

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

MEMORANDUM

TO: Nyasha Smith, Secretary to the Council
FROM: Phil Mendelson, Chairman *P.M.*
DATE: May 23, 2022
RE: **Notice of intent to move an amendment in the nature of a substitute at the May 24, 2022 Additional Legislative Meeting**

This memorandum serves as notice that I intend to move an amendment in the nature of a substitute (ANS) for each of the following measures at the Additional Legislative Meeting scheduled for May 24, 2022:

- **PR 24-636, Fiscal Year 2022 Second Revised Local Budget Adjustment Emergency Declaration Resolution of 2022**
- **Bill 24-719, Fiscal Year 2022 Second Revised Local Budget Adjustment Emergency Act of 2022**
- **Bill 24-720, Fiscal Year 2022 Second Revised Local Budget Adjustment Temporary Act of 2022**

On March 17, 2022, as part of the proposed Fiscal Year 2023 budget package, the Mayor transmitted two emergency revisions to the FY 2022 LBA: Bill 24-717, the Fiscal Year 2022 Revised Local Budget Emergency Act of 2022, and Bill 24-719, the Second Revised Local Budget Emergency Act of 2022. On April 19, 2022, the Council moved an ANS for Bill 24-717 that appropriated only the federal payment funds for COVID relief necessary to repay contingency cash and provide emergency rental assistance.

The ANS for Bill 24-719, the Fiscal Year 2022 Second Revised Local Budget Adjustment Emergency Act of 2022, includes the Mayor's proposed adjustments for this measure and the mayoral adjustments that were excluded from the ANS for Bill 24-717. Please see the Mayor's FY2022 Proposed Supplemental Budget narrative on LIMS and attached to the comments for Bill 24-719.

The ANS also includes Council adjustments necessary to balance the FY23 budget and financial plan, as well as changes developed in concert with the Office of the Chief Financial Officer and the Executive. The changes in the ANS include:

- Reductions for underspending and vacancy savings across agencies that is being used in FY23 to balance the budget and financial plan;
- Addition of items from B24-0717 that were not necessary for contingency cash repayment or rental assistance;

- Partial reversal of vacancy savings sweeps previously made to OIG for first reading of the FY23 LBA;
- Reversal of sweeps to certain special purpose revenue funds previously made for first reading of the FY23 LBA (including from OCFO, OPC, DISB, and DDOT);
- Reversal of administrative costs associated with expanding paid family leave benefits starting July 1, 2022, previously made for first reading of the FY23 LBA;
- Moving grant funds for Friends of Carter Barron forward from FY23 to FY22;
- One-time enhancement of \$35,000 to DPR to support improvements to Amigos Park;
- Budgeting \$25.6 million of Monsanto settlement funds in DOEE's Hazardous Material Remediation project for clean-up of early action areas in accordance with the settlement agreement;
- Moving \$14 million for the Key Bridge Exxon Property project from DDOT to DGS;
- Increased the BID Transfer by \$300,000 (transfer between agencies for funds associated with a previously approved grant to the Dupont Underground);
- Per the Mayor's errata letter, reduction of \$1 million from the Transit Delivery Division due to low utilization during the pandemic;
- Increasing the Department of Human Services to reflect carryover emergency rental payments (\$219,697); and
- Restoration of partial year funding for the Office of the Ombudsperson for Children.

Bill 24-719 also contains several legislative provisions, including:

- Authority for the Deputy Mayor for Planning and Economic Development to make grants to housing providers to cover the costs of past due rent of District residents who are tenants of those housing providers;
- An exemption from gross income tax for those grants to housing providers;
- A repeal of section 6173(1) of the Grants Act of 2021, which required DDOT to issue a grant for a local airport authority to conduct a noise and operations study at Ronald Reagan Washington National Airport; the corresponding funds have been rescinded in DDOT's FY22 budget in section 2;
- A repeal of the one-week waiting period for Universal Paid Leave benefits (the waiting period had been suspended in response to the pandemic and this provision is currently in place also in the FY23 BSA, but is necessary here to avoid a gap in the law);
- A grant to the Friends of Carter Barron Amphitheatre, which was included in the FY23 BSA, but has been moved up to FY22;
- Direction to transfer certain amounts from certified funds and other revenue to the General Fund (including the FY21 ACFR surplus from HPTF and PayGo capital, which were used by the Mayor) to be made available as set forth in the Fiscal Year 2023 budget and financial plan;
- Authorization to carry over into FY23 certain remaining unexpended FY22 revenue;
- Adjustments to certain capital project allotments in FY22, including a new capital project for STAY @ Garnet-Patterson (project description attached to these comments);
- Certain provisions of subtitle 7-O, Flavored Tobacco Prohibition Implementation Act of 2022, which directs \$3 million from the June or September revenues to fund the Flavored Tobacco Product Prohibition Amendment Act of 2021.

The ANS for PR 24-635 simply revises that emergency declaration resolution in light of the changes made to the underlying emergency bill.

Copies of the ANS measures are attached, along with a spreadsheet of adjustments. Please contact Jennifer Budoff, Council Budget Director, at 724-5689 if you have any questions.

cc: All Councilmember
Council Officers