UDC and the bilingual early childhood education educators to try and identify a solution so that the UDC bilingual early childhood teacher training program can continue.

7. The Committee suggests that UDC and the bilingual early childhood education educators continue to work with OSSE and the various ECE teacher prep programs funded through OSSE to identify funding sources for UDC's bilingual early childhood teacher training program, which will alleviate the financial pressures faced by both parties.

8. The Committee agrees with UDC's suggested legislative change to the Higher Education Incentive fund (HEI) so that HEI funds can be used to train infant and toddler educators and recommends inclusion of a subtitle into the fiscal year 2022 Budget Support Act to make the requisite changes.

UNIVERSITY OF THE DISTRICT OF COLUMBIA SUBSIDY

Committee Recommendations

I. AGENCY OVERVIEW

The University of the District of Columbia (UDC) Subsidy Account reflects the total local funds that UDC receives from the District of Columbia.

II. MAYOR'S PROPOSED BUDGET

Mayor's Proposed Fiscal year 2022 Operating Budget

The Mayor's proposed budget is $90,773, an increase of $470, or 0.5 percent, from the current fiscal year. The proposed budget supports 0.0 FTEs, representing no change from the current fiscal year.

Table GC-A: University of the District of Columbia Subsidy;
Total Operating Funds Budget FY 2016-2022

	Actual 2016	Actual 2017	Actual 2018	Actual 2019	Actual 2020	Budget 2021	Mayor 2022
Total Funds	71,942	77,671	80,000	89,003	89,123	90,303	90,773
FTEs	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Source: *Budget Books (dollars in thousands)*

Local Funds: The Mayor's proposed budget is $90,333 an increase of $30, or 0.0 percent, over the current fiscal year. The proposed budget supports 0.0 FTEs, representing no change from the current fiscal year.

Federal Payment: The Mayor's proposed budget is $440 an increase of $440, or 100 percent, over the current fiscal year. The proposed budget supports 0.0 FTEs, representing no change from the current fiscal year.

III. COMMITTEE COMMENTARY

For Committee Commentary related to the University of the District of Columbia, please see pages XX-XX of this report.

IV. COMMITTEE RECOMMENDATIONS

Committee's Recommended Fiscal Year 2022 Operating Budget

The Mayor's June 25, 2021 errata letter has suggested that ARPA funding be moved from OSSE's budget to UDC's budget for the DC Futures: Tuition Assistance Program.

The Committee recommends the following changes to the University of the District of Columbia's Subsidy Account:

1. Increase Program/Activity 1000/1100, CSG 50, by $5,140,187 (ARPA State, One Time).[127]

2. Increase Program/Activity 1000/1100 by 3.0 FTEs (ARPA State, One Time).[128]

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[127] Increase ARPA State Funding for DC Futures: Tuition Assistance Program by $1,636,800 in FY22; $1,712,140 in FY23; and $1,791,241 in FY24. This funding was inadvertently added to OSSE's budget instead of UDC's.
[128] These three FTEs will support the work of DC Futures: Tuition Assistance.

3. Increase Program/Activity 1000/1100, CSG 50, by $16,800 (Local, One Time).[129]

4. Accepts $16,800 (Local, One Time) from the Committee on Transportation and the Environment.[130]

DEPARTMENT OF CONSUMER AND REGULATORY AFFAIRS

Committee Recommendations

I. AGENCY OVERVIEW

The mission of the Department of Consumer and Regulatory Affairs (DCRA) is to protect the health, safety, economic interests, and quality of life for residents, businesses, and visitors in the District of Columbia by ensuring code compliance and regulating business.

II. MAYOR'S PROPOSED BUDGET

Mayor's Proposed Fiscal Year 2022 Operating Budget[131]

The Mayor's fiscal year 2022 budget proposal for the Department of Consumer and Regulatory Affairs (DCRA) is $90,621, an increase of $16,892, or 22.9% over the current fiscal year. The proposed budget supports 501 FTEs, an increase of 26 FTEs over the current fiscal year.

**Table CR-A: Department of Consumer and Regulatory Affairs;
Total Operating Funds Budget FY 2016-2022**

	Actual 2016	Actual 2017	Actual 2018	Actual 2019	Actual 2020	Approved 2021	Proposed 2022
Total Funds	$48,578	$50,850	$57,154	$59,956	$61,464	$73,729	$90,621
FTEs	335.8	391.4	409.4	414.2	451	475	501

Source: *Budget Books (dollars in thousands)*

Local Funds: The Mayor's proposed budget is $47,727, an increase of $20,188 or 73.3% over the current fiscal year. The proposed budget supports 251.5 FTEs.

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129 $7,200 to support tuition and $9,600 to support equipment in FY 2022 for the UDC Master Gardener program.
130 These funds are to support the UDC Master Gardener program.
131 The Mayor's proposed budget provides numbers rounded to dollars in thousands; therefore, all figures presented here are dollars in thousands. Percent change is based on whole dollars.

Special Purpose Funds: The Mayor's proposed budget is $42,746, a decrease of $3,283 or 7.1% under the current fiscal year. The proposed budget supports 248.5 FTEs.

Federal Funds: The Mayor's proposed budget is $00,000, an increase/decrease of $000, or 0.0 percent, over/under the current fiscal year. The proposed budget supports 00.0 FTEs, an increase/decrease of 00.0 FTEs, or 00.0 percent, over/under the current fiscal year.

Private Funds: The Mayor's proposed budget is $00,000, an increase/decrease of $000, or 0.0 percent, over/under the current fiscal year. The proposed budget supports 00.0 FTEs, an increase/decrease of 00.0 FTEs, or 00.0 percent, over/under the current fiscal year.

Intra-District Funds: The Mayor's proposed budget is $149, the same as the current fiscal year. The proposed budget supports one FTE.

Mayor's Proposed Fiscal Year 2022 Capital Budget

The Mayor's capital improvement plan includes $8,375 for DCRA over the 6-year plan. The plan authorizes $3,000 for fiscal year 2022, $2,375 for fiscal year 2023, $3,000 for fiscal year 2024, $0 for fiscal year 2025, $0 for fiscal year 2026, and $0 for 2027.

III. COMMITTEE COMMENTARY[132]

The Committee provides the following commentary and concerns about the proposed fiscal year 2022 (FY 2022) budget and agency performance over the last year.

Rental Housing Inspections: The Mayor's proposed FY 2022 budget includes $3,373 and 36 FTEs for residential inspections. Additionally, there will be 17 housing code resident inspectors who can perform inspections on demand.[133]

In FY 2020, the number of complaint-based housing code inspections dropped by 24%, likely because of the COVID-19 pandemic. The number of proactive inspections increased by 50.4% and the number of one/two family rental inspections increased by 8.5% from FY 2019. In FY 2021, the agency is on track to reach pre-pandemic numbers, or greater, on complaint-based housing inspections.

Table CR-B: Department of Consumer and Regulatory Affairs: Housing Inspections and Abatements by Fiscal Year

	FY18	FY19	FY20	FY21[134]
Number of Complaint-Based Inspections	7,962	7,586	5,762	5,726

[132] All budget figures presented here are dollars in thousands.
[133] Number of resident inspectors via Director Ernest Chrappah, Testimony before the Committee of the Whole, June 10, 2021.
[134] This includes the full first two quarters and part of the third quarter of fiscal year 2021. Data as of June 28, 2021.

Number of One/Two Family Rental Inspections	4,047	4,056	4,399	7,452
Number of Proactive Inspections	3,732	4,935	7,426	6,403
Total Housing Code Inspections	15,741	16,577	17,587	19,581
Number Inspections with a Violation	3,678	3,953	5,176	4,299
Number of Violations Abated	1,810	2,008	2,477	1,884
Percent of Violations Abated	49%	51%	48%	44%

Unfortunately, data also shows that the number of violations abated by the agency remains at or below 50% for any fiscal year. Some of this is undoubtedly due to the adjudication process, which can take many months to resolve. When a notice of infraction (NOI) is issued, the respondent must answer it within 15 days. In the case of a housing code violation, the property owner may admit the infraction, admit the infraction with an explanation or deny the infraction. Where property owners deny an infraction, a hearing is scheduled with the Office of Administrative Hearings (OAH). After the hearing, the Administrative Law Judge has 90 days to issue a decision. Property owners can appeal this decision within a certain number of days. This due process is necessary but can considerably lengthen the time between citation and abatement. That said, data from OAH suggests that enforcement action in roughly half of all housing code cases are not upheld (Table CR-C). This is troubling and suggests a need for greater quality control on housing code infractions. To address this, the Committee recommends that supervisors conduct periodic audits or assessments of housing code inspection case files and accompanying NOIs (where applicable) to assess their timeliness, thoroughness, and consistency. Supervisors can conduct these routine audits via a random sampling procedure. Current standard operating procedures (SOPs) for conducting housing code inspections do not specifically mention quality assurance.[135]

Table CR-C: Department of Consumer and Regulatory Affairs: Office of Administrative Hearings Actions by Year[136]

	FY17	**FY18**	**FY19**	**FY20 Q1**
DCRA Enforcement Action Upheld	342	168	266	149
DCRA Enforcement Action Not Upheld	392	217	276	147
Percent Upheld	47%	44%	49%	50%

Additionally, the Committee remains concerned about DCRA's use of a "triage" method to handle housing code complaints. Per DCRA's SOPs, performing "triage" involves contacting the property owner or manager to see if they have or will resolve the code violation, then

[135] DCRA Standard Operating Procedures, Property Maintenance/Housing, Scheduling and Conducting Inspections, April 29, 2019.
[136] Memorandum on DCRA Cases, The Honorable Deborah Carroll, Interim Chief Administrative Law Judge, Sept. 18, 2020.

confirming this with the complainant.[137] There are two major problems with this approach. First, there may be other code violations in the unit or property that the complainant did not report. Only an inspection would catch these issues. Second, neither the property owner nor the complainant is likely to be experts in housing code, so they cannot certify whether an abatement to a specific violation is up to code. Given these shortcomings, the Committee recommends doing away with the "triage" process. DCRA should treat housing code violations with the utmost care and concern, performing inspections whenever a complaint is submitted to the agency.

Vacant and Blighted Buildings: Data from DCRA shows over 3,000 vacant properties and nearly 160 blighted properties registered with the District.[138] Given the negative impacts of vacant and blighted on the surrounding community, including decreases in property values[139], aggravation of nuisances such as pest infestations, and increases in violent crime[140], the Committee has held numerous oversight hearings on this topic. Through those hearings, it has become clear that there are myriad problems with DCRA's enforcement of vacant and blighted building laws and regulations. Specifically, the Committee has found that:

- Property classifications are inconsistently applied and can be frequently changed for reasons that unclear. In one instance, the Committee found that a property has had its classification changed 10 times in 10 years;[141]
- Abatement of vacant and blighted buildings has significantly since FY2017, from 2,132 buildings abated to 784 buildings abated in FY2020. The lack of abatement can lead to ;[142]
- Quality controls for vacant property inspections and violations are weak. In the agency's vacant building standard SOPs, consistency of statutory and regulatory analysis, and the thoroughness of inspections and notices of violation are unaddressed;[143] and
- DCRA has not been aggressive in defending its classification of properties. In one particularly consequential case before the Real Property Tax Appeals Commission (RPTAC), DCRA offered no statutory or regulatory analysis in support of its classifying a property as vacant. As a result, RPTAC sided with the property owner.[144]

Currently, DCRA has three vacant and blighted building inspectors and one supervisor. At the Committee's budget hearing, Director Chrappah noted that the agency also has 26 vacant

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[137] See supra note 5.
[138] DCRA, Vacant Buildings Map (Accessed on June 28, 2021).
[139] Whitaker, Stephan, and Thomas James Fitzpatrick. "The impact of vacant, tax-delinquent, and foreclosed property on sales prices of neighboring homes." (2011); Han, Hye-Sung. "The impact of abandoned properties on nearby property values." *Housing Policy Debate* 24, no. 2 (2014): 311-334.
[140] Porter, Lauren C., Alaina De Biasi, Susanne Mitchell, Andrew Curtis, and Eric Jefferis. "Understanding the criminogenic properties of vacant housing: A mixed methods approach." *Journal of Research in Crime and Delinquency* 56, no. 3 (2019): 378-411; Chen, Xiaojin, and Patrick Rafail. "Do housing vacancies induce more crime? A spatiotemporal regression analysis." *Crime & Delinquency* 66, no. 11 (2020): 1579-1605.
[141] Letter from Interim Chief Financial Officer Fitzroy Lee Re: Vacant/Blighted Properties – Follow-Up Issues, April 22, 2021.
[142] DCRA FY2021 Annual Performance Plan, Workload Measures, Office of Civil Infractions, Vacant Property, and Abatement, pg. 3.
[143] DCRA Vacant Building Standard Operating Procedures, Effective Dec. 17, 2020, 20-VB-011.0, pgs. 71-73.
[144] RPTAC, 5920 1st St. NE Tax Years 2018, 2019 Vacant/Blighted Classification Decision, Dec. 4, 2020.

building resident inspectors who can be deployed on demand.[145] While the Committee does see a need for greater investment in vacant and blighted building enforcement given the problems identified above, it is also clear that increased investment alone will not solve these problems. As such, the Committee recommends that:

1. DCRA implement a robust quality assurance system to ensure that inspections, notices and abatements are consistent, thorough and of the utmost quality;
2. DCRA increase its abatement of nuisance conditions at vacant and blighted buildings to ensure that negative impacts are mitigated and contained; and
3. DCRA more aggressively defend its classification of properties where such classifications are appealed.

Illegal Construction: For years, the Committee has heard from District residents that DCRA's response to illegal construction is inadequate. It can days for an inspection to occur, companies can easily evade DCRA inspectors, and work continues even when DCRA issues a stop-work order (SWO). As shown in Table CR-D, response times have gotten better overall. This is a welcome development but does not overcome the deficiencies of DCRA's reactive approach to illegal construction enforcement. The consequences of this are unsafe housing conditions, and damage to neighboring homes or structures. For instance, one company was cited five times for illegal construction work in 2019 at two properties in NE DC. In the next year and a half, over a dozen housing violations at these properties were filed with OAH, including for failure to "properly install and maintain mechanical appliances" and failure to make installations in "workmanlike manner" pursuant to the building code.[146] The Committee has and continues to receive testimony and e-mails documenting egregious damage to people's homes because of illegal construction work in adjacent structures. This is an entirely avoidable outcome. For years, the Committee has pressed DCRA to do proactive, unannounced blitz' of construction sites to inspect for illegal construction. The Committee again makes this recommendation and further recommends that DCRA conduct these blitz' on repeat offenders. Given the current housing market, we recommend that DCRA implement this quickly. Financiers are rapidly increasing their funding of house flippers so that they can quickly and cheaply get houses back on the market for significant profit, a dynamic that will undoubtedly lead to an increase in illegal construction.[147]

**Table CR-D: Department of Consumer and Regulatory Affairs:
Illegal Construction Inspections and Metrics**

	FY18	FY19	FY20	FY21[148]
Number of Inspections	1,994	3,048	5,185	4,182
Percent of Inspections Conducted Two or More Days After Complaint	27.6%	42%	21.7%	13.1%

[145] See Supra note 3.
[146] Committee analysis of NOI data.
[147] Christopher Maloney, Adam Tempkin, and Shahien Nasiripour, "House-Flipping Lenders Are Throwing Cash at a Red-Hot U.S. Market," Bloomberg, March 19, 2021 (Link).
[148] This includes the full first two quarters and part of the third quarter of fiscal year 2021. Data as of June 28, 2021.

DCRA and Economic Recovery: The COVID-19 pandemic has exacted a devastating toll on the District's economy, particularly for small businesses, and while capacity and operating restrictions put in place to curb the spread of COVID-19 have recently been lifted, data shows that small business revenue is still 49.9% below January 2020 revenues, and the number of small businesses open is 54% lower than January 2020.[149] To ease burdens on businesses as the District emerges from the pandemic, the Mayor's proposed budget includes two sections in the Fiscal Year 2022 Budget Support Act of 2021 that would reduce fees incurred during the business and occupational licensing process overseen by DCRA. First, in Title II, Subtitle N, Section 2134, the Mayor proposes reducing fees for several business and occupational license categories, decreasing overall revenue by $6,155 in FY 2022 and $23,256 over the course of the financial plan. Proposed business license fee reductions are as follows:

**Table CR-E: Department of Consumer and Regulatory Affairs:
Business License Fee Reductions in the BSA**

Category	Current Cost	New Cost
Basic Business License	$70	$0
Basic Business License Endorsement	$25	$0
Employment Agency Endorsement	$1,300	$99
Employment Paid Personnel Service Endorsement	$1,300	$99
Employment Counseling Endorsement	$1,300	$99
General Business Endorsement	$200	$99

Section 2134 would also reduce fees for corporate filings as shown in Table CR-F. The reductions in business license and organizational filing fees are permanent. Finally, application and examination fees for non-health related occupational licenses would be reduced to $0, and license and renewal fees for these occupational licenses would be reduced to $99. The reduction in fees for non-health occupational licenses is temporary, applying only to fiscal year 2022.

**Table CR-E: Department of Consumer and Regulatory Affairs:
Organization Filing Fees Reductions in the BSA**

Type of Filing	Current Cost	New Cost
Business Organization Filing (≤$100,000 in Capital)	$220	$99
Limited Liability Partnership Statement of Qualification	$220	$99
Limited Partnership Certificate	$220	$99
Limited Liability Company Certificate of Organization	$220	$99
Statutory Trust Certificate of Trust	$220	$99

[149] Opportunity Insights Economic Tracker, Percentage Change in Small Business Revenue and Percent Change in Number of Small Business Open (DC), All Businesses, As of June 19, 2021 (Accessed on June 28, 2021).

Second, Section 2138 of the BSA allows the mayor to implement fee forgiveness programs to "encourage entities to come into compliance with the entity filing requirements" of D.C. Official Code § 29-102.12. DCRA estimates that over 1,000 small business and non-profits will be eligible for fee forgiveness. Finally, DCRA's FY2022 budget includes $12,793 million in American Rescue Plan Act of 2021 (ARPA) funds for "economic recovery fast tracking services." According to agency budget materials, the ARPA funding will be disbursed as follows:

Table CR-F: Department of Consumer and Regulatory Affairs: ARPA Funding Uses

Use	**Funding Amount**
Plan Review Contractual Services	$4,111
Inspector Contractual Services	$1,488
Licensing and Customer Support Contractual Services	$1,520
Licensing, Permitting and Inspection System Enhancements	$2,400
Various DCRA Term Positions	$2,592

The Committee supports the license fee reductions and proposed business filing fee forgiveness program. Prior to the pandemic, data showed that nearly 25% of entrepreneurs in the District reported that business and professional licensing fees and regulations had a negative impact on profitability of their business.[150] By eliminating, reducing or forgiving business licensing fees, Sections 2134 and 2138 will provide much needed relief to these businesses, as well as budding entrepreneurs looking to start their own businesses.

The Committee also supports the use ARPA funds to "fast track" licenses, permits, and other agency processes. Currently, it takes 250 days on average to receive a construction permit,[151] and the business licensing process can be cumbersome for entrepreneurs working on tight timelines. That said, the Committee recommends that DCRA set specific goals and outcomes for these "fast track" changes, and rigorously evaluate their impact, to ensure that they are working as advertised. Goals and outcomes could include reducing the average number of days to issue a permit by a specific number of days, increasing the percentage of corporate registrations processed within one to three business days, and increasing the percentage of construction inspections completed on the scheduled date.

Department of Buildings Establishment Act: On February 2, 2021, the Council unanimously overrode the Mayor's veto of Law 23-269, the Department of Buildings Establishment Act of 2020. The bill would establish a Department of Buildings as a new subordinate agency within the Executive Branch, redesignating what is left of DCRA as the Department of Licensing and Consumer Protection to reflect the revised responsibilities of the agency. The law remains subject to appropriations, and the Committee is unable to fund it through this budget. The Committee is dedicated to funding the law, however, as the continuing lackluster

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[150] *Ibid.*
[151] DCRA Agency Dashboard, Permit Operations (As of June 25, 2021).

performance of DCRA in enforcing the housing code, the construction code, and vacant and blighted property regulations make clear that piecemeal reforms to existing agency structures and systems will not produce significant improvements in performance. Therefore, structural change is still necessary.

IV. COMMITTEE RECOMMENDATIONS

Committee's Recommended Fiscal Year 2021 Operating Budget

The Committee recommends the following changes to the fiscal 2022 operating budget for the Department of Consumer and Regulatory Affairs as proposed by the Mayor:[152]

1. Increase of $34,838.75 in local funds to CSG-40, Program 1000, Activity 1040, One-Time (Technology system updates for implementation of Law 23-194).

2. Increase of $34,111.25 in local funds to CSG-41, Program 2000, Activity 2020 (Contractual services for implementation of Law 23-194).

3. Increase of $47,050 in local funds to CSG-41, Program 4000, Activity 3080 (Contractual services for implementation of Law 23-194).

Committee's Recommended Fiscal Year 2021 Capital Budget

The Committee recommends adoption of the fiscal year 2022 capital improvement plan budget for the Department of Consumer and Regulatory Affairs as proposed by the Mayor.

Policy Recommendations

1. DCRA should implement a routine audit procedure for housing code cases. Audits should examine timeliness, thoroughness, and consistency of inspections and notices of infraction.

2. DCRA should do away with the so-called "triage" process for housing code complaints to ensure that all complaints are promptly and thoroughly inspected.

3. DCRA should implement a robust quality assurance system to ensure that vacant and blighted building inspections, notices, and abatements are consistent, thorough and of the utmost quality.

4. DCRA should increase its abatement of nuisance conditions at vacant and blighted buildings to ensure that negative impacts are mitigated and contained.

[152] These are the amounts needed to fund the implementation of Law 23-194 for fiscal year 2022. The Committee on Transportation and the Environment transferred additional recurring dollars to fund implementation of the law in fiscal years 2023, 2024, and 2025. The full budget and financial plan will include these recurring dollars.

5. DCRA should more aggressively defend its classification of vacant and blighted properties where such classifications are appealed to RPTAC.

6. DCRA should quickly implement procedures to conduct proactive, unannounced blitz' of construction sites to determine with District's compliance with construction and building codes. Blitz' should focus on repeat offenders.

7. DCRA should set specific goals and outcomes for American Rescue Plan Act "fast track" funding and system changes, and rigorously evaluate their impact, to ensure that they are working as advertised.

WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

Committee Recommendations

I. AGENCY OVERVIEW

WMATA was created February 20, 1967. It is an interstate compact agency and, by the terms of its enabling legislation, an agency and instrumentality of the District of Columbia, State of Maryland, and Commonwealth of Virginia. This compact agency was created by the aforementioned states and the District of Columbia to plan, finance, construct, and operate a comprehensive public transit system for the Washington metropolitan area. A Board of Directors, with representatives from each of the three jurisdictions and the federal government, governs WMATA. The District has two voting members and two non-voting members on WMATA's Board. The Project Delivery Administration of the District's Department of Transportation (DDOT) oversees the District's funding of WMATA and recommends policy direction, develops service initiatives, and monitors service quality. DDOT's role is inclusive of all transit modes including Metrobus, Metrorail, and MetroAccess Paratransit service.

II. MAYOR'S PROPOSED BUDGET

Mayor's Proposed Fiscal Year 2021 Operating Budget[153]

The Mayor's fiscal year 2021 budget proposal for the Washington Metropolitan Area Transit Authority is $3,256, a decrease of $79, or -2.4 percent, over the current fiscal year. The proposed budget supports 21.0 FTEs, three more than in the Mayor's FY 2020 budget proposal, but the same as the current fiscal year, as the approved FY 20 budget funded three additional positions assigned to the Office of Zoning.

[153] The Mayor's proposed budget provides numbers rounded to dollars in thousands; therefore, all figures presented here are dollars in thousands. Percent change is based on whole dollars.

Table BJ-A: Washington Metropolitan Area Transit Authority; Total Operating Funds Budget FY 2016-2022

	Actual 2015	Actual 2016	Actual 2017	Actual 2018	Actual 2019	Approved 2020	Mayor 2021
Total Funds	2,644	2,837	3,070	2,871	2,901	3,335	3, 256
FTEs	19.0	19.6	19.0	19.0	18.0	21.0	21.0

Source*: Budget Books (dollars in thousands)*

Local Funds: The Mayor's proposed budget is $3,232, a decrease of -$79, or -2.4 percent, over the current fiscal year. The proposed budget supports 21.0 FTEs, the same as the current fiscal year.

Intra-District Funds: The Mayor's proposed budget is $24, which represents no change from the current fiscal year and supports no FTEs.

III. COMMITTEE COMMENTARY

The Committee provides the following commentary and concerns in relation to the proposed fiscal year 2021 budget and agency performance over the last year.

Electric Buses: The Clean Energy DC Omnibus Amendment Act of 2018 (D.C. Law 22-257) mandates that 50 percent of public buses be low or zero-emission by 2030 and 100 percent zero-emission by 2045. The District has committed to reducing greenhouse gas emissions 50 percent below 2006 levels by 2032 and be carbon neutral by 2050. Electrification saves money: The Washington Metropolitan Area Transit Authority (WMATA) would save at least $350 million over the lifetime of its fleet if 50 percent of its fleet is comprised of electric buses, according to a 2020 Sierra Club report; savings would increase if more electric buses were added. Electrification also reduces global warming and improves the public health.

While compressed natural gas is cleaner than diesel fuel, it contributes more to greenhouse gas emissions than desired, so it is imperative to eliminate use of any form of fossil fuel in WMATA's bus fleet. In June 2020, the Federal Transit Administration awarded WMATA more than $4 million to purchase new electric buses and charging equipment and to make infrastructure improvements. But at this point Metro has one electric bus and is planning to acquire one dozen more for a two-year pilot to study electrification – even though other cities already have electric buses in operation and the DC Circulator is already partially electrified.

WMATA should commit to electrifying its fleet on a schedule that meets or exceeds the Clean Energy DC Act deadlines by agreeing to electrifying at least 50 percent of its bus fleet by 2030, 75 percent by 2035, 90 percent by 2040, and 100 percent by 2045. WMATA's current contract for 542 fossil fuel buses with New Flyer to be delivered by 2023 should be the last time

Metro purchases fossil fuel buses. The Committee would urge that the contract should be converted to electric bus purchases.

WMATA is currently installing electric charging equipment at two D.C. bus garages – Bladensburg and the Northern Bus Barn – so the infrastructure will be in place soon for WMATA bus electrification. Any future upgrades to WMATA bus garages or fueling infrastructure must include electric bus ready designs. WMATA should prioritize introducing electric buses on routes servicing low- and moderate-income neighborhoods and environmental justice communities that have been disproportionately burdened by pollution.

Facilities Consolidation: WMATA has been in the process of consolidating ten regional facilities into three: The headquarters will be at L'Enfant Plaza, one at New Carrollton, and one at Eisenhower Avenue. One office building will be in each of the three compact states. The goal of the consolidation was two-fold, reducing lease payments and moving into more modern space. The current headquarters, the Jackson Graham Building in the District does not meeting a number of safety and health code requirements. That site will be the subject of a long term lease to a private developer helping to activate that area.

Bus Service Cuts: Earlier this year, WMATA was considering consolidating 64 bus routes into 45 routes as a result of budgetary pressures from the pandemic. However, as a result of the federal aid package, WMATA was able to avoid the cuts and keep generally the same current service levels. With District schools looking to be open in person for the 2021-2022 school year, buses will be an important means for students to get to school and the Committee is supportive of reversing the cuts.

Metro Transit Police: The Committee remains to be concerned over negative public interactions with law enforcement, including the Metro Transit Police Department (MTPD). Currently, there is no independent civilian review body to review citizen complaints of MTPD. In 2020, the Council adopted the Washington Metropolitan Area Transit Authority Police Accountability Amendment Act of 2020 (Bill 23-886) to create such an entity. The Committee intends to work with neighboring jurisdictions to move creation of this body forward with our regional partners. In order to become effective, the three compact jurisdictions and Congress will have to adopt the changes to the Metro Compact.

IV. COMMITTEE RECOMMENDATIONS

Committee's Recommended Fiscal Year 2022 Operating Budget

The Committee recommends no change to the fiscal year 2021 budget for WMATA as proposed by the Mayor.

Committee's Recommended Fiscal Year 2022 Capital Budget

The Committee recommends no change to the fiscal year 2022 capital budget for WMATA as proposed by the Mayor.

Policy Recommendations

1. The Committee recommends that WMATA reevaluate its diesel and CNG bus purchases and to fully electrify its fleet much more quickly than the WMATA Board adopted last month.

2. The Committee recommends that WMATA communicate clearly to the public proposed changes to bus routes and clearly articulate any actions taken to alter routes.

3. The Committee recommends that WMATA work with stakeholders and cooperate with the region as changes are contemplated to the Compact regarding an independent police complaints review board for MTPD.

District of Columbia Retirement Board

Committee Recommendations – See Page DY

I. Agency Overview

The mission of the District of Columbia Retirement Board (DCRB) is to invest prudently the assets of the police officers, firefighters, and teachers of the District of Columbia, while providing those employees with retirement services.

The DCRB is an independent agency that has exclusive authority and discretion to manage and control the District's retirement funds for teachers, police officers, and firefighters (hereinafter referred to as the "Fund") pursuant to D.C. Official Code § 1-711(a). In 2005, the responsibility of administering the teachers', police officers', and firefighters' retirement programs was transferred to the DCRB from the Office of Pay and Retirement Services, a part of the Office of the Chief Financial Officer. The federal government assumed the District's unfunded liability for the retirement plans of teachers, police officers, firefighters, and judges under provisions of the National Capital Revitalization and Self-Government Improvement Act of 1997. Under this law, the federal government pays the retirement benefits and death benefits, and a share of disability payments, for members for years of service earned up to the freeze date of June 30, 1997. The District of Columbia government is responsible for all subsequently earned benefits for the members of the retirement plans.

The DCRB Board of Trustees is comprised of 12 voting trustees: three appointed by the Mayor, three appointed by the Council, and six elected by employee participation groups. The District's Chief Financial Officer, or his designee, serves as a non-voting, ex-officio member of the Board.

II. MAYOR'S PROPOSED BUDGET

Mayor's Proposed Fiscal Year 2022 Operating Budget[154]

The Mayor's fiscal year 2022 budget proposal for the District of Columbia Retirement Board is $48,903, an increase of $4,804, or 10.9 percent, over the current fiscal year. The proposed budget supports 75.0 FTEs which represents no change from the current fiscal year.

Table DY-A: District of Columbia Retirement Board
Total Operating Funds Budget FY 2016-2022

	Actual 2016	Actual 2017	Actual 2018	Actual 2019	Budget 2020	Budget 2021	Mayor 2022
Total Funds	31,819	33,852	41,644	43,579	42,836	44,099	48,903
FTEs	62.6	69.6	75.0	75.0	75.0	75.0	75.0

Source: *Budget Books (dollars in thousands)*

Enterprise and Other Funds: The funding for this account is comprised entirely of enterprise funds.

III. COMMITTEE COMMENTARY

The Committee provides the following commentary and concerns in relation to the proposed fiscal year 2022 budget and agency performance over the last year.

Annually Determined Employer Contributions: Each year, DCRB must calculate and certify the annually determined employer contribution (ADEC) – previously known as the annual required contribution (ARC) – to both the Teachers' Retirement System (TRS) and the Police Officers' and Fire Fighters' Retirement System (POFFRS).[155] In 2012, the Board adopted a closed amortization period for the TRS of 20 years to fully fund the accrued unfunded liability. There are currently 13 years remaining in the TRS amortization period. The POFFRS is currently more than fully funded, meaning that the annual required contribution maintains a funding level that could pay out all current liabilities.

[154] The Mayor's proposed budget provides numbers rounded to dollars in thousands; therefore, all figures presented here are dollars in thousands. Percent change is based on whole dollars.
[155] D.C. OFFICIAL CODE § 1-907.03(a).

The District's commitment to fully funding the two pension funds are the reason for the health of the pension system. This contributes to the District's excellent bond ratings as compared to most other jurisdictions. District law requires the Mayor and Council to include the full actuarially determined amount necessary to fund the pensions in the annual budget.[156] While not required under the law, DCRB does use more conservative assumptions than most other plans across the country. The District uses a price inflation assumption of 3.5%, a payroll growth assumption of 4.25%, and a rate of return assumption of 6.5%.[157] This is in contrast to public pension systems nationwide that use an average inflation rate assumption of 3.2% and a rate of return assumption of 7.5%.[158] The Committee commends DCRB for its ongoing work to use sound judgment in managing the plan funds. The Committee notes that for FY 2022, the ADEC increased to $184.0 million, an increase of $3.6 million over last year's ADEC. The TRS increased by approximately $4.6 million while the POFFRS decreased by approximately $1 million. The changes are driven by demographic experience. 2020 returns on the funds were lower than expected, and the model is still smoothing the contribution that included a police pay increase under their 2018 contract. In addition, teacher payroll has been increasing which has driven the teachers fund contribution.

Agency Management: The Committee is pleased that DCRB continues to look to control its agency spending, which is funded out of the funds. DCRB has come to rely on efficiencies that can be gained by utilizing the District government's Office of the Chief Technology Officer, and in management restructuring.[159] However, the Committee is concerned over the Fiscal Year 2020 CAFR audit findings with respect to weaknesses in internal controls over financial reporting. While DCRB committed in 2020 to examine practices and implement procedures for more rigorous review of transactions and reconciliation, the problems persisted and, in some cases, became more concerning. The Committee believes that management instability has led to a number of concerns at the agency. There has been turnover in the Executive Director position including retirement of the former Executive Director, appointment of an interim Executive Director who subsequently left after only months on the job, and now the appointment of a new Interim Executive Director. The Committee hopes that the Board will fill the Executive Director position on a permanent basis as soon as possible using additional hiring incentives and flexibilities afforded by the Council. The Executive Director must then bring on a permanent executive leadership team to move the agency forward. Moreover, it will be incumbent on the incoming Executive Director to rebuild confidence in the agency's finances and leadership. A well-functioning retirement program is not only vital to the annuitants it serves, but also to the overall financial health of the District that relies on well managed and well-funded retirement funds to maintain the excellent overall credit rating for the District that allow for low borrowing costs.

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[156] D.C. OFFICIAL CODE § 1-907.03(b).
[157] REPORT ON THE ACTUARIAL VALUATIONS OF THE TEACHERS' RETIREMENT PLAN AND POLICE OFFICERS AND FIREFIGHTERS' RETIREMENT PLAN p 30 (December 17, 2018).
[158] *See* NATIONAL CONFERENCE ON PUBLIC EMPLOYEE RETIREMENT SYSTEMS AND COBALT COMMUNITY RESEARCH, 2015 NCPERS PUBLIC RETIREMENT SYSTEMS STUDY (November 2015).
[159] *Id.*

Fossil Fuel Divestment: According to DCRB, the funds have limited exposure to two companies that are on the Carbon Tracker 200 List. The Committee has long encouraged DCRB to eliminate exposure to such companies.

IV. COMMITTEE RECOMMENDATIONS

Committee's Recommended Fiscal year 2022 Operating Budget

The Committee recommends no change to the fiscal year 2022 budget for the District of Columbia Retirement Board as proposed by the Mayor.

Policy Recommendations

1. The Committee recommends that the Board find and install a permanent Executive Director, and subsequently maintain a full executive leadership team.

2. The Committee recommends that DCRB follow through on its commitments to address auditor concerns.

3. The Committee recommends that DCRB endeavor to coincide release of its CAFR with the overall District CAFR.

POLICE OFFICERS' AND FIRE FIGHTERS' RETIREMENT SYSTEM

Committee Recommendations

I. AGENCY OVERVIEW

The mission of the Police Officers' and Fire Fighters' Retirement System (POFFRS) is to provide the District's required contribution as the employer to these two pension funds, which are administered by the District of Columbia Retirement Board (DCRB).

Under provisions of the Police Officers, Fire Fighters, and Teachers Retirement Benefit Replacement Plan Act of 1998 ("the Act"), the federal government assumed the District's unfunded pension liability for the retirement plans for teachers, police officers, fire fighters and judges. Pursuant to the Act, the federal government will pay the retirement and death benefits, and a defined share of disability benefits, for employees for service accrued prior to July 1, 1997. The cost for benefits earned after June 30, 1997 is the responsibility of the government of the District of Columbia. This proposed FY 2016 budget reflects the required annual District contribution. Pursuant to D.C. Official Code § 1-907.02(a), the District is required to budget the pension contribution at an amount equal to, or greater than, the amount certified by the DCRB on the basis of a prescribed actuarial study and formula calculation that is set forth in § 1-907.03. On January 7, 2015, DCRB transmitted the certified contribution for inclusion in the Mayor's FY 2016 proposed budget, and it is reflected in this chapter.

II. MAYOR'S PROPOSED BUDGET

Mayor's Proposed Fiscal Year 2022 Operating Budget[160]

The Mayor's fiscal year 2022 budget proposal for the Police Officer's and Fire Fighters' Retirement System is $108,966, a decrease of $967, or 0.9 percent, from the current fiscal year. The proposed budget supports no FTEs.

Table FD-A: Police Officer's and Fire Fighters' Retirement System;
Total Operating Funds Budget FY 2016-2022

	Actual 2016	Actual 2017	Actual 2018	Actual 2019	Actual 2020	Budget 2021	Mayor 2022
Total Funds	135,577	145,627	105,596	91,083	93,061	109,993	108,966
FTEs	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Source: *Budget Books (dollars in thousands)*

Local Funds: The funding for this account is comprised entirely of local funds.

III. COMMITTEE COMMENTARY

The Committee provides the following commentary and concerns in relation to the proposed fiscal year 2022 budget and agency performance over the last year.

Fund Contribution Levels: Funding for the POFFRS is set by law as a calculated annual required contribution, also known as an annually determined employer contribution (ADEC). For fiscal year 2022, the ADEC for POFFRS is $108,966. Additional analysis of the ADEC can be found in the chapter for the District of Columbia Retirement Board.

Funding Ratio and Unfunded Liability: According to the most recent actuarial valuation, POFFRS is currently 110.83 percent funded on an actuarial basis – a decrease of one percent below year's level.

[160] The Mayor's proposed budget provides numbers rounded to dollars in thousands; therefore, all figures presented here are dollars in thousands. Percent change is based on whole dollars.

**Table FD-B: Police Officers' and Fire Fighters' Retirement System;
Plan Summary, Police Officers' vs. Firefighters'**

Funding Measures – Police

Police	10/1/2019	10/1/2020	Percent Change
1. Actuarial Accrued Liability			
a. Active	$ 1,965,788	$ 1,997,978	1.64%
b. Retirees and Beneficiaries	1,895,162	2,121,866	11.96%
c. Inactive with Deferred Benefits	37,037	59,270	60.03%
d. Total	**$ 3,897,987**	**$ 4,179,114**	**7.21%**
2. Actuarial Value of Assets	$ 4,359,508	$ 4,615,243	5.87%
3. Plan Funded Ratio (2. / 1.d.)	111.84%	110.44%	
4. Market Value of Assets	$ 4,350,405	$ 4,576,808	5.20%
5. Funded Ratio based on Market Value of Assets (4. / 1.d.)	111.61%	109.52%	

($ in Thousands)

Funding Measures – Fire

Fire	10/1/2019	10/1/2020	Percent Change
1. Actuarial Accrued Liability			
a. Active	$ 1,091,647	$ 1,121,885	2.77%
b. Retirees and Beneficiaries	602,003	708,718	17.73%
c. Inactive with Deferred Benefits	12,936	14,126	9.20%
d. Total	**$ 1,706,586**	**$ 1,844,730**	**8.09%**
2. Actuarial Value of Assets	$ 1,910,120	$ 2,060,770	7.89%
3. Plan Funded Ratio (2. / 1.d.)	111.93%	111.71%	
4. Market Value of Assets	$ 1,905,808	$ 2,043,382	7.22%
5. Funded Ratio based on Market Value of Assets (4. / 1.d.)	111.67%	110.77%	

($ in Thousands)

IV. COMMITTEE RECOMMENDATIONS

Committee's Recommended Fiscal year 2022 Operating Budget

The Committee recommends no change to the fiscal year 2022 budget for the Police Officer's and Fire Fighters' Retirement System as proposed by the Mayor.

TEACHERS' RETIREMENT SYSTEM

Committee Recommendations

I. AGENCY OVERVIEW

The Teachers' Retirement System (TRS) provides the District's required contribution to this retirement plan, which is administered by the District of Columbia Retirement Board (DCRB).

Under provisions of the Police Officers, Firefighters, and Teachers Retirement Benefit Replacement Plan Act of 1998 ("the Act"), the federal government assumed the District's unfunded pension liability for the retirement plans for teachers, police officers, firefighters and judges. Pursuant to the Act, the federal government will pay the retirement and death benefits, and a defined share of disability benefits, for employees for service accrued prior to July 1, 1997. The costs for benefits earned after June 30, 1997 are the responsibility of the District government. The Mayor's proposed budget reflects the required annual District contribution to fund these earned benefits. Pursuant to D.C. Official Code § 1-907.02(a), the District is required to budget the pension contribution at an amount equal to, or greater than, the amount certified by the DCRB on the basis of a prescribed actuarial study and formula calculation that is set forth in § 1-907.03. On January 7, 2015, the DCRB transmitted the certified contribution for inclusion in the Mayor's FY 2016 proposed budget as reflected in this chapter.

II. MAYOR'S PROPOSED BUDGET

Mayor's Proposed Fiscal Year 2022 Operating Budget[161]

The Mayor's fiscal year 2022 budget proposal for the Teachers' Retirement System is $75,060, an increase of $4,582, or 6.5 percent, over the current fiscal year. The proposed budget supports no FTEs.

Table GX-A: Teachers' Retirement System;
Total Operating Funds Budget FY 2016-2022

	Actual 2016	Actual 2017	Actual 2018	Actual 2019	Actual 2020	Budget 2021	Mayor 2022
Total Funds	44,659	56,618	58,844	53,099	58,888	70,748	70,748
FTEs	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Source: *Budget Books (dollars in thousands)*

[161] The Mayor's proposed budget provides numbers rounded to dollars in thousands; therefore, all figures presented here are dollars in thousands. Percent change is based on whole dollars.

Local Funds: The funding for this account is comprised entirely of local funds.

III. COMMITTEE COMMENTARY

The Committee provides the following commentary and concerns in relation to the proposed fiscal year 2022 budget and agency performance over the last year.

Fund Contribution Levels: Funding for the Teachers' Retirement System (TRS) is set by law as a calculated annual required contribution, also known as an annually determined employer contribution. For fiscal year 2022, the calculated amount for TRS is $75,060,000.

Funding Ratio and Unfunded Liability: According to the most recent actuarial valuation, TRS is currently 92.1 percent funded, approximately 1 percent point higher than at the last valuation.

**Table FD-B: Teachers' Retirement System;
Plan Summary**

Funding Measures – Teachers

Teachers	10/1/2019	10/1/2020	Percent Change
1. Actuarial Accrued Liability			
a. Active	$ 1,230,678	$ 1,335,898	8.55%
b. Retirees and Beneficiaries	1,107,126	1,121,326	1.28%
c. Inactive with Deferred Benefits	156,487	183,579	17.31%
d. Total	**$ 2,494,291**	**$ 2,640,803**	**5.87%**
2. Actuarial Value of Assets	$ 2,271,160	$ 2,431,075	7.04%
3. Plan Funded Ratio (2. / 1.d.)	91.05%	92.06%	
4. Market Value of Assets	$ 2,264,428	$ 2,411,390	6.49%
5. Funded Ratio based on Market Value of Assets (4. / 1.d.)	90.78%	91.31%	

($ in Thousands)

IV. COMMITTEE RECOMMENDATIONS

<u>Committee's Recommended Fiscal year 2022 Operating Budget</u>

The Committee recommends no change to the fiscal year 2022 budget for the Teachers' Retirement System as proposed by the Mayor.

OTHER POST-EMPLOYMENT BENEFITS ADMINISTRATION

Committee Recommendations

I. AGENCY OVERVIEW

The Other Post-Employment Benefits Administration (OPEBA) agency is used to account for expenditures related to the administration of the Other Post-Employment Benefits Trust Fund.

The government of the District of Columbia established the District's Annuitants' Health and Life Insurance Employer Contribution Trust Fund on October 1, 1999 under the Annuitants' Health and Life Insurance Employer Contribution Amendment Act of 1999 (D.C. Official Code 1-621.09). Health and life insurance benefits for retirees are known as "Other Post-Employment Benefits" (OPEB), also referred to as the OPEB Plan. The OPEB Plan includes a trust fund that receives the District's annual contributions toward health and life insurance benefits for District employees who have retired, as well as premium payments from retirees. These contributions and premiums, along with investment earnings, are used to pay future benefits on behalf of qualified participants. The OPEB Plan is jointly administered by the District's Office of Finance and Treasury, within the Office of the Chief Financial Officer (OCFO), and the District of Columbia Department of Human Resources (DCHR).

II. MAYOR'S PROPOSED BUDGET

Mayor's Proposed Fiscal Year 2022 Operating Budget[162]

The Mayor's fiscal year 2022 budget proposal for the Other Post-Employment Benefits Administration is $9,088, an increase of $19, or less than 1 percent over the current fiscal year. The proposed budget supports no FTEs.

Table UB-A: Other Post-Employment Benefits Administration;
Total Operating Funds Budget FY 2015-2021

	Actual 2015	Actual 2016	Actual 2017	Actual 2018	Actual 2019	Budget 2020	Mayor 2021
Total Funds	0	0	0	0	0	9,069	9,088
FTEs	0.0	0.0	0.0	0.0	0.0	0.0	0.0

***Source**: Budget Books (dollars in thousands)*

Enterprise Funds: The funding for this account is comprised entirely of enterprise funds.

[162] The Mayor's proposed budget provides numbers rounded to dollars in thousands; therefore, all figures presented here are dollars in thousands. Percent change is based on whole dollars.

III. COMMITTEE COMMENTARY

The Committee provides the following commentary and concerns in relation to the proposed fiscal year 2021 budget and agency performance over the last year.

Administration of the OPEB: As part of the Fiscal Year 2019 budget, the Council created a new agency to house the administrative costs of administering the OPEB fund. This new structure is similar to the structure of the District of Columbia Retirement Board, although the Retirement Board administers benefits in addition to investments.

Unlike DCRB, OPEBA does not carry any FTE positions. Instead, it carries contractual services funds that are paid to the Office of the Chief Financial Officer under a Memorandum of Understanding for those OCFO staff that are supporting OPEBA. In addition, OPEBA pays for all investment management fees related to the OPEB fund. The budget for investment management fees is $7.6 million – these fees are negotiated with each investment manager and very depending on asset class being managed.

Changes to Requested Budget: Testimony at the FY 2022 budget hearing indicated that the OCFO has modified its budget request for OPEBA. Testimony indicated that OPEBA is transitioning from administering investments internally to a contracted Chief Investment Officer. The OCFO has since awarded a management contract. That contract included a reduction of $330,000 in management fees, but increased investment manager fees by $1.14 million. Investment management fees are based on asset values. Therefore, the OCFO is requesting that the total budget for OPEBA increase to $10.7 million. The Committee is hopeful that by outsourcing investment management that the Fund will see continued healthy returns. The Committee notes that regardless of whether the OCFO negotiated and entered into a new contract during fiscal year 2021, the Council must still appropriate the funds. As described above, OPEBA is entirely an enterprise fund, meaning that the dollars reflected come from the fund itself and are not local dollars. Thus, the Committee recommends changes requested by the OCFO which are detailed below.

Table UB-B: Other Post-Employment Benefits Administration; Personal vs Non-Personal Services Funding Equivalent

	Other Post Employment Benefits Administration	Actual FY 2020	Budget FY 2021	Proposed Budget FY 2022
11	Regular Pay - Continuing Full Time*	$ 218	$ 750	$ 538
14	Fringe Benefits - Current Personnel	$ 54	$ 188	$ 134
15	Overtime Pay		$ -	$ -
	SUBTOTAL PERSONAL SERVICES	**$ 272**	**$ 938**	**$ 672**
20	Supplies and Materials			
30	Energy, Communications and Building Rental			
40	Other Services and Charges			
41	Contractual Service - Other	$ 6,718	$ 7,980	$ 9,485
50	Subsidies and Transfers			
70	Equipment and Equipment Rental			
	Total	**$ 6,990**	**$ 8,918**	**$ 10,157**

Source: Testimony from OCFO, June 7, 2021

Table UB-C: Other Post-Employment Benefits Administration; Investment Management Fees

	Actual 2015	Actual 2016	Actual 2017	Actual 2018	Actual 2019	Actual 2020	Budgeted 2021	Proposed Budget 2022
Total Investment Management Fees	$ 5,404,288	$ 5,719,661	$ 5,804,296	$ 6,521,226	$ 6,324,425	$ 6,136,516	$ 6,695,465	$ 7,600,000
Fiscal Yearend Asset Value	$1,076,550,114	$1,197,441,214	$1,366,282,061	$1,462,029,859	$ 1,509,102,272	$1,640,681,507	$ 1,487,881,164	$ 2,000,000,000
Simple Average Fee %	0.50%	0.48%	0.42%	0.45%	0.42%	0.37%	0.45%	0.38%

Fees are negotiated with each investment manager and vary depending on asset class being managed, whether active or passive management and total value of assets managed. Fees can be tiered, e.g. .50% on the first $30mm and .20% thereafter
Actual fees are calculated on a monthly basis, as asset values fluctuate up or down fees can likewise increase or decrease.

Source: Testimony from OCFO, June 7, 2021

Calculation of the Annually Determined Employer Contribution (ADEC): The results of a study to examining funding requirements for OPEB that began in 2015 found that the District had been significantly over-funding the OPEB. The study found that actual retiree participation rates are lower than the initial assumptions.[163] As a result, OCFO worked with the DC Department of Human Resources to model a more appropriate participation rate which was validated by the Advisory Committee. The change in assumptions also now closely align the OPEB assumptions to those of the DC Retirement Board. The ADEC also assumes a 20-year closed amortization period and a target return rate of 6.5%. As a result, the ADEC payment for FY 2022 is $53.0 million, a slight decrease from FY 2021.

Funding Ratio and Unfunded Liability: OPEB is currently 105.14% funded meaning that the OPEB fund has no unfunded liability.

Table UBC: Other Post-Employment Benefits Administration; Summary of Valuation Results

Valuation Date	September 30, 2019	September 30, 2020
Discount Rate	6.50%	6.50%
Actuarial Liability (AL)	$ 1,493,023,648	$ 1,588,936,238
Actuarial Value of Assets	1,544,974,993	1,670,614,421
Unfunded actuarial liability (UAL)	**$ (51,951,345)**	**$ (81,678,183)**
Funded Ratio (AVA/AL)	103.48%	105.14%
Expected Net Benefit Payments	33,410,732	36,493,629
Market Value of Assets	1,509,102,271	1,640,681,507
Funded Ratio (MVA/AL)	101.08%	103.26%
Fiscal Year Ending	**September 30, 2021**	**September 30, 2022**
Actuarially Determined Contribution	$ 53,600,000	$ 53,000,000

Source: Other Post-Employment Benefits Fund 2020 Annual Report

IV. COMMITTEE RECOMMENDATIONS

Committee's Recommended Fiscal year 2022 Operating Budget

The Committee recommends the following changes to the for the Other Post-Employment Benefits Administration as proposed by the Mayor:

1. Increase Program/Activity 1100/1101, CSG 41 by $1,069,000 (Enterprise Funds).

Policy Recommendations

1. The Committee recommends that OPEBA continue to closely monitor take-up rates for the plan to ensure plan assets reflect actual benefits.

[163] *Other Post-Employment Benefits: Agency Performance Oversight Hearing before the Council of the District of Columbia Committee of the Whole* (Mar. 27, 2018) (oral testimony of Jeffrey Barnette, Deputy Chief Financial Officer and Treasurer, Office of the Chief Financial Officer).

2. The Committee recommends that OPEBA aggressively negotiate investment management fees to limit spending out of the OPEB fund.

3. The Committee recommends that the OCFO closely monitor the new investment management contract.

DISTRICT RETIREE HEALTH CONTRIBUTION (OPEB)

Committee Recommendations

I. AGENCY OVERVIEW

The mission of the District Retiree Health Contribution is to contribute to the funding of the District’s other post-employment benefits (OPEB) liabilities.

District government retirees who were first employed after September 30, 1987 ("post-87") may obtain health insurance (pursuant to D.C. Code 1-622) and life insurance (pursuant to D.C. Code 1-623) from the District. The federal government is responsible for funding OPEB costs for District government retirees who were first employed prior to October 1, 1987 ("pre-87").

In 1999, the Council of the District of Columbia established the Annuitants' Health and Life Insurance Employer Contribution Trust Fund (“Trust Fund”) to pay the District's portion of post-87 retirees' health and life insurance premiums. Through FY 2007, the District contributed to the Trust Fund from available funds. Beginning in FY 2008, the Governmental Accounting Standards Board requires state and local governments, including the District, to recognize any OPEB liability in their financial statements. The District is budgeting an actuarially determined annual OPEB contribution to gradually reduce its unfunded accrued liability. The proposed budget of the District Retiree Health Contribution represents the District’s FY 2018 contribution to the funding of its OPEB liabilities.

The District passed permanent legislation effective in FY 2011 that changed the calculation of its contribution to the cost of health, vision, and dental insurance premiums for retirees and their dependents to a scale based on the amount of creditable service of the retiree. The District’s maximum contribution for the cost of healthcare for retirees is 75.0 percent, the same as the contribution for all current employees.

II. MAYOR'S PROPOSED BUDGET

Mayor's Proposed Fiscal Year 2022 Operating Budget[164]

The Mayor's fiscal year 2022 budget proposal for the Retiree Health Contribution is $53,000, an increase of $1,900, or 3.9 percent from the current fiscal year. The proposed budget supports no FTEs.

Table RH-A: Retiree Health Contribution;
Total Operating Funds Budget FY 2015-2021

	Actual 2016	Actual 2017	Actual 2018	Actual 2019	Actual 2020	Budget 2021	Mayor 2021
Total Funds	29,000	31,000	44,500	46,000	47,300	48,400	50,300
FTEs	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Source*: Budget Books (dollars in thousands)*

Local Funds: The funding for this account is comprised entirely of local funds.

III. COMMITTEE COMMENTARY

For Committee Commentary related to the University of the District of Columbia, please see refer to the commentary on the Other Post-Employment Benefits Administration. The Retiree Health Contribution funds are actuarially determined to fund OPEB benefit obligations.

IV. COMMITTEE RECOMMENDATIONS

Committee's Recommended Fiscal year 2022 Operating Budget

The Committee recommends no change to the fiscal year 2022 budget for the Retiree Health Contribution as proposed by the Mayor.

[164] The Mayor's proposed budget provides numbers rounded to dollars in thousands; therefore, all figures presented here are dollars in thousands. Percent change is based on whole dollars.

PAY-AS-YOU-GO CAPITAL FUND

Committee Recommendations

I. AGENCY OVERVIEW

The mission of the Pay-As-You-Go Capital Fund is to provide an additional funding source and offset long-term bond borrowing costs for capital projects. The Mayor and Council can request the use of Pay-As-You-Go (Paygo) Capital funds following the determination and certification by the Chief Financial Officer that the funds are available and necessary for the designated purpose. Operating funds may be transferred to the capital fund through a Pay-As-You-Go Capital funds budget transfer to support the Capital Improvements Plan (CIP), and the proposed FY 2018 budget includes such a transfer.

II. MAYOR'S PROPOSED BUDGET

Mayor's Proposed Fiscal Year 2022 Operating Budget[165]

The Mayor's fiscal year 2022 budget proposal for the Pay-As-You-Go Capital Fund is $409,300, an increase of $119902, or 41.4 percent frm the current fiscal year. The proposed budget supports no FTEs.

Table PA-A: Pay-As-You-Go Capital Fund;
Total Operating Funds Budget FY 2016-2022

	Actual 2016	Actual 2017	Actual 2018	Actual 2019	Actual 2020	Budget 2021	Mayor 2022
Total Funds	144,105	133,380	123,028	150,285	280,940	289,398	409,300
FTEs	0.0	0.0	0.0	0.0	0.0	0.0	0.0

***Source**: Budget Books (dollars in thousands)*

Local Funds: The Mayor's proposed budget is $117,771, an increase of 102,771, or 685.1 percent from the current fiscal year. The proposed budget supports no FTEs.

Dedicated Taxes: The Mayor's proposed budget is $178,500, a decrease of $5,355, or 2.9 percent from the current fiscal year. The proposed budget supports no FTEs.

Special Purpose: The Mayor's proposed budget is $113,029, an increase of $22,487, or 24.8 percent from the current fiscal year. The proposed budget supports no FTEs.

[165] The Mayor's proposed budget provides numbers rounded to dollars in thousands; therefore, all figures presented here are dollars in thousands. Percent change is based on whole dollars.

III. COMMITTEE COMMENTARY

The Committee has no comments in relation to the proposed fiscal year 2022 budget and agency performance over the last year. However, the Committee reiterates its support for increasing the government's use of Paygo for capital projects to reduce the reliance on borrowed capital funds that increase debt service obligations.

IV. COMMITTEE RECOMMENDATIONS

Committee's Recommended Fiscal Year 2022 Operating Budget

The Committee recommends no change to the fiscal year 2022 budget for the Pay-as-you-go Capital Fund as proposed by the Mayor.

DEBT SERVICE

Committee Recommendations

I. AGENCY OVERVIEW

The mission of Debt Service administration is to finance the District's capital and cash flow needs, minimize the costs associated with such financing, exercise fiscally responsible debt management practices, and make timely payments of all debt service. Debt Service administration is comprised of the following sub-entities: Repayment of Loans and Interest (DS0), Repayment of Revenue Bonds (DT0), Schools Modernization Fund (SM0), Repayment of Interest on Short-Term Borrowings (ZA0), Debt Service - Issuance Costs (ZB0), and Commercial Paper Program (ZC0).

II. MAYOR'S PROPOSED BUDGET

Mayor's Proposed Fiscal Year 202s Operating Budget[166]

The Mayor's fiscal year 2022 budget proposal for Debt Service is $865,219, an increase of $54,000, or 6.7 percent from the current fiscal year. The proposed budget supports no FTEs.

[166] The Mayor's proposed budget provides numbers rounded to dollars in thousands; therefore, all figures presented here are dollars in thousands. Percent change is based on whole dollars.

Table DS-A: Debt Service;
Total Operating Funds Budget FY 2016-2022

	Actual 2016	Actual 2017	Actual 2018	Actual 2019	Actual 2020	Budget 2021	Mayor 2021
Total Funds	604,536	667,352	719,284	721,320	804,757	811,142	865,219
FTEs	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Source: *Budget Books (dollars in thousands)*

Local Funds: The Mayor's proposed budget is $855,415, an increase of $53,765, or 6.8 percent from the current fiscal year. The proposed budget supports no FTEs.

Dedicated Taxes: The Mayor's proposed budget is $5,691 which represents no change from the current fiscal year the current fiscal year. The proposed budget supports no FTEs.

Special Purpose Funds: The Mayor's proposed budget is $8,089, an increase of $312, or 4.0 percent from the current fiscal year. The proposed budget supports no FTEs.

Federal Funds: The Mayor's proposed budget is $18,465, which represents no change from the current fiscal year. The proposed budget supports no FTEs.

Table DS-B: Debt Service;
Operating Funds Budget by Sub-Entity, FY 2015-2021

	Actual 2016	Actual 2017	Actual 2018	Actual 2019	Actual 2020	Budget 2021	Mayor 2022
Repayment of Loans and Interest (DS)	578,572	640,283	703,010	721,320	804,757	811,142	865,219
Repayment of Revenue Bonds (DT)	7,822	7,825	7,822	7,829	6,293	5,691	5,691
Schools Modernization (SM)	14,276	13,523	0	0	0	0	0
Debt Service – Issuance Cost (ZB)	2,945	5,721	5,571	5,210	6,127	10,000	10,000
Commercial Paper Program (ZC)	0	0	2,881	6,779	4,841	6,000	6,000
Total Funds	604,536	667,352	719,284	741,138	822,018	832,833	887,660

III. COMMITTEE COMMENTARY

The Committee provides the following commentary and concerns in relation to the proposed fiscal year 2022 budget and agency performance over the last year.

The Mayor's proposed fiscal year 2022 budget includes a, increase in debt service payments – almost a $55 million increase over the last fiscal year, which would be enough to fund the Department of Motor Vehicles. While expenditures to service debt are necessary to fund vital government projects, the increase cost of borrowing reflected in our budget from year to year is an issue of concern. Some level of debt is essential to operations, meaning that servicing that debt, too, will be necessary. To be sure, as a city, county, and state, the District's level of debt service is not easily comparable to other jurisdictions and, as a consequence, may be higher. However, the government must closely monitor debt service expenditures.

IV. COMMITTEE RECOMMENDATIONS

Committee's Recommended Fiscal Year 2022 Operating Budget

The Committee recommends no changes to the fiscal year 2022 budget for Debt Service as proposed by the Mayor. The Committee notes that any Councilwide changes to the capital budget may require changes to the Debt Service payments in the budget and financial plan.

JOHN A. WILSON BUILDING FUND

Committee Recommendations

I. MAYOR'S PROPOSED BUDGET

Mayor's Proposed Fiscal Year 2022 Operating Budget:[167]

The Mayor's proposed budget is $4,887, an increase of $424, or 9.5 percent above the current fiscal year. The proposed budget supports no FTEs, representing no change from the current fiscal year.

Table ZZ-A: John A. Wilson Building Fund;
Total Operating Funds Budget FY 2016-2022

	Actual 2016	Actual 2017	Actual 2018	Actual 2019	Actual 2020	Budget 2021	Mayor 2022
Total Funds	4,289	4,210	4,014	4,256	3,807	4,464	4,887
FTEs	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Source: *Budget Books (dollars in thousands)*

[167] The Mayor's proposed budget provides numbers rounded to dollars in thousands; therefore, all figures presented here are dollars in thousands. Percent change is based on whole dollars.

Local Funds: The funding for this account is comprised entirely of local funds.

II. COMMITTEE RECOMMENDATIONS

Committee's Recommended Fiscal Year 2022 Operating Budget

The Committee recommends no change to the fiscal year 2022 budget for the John A. Wilson Building Fund as proposed by the Mayor.

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

Committee Recommendations

I. MAYOR'S PROPOSED BUDGET

Mayor's Proposed Fiscal Year 2022 Operating Budget:[168]

The Mayor's proposed budget is $166, an increase of $1, or 0.5 percent above the current fiscal year. The proposed budget supports no FTEs, representing no change from the current fiscal year.

Table EA-A: Washington Metropolitan Area Transit Commission; Total Operating Funds Budget FY 2016-2022

	Actual 2016	Actual 2017	Actual 2018	Actual 2019	Actual 2020	Budget 2021	Mayor 2022
Total Funds	127	139	141	151	158	165	166
FTEs	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Source*: Budget Books (dollars in thousands)*

Local Funds: The funding for this account is comprised entirely of local funds.

II. COMMITTEE RECOMMENDATIONS

Committee's Recommended Fiscal Year 2022 Operating Budget

The Committee recommends no change to the fiscal year 2022 budget for the Washington Metropolitan Area Transit Commission as proposed by the Mayor.

[168] *Id.*

PURCHASE CARD TRANSACTIONS

Committee Recommendations

I. MAYOR'S PROPOSED BUDGET

Mayor's Proposed Fiscal Year 2022 Operating Budget:[169]

The Mayor's proposed budget is $39,000, which represents no change from the current fiscal year. The proposed budget supports no FTEs, representing no change from the current fiscal year.

Table PX-A: Purchase Card Transactions;
Total Operating Funds Budget FY 2016-2022

	Actual 2016	Actual 2017	Actual 2018	Actual 2019	Actual 2020	Budget 2021	Mayor 2022
Total Funds	0	0	34,157	37,935	36,000	39,000	39,000
FTEs	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Source: *Budget Books (dollars in thousands)*

Local Funds: The funding for this account is comprised entirely of local funds.

II. COMMITTEE RECOMMENDATIONS

Committee's Recommended Fiscal Year 2022 Operating Budget

The Committee recommends no change to the fiscal year 2022 budget for the Purchase Card Transactions as proposed by the Mayor.

[169] *Id.*

Tax Increment Financing (TIF) Program

Committee Recommendations

I. MAYOR'S PROPOSED BUDGET

Mayor's Proposed Fiscal Year 2022 Operating Budget:[170]

The Mayor's proposed budget is $42,042, a decrease of $14,298, or 25.4 percent below the current fiscal year. The proposed budget supports no FTEs, representing no change from the current fiscal year.

Table TX-A: Tax Increment Financing (TIF) Program; Total Operating Funds Budget FY 2016-2022

	Actual 2016	Actual 2017	Actual 2018	Actual 2019	Actual 2020	Budget 2021	Mayor 2022
Total Funds	21,889	31,113	47,790	44,492	64,352	56,340	56,340
FTEs	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Source: *Budget Books (dollars in thousands)*

Local Funds: The funding for this account is comprised entirely of Enterprise and Other Funds – Dedicated Taxes.

II. COMMITTEE RECOMMENDATIONS

Committee's Recommended Fiscal Year 2022 Operating Budget

The Committee recommends no change to the fiscal year 2022 budget for the Tax Increment Financing Program as proposed by the Mayor.

[170] *Id.*

REPAYMENT OF PILOT FINANCING

Committee Recommendations

I. MAYOR'S PROPOSED BUDGET

Mayor's Proposed Fiscal Year 2022 Operating Budget:[171]

The Mayor's proposed budget is $47,941, a decrease of $3,050, or 6.0 percent below the current fiscal year. The proposed budget supports no FTEs, representing no change from the current fiscal year.

Table TY-A: Repayment of PILOT Financing;
Total Operating Funds Budget FY 2016-2022

	Actual 2016	Actual 2017	Actual 2018	Actual 2019	Actual 2020	Budget 2021	Mayor 2022
Total Funds	15,901	21,639	27,519	22,043	57,965	50,992	47,941
FTEs	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Source: *Budget Books (dollars in thousands)*

Local Funds: The funding for this account is comprised entirely of Enterprise and Other Funds – Dedicated Taxes.

II. COMMITTEE RECOMMENDATIONS

Committee's Recommended Fiscal Year 2022 Operating Budget

The Committee recommends no change to the fiscal year 2022 budget for the Repayment of PILOT Financing as proposed by the Mayor.

[171] *Id.*

NON-DEPARTMENTAL

Committee Recommendations

I. MAYOR'S PROPOSED BUDGET

Mayor's Proposed Fiscal Year 2022 Operating Budget:[172]

The Mayor's proposed budget is $39,764, an increase of $28,475, or 252.2 percent above the current fiscal year. The proposed budget supports no FTEs, representing no change from the current fiscal year.

Table DO-A: Non-Departmental;
Total Operating Funds Budget FY 2016-2022

	Actual 2016	Actual 2017	Actual 2018	Actual 2019	Actual 2020	Budget 2021	Mayor 2022
Total Funds	0	0	0	0	0	41,074	10,997
FTEs	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Source: *Budget Books (dollars in thousands)*

Local Funds: The Mayor's proposed budget is $1,750, a decrease of $1,100, or 38.6 percent below the current fiscal year. The proposed budget supports no FTEs.

Special Purpose Funds: The Mayor's proposed budget is $5,247, an increase of $4,960, or 405.4 from below the current fiscal year. The proposed budget supports no FTEs.

Federal Payments: The Mayor's proposed budget is $4,000, a decrease of $33,667, or 89.4, from the current fiscal year. The proposed budget supports no FTEs.

II. COMMITTEE COMMENTARY

The Non-Departmental account's local funds budget reflects $1.5 million for a matching fund for University of the District of Columbia fundraising, and $250,000 for a return to work initiative. There is also budgeted $5.25 million in special purpose revenue unallocated budget authority to be transferred to agencies as needed to expend SPR funds. Finally, the budget includes $4 million in ARPA – County funds to support oversight, accountability, and efficiency related initiatives for the Federal Payments.

[172] *Id.*

III. COMMITTEE RECOMMENDATIONS

Committee's Recommended Fiscal Year 2022 Operating Budget

The Committee recommends the following changes to the Non-Departmental FY 2022 budget as proposed by the Mayor:

1. Increase Program/Activity 1000/1100, CSG 50 by $5,658,530 (ARPA Local, One Time).[173]

MASTER EQUIPMENT LEASE/PURCHASE PROGRAM

Committee Recommendations

I. MAYOR'S PROPOSED BUDGET

Mayor's Proposed Fiscal Year 2022 Operating Budget:[174]

The Mayor's proposed budget is $0, which represents no change from the current fiscal year. The proposed budget supports no FTEs, representing no change from the current fiscal year.

Table EL-A: Master Equipment Lease/Purchase; Total Operating Funds Budget FY 2016-2022

	Actual 2016	Actual 2017	Actual 2018	Actual 2019	Actual 2020	Budget 2021	Mayor 2022
Total Funds	38,914	27,445	19,254	11,844	4,485	0	0
FTEs	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Source: *Budget Books (dollars in thousands)*

Local Funds: The funding for this account was comprised entirely of local funds.

[173] Increase for Charter Stabilization Reserve. See Subtitle COW-G for additional information.
[174] *Id.*

II. COMMITTEE RECOMMENDATIONS

Agency Operating Budget:

The Committee recommends no change to the fiscal year 2022 budget for the Master Equipment Lease/Purchase program as proposed by the Mayor.

FISCAL YEAR 2022 BUDGET SUPPORT ACT LANGUAGE RECOMMENDATIONS

The Committee of the Whole modifies, strikes, or otherwise provides comments on the following subtitles of Bill 23-285, the "Fiscal Year 2022 Budget Support Act of 2021":

Title II. Economic Development and Regulation

Subtitle D. Real Property Tax Appeals Commission Membership
Subtitle L. Targeted Historic Preservation Assistance Program (struck)
Subtitle N. Additional COVID-19 Economic Recovery Initiatives (§§ 2134 and 2138)

Title IV. Public Education

Subtitle A. UPSFF for Public Schools and Public Charter Schools Increases
Subtitle B. DCPS Reprogramming Flexibility
Subtitle E. Apprenticeship Fines
Subtitle F. Scholarship and Tuition Assistance Payments
Subtitle G. Universal Paid Leave

Title VI. Operations and Infrastructure

Subtitle E. WMATA Dedicated Funding

The Committee also recommends the following additional subtitles:

Subtitle COW-A. Arts and Humanities Equity
Subtitle COW-B. Green Building Fund
Subtitle COW-C. University of the District of Columbia Matching Funds
Subtitle COW-D. Student Activity Fund
Subtitle COW-E. Learning Loss Grant Funds
Subtitle COW-F. UDC HEI Qualified Applicants
Subtitle COW-G. Adult, Early Childhood, and Residential harter Stabilization
Subtitle COW-H. District of Columbia Retirement Board Leadership

The following Subject to Appropriations clauses should be added to Title VII-C:

Sec. 71XX. Section 3 of the Electric Vehicle Readiness Amendment Act of 2020, effective March 16, 2021 (D.C. Law 23-203; 67 DCR 13886), is repealed.

Sec. 71XX. Section 4 of the Comprehensive Plan Amendment Act of 2021, adopted on second reading on May 18, 2021 (Bill 21-1), is repealed.

Title II-D
Real Property Tax Appeals Commission Membership

I. Purpose, Effect, and Impact on Existing Law

The purpose of this subtitle is to authorize the Real Property Tax Appeals Commission ("the Commission") to hire Hearing Examiners with a term not to exceed six months each year – a role currently performed by contracted part-time Commissioners. It also sets experience and certification standards for the Chairperson of the Commission. Finally, it would amend the Commission's conflict of interest provisions.

II. Committee Reasoning

The Committee supports the subtitle but adds a new section that would allow the Department of Consumer and Regulatory Affairs ("DCRA") to appeal a Commission ruling to DC Superior Court. Currently only the taxpayer has standing to appeal a Commission decision even though rulings can significantly impact how DCRA enforces vacant and blighted property laws and regulations. After a ruling by the Commission on December 4, 2020 that DCRA is unable to appeal, the Office of Attorney General made this recommendation in a letter to the Commission dated May 25, 2021.[175]

This subtitle is also being moved by the Committee on Housing and Executive Administration, which has jurisdiction over housing issues.

III. Section by Section Analysis

Section 2031. Short title.

Section 2032. This section amends D.C. Official Code § 47-825.01a to allow the Commission to appoint up to eight hearing examiners to hear single-family residential or non-residential real property cases where the assessed value is $3 million or less. This section also adds conflict-of-interest language for Commissioners, converts current Commissioners to the role of hearing examiner, and makes various technical changes to the code.

Section 2033. This section amends D.C. Official Code § 1-604.06 to grant the Commission personnel authority in order to appoint hearing examiners.

Section 2034. This section amends D.C. Official Code § 42-3131.15 to grant DCRA the authority to appeal vacant and blighted building decisions from the Commission to Superior Court.

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[175] Office of the Attorney General, Re: Decision Dated December 4, 2020 – 5920 1st Street, NE, Vacant/Blight Classification, May 25, 2021.

IV. LEGISLATIVE RECOMMENDATION

Sec. 2031. Short title.

This subtitle may be cited as the "Real Property Tax Appeals Commission Membership Amendment Act of 2021".

Sec. 2032. Section 47-825.01a of the District of Columbia Official Code is amended as follows:

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

(1) Paragraph (1) is amended as follows:

(A) Subparagraph (B) is amended as follows:

(i) Sub-subparagraph (iii) is amended by striking the phrase "; and" and inserting a semicolon in its place.

(B) Sub-subparagraph (iv) is repealed.

(C) Subparagraph (C) is amended to read as follows:

"(C) The Commission may non-competitively appoint to temporary appointments up to 8 hearing examiners, who each shall be appointed for a term not to exceed 6 months each year, who shall hear cases of single-family residential property or any noncommercial real property assessed during the administrative review (or under the notice of assessment if the administrative review is unavailable) at $3 million or less; provided, that the Chairperson may assign hearing examiners to hear cases of other real property assessments.".

(D) Subparagraph (D) is amended as follows:

(i) Sub-subparagraph (i) is amended to read as follows:

"(i) The Chairperson of the Commission shall:

"(I) Be a District of Columbia certified appraiser with at least 3 years of professional experience; or

"(II) Have at least 5 years of commercial real estate property appraisal experience.".

(ii) Sub-subparagraph (iv) is amended by striking the phrase "All Commissioners" and inserting the phrase "All Commissioners and hearing examiners" in its place.

(E) Subparagraph (E) is amended by striking the phrase "The Commissioners" and inserting the phrase "The Commissioners and hearing examiners" in its place.

(2) Paragraph (2) is amended as follows:

(A) Subparagraph (A) is amended to read as follows:

"(A) Each Commissioner and hearing examiner shall be prohibited from representing any client or business interest before the Commission for a period of 2 years after the separation of the Commissioner or hearing examiner from the Commission.".

(B) Subparagraph (B) is amended by:

(i) Striking the phrase "A Commissioner" and inserting the phrase "Each Commissioner and hearing examiner" in its place; and

(ii) Striking the phrase "the Commissioner" and inserting the phrase "the Commissioner or hearing examiner" in its place.

(C) Subparagraph (C) is amended to read as follows:

"(C) A Commissioner or hearing examiner shall not review an appeal for which that Commissioner or hearing examiner has a direct or indirect interest.".

(3) Paragraph (3) is amended by adding a new subparagraph (C) to read as follows:

"(C) Each part-time Commissioner serving on the day before the effective date of the Real Property Tax Appeals Commission Membership Amendment Act of 2021 shall, with the Commissioner's consent, be converted to a hearing examiner on the effective date of the Real Property Tax Appeals Commission Membership Amendment Act of 2021. The position of part-time Commissioner shall be abolished as of the effective date of the Real Property Tax Appeals Commission Membership Amendment Act of 2021 and no individual shall continue to serve in the position of part-time Commissioner after that date.”.

(4) Paragraph (5) is amended by striking the phrase “Commissioners shall” and inserting the phrase “Commissioners and hearing examiners shall” in its place.

(5) Paragraph (6) is amended to read as follows:

“(6) The Commission shall employ staff in addition to the hearing examiners, including an executive director and a general counsel.”.

(b) Subsection (c) is amended as follows:

(1) Paragraph (1) is amended as follows:

(A) Subparagraph (A) is amended as follows:

(i) The lead-in text is amended by striking the word “Commissioners” and inserting the phrase “Commissioners and hearing examiners” in its place.

(ii) Sub-subparagraph (i) is amended by:

(I) Striking the phrase “one-Commissioner” and inserting the phrase “one-Commissioner or hearing examiner” in its place; and

(II) Striking the phrase “multi-Commissioner panel” and inserting the phrase “multi-member panel” in its place.

(iii) Sub-subparagraph (ii) is amended to read as follows:

“(ii) In the case of all other real property, a panel consisting of 3 members shall be convened; provided, that a panel consisting of 2 members may be convened if the appellant and OTR agree.”.

(B) Subparagraph (B) is amended by striking the word “Commissioner” and inserting the phrase “Commissioner or hearing examiner” in its place.

(2) Paragraph (2) is amended by striking the word “Commissioners” and inserting the phrase “members” in its place.

(3) Paragraph (3) is amended by:

(A) Striking the phrase "deciding Commissioner" and inserting the phrase "deciding Commissioner or hearing examiner" in its place;

(B) Striking the phrase "multi-Commissioner" and inserting the phrase "multi-member" in its place; and

(C) Striking the phrase "each Commissioner" and inserting the phrase "each member" in its place.

(4) Paragraph (4)(C) is amended to read as follows:

"(C) The names of the member who were on the panel that established the assessment or classification, or both, indicating whether each participating member agreed with, or dissented from, the decision of the panel.".

(c) Subsection (e) is amended as follows:

(1) Paragraph (3) is amended by striking the word "Commission or a Commissioner" and inserting the phrase "Commission, or a Commissioner or hearing examiner," in its place.

(2) Paragraph (6)(C) is amended to read as follows:

"(C) In the case of a rehearing, a panel shall be convened consisting of the Chairperson, Vice-Chairperson, and a Commissioner or hearing examiner who was a member of the panel that heard the underlying appeal.".

(d) A new subsection (j) is added to read as follows:

"(j) For the purposes of this section, the word "member" means a Commissioner or hearing examiner.

Sec. 2033. Section 406(b) of the District of Columbia Government Comprehensive Merit Personnel Act of 1978, effective March 3, 1979 (D.C. Law 2-139; D.C. Official Code § 1-604.06), is amended as follows:

(a) Paragraph (27) is amended by striking the phrase "; and" and inserting a semicolon in its place.

(b) Paragraph (28) is amended by striking the period at the end and inserting the phrase "; and" in its place.

(c) A new paragraph (29) is added to read as follows:

"(29) For the Real Property Tax Appeals Commission, the personnel authority is the Real Property Tax Appeals Commission.".

Sec. 2034. Section 42-3131.15 of the District of Columbia Official Code is amended by adding a new subsection (d) to read as follows:

"(d) The Department of Consumer and Regulatory Affairs may appeal a decision of the Real Property Tax Appeals Commission to the Superior Court of the District of Columbia within 2 months after the date of the written decision or receipt of the written decision, which is later".

V. FISCAL IMPACT

The Chief Financial Officer's May 26, 2021 fiscal impact statement for the proposed Fiscal Year 2022 Budget Support Act of 2021 states that this subtitle has no impact on the FY2022 budget or financial plan. The addition of Section 2034 also will not impact the budget or financial plan.

TITLE II-A
EXPEDITED BUILDING PERMIT REVIEW PROGRAM FUND

I. PURPOSE, EFFECT, AND IMPACT ON EXISTING LAW

The purpose of this subtitle is to expand the Historic Homeowner Grant Program to multifamily buildings. The effect would be a new allowable use of the funds, however no change in funding is created.

II. COMMITTEE REASONING

The Committee recommends striking this subtitle. The proposal would allow Historic Homeowner Grants to go to certain multifamily buildings. However, this bleeds into the mission of the Housing Preservation Fund which is to preserve multifamily housing – historic or not. Expanding the Historic Homeowner Grant Program into multifamily could dilute the existing funds, and there is a need for improvements to historic individual properties. In addition, given there is no fiscal impact, if the Executive believes in this policy, it should be introduced as standalone legislation so that it can be the subject of a hearing to better understand the need.

III. SECTION BY SECTION ANALYSIS

N/A

IV. LEGISLATIVE RECOMMENDATION

~~SUBTITLE L. TARGETED HISTORIC PRESERVATION ASSISTANCE PROGRAM~~

~~Sec. 2111. Short title.~~

~~This subtitle may be cited as the "Targeted Historic Preservation Assistance Amendment Act of 2021".~~

~~Sec. 2112. Section 11b the Historic Landmark and Historic District Protection Act of 1978, effective March 2, 2007 (D.C. Law 16-189; D.C. Official Code § 6-1110.02), is amended as follows:~~

~~(a) Subsection (e)(1)(A) is amended by striking the phrase "the taxpayer's principal place of residence or a structure" and inserting the phrase "a single-family or multifamily structure that is the taxpayer's principal place of residence or" in its place.~~

~~(b) Subsection (f) is amended by striking the phrase "cost of rehabilitation" and inserting the phrase "cost of rehabilitation, or for a common interest community, as defined in section 2232(3) of the Common Interest Community Repairs Amendment Act of 2018, effective October 30, 2018 (D.C. Law 22-168, D.C. Official Code § 42-2071(3)), the cost of rehabilitation attributable to the taxpayer" in its place.~~

~~(c) Subsection (g) is amended by striking the phrase "cost of rehabilitation" and inserting the phrase "cost of rehabilitation, or for a common interest community, as defined in section 2232(3) of the Common Interest Community Repairs Amendment Act of 2018, effective October 30, 2018 (D.C. Law 22-168, D.C. Official Code § 42-2071(3)), the cost of rehabilitation attributable to the taxpayer" in its place.~~

~~(d) Subsection (h) is amended as follows:~~

~~(1) Paragraph (2) is amended by striking the phrase "; and" and inserting a semicolon in its place.~~

~~(2) A new paragraph (2A) is added to read as follows:~~

~~"(2A) Ensure that all funds granted to a taxpayer are used to pay for the approved rehabilitation work; and".~~

~~(e) Subsection (i)(1) is amended by inserting the sentence "If the grant is to be used for the taxpayer's share of the cost of rehabilitation to common elements, as defined in section 2232(2) of the Common Interest Community Repairs Amendment Act of 2018, effective October 30, 2018 (D.C. Law 22-168, D.C. Official Code § 42-2071(2)), the covenant must be entered into by the unit owners' association or, if applicable, the master association." after the first sentence~~

V. FISCAL IMPACT

N/A

Title II-N (Sections 2134 and 2138)
Business Recovery and Sustainability Fee Reductions

I. PURPOSE, EFFECT, AND IMPACT ON EXISTING LAW

The purpose of Sections 2134 and 2138 of Subtitle N are to eliminate, reduce, and forgive various business licensing fees. Section 2134 will eliminate the licensing fees for basic business licenses and basic business license endorsements, reduce endorsement fees for specific employment service categories and general businesses to $99, reduce various organizational filings fees to $99, and temporarily eliminate application and examination fees for non-health related occupational licenses. Section 2138 will give the Mayor the authority to implement a fee forgiveness program for businesses that have penalized for late biennial business filings.

II. COMMITTEE REASONING

The Committee recommends adopting Section 2134 and 2138 of Subtitle N. The COVID-19 pandemic has exacted a devastating toll on the District's economy, particularly for small businesses. While capacity and operating restrictions put in place to curb the spread of COVID-19 have recently been lifted, small business revenue is still 49.9% below January 2020 revenues, and the number of small businesses open is 54% lower than January 2020.[176] Prior to the pandemic, data showed that nearly 25% of entrepreneurs in the District reported that business and professional licensing fees and regulations had a negative impact on profitability of their business.[177] By eliminating, reducing or forgiving business licensing fees, Sections 2134 and 2138 will provide much needed relief to these businesses, as well as budding entrepreneurs looking to start their own businesses.

III. SECTION BY SECTION ANALYSIS

Section 2134. This section amends Chapters 5, 6, and 35 of Title 17 District of Columbia Municipal Regulations to eliminate or reduce business certain filing fees and corporate filing fees, and temporarily eliminate application and examination fees for non-health related occupational licenses.

Section 2138. This section amends D.C. Official Code § 29-102.12 to grant the Mayor the authority to forgive penalties associated with late biennial business filings.

IV. LEGISLATIVE RECOMMENDATION

TITLE II, SUBTITLE N – ADDITIONAL COVID-19 ECONOMIC REOVERY INITIATIVES.

Sec. 2134. Business recovery and sustainability fee reductions.

Title 17 of the District of Columbia Municipal Regulations is amended as follows:

(a) Chapter 5 is amended as follows:

(1) Subsection 500.2 (17 DCMR § 500.2) is amended to read as follows:

"500.2 The Director shall not charge a fee for a basic business license or for an endorsement added to a basic business license. Each

[176] Opportunity Insights Economic Tracker, Percentage Change in Small Business Revenue and Percent Change in Number of Small Business Open (DC), All Businesses, As of June 19, 2021 (Accessed on June 28, 2021).
[177] *Ibid.*

basic business license and endorsement shall be valid for two (2) years from the date of issuance, unless earlier revoked or voluntarily relinquished.”.

(2) Subsection 500.3 (17 DCMR § 500.3) is amended to read as follows:

“500.3 The Director shall not charge a fee for the renewal of a basic business license or for an endorsement added to a basic business license.”.

(3) Subsection 513.1 (17 DCMR § 513.1) is amended as follows:

(A) Paragraph (a) is amended by striking the figure “$1,300” and inserting the figure “$90” in its place.

(B) Paragraph (b) is amended by striking the figure “$1,300” and inserting the figure “$90” in its place.

(C) Paragraph (c) is amended by striking the figure “$1,300” and inserting the figure “$90” in its place.

(4) Subsection 516.1(c) (17 DCMR § 516.1(c)) is amended by striking the figure “$200” and inserting the figure “$90” in its place.

(b) Chapter 6 is amended as follows:

(1) Subsection 602.1(a)(1) (17 DCMR § 602(a)(1)) is amended by striking the phrase “two hundred twenty dollars ($220)” and inserting the phrase “ninety-nine dollars ($99)” in its place.

(2) Subsection 606.1(a) (17 DCMR § 606.1(a)) is amended by striking the phrase “two hundred twenty dollars ($220)” and inserting the phrase “ninety-nine dollars ($99)” in its place.

(3) Subsection 607.1(a) (17 DCMR § 607.1(a)) is amended by striking the phrase “two hundred twenty dollars ($220)” and inserting the phrase “ninety-nine dollars ($99)” in its place.

(4) Subsection 608.1(a) (17 DCMR § 608.1(a)) is amended by striking the phrase “two hundred twenty dollars ($220)” and inserting the phrase “ninety-nine dollars ($99)” in its place.

(5) Subsection 611.1(a) (17 DCMR § 611.1(a)) is amended by

striking the phrase “two hundred twenty dollars ($220)” and inserting the phrase “ninety-nine dollars ($99)” in its place.

(d) Chapter 35 is amended as follows:

(1) A new subsection 3500.6 (17 DCMR § 3500.6) is added to read as follows:

“3500.6. From October 1, 2021, through September 30, 2022, the following fees shall be charged for each class of non-health occupation license issued by the Department of Consumer and Regulatory Affairs (DCRA) in lieu of the fees listed in 3500.2:

“(a) The application fee and examination fee shall be zero dollars ($0).

“(b) The license fee and the renewal fee shall be ninety-nine dollars ($99).”.

Sec. 2138. Biennial corporate report fee forgiveness authority.

Section 29-102.12 of the District of Columbia Official Code is amended by adding a new subsection (e) to read as follows:

“(e) The Mayor may implement fee forgiveness programs by rulemaking to encourage entities to come into compliance with the entity filing requirements of this subchapter.”.

V. FISCAL IMPACT

The Chief Financial Officer’s May 26, 2021 fiscal impact statement for the proposed Fiscal Year 2022 Budget Support Act of 2021 estimates that the reduced business and occupational license fees will cost $6.155 million in FY 2022 and $23.256 million over the life of the financial plan.

TITLE IV-A
UNIFORM PER STUDENT FUNDING FORMULA FOR PUBLIC SCHOOLS AND PUBLIC CHARTER SCHOOLS INCREASES

I. PURPOSE, EFFECT, AND IMPACT ON EXISTING LAW

The purpose of this subtitle is to set the base formula and weight amount for the Uniform Per Student Funding Formula (UPSFF) for fiscal year 2022. As introduced, this subtitle will amend the Uniform Per Student Funding Formula for Public Schools and Public Charter Schools Act of 1998 to increase the foundation level by 3.6% from $11,310 per pupil to $11,720 per pupil. The subtitle adds new categories to the weighted categories for Secondary ELL and At-Risk High School Over Age students.

This subtitle would also amend D.C. Official Code § 38-2902(b) to exempt D.C. public charter schools from receiving funds allocated through the UPSFF for the purposes of stabilizing DCPS school-level budgeting to meet the requirement that the school be provided with no less than 95% of it's prior year allocation of Formula funds.

II. COMMITTEE REASONING

The Committee supports the purpose of this subtitle and is pleased that the Executive was able to increase the UPSFF despite limited local dollars and many requests for programmatic funding to support schools post-pandemic. The influx of federal funding for education and local pandemic recovery has allowed the Executive to provide even more critical funding to schools and keep the school level budgets consistent with the FY21 levels of funding.

As we approach the upcoming school year, post-pandemic, the Council heard from many school leaders and advocates that schools will have more needs than they've had in previous years in order to prepare for students to return to in-person instruction and schools are implementing new programs and staffing in order to accommodate the varying academic level of students. In March 2021, DCPS released the school level budgets and many schools were seeing a decline in funding that would not allow them to provide the level of support to staff, families, and students that schools reported would be required this year. The Council held an unprecedented hearing on the initial school level budgets and subsequently introduced emergency legislation to stabilize school funding, requiring that schools be provided with not less than 95% of its prior year allocation of Formula funds and the Executive responded by providing $12.4M to DCPS to stabilize the school budgets and to the charters to match the funding provided to DCPS.

While the Committee supported the Executive's eventual move to make school budgets whole, the Committee is concerned about the Executive potentially providing future stabilization or other funds to DCPS schools outside of the UPSFF. By law, the District is required to provide equivalent funding through the UPSFF to both DCPS and the charter sector, and if operating funds are provided outside of the UPSFF, the Executive is required to fund and provide funding to the charter sector. These same funds were provided to the charter sector. Thus, the Committee recommends limiting the stabilization authorization to provide stabilization funding outside the UPSFF to Fiscal Year 2022 to ensure that the School Reform Act is not violated.

The Committee recommends adoption of the proposed subtitle with technical edits as suggested by the Office of the General Counsel.

III. SECTION BY SECTION ANALYSIS

Sec. 4001. Short title.

Sec. 4002 Amends the Uniform Per Student Funding Formula for Public Schools and Public Charter Schools Act of 1998 to set the foundation level and updates the weighting factors for per pupil allocation. Increases the UPSFF to $11,720, increases the at-risk weight to .24, and adds a Secondary ELL and an At-Risk High School Over Age Supplement weight to the formula.

Sec. 4003 Amends the School Based Budgeting and Accountability Act of 1998 to include definitions for the added weighting factors of At-Risk High School Over-Age Supplement and Secondary ELL

IV. LEGISLATIVE RECOMMENDATION

SUBTITLE A. UNIFORM PER STUDENT FUNDING FORMULA INCREASES

Sec. 4001. Short title.

This subtitle may be cited as the "Funding for Public Schools and Public Charter Schools Increase Amendment Act of 2021".

Sec. 4002. The Uniform Per Student Funding Formula for Public Schools and Public Charter Schools Act of 1998, effective March 26, 1999 (D.C. Law 12-207; D.C. Official Code § 38-2901 *et seq.*), is amended as follows:

(a) Section 102 (D.C. Official Code § 38-2901) is amended as follows:

(1) Redesignate existing paragraph (2B) as paragraph (2C).

(2) Add a new paragraph (2AB) to read as follows:

"(2B) "At-Risk High School Over-age Supplement" means weighting provided in addition to the at-risk weight for a student who is at-risk because the student is a high school student that is one year older, or more, than the expected age for the grade in which the student is enrolled.;

(3) Add a new paragraph (4A) to read as follows:

"(4A) "Elementary ELL" means students who are LEP/NEP and enrolled in grades pre-kindergarten 3 through 5.".

(4) Redesignate existing paragraph (10B) as paragraph (10C).

(5) Add a new paragraph (10B) to read as follows:

"(10B) "Secondary ELL" means students who are LEP/NEP and enrolled in grades enrolled in grades 6 through grade 12.".

(b) Section 103(b) (D.C. Official Code § 38-2902(b)) is amended by striking the phrase "Charter Schools" and inserting the phrase "Charter Schools; except, that, for Fiscal Year 2022, the Formula shall not apply to funding allocated to a DCPS school to meet the requirement of section 108a(a)(2) that the school be provided with not less than 95% of its prior year allocation of Formula funds" in its place.

(c) Section 104(a) (D.C. Official Code § 38-2903(a)) is amended by striking the phrase "$11,310 per student for Fiscal Year 2021" and inserting the phrase "$11,720 per student for Fiscal Year 2022" in its place.

(d) Section 105 (D.C. Official Code § 38-2904) is amended by striking the tabular array and inserting the following tabular array in its place:

"Grade Level	Weighting	Per Pupil Allocation in FY 2022
"Pre-Kindergarten 3	1.34	$15,705
"Pre-Kindergarten 4	1.30	$15,236
"Kindergarten	1.30	$15,236
"Grades 1-5	1.00	$11,720
"Grades 6-8	1.08	$12,658
"Grades 9-12	1.22	$14,298
"Alternative program	1.52	$17,814
"Special education school	1.17	$13,712
"Adult	0.89	$10,431

(e) Section 106(c) (D.C. Official Code § 38-2905(c)) is amended to read as follows:

"(c) The supplemental allocations shall be calculated by applying weightings to the foundation level as follows:

"Special Education Add-ons:

"Level/ Program	Definition	Weighting	Per Pupil Supplemental Allocation FY 2022
"Level 1: Special Education	Eight hours or less per week of specialized services	0.97	$11,368
"Level 2: Special Education	More than 8 hours and less than or equal to 16 hours per school week of specialized services	1.20	$14,064
"Level 3: Special Education	More than 16 hours and less than or equal to 24 hours per school week of specialized services	1.97	$23,088
"Level 4: Special Education	More than 24 hours per week of specialized services which may include instruction in a self-contained (dedicated) special education school other than residential placement	3.49	$40,903
"Special Education Compliance	Weighting provided in addition to special education level add-on weightings on a per-student basis for Special Education compliance.	0.099	$1,160
"Attorney's Fees Supplement	Weighting provided in addition to special education level add-on weightings on a per-student basis for attorney's fees.	0.089	$1,043
"Residential	D.C. Public School or public charter school that provides students with room and board in a residential setting, in addition to their instructional program	1.67	$19,572

"General Education Add-ons:

“Level/ Program	Definition	Weighting	Per Pupil Supplemental Allocation FY 2022
“Elementary ELL	Additional funding for English Language Learners in grades PK3-5.	0.50	$5,860
“Secondary ELL	Additional funding for English Language Learners in grades 6-12, alternative students, adult students, and students in special education schools.	0.75	$8,790
“At-risk	Additional funding for students in foster care, who are homeless, on TANF or SNAP, or behind grade level in high school.	0.24	$2,813
“At-risk High School Over-Age Supplement	Weighting provided in addition to at-risk weight for students who are behind grade level in high school.	0.06	$703

“Residential Add-ons:

“Level/ Program	Definition	Weighting	Per Pupil Supplemental Allocation FY 2022
“Level 1: Special Education - Residential	Additional funding to support the after-hours level 1 special education needs of students living in a D.C. Public School or public charter school that provides students with room and board in a residential setting	0.37	$4,336
“Level 2: Special	Additional funding to support the after-hours level 2 special education needs of students living in a D.C. Public School or public charter	1.34	$15,705

Education - Residential	school that provides students with room and board in a residential setting		
“Level 3: Special Education - Residential	Additional funding to support the after-hours level 3 special education needs of students living in a D.C. Public School or public charter school that provides students with room and board in a residential setting	2.89	$33,871
“Level 4: Special Education - Residential	Additional funding to support the after-hours level 4 special education needs of limited and non- English proficient students living in a D.C. Public School or public charter school that provides students with room and board in a residential setting	2.89	$33,871
“LEP/NEP - Residential	Additional funding to support the after-hours limited and non-English proficiency needs of students living in a D.C. Public School or public charter school that provides students with room and board in a residential setting	0.668	$7,829

“Special Education Add-ons for Students with Extended School Year (“ESY”) Indicated in Their Individualized Education Programs (“IEPs”):

“Level/ Program	Definition	Weighting	Per Pupil Supplemental Allocation FY 2022
“Special Education Level 1 ESY	Additional funding to support the summer school or program need for students who require extended school year (ESY) services in their IEPs.	0.063	$738
“Special Education Level 2 ESY	Additional funding to support the summer school or program need for students who	0.227	$2,660

	require extended school year (ESY) services in their IEPs		
"Special Education Level 3 ESY	Additional funding to support the summer school or program need for students who require extended school year (ESY) services in their IEPs	0.491	$5,755
"Special Education Level 4 ESY	Additional funding to support the summer school or program need for students who require extended school year (ESY) services in their IEPs".	0.491	$5,755

(f) Section 106a (D.C. Official Code § 38-2905.01) is amended as follows:

(1) Subsection (b) is amended my striking the phrase "a weighting factor" and inserting the phrase "weighting factors" in its place.

(2) Subsection (c) is amended as follows:

(A) Strike the phrase "weighting for at-risk students" and insert the phrase "weighting factors for at-risk students" in its place.

(B) Strike the phrase "both as at-risk" and insert the phrase "both at-risk" in its place.

(3) A new subsection (c-1) is added to read as follows:

"(c-1) To ensure alignment between the alternative program and at-risk weighting factors, the alternative program weighting factor should be amended whenever the grades 9-12, at-risk, or at-risk high school over-age supplement weighting factors are amended.".

Sec. 4003. Section 1102(a) of the School Based Budgeting and Accountability Act of 1998, effective March 26, 1999 (D.C. Law 12-175; D.C. Official Code 38-2801.01) is amended as follows:

(a) Inserting new paragraphs (1-1), (1C), and (3A) to read as follows:

"(1-1) "At-Risk High School Over-age Supplement" shall have the same meaning as provided in § 38-2901(2A-1).";

"(1C) "Elementary ELL" shall have the same meaning as provided in § 38-2901(4A)."; and

"(3A) "Secondary ELL" shall have the same meaning as provided in § 38-2901(10A-1).".

Sec. 4004. Section 6(b) of the Board of Education Continuity and Transition Amendment Act of 2004, effective December 7, 2004 (D.C. Law 15-211; D.C. Official Code § 38-2831(b)), is amended as follows:

(a) Paragraph (3)(B) is amended to read as follows:

"(B) Any funding associated with at-risk students and with the at-risk high school over-age supplement that has been retained by the Chancellor;".

(b) Paragraph (4) is amended by striking the phrase "; and" and inserting a semicolon in its place.

(c) Paragraph (5) is amended to read as follows:

"(5) For each school's individual budget, a separate budget line item for funding allocated to the following, as coded in the District's current official financial system of record:

"(A) At-risk students;

"(B) The at-risk high school over-age supplement;

"(C) Elementary ELL; and

"(D) Secondary ELL; and".

(d) A new paragraph (6) is added to read as follows:

"(6) The projected enrollment, by school, for the following:

"(A) At-risk students;

"(B) The number of students counted for the at-risk high school over-age supplement;

"(C) Elementary ELL; and

"(D) Secondary ELL.".

(e) A new subsection (h) is added to read as follows:

"(h) For the purposes of this section, the following terms shall have the same meaning as provided in section 102 of the Uniform Per Student Funding Formula for Public Schools and Public Charter Schools Act of 1998, effective March 26, 1999 (D.C. Law 12-207; D.C. Official Code § 38-2901):

(1) "At-risk";

(2) "At-risk high school over-age supplement";

(3) "Elementary ELL";

(4) "Secondary ELL".".

V. FISCAL IMPACT

N/A

TITLE IV-B
DCPS REPROGRAMMING FLEXIBILITY

I. PURPOSE, EFFECT, AND IMPACT ON EXISTING LAW

The purpose of this subtitle is to amend the DCPS Contracting and Spending Flexibility Amendment Act of 2016 to increase the limit of the amount of funds that the District of Columbia Public Schools can reprogram from its budget.

II. COMMITTEE REASONING

The Committee supports the purpose of this subtitle. DCPS reprogram funds from FY21 and FY22 to hopefully shift funds to schools and programs that support reopening efforts and help to combat learning loss. Given this, the Committee supports providing DCPS with the increased reprogramming flexibility requested. The Committee recommends adoption of this subtitle.

III. SECTION BY SECTION ANALYSIS

Sec. 4011. Short title.

Sec. 4012. Amends the DCPS Contracting and Spending Flexibility Amendment Act of 2016 to increase their reprogramming ability from $10,000 to $25,000.

IV. LEGISLATIVE RECOMMENDATION

TITLE I, DCPS REPROGRAMMING FLEXIBILITY.

Sec. 4011. Short title.

This subtitle may be cited as the “DCPS Intra-School Reprogramming Flexibility Amendment Act of 2021”.

Sec. 4012. Section 4012(a) of the DCPS Contracting and Spending Flexibility Amendment Act of 2016, effective October 8, 2016 (D.C. Law 21-160; D.C. Official Code § 38-2955(a)), is amended by striking the figure “$10,000” and inserting the figure “$25,000”.

TITLE IV-E
APPRENTICESHIP FINES

I. PURPOSE, EFFECT, AND IMPACT ON EXISTING LAW

This subtitle, proposed by the Mayor, requires that fines for violating the District’s apprenticeship requirement law be remitted to the Department of Employment Services (DOES) instead of the District of Columbia Public Schools, as current law requires. The apprenticeship law requires certain District government contractors and beneficiaries of large projects funded by the District government to register an apprenticeship program with the District of Columbia Apprenticeship Council. Those violating the law will be subject to a fine imposed by DOES equal to five percent of the contract's direct and indirect labor costs. Fine revenue is to be used solely for the support of vocational education programs. Over the past number of years (unspecified), approximately $30,000 in fines have been assessed. The Committee recommends the subtitle as proposed by the Committee on Labor and Workforce Development.

II. COMMITTEE REASONING

Apprenticeships are one of the oldest and most successful models of workforce development. Apprenticeships combine on-the-job training with classroom instruction, teaching workers the practical and theoretical aspects of highly skilled occupations. Apprenticeship programs are sponsored by employers, labor groups, and employer associations. In the District, the Office of Apprenticeship, Information, and Training (OAIT) is part of the Department of Employment Services (DOES). The OAIT has oversight of the apprenticeship system, safeguards the well-being of apprentices, ensures the quality of programs, and provides integrated employment and training information to sponsors, employers, and trainers.

District law requires the fees collected from violations to the apprenticeship law are transferred to the District of Columbia Public Schools. Currently, DOES collects the fines, and they are included in the DOES budget as revenue collection. In recent years, about $30,000 a year has been collected and deposited as "Other Revenue" for the DOES OAIT. Current practice is not consistent with the law, and the Mayor's proposed subtitle will align the law and practice.

III. SECTION BY SECTION ANALYSIS

Sec. 4051. States the Short title.

Sec. 4052 Amends Amendments to An Act To Provide For Voluntary Apprenticeship in the District of Columbia Act of 1978, effective March 6, 1979 (DC Law 2-156; DC Official Code § 32-1431(c)(3)) to require that fines for violating the apprenticeship law be remitted to DOES.

IV. LEGISLATIVE RECOMMENDATION

SUBTITLE IV-E. APPRENTICESHIP FINES

Sec. 4041. Short title.

This subtitle may be cited as the "Apprenticeship Fines Amendment Act of 2021".

Sec. 4042. Section 5(c)(3) of the Amendments to An Act To Provide For Voluntary Apprenticeship in the District of Columbia Act of 1978, effective March 6, 1979 (D.C. Law 2-156; D.C. Official Code § 32-1431(c)(3)), is amended as follows:

(1) Strike the phrase "District of Columbia Public Schools" and insert the phrase "Department of Employment Services" in its place.

(2) Strike the phrase ",subject to appropriations by Congress".

V. FISCAL IMPACT

N/A

TITLE IV-F
SCHOLARSHIP AND TUITION ASSISTANCE PAYMENTS

I. PURPOSE, EFFECT, AND IMPACT ON EXISTING LAW

The purpose of this subtitle is to allow the Office of the State Superintendent of Education (OSSE) to establish a scholarship and tuition assistance program called DC Futures: Tuition Assistance. This program will provide approximately 1,500 low- to moderate-income students the opportunity to attend college in the District for free in order to provide a degree, primarily an associate degree, in majors leading to high-demand jobs.

II. COMMITTEE REASONING

For several years the District has been focused on improving the outcomes for pre-K – 12 grade students. Education is an equalizer – regardless of a person's socioeconomic status or background, a strong education can provide him or her with the opportunity to succeed. Providing our residents with a strong education will enable them to obtain careers – instead of just jobs – which, in turn, allows them to make more money, have more stability, and need less support from the District government. Yet, in order to achieve this dream, District residents now need more than a high school degree – they have to earn some type of post-secondary credential or degree. However, college in the District is costly. Even attending the University of the District of Columbia (UDC), the District's only public institution of higher education, costs thousands of dollars in tuition and fees. Additionally, when attending an institution of higher education, students incur other costs, which are often not covered by federal student aid or other scholarships.

Thus, OSSE seeks to establish a scholarship and tuition fund that will address these needs. It will provide approximately 1,500 low- to middle-income students with the opportunity to attend college for free in the District – primarily UDC or Trinity University. Specifically, the fund will provide tuition, fees, books, room, board, and other costs for post-secondary education, including funding for dual enrollment, and costs associated with gaining admission to college. Additionally, OSSE will implement a significant coaching and student services component to support students and help them to persist and graduate college.[178]

The Committee wholeheartedly supports this subtitle, as amended by the Committee, and OSSE's goals. According to UDC, one of the top reasons that its enrollment fluctuates is due to retention issues, and more recently, convincing recent high school graduates to enroll in college, whether full- or part-time. This program will aid the participating colleges to do just that. Additionally, the Committee has amended the language to ensure that the funds are used to support colleges in the District, particularly UDC. As noted in the UDC portion of this report, UDC is

[178] *See* OSSE FY22 budget hearing follow-up, page 16-17.

disadvantaged by the D.C. TAG program, which enables District residents to receive thousands of dollars to go to every public university or HBUC in the country and every university in the District, except UDC. Thus, UDC sees this program as a way to assist it in attracting more District residents, and the Committee agrees, as UDC is the District's only public institution of higher education. Therefore, the Committee has limited this program to universities or colleges in the District and is hopeful that a vast majority of the students assisted by this program attend UDC.

III. SECTION BY SECTION ANALYSIS

Sec. 4051. States the short title.

Sec. 4052 Amends OSSE's authorizing statute to provide it with the authority to administer the D.C. Futures: Tuition Assistance program.

IV. LEGISLATIVE RECOMMENDATION

Sec. 4051. Short title.

This subtitle may be cited as the "Scholarship and Tuition Assistance Payment Method Amendment Act of 2021".

Sec. 4052. Section 3(b) of the State Education Office Establishment Act of 2000, effective October 21, 2000 (D.C. Law 13-176; D.C. Official Code § 38-2602(b)(29)), is amended by adding a new paragraph (29A) to read as follows:

"(29A) Have the authority to increase access, promote retention, and improve completion by District residents of postsecondary education in the District by:

"(A) Awarding scholarships and financial assistance for tuition, fees, room, board, books, and other costs of post-secondary education, including:

"(i) Dual enrollment programs;

'(ii) Costs associated with gaining admission or increasing the chances of gaining admission to an institution of higher education in the District, including test preparation programs, standardized test fees, and application fees;

"(iii) Programs designed to support students navigating the college process through completion;

"(iv) Funding at any point during postsecondary education if the cost prevents a student or prospective student from starting, continuing, or completing their postsecondary education; and

"(v) Books, supplies and other costs of attendance.

"(B) Paying for the financial assistance described in subparagraph (A) of this paragraph through the issuance of direct vouchers or payments to institutions of higher education in the District;".

V. FISCAL IMPACT

Funds are included in the Mayor's proposed fiscal year 2022 budget for this subtitle.

TITLE IV-H
UNIVERSAL PAID LEAVE

I. PURPOSE, EFFECT, AND IMPACT ON EXISTING LAW

The purpose of this subtitle is to amend D.C. Law 21-264, the "Universal Paid Leave Amendment Act of 2021," to provide for greater benefits due to an excess of revenue in the Universal Paid Leave Fund. As introduced, the Mayor proposed expanding the law to allow for paid leave for domestic violence victims and for pre-natal leave. Additionally, the Mayor proposed a one-year decrease in the paid leave tax rate, lowering the tax from 0.62% to 0.27%. This subtitle was jointly referred to the Committee on Labor and Workforce Development and this Committee.

II. COMMITTEE REASONING

This COW proposes a different version from both the Committee on Labor and Workforce Development (CLWD) and the Mayor. Specifically, the Committee proposes the following:

- extending paid leave to include prenatal leave (as recommended by the Mayor and CLWD) – note CLWD and the Mayor define pre-natal differently The Committee adopts CLWD's version;
- adding stillbirth to the definition of "qualifying medical leave event";
- beginning with October 1, 2021, increasing the medical leave benefit up to 6 weeks;
- updating the Office of the Chief Financial Officer's reporting requirements (OCFO; and
- technical amendments to effectuate the above policies.

Notably, all of the amendments made by the Committee were included in the CLWD committee print. The Committee chose to include the increase in benefits for medical leave, rather than lower the tax, because the Committee believes that the weeks provided for in the original paid leave law were simply not enough. However, because of the financial forecasts, the Committee was not able to provide more than two workweeks of paid leave at that time. Given that there is now a surplus of revenue, the Committee believes that the best strategy forward is to increase the medical leave benefit at the beginning of fiscal year 2022. Additionally, the Committee should note that both the prenatal and medical benefit increases will only be for one-year because the OCFO will not certify more than this at this time. However, the Committee is hopeful that these benefits will be able to remain at their increased levels after fiscal year 2022.

While CLWD made several other changes, many were based on policies that the Committee did not have time to examine given when CLWD circulated their draft budget report and this Committee circulates it. Thus, the Committee will work with CLWD and the rest of the Council to reach an amenable version for the July 20, 2021 Committee of the Whole mark-up.

III. SECTION BY SECTION ANALYSIS

Sec. 4061. States the short title.

Sec. 4062 Adds two weeks of prenatal leave and increases the medical leave benefit up to six workweeks for fiscal year 2022. Additionally, "stillbirth" is also included in the definition of a "qualifying medical leave event," and other technical changes are included to conform with these benefits.

Sec. 4063 Revises the OCFO's reporting requirements.

IV. LEGISLATIVE RECOMMENDATION

Sec. 4061. Short title.

This subtitle may be cited as the "Universal Paid Leave Amendment Act of 2021".

Sec. 4062. The Universal Paid Leave Amendment Act of 2016, effective April 7, 2017 (D.C. Law 21-264; D.C. Official Code § 32-541.01 *et seq.*) is amended as follows:

(a) Section 101 (D.C. Official Code § 32-541.01)) is amended as follows:

(1) A new paragraph (13A) is added to read as follows:

"(13A) "Qualifying leave event" means a qualifying family leave event, a qualifying medical leave event, a qualifying pre-natal leave event, or a qualifying parental leave event.".

(2) Paragraph (14) is amended to read as follows:

"(14) "Qualifying medical leave" means paid leave that an eligible individual may take following the occurrence of a qualifying medical leave event.".

(3) Paragraph (15) is amended to read as follows:

"(15) "Qualifying medical leave event" means, for an eligible individual, the diagnosis or occurrence of a serious health condition, which shall include the occurrence of a stillbirth."

(4) A new paragraph (17A) is added to read as follows:

"(17A) "Qualifying pre-natal leave" means paid leave that an eligible individual who is pregnant may take for pre-natal medical care following the occurrence of a qualifying pre-natal leave event and prior to the occurrence of a qualifying parental leave event.".

(5) A new paragraph (17B) is added to read as follows:

"(17B) "Qualifying pre-natal leave event" means the diagnosis of pregnancy by a health care provider.".

(6) New paragraph (20A) is added to read as follows:

"(20A) "Stillbirth" means the loss of a pregnancy at 20 weeks' gestation or later.".

(b) Section 102 (D.C. Official Code §32-541.02) is amended by adding a new subsection (c) to read as follows:

"(c) Within 30 days after the applicability date of the Universal Paid Leave Amendment Act of 2021, approved by the Committee of the Whole on July 20, 2021 (committee print of Bill 24-285), the Mayor, pursuant to Title I of the District of Columbia Administrative Procedure Act, approved October 21, 1968 (82 Stat. 1204; D.C. Official Code § 2-501 *et seq.*), shall issue rules to implement the provisions of this act.".

(c) Section 104 (D.C. Official Code §32-541.04) is amended as follows:

(1) Subsection (a) is amended by striking the phrase “qualifying family leave event, qualifying medical leave event, or qualifying parental leave event” and inserting the phrase “qualifying leave event” in its place.

(2) Subsection (d) is amended to read as follows:

“(d)(1) An eligible individual may submit a claim for payment of his or her paid-leave benefits for a period during which he or she does not perform his or her regular and customary work because of the occurrence of a qualifying leave event; provided, that except as provided for in paragraph (2), an eligible individual shall not be entitled to receive payment for more than 8 workweeks total of paid-leave benefits in a 52-workweek period regardless of the number of qualifying leave events that occurred during that period.

“(2) Within a 52-workweek period, an eligible individual may receive the maximum duration of qualifying pre-natal leave available in the fiscal year during which the individual files a claim for paid-leave benefits in addition to the maximum duration of parental leave available during such fiscal year, as provided in subsection (e-1) of this section; provided, that an eligible individual shall not receive any combination of qualifying pre-natal leave and qualifying medical leave for a duration that exceeds the maximum duration of qualifying medical leave available for the fiscal year during which the individual files a claim for paid-leave benefits.”.

(3) Subsection (e) is amended to read as follows:

“(e) The International Classification of Diseases, Tenth Revision (ICD-10), or subsequent revisions by the World Health Organization to the International Classification of Diseases, along with the health care provider or caretaker assessments, shall be used to determine the appropriate length of qualifying family leave an eligible individual is entitled to, based on the serious health condition of the eligible individual's family member, or the appropriate length of qualifying medical leave an eligible individual is entitled to, based on the serious health condition of the eligible individual, subject to the limits set forth in subsection (e-1) of this section.”.

(4) A new subsection (e-1) is added to read as follows:

"(e-1)(1) Before October 1, 2021 and after September 30, 2022, the maximum duration of each type of paid-leave benefits within a 52-workweek period shall be:

"(A) 8 workweeks of qualifying parental leave;

"(B) 6 workweeks of qualifying family leave;

"(C) 2 workweeks of qualifying medical leave; and

"(D) Zero workweeks of qualifying pre-natal leave.

"(2) From October 1, 2021 to September 30, 2022, the maximum duration of each type of paid-leave benefits within a 52-workweek period shall be:

"(A) 8 workweeks of qualifying parental leave;

"(B) 6 workweeks of qualifying family leave;

"(C) 6 workweeks of qualifying medical leave; and

"(D) 2 workweeks of qualifying pre-natal leave.".

(5) Subsection (f) is amended to read as follows:

"(f) An eligible individual may receive payment for intermittent leave; provided, that the total duration of paid-leave benefits an individual receives in a 52-week period shall not exceed the available maximum duration of paid-leave benefits available in the fiscal year during which the individual files a claim to receive paid-leave benefits, as provided in subsection (e-1) of this section.".

(6) Subsection (g)(4) is amended to read as follows:

"(4) Medical, family, parental, and pre-natal leave benefits for partial weeks of leave shall be prorated.".

Sec. 4063. Section 1152 of the Universal Paid Leave Implementation Fund Act of 2016, effective October 8, 2016 (D.C. Law 21-160; D.C. Official Code § 32-551.01 *et seq.*), is amended as follows:

(a) Subsection (l) is amended to read as follows:

""(l)(1) As of December 31, 2021, and as of the last day of each quarter thereafter until full implementation of the paid-leave benefit expansions and employer contribution rate reduction set forth in section 104a(c) of the Act, the Chief Financial Officer shall compare its estimated costs of each type of paid-leave benefit with the actual cost of such leave during the most recently completed calendar quarter. If, on the basis of such comparison, the estimated cost of any type of paid-leave benefit was 3 or more times greater than the actual cost of such leave, then the Chief Financial Officer shall promptly deliver a letter to the Council disclosing the extent to which costs were overestimated and determining whether funds are sufficient to immediately implement all or any portion of the paid-leave benefit expansions and the employer contribution rate reduction in the order set forth in section 104a(c) of the Act.

"(2) By September 30 of each year following full implementation of the paid-leave benefit expansions and the employer contribution rate reduction set forth in section 104a(c) of the Act, the Chief Financial Officer shall review the status of the Fund and compare that status against the projections in that fiscal year's budget and financial plan. If the Fund is running an annual surplus, the Chief Financial Officer shall issue a report to the Mayor and the Council that outlines options for bringing the Fund's annual revenues and expenditures into balance, including a reduction in the employer contribution rate and changes to benefits under the paid-leave program established pursuant to the Act.".

(2) A new subsection (n) is added to read as follows:

"(n) The cost of the benefits authorized under the Act shall be payable solely from the Fund. Nothing contained in the Act or this act shall be construed to create an obligation on the part of the District to pay benefits from any source other than the Fund.".

V. FISCAL IMPACT

The increased benefits are provided for in the budget of the Committee on Labor and Workforce Development's as is being marked up on June 30, 2021.

TITLE VI-E
WMATA DEDICATED FUNDING

I. PURPOSE, EFFECT, AND IMPACT ON EXISTING LAW

The purpose of this subtitle is to eliminate the three percent annual increase in the sales tax dedication to the Washington Metropolitan Area Transit Administration (WMATA) in a fiscal year in which Maryland and Virginia have not increased their state allotments to Metro.

II. COMMITTEE REASONING

In 2018, the District passed the Dedicated Funding for the Washington Metropolitan Transit Authority Act of 2018 as part of the Fiscal Year 2019 Budget Support Act of 2018. This new funding was the result of years of intensive negotiations between the District, Virginia, and Maryland. The agreement struck provided dedicated funding to WMATA from each of the jurisdictions, allowing WMATA to move forward with new financing to repair and modernize the aging rail system. The FY 2019 budget subtitle provided for a dedication of sales tax revenue to be used for a grant to WMATA for the purposes of WMATA capital improvements. The Act provided for an initial annual dedication of $178.5 million, to be increased by three percent annually, beginning in fiscal year 2021. At that time, the District expected a funding compact with surrounding jurisdictions which would require such annual increase. However, to date there has been no compact completed, and Maryland and Virginia have not increased their funding allocations annually. This subtitle will allow the District to follow suit until such a compact has been adopted and implemented.

While the Committee supports this subtitle in lieu of a funding compact, WMATA Metrorail infrastructure, long-term capital, and maintenance funding needs require billions of dollars of in funding. These needs cannot be addressed without significant, and predictable new long-term funding on the part of the three compact member jurisdictions. Years of deferred maintenance, insufficient capital investment, and changing service hours (reducing time available for track maintenance) have brought Metro to the current state. If the region desires for Metrorail to continue to support economic development and mobility, the region must find a financial solution to support Metro. The capital funding required to achieve a State of Good Repair was over $15 billion over 10 years in a 2019 analysis. the best way to provide long-term capital funding is through bonds, with dedicated funding going to pay the debt service. Bonds will distribute the cost of capital projects over the lifetime of the project, which benefits the region today. The assumptions that went in to closing the funding gap to achieve a State of Good Repair assumed a 3 percent escalation year over year for each of the member jurisdictions.[179]

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[179] "Keeping Metro Safe, Reliable & Affordable: FY2019-FY2028," Washington Metropolitan Area Transit Authority (January 2019).

It is imperative that the member jurisdictions work together on a mutually agreeable funding compact to ensure that WMATA does not backslide in its capital commitments.

III. SECTION BY SECTION ANALYSIS

Sec. 4011. States the short title.

Sec. 4012 Amends D.C. Law 22-168 to eliminate the three percent annual increase starting in FY 21.

IV. LEGISLATIVE RECOMMENDATION

Sec. 6041. Short title.

This subtitle may be cited as the "WMATA Dedicated Funding Amendment Act of 2021".

Sec. 6042. Section 6002 of the Dedicated WMATA Funding and Tax Changes Affecting Real Property and Sales Amendment Act of 2018, effective October 30, 2018 (D.C. Law 22-168; D.C. Official Code § 1-325.401), is amended as follows:

(a) Subsection (b)(3) is amended to read as follows:

"(3) In Fiscal Year 2021, and each successive year, $178.5 million.".

(b) A new subsection (b-1) is added to read as follows:

"(b-1) Notwithstanding paragraph (3) of this subsection, the District may reduce its dedicated funding payment to WMATA if Maryland or Virginia reduces its dedicated funding payment below the amount required in its dedicated funding agreement with WMATA; provided, the District's reduction shall be not be greater in proportion than the proportion by which Maryland or the proportion by which Virginia, whichever is greater, reduces its payment.".

V. FISCAL IMPACT

The District's revenue estimates included the annual increase provided for in the original funding subtitle. This subtitle would increase sales tax revenue available for general fund purposes by $5.35 million in fiscal year 2021, $10.871 million in fiscal year 2022, for a total of $83.611 million over the financial plan.

TITLE COW-A
ARTS AND HUMANITIES EQUITY

I. PURPOSE, EFFECT, AND IMPACT ON EXISTING LAW

The purpose of this subtitle is to reallocate the Commission on the Arts and Humanities funding formula; allow for the Commission to have procurement authority independent of the Office of Contracting and Procurement; allow the Commission to accept gifts to the Commisssion; and allow the Commission to provide stipends to members of grant review panels. The effect will be more equitable allocation of grant funds to eligible organizations; flexibility in procurements through a Memorandum of Understanding with OCP; a means to accept gifts such as artwork; and an incentive for artists and those interested in the arts to serve time on a grant review panel. The subtitle amends the "Acceptance and use of gifts by District Entities Act of 2000," the "District of Columbia Government Comprehensive Merit Personnel Act of 1978," the "Procurement Practices Reform Act of 2010," and the "Commission on the Arts and Humanities Act."

II. COMMITTEE REASONING

The Council established the Commission on the Arts and Humanities, in 2019, as an independent agency of the District government. The purpose of this subtitle is to revise the allocations required by law for grantmaking by the Commission. The primary purpose of the Commission is to promote the arts – which includes nurturing nascent organizations and artists as well as encouraging diversity – through grants to eligible organizations. Grants are critical to the Commission's purpose. The Council adopted a formula for grantmaking simultaneous with independence, in part to reduce demands for Council earmarks. Since that time a new consensus has emerged to revise that formula. This subtitle eliminates a set aside for the National Capital Arts Cohort, modeled after a federal program, of almost two dozen large performing arts organizations. Instead, the bill substantially increases – to 54% of the grants budget – funding for general operating support for all artists and arts organizations. Consistent with an April resolution of the Commission, the general operating support grants shall be competitive, with applicants reviewed in cohorts with other applicants of similar budget size, and with grant award amounts tiered in relation to the grantee's budget size.

This subtitle also includes a December 2020 recommendation of the Commission's Task Force on Equity & Inclusion that grant-review panelists be eligible to receive a stipend for their otherwise volunteer work. The Commission has around 50 panels per year; each panel takes a month to review grant applications and then there is a full day meeting. Currently the panelists are unpaid, which means that sole-practitioner artists are less likely to participate because they are less able to volunteer the time – an equity issue.

In addition, the subtitle contains recommendations from the Commission that would allow it to accept certain gifts, which agencies including the DC Public Library can already do. It also would grant the Commission an exemption from the Chief Procurement Officer's authority so that the Commission may exercise independent contracting authority while still following the Procurement Practices Reform Act of 2010. The Commission plans to develop a Memorandum of Understanding (MOU) with the Office of Contracting and Procurement to continue many of the larger procurements, but allow for more flexible procurements of small ticket items, primarily under $50,000 in value.

Finally, this bill clarifies the transfer of funds from the Commission to the Humanities Council, with the intent of making the transfer easier, earlier, and less uncertain. The formula adopted in 2019 substantially increases the funding available for the humanities, but since that time, in practice, it takes a half year or more for the funds to transfer and the subgrantees are severely constrained in their ability to spend the funds within the fiscal year. This subtitle will correct those problems.

This subtitle makes slight, but important, adjustments to the Council's 2019 legislation that granted independence to the Commission. With lessons learned from the Commission's Task Force on Equity & Inclusion, this subtitle is another step toward the District government's commitment to the arts and humanities.

III. SECTION BY SECTION ANALYSIS

Sec. XX01. Short title.

Sec. XX02. Allows for CAH to receive donated gifts.

Sec. XX03. Permits stipends for members of grant review panels.

Sec. XX04. Grants CAH independent procurement authority from the Chief Procurement Officer.

Sec. XX05. Permits compensation for grant review panels, adjusts the grant funding allocations, and allows for the direct transfer of grant funds to HumanitiesDC.

Sec. XX06. Removes a reference to a defunct Council committee for membership of the Cultural Planning Steering Committee.

IV. LEGISLATIVE RECOMMENDATION

TITLE I, SUBTITLE COW-A. ARTS AND HUMANITIES GRANT FUNDING.

Sec. XX01. Short title.

This subtitle may be cited as the "Equity in the Arts and Humanities Amendment Act of 2021".

Sec. X002. Section 4602 of the Acceptance and use of gifts by District Entities Act of 2000, effective October 19, 2000 (D.C. Law 13-172; D.C. Official Code § 1-329.01), is amended by adding a new subsection (f) to read as follows:

"(f) This section shall not apply to the Commission on the Arts and Humanities, which may, pursuant to the laws and regulations of the District of Columbia, accept and use gifts to the Commission on the Arts and Humanities without prior approval by the Mayor.".

Sec. X003. Section 1108(c-2) of the District of Columbia Government Comprehensive Merit Personnel Act of 1978, effective March 3, 1979 (D.C. Law 2-139; D.C. Official Code § 1-611.08(c-2)) is amended as follows:

(a) Paragraph (4) is amended by striking the phrase "; and" and inserting a semicolon in its place.

(b) Paragraph (5) is amended by striking the phrase "rulemaking." And inserting the phrase "rulemaking; and" in its place.

(c) A new paragraph (6) is added to read as follows:

"(6) Members of an advisory panel appointed pursuant to Section 5(6) of the Commission on the Arts and Humanities Act, effective October 21, 1975 (D.C. Law 1-22; D.C. Official Code § 39-204(6) may be compensation by the Commission in the form of a stipend of up to $250 each day their panel convenes to review applications."

Sec. X004. Section 201(b) of the Procurement Practices Reform Act of 2010, effective April 8, 2011 (D.C. Law 18-371; D.C. Official Code § 2-352.01(b)), is amended as follows:

(a) Paragraph (11) is amended by striking the phrase "; and" and inserting a semicolon in its place.

(b) Paragraph (12) is amended by striking the period and inserting the phrase "; and" in its place.

(c) A new paragraph (13) is added to read as follows:

"(13) The Commission on the Arts and Humanities."

Sec. X005. The Commission on the Arts and Humanities Act, effective October 21, 1975 (D.C. Law 1-22; D.C. Official Code § 39-201 *et seq*.), is amended as follows:

(a) Section 5(6) (D.C. Official Code § 39-204) is amended by striking the phrase "shall serve without compensation" and inserting the phrase "may be compensated, pursuant to Section 1108(c-2)(6) of the District of Columbia Government Comprehensive Merit Personnel Act of 1978, effective March 3, 1979 (D.C. Law 2-139; D.C. Official Code § 1-611.08(c-2)(6)), from funds appropriated pursuant to Section 6(c-1)(1), provided that no District of Columbia government employee or Commissioner of the Commission may be compensated."

(b) Section 6(c-1) (D.C. Official Code § 39-205) is amended to read as follows:

"(c-1) For the fiscal year 2022 budget and every fiscal year thereafter the Commission shall allocate the annual budget as follows:

"(1) Not more than 22% of the annual budget shall be allocated for administrative costs.

"(2) Not less than 78% of the annual budget shall be allocated for the following purposes:

"(A) 17% for grants to fund capital projects in support of all eligible arts and humanities organizations; provided, that during Fiscal Years 2021 and 2022, these grant funds may be used, if approved by the Commission, to pay:

"(i) Rent or mortgage expenses for the operation of a grant recipient's arts-or humanities-related home-based office in the District; and

"(ii) Rent or mortgage expenses for the operation of a grant recipient's space in the District used to produce or publicly present arts-or humanities-related work.

"(B)(i) 54% for General Operating Support grants to all eligible arts and humanities organizations.

"(ii) Awards of General Operating Support grants shall be competitive, and each application of an eligible organization shall be reviewed in cohorts of similar budget size, and with grant award amounts tiered in relation to the grantee's budget size; and

"(C) 25% for other art grant programs established by the Commission.

"(D) 4% the for the Humanities Grant Program administered by HumanitiesDC."

(c) Section 6b (D.C. Official Code § 39-205.02) is amended as follows:

(1) Subsection (b) is amended to read as follows:

"(b)(1) Notwithstanding the Grant Administration Act of 2013, effective December 24, 2013 (D.C. Law 20-61; D.C. Official Code § 1-328.13 et seq.), the Commission shall have grantmaking authority to provide funds to HumanitiesDC, provided, that such funds are included in an approved budget and designated for the HumnitiesDC, which shall be used to make subgrants in the humanities for the purpose of promoting cross-cultural understanding and appreciation of local history in all District neighborhoods.

"(2) Up to 30% of each disbursement from the Humanities Grant Program budget to HumanitiesDC may be utilized by HumanitiesDC for administrative expenses, capacity building, technical assistance, and evaluation of the Humanities Grant Program."

(2) Subsection (d) is repealed.

(3) Subsection (e) is amended by striking the phrase "the grant-managing entity" and inserting the phrase "HumanitiesDC" in each place it appears.

Sec. X006. Section 702(b)(1)(F) of Fiscal Year 2016 Budget Support Act of 2015, effective October 22, 2015 (D.C. Law 21-36; 62 DCR 10905), is amended to read as follows:

"(F) The Chairman of the Council's second designee; and"

V. FISCAL IMPACT

This subtitle has no impact on the budget and financial plan.

SUBTITLE COW-B
GREEN BUILDING FUND SETF DISBURSEMENT

I. PURPOSE, EFFECT, AND IMPACT ON EXISTING LAW

This subtitle would automatically disburse a portion of fees, minus any interest, received in the Green Building Fund, administered by the Department of Consumer and Regulatory Affairs ("DCRA"), to the Sustainable Energy Trust Fund ("SETF"), administered by the Department of Energy and Environment ("DOEE").

II. COMMITTEE REASONING

The Green Building Fund, established in 2007 through the Green Building Act of 2006, was established to support and enhance sustainable building planning, design, construction, operation practices. Although the fund is administered by DCRA, several programs and initiatives under the fund are administered by DOEE. Thus, each year, DOEE and DCRA enter into a Memorandum of Understanding ("MOU") to transfer funds from the Green Building Fund to DOEE. Given the predictability of the timing and size of this fund transfer, the Committee believes a recurring MOU is not a good use of either agencies' staff time and resources. Thus, the Committee recommends inclusion of this subtitle, which would automatically transfer to DOEE $900,000 of fund moneys in FY 2022, 2023, 2024, and 2025, and 50% of fund moneys in later fiscal years. These funds would be deposited into the SETF, to ensure they do not revert to the general fund at the end of the fiscal year, and their use would be restriction to only those activities permitted under the Green Building Act of 2006.

This subtitle is also being moved by the Committee on Transportation and the Environment, which has oversight over DOEE.

III. SECTION BY SECTION ANALYSIS

Sec. 1. Short title.

Sec. 2. This section amends Section 8(a) of the Green Building Act of 2006 to require that a portion of additional monies be deposited in the SETF, and that all other moneys be deposited in the account.

Sec. 3. This second amends Section 210(c) of the Clean and Affordable Energy Act of 2008 to expand permissible uses of the Sustainable Energy Trust Fund to include activities permitted in the Green Building Act of 2006.

IV. LEGISLATIVE RECOMMENDATION

SUBTITLE COW-B. GREEN BUILDING FUND SETF DISBURSEMENTS

Sec. 1. Short title.

This subtitle may be cited as the "Green Building Fund SETF Disbursement Amendment Act of 2021".

Sec. 2. Section 8 of the Green Building Act of 2006, effective March 8, 2007 (D.C. Law 16-234; D.C. Official Code § 6-1451.07), is amended to read as follows:

"Sec. 8. Green Building Fund.

"(a) There is established as a special fund the Green Building Fund ("Fund"), which shall be administered by the Mayor in accordance with subsection (c) of this section. The purpose of the Fund is to streamline administrative green building processes, improve sustainability performance outcomes, build capacity of development and administrative oversight professionals in green building skills and knowledge, institutionalize innovation, overcome barriers to achieving high-performance buildings, and continuously promote the sustainability of green building practices in the District.

"(b) Monies obtained pursuant to sections 6 and 9 shall be deposited into the Fund.

"(c) Money in the Fund shall be used for the following:

"(1) The following amounts shall be transferred to the Sustainable Energy Trust Fund ("SETF") established by section 210 of the Clean and Affordable Energy Act of 2008, effective October 22, 2008 (D.C. Law 17-250; D.C. Official Code § 8-1774.10):

"(A).For each of Fiscal Years 2022, 2023, 2024, and 2025, a minimum of $900,000; and

"(B) For each fiscal year thereafter, 50% of monies in the Fund; and

"(2) Costs for at least 3 full-time employees at DCRA, or elsewhere as assigned by the Mayor, whose primary job duties are devoted to technical assistance, plan review, and inspections and monitoring of green buildings;

"(3) Additional staff and operating costs to provide training, technical assistance, plan review, inspections and monitoring of green buildings, and green codes development;

“(4) Research and development of green building practices;

“(5) Education, training, outreach, and other market transformation initiatives;

“(6) Seed support for demonstration projects, their evaluation, and when successful, their institutionalization; and

“(7) Costs incurred to make green building materials accessible to low-income residents.

“(d)(1) The money deposited into the Fund but not expended in a fiscal year shall not revert to the unassigned fund balance of the General Fun of the District of Columbia at the end of a fiscal year, or at any other time.

“(2) Subject to authorization in an approved budget and financial plan, any funds appropriated in the Fund shall be continually available without regard to fiscal year limitation..

“(e) The Mayor may receive and administer grants for the purpose of carrying out the goals of this act.”.

Sec. 3. Section 210 of the Clean and Affordable Energy Act of 2008, effective October 22, 2008 (D.C. Law 17-250; D.C. Official Code § 8-1774.10), is amended as follows:

(a) Subsection (a) is amended by striking the phrase “Fiscal Agent.” and inserting the phrase “Fiscal Agent. In addition, money transferred from the Green Building Fund, pursuant to section 8(c)(1) of the Green Building Act of 2006, effective March 8, 2007 (D.C. Law 16-234; D.C. Official Code § 6-1451.07(c)(1)), shall be deposited into the SETF; provided, that any such money shall be used solely for the purpose described in subsection (c)(18) of this section.” in its place.

(b) Subsection (c) is amended as follows:

(1) Paragraph (16) is amended by striking the phrase “; and” and inserting a semi-colon in its place.

(2) Paragraph (17) is amended by striking the period and inserting the phrase "; and" in its place.

(3) A new paragraph (18) is added to read as follows:

"(18) Activities permitted under section 8(c)(2) through (7) of the Green Building Act of 2006, effective March 8, 2007 (D.C. Law 16-234; D.C. Official Code § 6-1451.07(c)(2)-(7)).".

V. FISCAL IMPACT

The subtitle has no impact on the FY2022 budget or financial plan.

TITLE COW-C
UNIVERSITY OF THE DISTRICT OF COLUMBIA MATCHING FUNDS

I. PURPOSE, EFFECT, AND IMPACT ON EXISTING LAW

The purpose of this subtitle is to direct non-departmental funds to the University of the District of Columbia (UDC). Specifically, this amendment provides that for every two dollars UDC raises from private fundraising, the District will match it with $1, up to a maximum of $1.5 million. UDC must raise the matching funds by April 1, 2022.

II. COMMITTEE REASONING

Since fiscal year 2014, the Council has set aside funds for the University as part of a fundraising match. Originally as a means of supporting UDC's accreditation efforts, the Council set aside a million dollars in matching funds in fiscal year 2014 to aid the University with accreditation activities and readiness.[180] For every dollar UDC raised in private donations, up to a maximum of a million dollars, the District matched those donations dollar for dollar. While the University was unsuccessful in raising private funds in fiscal year 2014 for this match, the Council agreed to extend the match opportunity to the University again in fiscal year 2015. UDC rose to the challenge that year and again in 2016.

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[180] *See* Title X, Sec. 10002 of D.C. Law 20-61, the Fiscal Year 2014 Budget Support Act of 2013.

Starting in fiscal year 2017, the Council put forth more stringent match requirements – for every two dollars the University raised, it would receive a dollar, up to $1.5 million. The University was just short of fulfilling the match in fiscal year 2017, but in fiscal year 2018, it raised over $3.4 million. It also met the match in fiscal year 2019 for a total of $4.5 million.[181] While UDC was working toward meeting the match again in fiscal year 2020, its fundraising efforts were stalled by the COVID-19 global pandemic. Thus, the Committee approved UDC's request for the match requirements for fiscal year 2020 be amended to a one-to-one match ratio so UDC would receive the full $1.5 million match given that it had successfully raised $1.5 million in private funds thus far. Given UDC's financial needs because of the global pandemic and because the pandemic has hindered greatly fundraising by all institutions – including UDC – the Council agreed to also keep the match requirements for fiscal year 2021 to a one-to-one match ratio.[182] The maximum amount of the fundraising match remained at $1.5 million.[183]

As in past years, the Committee believes the fundraising match should be continued in fiscal year 2022 and also return to a 2:1 ratio – for every two dollars that the UDC raises, it will receive one dollar, up to a maximum of $1.5 million. While UDC would prefer the more relaxed match requirements, the Committee cautioned in its fiscal year 2021 budget report that the relaxed match requirements were only due to the COVID-19 pandemic and that we expected the more stringent match requirements to return in fiscal year 2022.[184] Hence, the Committee's recommendation for fiscal year 2022.

Although the District, and UDC, are still recovering from the pandemic, the Committee has full faith in the University's ability to return to the more stringent match requirements and to raise $3 million in fiscal year 2022. Since the match's inception, the Committee has been impressed by the steps the University has taken in terms of increasing its private fundraising and risen to the challenge. In the aftermath of the pandemic, the University and its students will need more funding to succeed, and by setting a stricter but attainable fundraising match, the Committee hopes to propel the University to procure those additional funds through private means. Looking ahead, the Committee recommends that UDC maintain its fundraising efforts and continue to identify methods for broadening its donor base and diversifying its fundraising sources as it recovers from the pandemic.

III. SECTION BY SECTION ANALYSIS

Sec. --. Short title.

Sec. --. Indicates that for every two dollars that UDC raises from private donations by April 1, 2022, one dollar of non-departmental funds shall be transferred to the University.

[181] $3 million raised by the University and $1.5 million, in matching funds, from the District government.
[182] *See* Title 1, Sec.105 of D.C. Act 23-286, the COVID-19 Response Supplemental Emergency Amendment Act of 2020, effective April 10, 2020. This amendment moved the deadline for fundraising from April 1, 2020 to May 1, 2020 to provide the University with additional time to receive all eligible fundraising given COVID-19. *See id.*
[183] *See id.*
[184] *See* COW FY21 Budget report.

IV. LEGISLATIVE RECOMMENDATION

SUBTITLE COW-C. UNIVERSITY OF THE DISTRICT OF COLUMBIA FUNDRAISING MATCH

Sec. --. Short title.

This subtitle may be cited as the "University of the District of Columbia Fundraising Match Act of 2021".

Sec. – (a) In Fiscal Year 2022, of the funds allocated to the Non-Departmental agency, $1, up to a maximum of $1.5 million, shall be transferred to the University of the District of Columbia ("UDC") for every $2 that UDC raises from private donations by April 1, 2022.

(b) Of the amount transferred to UDC pursuant to subsection (a) of this section, no less than one-third of the funds shall be deposited into UDC's endowment fund.

V. FISCAL IMPACT

This subtitle has no impact on the budget and financial plan.

TITLE COW-D
STUDENT ACTIVITY FUND

I. PURPOSE, EFFECT, AND IMPACT ON EXISTING LAW

This subtitle would clarify that expenditures on school-administered theatrical and music performances, including stipends, are eligible for disbursement from a school's Student Activity Fund ("SAF") account. This change aims to enhance the ability of DCPS schools across the District to put on theater and music performances, helping increase equitable access to arts programming.

II. COMMITTEE REASONING

In addition to their annual budget, all DCPS schools are provided access to a Student Activities Fund (SAF) account. Funds in these accounts are used by schools to pay for a range of expenses not covered in their budgets, including extracurricular activities and athletics programming. What expenses are eligible for disbursement from SAF accounts are governed by a manual promulgated by the Office of the Chief Financial Officer in conjunction with the District of Columbia Public Schools. Per that manual, expenses related to a range of extracurricular and athletic activities are eligible for reimbursement; however, costs related to theatrical and music performances are not specifically enumerated, and stipends of any kind are explicitly excluded from that list.

The Council unanimously approved this legislation on emergency twice during Council Period 23, and in January 2021, the Council approved a congressional review emergency of the legislation. Given this broad support, the Committee recommends adoption of this subtitle. The ability of parents and community members to donate to a school should not be the deciding factor as to whether the school can offer theater and music programming to students. By removing restrictions on SAF accounts, this subtitle will help ensure schools are not reliant on donations to offer this programming.

III. SECTION BY SECTION ANALYSIS

Sec. XX01. Short title.

Sec. XX02. Authorizes the use of student activity funds for theatrical and music performances for DCPS Schools.

IV. LEGISLATIVE RECOMMENDATION

TITLE I, SUBTITLE COW-B. STUDENT ACTIVITY FUND.

Sec. XX01. Short title.

This subtitle may be cited as the "Student Activity Fund Theatrical and Music Performance Expenditures Emergency Act of 20211".

Sec. 2. Use of Student Activity Funds for theatrical and music performances.

(a) Expenditures on school-administered theatrical and music performances, including stipends for non-District of Columbia Public Schools ("DCPS") employees, but excluding stipends for DCPS employees, shall be an allowable expenditure from a DCPS school's Student Activity Fund.

> (b) For the purposes of this act, the term "theatrical and music performances" means the planning, rehearsal, or presentation of a musical, staged play, choral production, orchestral or band concert, variety show, improvised or sketch comedy performance, or other live performance.

V. FISCAL IMPACT

This subtitle has no impact on the budget and financial plan.

TITLE COW-E
LEARNING LOSS GRANT FUNDS

I. PURPOSE, EFFECT, AND IMPACT ON EXISTING LAW

The purpose of this subtitle is to provide parameters for the high dosage tutoring grants that the Office of the State Superintendent of Education (OSSE) plans to administer in fiscal year 2022 in order to combat COVID-19 induced academic learning loss. These multi-year grants will run from fiscal year 2022 to fiscal year 2024 and total over $27 million. The parameters will provide transparency and allow both the Council and the public to ensure that the grant funds are spent judiciously.

II. COMMITTEE REASONING

In March 2020, due to the COVID-19 pandemic, the District's public education students transitioned from in-person learning to synchronous and asynchronous remote learning for the remainder of School Year (SY) 2019-2020 and throughout much of this current school year, SY 2020-2021. While the District's dedicated public teachers worked to ensure that their students were being served and were learning, student experiences have greatly differed, often among socioeconomic lines, during the pandemic. Students whose parents could afford to provide one-on-one or small group tutoring did so. Yet, families that lacked the technical infrastructure, such as laptops and high-speed internet service, were at a disadvantage since school was completely remote. Even when students received a laptop and a hotspot or free WiFi, the signal was not strong enough for students to engage actively in their classes. In turn, while some students have thrived, many students have experienced academic learning loss, which has exacerbated the learning loss that they already incurred prior to the pandemic.

According to a study done in fall 2020 by EmpowerK12, a local educational think tank, District students – both District of Columbia Public Schools (DCPS) and public charter schools –

have lost four months of learning in math and one month of learning in reading.[185] Moreover, at-risk students[186] have fared much worse, losing five months of learning in math and four months of learning in reading, and students with special needs have suffered six months of learning loss in math.[187] Given these findings, EmpowerK12 predicts that the District's PARCC[188] scores will drop 14 points – from 38% proficient to 24% proficient – in English Language Arts and 19 points in math – from 32% proficient to 13% proficient – between SY 2019-2020 and SY 2021-2022. Additionally, EmpowerK12's study demonstrates that the achievement gap has widened during the pandemic. Further, because our students who are most at-risk academically did not participate in the study[189] and because the study was done in fall 2020, it is very likely that the learning loss suffered during the pandemic will be worse than predicted.

To tackle this learning loss, OSSE plans to administer multi-year high-dosage tutoring (HDT) grants to District of Columbia Schools (DCPS), public charter schools, community-based organizations (CBO), or some combination thereof. While it is one of the more effective methods for bringing students up to grade level, the Committee does have concerns about the administration of the HDT grants. OSSE must conduct thorough monitoring and oversight to ensure that the HDT funds are being used effectively and achieving results. Additionally, more transparency is needed with regard to how OSSE plans to disseminate the HDT grant funding. How large will the grants be? How will OSSE determine who should receive the grants? What evidence-based measures will be used by the grantees? What are the desired outcomes? How will OSSE know if the grantees are being successful? Will OSSE continue to administer funds each year without requiring proof that the grantee is obtaining the desired results? What happens if the grantee is not meeting OSSE's standards? Given all of these questions and that HDT is one of OSSE's, and the Executive's, main strategies for combatting the learning loss experienced by students during the pandemic, the Committee believes that there must be greater transparency around the uses and outcomes of the HDT funding. This subtitle provides that transparency.

III. SECTION BY SECTION ANALYSIS

Sec. --. Short title.

Sec. --. Provides parameters for the multi-year high-dosage tutoring grants that OSSE plans to administer in order to tackle academic learning loss that has occurred during the COVID-19 pandemic. This section also requires that the entities receiving the grants indicate what evidence-based strategy or strategies that they plan to use. "Evidence-based" has the same definition as that in the federal Every Student Succeeds Act (ESSA) law.

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[185] *See* https://www.empowerk12.org/research-source/covid-impact-achievement-dc.
[186] *Define at risk*
[187] *See* https://www.empowerk12.org/research-source/covid-impact-achievement-dc.
[188] PARCC stands for Partnership for Assessment of Readiness for College and Careers and is the District's annuak statewide assessment.
[189] https://www.empowerk12.org/research-source/covid-impact-achievement-dc.

IV. LEGISLATIVE RECOMMENDATION

SUBTITLE COW-E. LEARNING LOSS GRANT FUNDS

Sec. --. Short title.

Sec. --. Short title.

This subtitle may be cited at the "Learning Loss Grant Program Act of 2021".

Sec. -- (a) In fiscal year 2022, the Office of the State Superintendent of Education ("OSSE") shall use federal American Rescue Plan funds to establish a multi-year Learning Loss grant program. In total, OSSE shall allocate at least $10,050,000 in fiscal year 2022, $10,250,000 in fiscal year 2023, and $7,000,000 in fiscal year 2024 and shall award the grants on a competitive basis to District of Columbia Public Schools schools, public charter schools, or community-based organizations to support evidence-based approaches to learning acceleration or high impact tutoring.

(b) OSSE shall require, at a minimum, that each school or organization indicate, in the entity's grant application, the specific evidence-based approaches that the school or organization intends to use to effectuate learning acceleration or high impact tutoring.

(c) As part of the grant conditions, OSSE shall require, at a minimum, that each grantee that receives grants pursuant to subsection (a) of this section:

(1) Measure the impact of the evidence-based approach stated in the grantee's application on student educational development; and

(2) Share the de-identified data or results regarding student educational development with OSSE on a cycle specified by OSSE; provided that, the grantee shall share annual de-identified data or results with OSSE at least 30 days prior to receiving funding for additional grant years.

(c) By July 15, 2022, July 15, 2023, and July 15, 2024, OSSE shall submit to the Council, and make publicly available, a report detailing the following:

(1) Award criteria used by OSSE to determine the grant recipients;

(2) A list of the grantees and the amount of funding received by each grantee;

and

(3) The de-identified results on student progress submitted to OSSE by the grantees pursuant to subsection (c)(2) of this section.

(d) For purposes of this section, the term

(1) "De-identified data or results" means data or results in which identifying information about a student is removed.

(2) "Evidence-based approaches" means an activity, strategy, or intervention that:

(A) Demonstrates a statistically significant effect on improving student outcomes or other relevant outcomes based on:

(i) Strong evidence from at least one well-designed and well-implemented experimental study;

(ii) Moderate evidence from at least one well-designed and well-implemented quasi-experimental study; or

(iii) Promising evidence from at least one well-designed and well-implemented correlational study with statistical controls for selection bias; or

(B)(i) Demonstrates a rationale, based on high-quality research findings or positive evaluation, that such activity, strategy, or intervention is likely to improve student outcomes or other relevant outcomes; and

(ii) Includes ongoing efforts to examine the effects of such activity, strategy, or intervention.".

V. FISCAL IMPACT

This subtitle has no impact on the budget and financial plan.

TITLE COW-F
UDC HEI QUALIFIED APPLICANTS

I. PURPOSE, EFFECT, AND IMPACT ON EXISTING LAW

The purpose of this subtitle is to expand the parameters of the Higher Education Incentive (HEI) Program, which is administered by the University of the District of Columbia. Established in 2008 through D.C. Law 17-202, the "Pre-K Enhancement and Expansion Amendment Act of 2008,"[190] the HEI program was designed to increase the number of pre-kindergarten (pre-K) teachers in the District, as the District expanded to universal pre-K. The HEI program establishes a scholarship that could be accessed by individuals who sought to obtain the necessary credentials to be pre-K teachers. This subtitle increases the scope of the HEI program to include infant and toddler childcare providers who must obtain a credential or degree to continue to teach in the child development facilities in the District.

II. COMMITTEE REASONING

Often, when individuals think about education and how to close the achievement gap, they concentrate on leveling the playing field in K-12 education. However, taking such a limited view ignores the fact that the vast majority of a child's brain development occurs by the age of five.[191] Thus, in the first five years of a child's life, instead of focusing on just childcare, policymakers and local education agencies (LEA) need to see that development period as early childhood education (ECE).[192] To that end, all children need to receive a high-quality, developmentally appropriate education from birth that is taught by high-quality, properly credentialed ECE teachers.

To effectuate such a change in the District, in December 2016, the Office of the State Superintendent of Education (OSSE) issued regulations, which required that all childcare providers attain the requisite credentialing or degrees to become ECE teachers. Specifically, OSSE is requiring all ECE (also known as infant and toddler childcare) teachers to have at least an associate degree in ECE, child and family studies, or a closely related field by December 2, 2023.[193] As a result and as a natural progression of UDC's work in educating pre-K teachers, UDC began to offer a targeted associate degree program to the bilingual ECE teachers in the District. This program was operating successfully until this current academic year, when UDC had to pull back on the program due to a lack of funds. During both OSSE's and UDC's performance oversight and fiscal year 2022 budget hearings this year, the Committee has heard from numerous bilingual ECE providers who are asking the Council to provide UDC with funding so that UDC

[190] *See* Section 401-403 of D.C. Law 17-202, effective July 18, 2008, codified at D.C. Code §§38-274.01-274.03.
[191] Add cite.
[192] While ECE is often categorized as the education of children who are 0-5 years of age, in the District, ECE is often thought of as the education of 0-3 year old children since the District offers universal pre-K to any three or four-year old who resides in the District.
[193] *See* DCMR Title 5-A, § 165.1. OSSE will also allow an individual to have an associate degree in some other field but the ECE teacher also has to meet certain coursework and observation requirements. *Id.* Notably, OSSE originally required ECE teachers to fulfill this requirement by December 2, 2020 but OSSE has extended the deadline to 2023.

may continue the program.[194] Likewise, UDC has expressed the willingness to continue the program with not just the current students that is has but also to add additional cohorts of students given the demand. Additionally, UDC has requested that it be able to expand the HEI program[195] that the University has for pre-K teacher training to also include ECE educator training and degree attainment.

Given the mission of UDC and that one of its three founding institutions was a teacher's college, the Committee believes that UDC should continue its bilingual ECE teacher program but also understands the financial pressure that UDC faces. Additionally, the Committee commiserates with the hundreds of bilingual ECE providers who must attain an associate degree if they are to continue as ECE educators and acknowledges the time pressure that the educators face since they only have until December 2, 2023 to meet the degree deadline. Given these factors, the Committee agrees with UDC's legislative change to the HEI fund. Because many of the ECE providers are high school graduates and the current law is ambiguous as to whether you must have a college degree in order to participate in the HEI program, the Committee recommends amending the criteria for the program so that high graduates are eligible. Additionally, some of the bilingual educators that UDC is educating are not domiciled in the District but have worked for years in the District. If it were not for OSSE's new degree requirements they would not need to pursue an associate or Bachelor's degree, and because it is difficult to find experienced bilingual ECE educators, the Committee is expanding the preference criteria for the HEI program to include bilingual ECE providers who live outside the District but must obtain a degree to continue to be employed in the District.

III. SECTION BY SECTION ANALYSIS

Sec. --. Short title.

Sec. --. Expands the parameters for the HEI scholarship program to allow for high school graduates enrolled in a post-secondary institution and is working toward an associate degree in education or early childhood education or a Bachelor of Arts degree in education, human development, or early childhood education. This section also amends the preferences for the HEI recipients to include bilingual ECE providers who must obtain a degree pursuant to OSSE's child development regulations in order to stay employed. Because the program parameters are increased to allow for high school graduates, the preferences are also amended to provide for graduates of a DCPS or public charter high school rather than a DC college.

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[194] *See OSSE's FY 20-21 performance oversight hearing; UDC's FY 20-21 performance oversight hearing; 6.3.21 OSSE's FY22 budget hearing; and UDC's 6.4.21 FY22 budget hearing.*
[195] *See* D.C. Code §38-274.01.

IV. LEGISLATIVE RECOMMENDATION

SUBTITLE COW-F. UDC HEI QUALIFIED APPLICANTS

Sec. --. Short title.

This subtitle may be cited as the “UDC HEI Qualified Applicants Expansion Amendment Act of 2021”.

Sec.— Section 402(b) of the “Pre-k Enhancement and Expansion Amendment Act of 2008, effective July 18, 2008 (D.C. Law 17-202, D.C. Code § 38-274.02(b)), is amended to read as follows:

“(b)(1) A qualified applicant shall be a high school graduate enrolled in a post-secondary institution receiving funding pursuant to Title IV of this Act in an effort to pursue an Associate degree in education or early childhood education or a Bachelor of Arts degree in education, human development, or early childhood education.

“(2) A preference shall be given to individuals who:

“(A) Are domiciled in the District;

“(B)(i) Work in a bilingual childhood development facility in the District that is licensed by the Office of the State Superintendent of Education; and

“(ii) Are required to obtain an Associate degree or Bachelor’s degree pursuant to sections 164 through 171 of Title 5-A of the District of Columbia Municipal Regulations (5-A DCMR §§ 164-171);

“(C) Graduated from a District of Columbia Public Schools high school or District public charter high school; or

“(D) Commit to be domiciled in the District within 180 days of accepting a scholarship.”.

V. FISCAL IMPACT

This subtitle has no impact on the budget and financial plan.

TITLE COW-G
ADULT, EARLY CHILDHOOD, AND RESIDENTIAL CHARTER STABILIZATION

I. PURPOSE, EFFECT, AND IMPACT ON EXISTING LAW

The purpose of this subtitle is to provide stabilization funds to the adult, early childhood education (ECE), and residential public charter schools that may receive, in School Year 2021-2020, less than 95% of the Uniform Per Student Funding Formula (UPSFF) funds that it received in School Year 2019-2020. However, while these charter schools or programs may need more than $5,658530, this subtitle indicates that they shall, collectively, receive no more than that amount regardless of the amount needed to bring up to 95% of the UPSFF funds they received in School Year 2019-2020.

II. COMMITTEE REASONING

As part of determining how much funding each LEA will receive via the UPSFF funding formula and in crafting the District's education budgets, the Deputy Mayor for Education, the Office of the State Superintendent of Education (OSSE), and each LEA work together each year to craft a projected enrollment count for each school and each LEA in the District. Those enrollment counts are then used, in conjunction with the UPSFF, to determine the necessary funding for each LEA that is included in the proposed budget transmitted to the Council each year. Thus, the projected enrollment for each LEA is vital to ensuring that enough funds are included in each annual budget.[196]

Yet, while the District of Columbia Public Schools (DCPS) are funded solely based on the projected enrollments to ensure that they have enough enrollment reserves to account for any unforeseen circumstances,[197] this is not the case for DC public charter schools. The first of the four quarterly payments for each DC public charter LEA is based on a school's estimated population as of June 30th of that year.[198] However, the second and third payments are based on a public charter LEA's unverified October enrollment, which is based on a single enrollment count done on October 5th of each year.[199] The last quarterly payment of the fiscal year, which occurs

[196] Note that while schools in the District generally begin in August each year, the District's fiscal year runs from October 1 – September 30. This means that LEAs would be almost two months into the school year before they received funding for that particular school year, which would cause major delays in order supplies and in providing and adequate education to students. To ensure that schools have sufficient funds during the entire school year, LEAs receive their first quarterly payment in July of each year, about a month in advance of school beginning and about three months before the beginning of the fiscal year.
[197] Since DCPS is a District agency and District agencies must not be anti-deficient, the projected enrollment for DCPS includes enough padding each year to ensure that enough funds for DCPS are included in each annual budget.
[198] *See* D.C. Code § 38-2906.02(b).
[199] *See id.*

in April of each year, is based on the audited October enrollment for that current school year.[200] If the public charter LEA actually has a higher October enrollment than its projected enrollment, it receives additional funding to account for those additional students in the last three quarterly payments. But if its October enrollment is lower than its projected enrollment, three of its four quarterly payment are lower than its first.

Because of this, during the consideration of the fiscal year 2021 budget, the Committee heard from several public charter schools who expressed concerns about how they would be funded in fiscal year 2021 given the impact of the COVID-19 pandemic. To addresses their concerns, in the fiscal year 2021 budget, the Council included a subtitle, the "Adult and Residential Public Charter School Funding Stabilization Amendment Act of 2020," which funded adult and residential public charter schools based on their projected enrollment for School Year (SY) 2020-21 instead of their actual enrollment if their actual enrollment was less than their projected enrollment. This provided funding stability for those public charter schools during an uncertain time.

While the Committee was clear that this stabilization was only to be for one year, adult, early childhood, and residential public charter schools have reached out to the Committee requesting another year of stabilization funding. Despite the subtitle only applying to adult and residential public charter schools in fiscal year 2021, early childhood education (ECE) programs have suffered large enrollment losses during the pandemic, as families have chosen to keep their children home or enroll them in childcare instead of in school.[201] Additionally, according to AppleTree Early Learning Center Public Charter School, which is comprised of only pre-K or early childhood programs, their enrollment in Wards 7 and 8 "is running 35% behind what we expect this time of year."[202] Further, because ECE and adult charter schools are not considered Title I schools, they have been ineligible for any of the emergency education federal funds (also known as ESSER) being administered by the Office of the State Superintendent (OSSE). Although they have received some funds from OSSE to match the ESSER I and II funding that Title I LEAs received, they are poised to only receive one-eighth of what Title I schools received under ESSER III, which is the largest education-related set of federal COVID-19 related funds.[203] This creates even larger funding issues for adult and ECE charter schools.

Given these reasons, the Committee has decided to establish a fund in the non-departmental section of the budget, from which funds will be transferred to OSSE to provide stabilizing funds for adult, residential, and ECE public charter schools or programs. Because SY 2021-2022 projections for charter LEAs are based on their significantly reduced enrollment in SY 2020-2021, the Committee cannot follow the same route that was taken in the fiscal year 2021 budget. Thus, the need for a stabilization fund administered by OSSE. The Committee is hopeful that this will be the last year that stabilization funds are needed. Additionally, the Committee must note that generally providing stabilization funding to public school LEAs in the District should flow through the UPSFF. However, the Committee believes that exigent circumstances necessitate providing

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[200] *See id.*
[201] *See* Jack McCarthy, AppleTree Early Learning PCS, FY22 Budget Testimony, June 25, 2021, pages 1-2.
[202] *Id.* at 2.
[203] *See* letter from Adult and ECE PCS to Chairman Mendelson (on file with the Committee)

this discrete set of public charter schools and programs with stabilization funding outside of the UPSFF for the fiscal year 2022 budget cycle. Further, due to time constraints, the Committee acknowledges that this subtitle will need to be further refined before the Committee of the Whole marks up the Fiscal Year 2022 Budget Support Act of 2021 on July 20, 2021.

III. SECTION BY SECTION ANALYSIS

Sec. --. Short title.

Sec. --. States that funds, up to a maximum of $5,658530, shall be allocated to the Non-Departmental Agency, from which funds shall be transferred to the Office of the State Superintendent of Education to award formula-based payments to each adult public charter school, early childhood education program, and residential public charter school that, in SY 2021-2022, receives less than 95% of the UPSFF funds that they received in SY 2019-2020. However, the schools and programs shall not receive, collectively, more than $5,658530. Additionally, in determining how much UPSFF funding the charter school or program will receive in SY 2021-2022, OSSE will use the preliminary enrollment counts that each charter school or program reports to it by October 15, 2021. The specified charter schools or programs shall be paid no later than December 31, 2021. Further, this section defines adult charter school, early childhood program, and residential charter school for the purposes of this section.

IV. LEGISLATIVE RECOMMENDATION

SUBTITLE COW-G. ADULT, EARLY CHILDHOOD, AND RESIDENTIAL CHARTER STABILIZATION

Sec. --. Short title.

This subtitle may be cited as the “Public Charter Schools Equity in Stabilization Funding Amendment Act of 2021”.

Sec.— (a) In Fiscal Year 2022, of the funds allocated to the Non-Departmental Agency, $1, up to a maximum of $5,658530, shall be transferred to the Office of the State Superintendent of Education (“OSSE”) to award formula-based payments to each adult public charter school, early childhood education program, and residential public charter school that receives, in School Year 2021-2022, less than 95% of the Uniform Per Student Funding Formula funds it received in School Year 2019-2020; provided that, if an adult public charter school, early childhood education program, or residential public charter school began operations after School Year 2019-2020, it shall be eligible to receive a payment from OSSE under this section if it receives, in School Year 2021-2022, less than 95% of its Uniform Per Student Funding Formula fund allocation, based on the school or program's enrollment projections contained in the Mayor's Fiscal Year 2022 budget.

(b) OSSE shall award each adult public charter school, early childhood education, or residential public charter school described in subsection (a) of this section an amount equal to 95% of its School Year 2019-2020 Uniform Per Student Funding Formula funds payment, less amounts received for School Year 2021-2022; provided that, if the total amounts provided for in this subsection exceed $5,658530, OSSE shall pay no more than this total amount to the adult charter school, early childhood education, or residential public charter school; provided further that, payments shall be based on preliminary enrollment counts for all public and public charter schools pursuant to § 38-1804.02 and § 38-159 reported by October 15 and shall be issued to eligible public charter school local education agencies no later than December 31, 2021.

(c) Payments allocated pursuant to this section shall be supplemental to other funds a school or program may receive from the District and shall not supplant any Formula, federal, or other funds to which the local education agency is entitled.

(d) For the purposes of this section, the term:

(1) "Adult public charter school" means a public charter school or a program in a public charter school that, during School Year 2021-2022, was identified as an adult education performance management framework school by the District of Columbia Public Charter School Board; provided that, all students enrolled in a public charter school or program serving both adult and alternative students shall be considered enrolled in an adult education program for the purposes of this section.

(2) "Early childhood education program" means a public charter school or a program in a public charter school that, during School Year 2021-2022, was approved by the District of Columbia Public Charter School Board to operate an instructional program serving prekindergarten three or prekindergarten four students.

(3) “Formula funds” means funds allocated according to the Uniform Per Student Funding Formula.

(4) “Residential public charter school" means:

(A) A public charter school that, during School Year 2021-2022, provides students with room and board in a residential setting, in addition to their instructional program; or

(B) A public charter school that operates a residential program that provides support services to its students, in addition to an instructional program, but is unable to provide its students with overnight room and board in a residential setting in order to comply with health guidance provided by the D.C. Department of Health during the COVID-19 public health emergency.

V. FISCAL IMPACT

This subtitle has no impact on the budget and financial plan.

TITLE COW-H
DISTRICT OF COLUMBIA RETIREMENT BOARD LEADERSHIP

I. PURPOSE, EFFECT, AND IMPACT ON EXISTING LAW

The purpose of this subtitle is to permit the District of Columbia Retirement Board to fix the salary of the Executive Director at a rate not to exceed 135% of the highest step of the Executive Service, or approximately $300,000. The subtitle affects the Executive Director’s salary which is budgeted out of the DCRB Enterprise budget.

II. COMMITTEE REASONING

DCRB has an urgent need to hire an Executive Director. Both the Chief Financial Officer and Inspector General have expressed concern that there are too many senior level vacancies at the DCRB negatively affecting operations including the Executive Director, Chief Operating Officer, Chief Procurement Officer, and Director of Internal Audits. This language was adopted on an emergency and temporary basis in April 2021. The subtitle is necessary given that the search for an Executive Director is ongoing. Should the Board exercise the authority and make a hiring decision, it will be necessary to make a permanent change in the law. The Board believes that the higher salary will attract candidates that are best suited to the position. Please see the above budget chapter on DCRB for more information about its management challenges.

III. SECTION BY SECTION ANALYSIS

Sec. XX01. Short title.

Sec. XX02. Provides DCRB authority to adjust the annual salary of the Executive Director.

IV. LEGISLATIVE RECOMMENDATION

TITLE I, SUBTITLE COW-H. ARTS AND HUMANITIES GRANT FUNDING.

Sec. XX01. Short title.

This subtitle may be cited as the “Equity in the Arts and Humanities Amendment Act of 2021”.

Sec. X002. Section 121(g)(2) of the District of Columbia Retirement Reform Act, approved November 17, 1979 (93 Stat. 866; D.C. Official Code § 1-711(g)(2)), is amended by adding a new subparagraph (D) to read as follows:

“(D) Notwithstanding any other provision of law, the annual salary of the Executive Director shall be fixed by the Board as it considers necessary at a rate not to exceed 135% of the highest step of Grade E5 of the Executive Service.”.

V. FISCAL IMPACT

This subtitle has no impact on the budget and financial plan.

COMMITTEE ACTION