

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

1350 Pennsylvania Avenue, NW, Washington, DC 20004

DRAFT

TO: All Councilmembers
FROM: Chairman Phil Mendelson
Committee of the Whole
DATE: July 21, 2020
SUBJECT: Comments on Bill 23-762, the “Fiscal Year 2020 Revised Local Budget Act of 2020”

The Committee of the Whole, to which Bill 23-763 was referred for comments, provides the following comments.

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I. BACKGROUND AND NEED

On May 28, 2019, the Council approved the Fiscal Year 2020 Local Budget Act of 2019, which delivered a balanced budget and financial plan for the District for the fiscal year beginning October 1, 2020.

In March 2020, the District of Columbia documented its first cases of COVID-19. The District swiftly responded, shifting existing resources and allocating new federal funds to combat the spread of the disease and provide residents and businesses with financial relief. The District also entered a severe economic downturn, as schools, stores, hotels, restaurants, and other workplaces were closed, and travel and social gatherings were restricted. Then, in April 2020, the Office of the Chief Financial Officer (OCFO) lowered its FY 2020 revenue estimate by \$722 million.¹ A reduction in sales taxes from hotels, restaurants, and on-premise retail activity was

¹ D.C. Office of the Chief Financial Officer, 2020, *April 2020 Revenue Estimate* (Washington, D.C.: Government of the District of Columbia), <https://cfo.dc.gov/sites/default/files/dc/sites/ocfo/publication/attachments/April%20Revenue%20Estimate%20Letter%20042420.pdf>.

the primary driver of the decrease, but all revenue sources were affected. This includes real property taxes, income taxes, deed taxes, nontax revenue, and lottery ticket revenue. In addition to this severe revenue loss, certain budget pressures have arisen since the beginning of fiscal year 2020. Appropriated revenues and budget authority for fiscal year 2020 must be adjusted immediately to ensure that a balanced budget is maintained while continuing to meet the needs of District residents.

The COVID-19 pandemic also caused the Fiscal Year 2021 budget transmission to be delayed by 60 days. This delay impacted the advance payments typically made to public schools by July 15 of each year; the amounts of the advance payments are based on the following year's adopted budget. Due to the timing of this year's budget process, final adoption of the budget by the District is unlikely to occur until sometime in August, given the time necessary to complete enrollment of the Fiscal Year 2021 Local Budget Act of 2020 and Mayor's review period. In order to be able to make the advance payments to public schools as close to the mid-July date as practicable, Bill 23-763 authorizes those advance payments to be based on the Fiscal Year 2021 budget "as approved by the Council on second reading," instead of "as adopted by the District." In addition, this amendment will modify the deadline for making the advance payment from July 15 to August 1.

Bill 23-763 also includes a provision directing the proceeds from the sale of Parcel 17 on the St. Elizabeths campus to the General Fund, to be used as set forth in the FY21 budget and financial plan. That sale is expected to occur before the end of Fiscal Year 2020.

This emergency provides immediate assistance to two groups that are impacted by COVID-19 but have not been able to access adequate financial help. It pushes forward from FY21 to FY20 \$9 million to continue Events DC's cash assistance program for undocumented workers who have lost their jobs or have had their hours cut during the public health emergency. It also provides \$5m in emergency assistance to child care centers to help prevent them from permanently closing because of the public health emergency.

For the reasons set forth above, the Council recommends adoption of Bill 23-763, as amended, to adjust the local operating expenditures and capital budget authority for the District in Fiscal Year 2020. The legislation captures shifts in spending, new federal resources, and a revenue reduction that were necessitated by the COVID-19 public health emergency and other budget pressures.

II. LEGISLATIVE CHRONOLOGY

May 1, 2020

Notice of public hearings on the proposed Fiscal Year 2021 Budget and Financial Plan is published in the *District of Columbia Register* (updates to the schedule of budget oversight hearings published May 8, 15, 22, and 29, and June 8, 2020)

May 18, 2020	Bill 23-763, the “Fiscal Year 2020 Revised Local Budget Emergency Adjustment Act of 2020” is introduced by Chairman Mendelson at the request of the Mayor
May 19, 2020	Committee of the Whole holds a public briefing on the Mayor’s Fiscal Year 2021 Proposed Budget and Financial Plan, of which Bill 23-763 is companion legislation
May 29, 2020	Notice of Intent to Act on Bill 23-763 is published in the <i>District of Columbia Register</i>
June 9, 2020	Bill 23-763 is “read” at the June 9, 2020 Regular Legislative Meeting and retained by the Council with comments by the Committee of the Whole
May 20 – June 17, 2020	Committees hold public hearings on the budgets of the agencies under their purview and the subtitles of the Fiscal Year 2021 Budget Support Act of 2020 that were referred to each for comments
June 17 – 18, 2020	Committee of the Whole holds a two-day public hearing on Bill 23-760, Bill 23-761, Bill 23-762, and Bill 23-763
June 23 – June 25, 2020	Committees mark up and approve their budget recommendations for the Fiscal Year 2021 budget
July 7, 2020	Committee of the Whole marks up Bill 23-760, Bill 23-761, and Bill 23-762
July 21, 2020	Committee of the Whole marks up Bill 23-763

III. POSITION OF THE EXECUTIVE

Chairman Mendelson introduced Bill 23-763 on behalf of the Mayor. The Mayor and the City Administrator presented the FY21 budget, of which Bill 23-763 is companion legislation, at a public briefing on May 19, 2020. On June 2, 2020, the Mayor transmitted an errata letter requesting that the Council incorporate various changes to the introduced version of Bill 23-761, the Local Budget Act of 2020, and Bill 23-763, and related budget documents. The errata letter is included as an attachment to this report. Other Executive Branch testimony was presented to the various Council committees and is also included in the hearing record.

IV. COMMENTS OF ADVISORY NEIGHBORHOOD COMMISSIONS

The Committee received no testimony or comments from any Advisory Neighborhood Commission on Bill 23-763.

V. LIST OF WITNESSES

The Committee of the Whole held a public hearing on all budget-related legislation on June 17 and June 18, 2020.² The witnesses were:

WITNESS LIST (JUNE 17)

1. Jesse Rabinowitz
Advocacy and Campaign Manager,
Miriam's Kitchen
2. Keshini Ladduwahetty
Operations Director, DC for Democracy
3. Sultan Shakir
Executive Director, SMYAL
4. Tazra Mitchell
Policy Director, DC Fiscal Policy Institute
5. Damon King
Legal Aid Society for the District of
Columbia
6. Kimberly Perry
Executive Director, DC Action for Children
7. David Schwartzman
DC Statehood Green Party
8. Elizabeth Falcon
Executive Director, DC Jobs with Justice
9. Syritha Robinson
Advocacy Director, Educare DC
10. Kathy Hallowell-Makle
Executive Director, District of Columbia
Association for the Education of Young
Children (DCAEYC)
11. Sia Barbara Kamara
DC Early Learning Collaborative
12. Kirby Vining
Chair, Committee of 100
13. Laura Hagood
Executive Director, Historical Society of
Washington, DC
14. Ericka Wadlington
DC Chamber of Commerce
15. Alicia Rucker
President, Friends of Deanwood Library
16. Lisa Mallory
Chief Executive Officer, DCBIA
17. Grace Hu
Digital Equity in Education
18. Dr. Carlene Reid
Public Witness
19. Tara Brown
Ward 8 Parent Leader
20. Scott Goldstein
Executive Director, EmpowerEd
21. Tony Williams
CEO and Executive Director, Federal City
Council
22. Jamal Jones
Teacher, Academy of Hope
23. Kent Withycombe
Education Project Director, Washington
Lawyers' Committee
24. Sameera Daniels
Ward 3 Democrats Education Task Force
25. Emily Gasoi, Ed.D.
DC State Board of Education, Ward 1

² All the Council's committees held hearings between May 20 and June 16, 2020, inclusive, on the Mayor's proposed budget.

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|-----|------------------------------|--------------------------------------------------------------|
| 26. | Jessica Sutter | DC State Board of Education, Ward 6 |
| 27. | Crystal Seaborn | Teacher, Garfield Elementary School |
| 28. | Kymone Freeman | We Act Radio |
| 29. | Armand Cuevas | Teacher, Dunbar High School |
| 30. | Pam Sofola | Owner, A Beautiful Closet Boutique |
| 31. | Shayna Tivona | Teacher |
| 32. | Destiny Sharpe | Economic Justice Organizer, SPACeS In Action |
| 33. | Berlette McMillan | Public Witness |
| 34. | Peter Edelman | Chair, DC Access to Justice Commission |
| 35. | Mukasichiweta 'Muka' Chisaka | Public Witness |
| 36. | Nykia Braxton | Parent Ambassador, Advocates for Justice and Education, Inc. |
| 37. | Katharine Landfield | Public Witness |
| 38. | Valerie Graff | Interim Executive Director, HumanitiesDC |
| 39. | Thomas Dominique | Battle's Transportation |
| 40. | Almeta R. Keys, CEO | Edward C. Mazique Parent Child Center, Inc. |
| 41. | Tyrone Hanley | Coalition Liaison, GLAA |
| 42. | Arthur Slade | Vice President, AFSCME Local 2743 |
| 43. | Tahir Duckett | Public Witness |
| 44. | Christina Bullock | President, A-Always Enterprises |
| 45. | Yumica Thompson | Ward 8 Parent |
| 46. | Andre Phillips | Chairman, FOP DYRS Labor Committee |
| 47. | Jason Berry | Founder, KNEAD Hospitality + Design |

Recess

WITNESS LIST (JUNE 18)

- | | | |
|-----|-------------------------|----------------------------------------------------------|
| 1. | Judith Sifontes | Public Witness |
| 2. | Miguel Castro | Public Witness |
| 3. | Ana Lemus | Public Witness |
| 4. | Ralph Clark El | Public Witness |
| 5. | Amber Harding | Staff Attorney, Washington Legal Clinic for the Homeless |
| 6. | Jesse Lovell | Public Witness |
| 7. | Maya Martin Cadogan | Executive Director, PAVE |
| 8. | Diana Mayhew | President, National Cherry Blossom Festival |
| 9. | Alex Baca | Housing Program Organizer, Greater Washington |
| 10. | Lecester Johnson | CEO, Academy of Hope Adult PCS |
| 11. | Bethany Rubin Henderson | CEO, DC SCORES |
| 12. | Kisha Bridges | Budget Organizer, Fair Budget Coalition |
| 13. | Kirra L. Jarratt | CEO, DC Bar Foundation |

14. Monica Hopkins
Executive Director, American Civil Liberties Union of the District of Columbia
15. Shanika Simmons
Parent Ambassador, Ward 6
16. Caroline Philips
National Cannabis Festival
17. Chris Naoum
Listen Local First
18. Christopher Morgan
Executive Artistic Director, Dance Place
19. James D. Knight
President & CEO, Jubilee Housing
20. James Dickerson
President, Manna Inc.
21. Kathryn Abell
Resident Physician, Committee of Interns and Residents
22. Nzinga Tull
Board Chair, Teaching for Change
23. Marni Barron
President/CEO, Soul Tree, LLC
24. J. Sheffield
Public Witness
25. Faith Oviedo
Public Witness
26. Makia Green
Working Families Party
27. Jessica Shotwell
Public Witness
28. Nnennaya Amuchie
Public Witness
29. Devon Genua
Public Witness
30. Mahelet Kebede
Public Witness
31. Christian Tabash
Public Witness
32. Weston Gobar
Public Witness
33. Ntebo Mokuena
Public Witness
34. Lina Stolyar
Public Witness
35. Jason Najjoun
Public Witness
36. Carly Didden
Government Affairs Manager, Crown Castle
37. Rehana Mohammed
Chair, Board of Directors, The DC Center for the LGBT Community
38. Ryan Bos
Executive Director, Capital Pride Alliance
39. Mahkah Wu
DC Data Cycle
40. Elizabeth Sawyer
Public Witness
41. Robyn Swirling
Public Witness
42. Alfred Liu, President
AEPA Architects and Engineers, PC.
43. Morgan Monroe
Public Witness
44. Spencer Gopaul
Public Witness
45. Mekdes Sisay
Membership Chair, BYP100 DC
46. Nancy Shaffer
DC Event Coalition
47. Eric Bunn
National Secretary Treasurer, American Federation of Government Employees
48. Luc Brami
Principal, Gelberg Signs
49. Kristen Clardy
Public Witness
50. Timothy Ryan
Public Witness
51. Michael Livingston
Public Witness
52. Japer Bowles
Chair, ANC Rainbow Caucus
53. Dr. Antoine Kirby
Managing Partner, Kirby Educational Services

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| 54. | Angum Check | Public Witness |
| 55. | Betty Pair | DC Association of Realtors |
| 56. | Andrew Washington | Executive Director, AFSCME, District Council 20 |
| 57. | Lee Blackmon | Director, NAGE Federal Division |

VI. IMPACT ON EXISTING LAW

Bill 23-763 reflects revisions to the local portion of the District’s budget for Fiscal Year 2020, necessary to close a gap in revenue due to the COVID-19 pandemic, and to maintain a balanced budget for the fiscal year ending September 30, 2020.

VII. FISCAL IMPACT

Bill 23-763 reflects the Council’s adoption of the revised local budget for the District government and establishes revisions to the availability of funding for certain operations of the District for Fiscal Year 2020 as set forth in the legislation.

VIII. SECTION-BY-SECTION ANALYSIS

- | | |
|------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <u>Section 1</u> | States the short title of Bill 23-763. |
| <u>Section 2</u> | Sets forth the adjustments to appropriations for certain agencies within the government of the District for the fiscal year ending September 30, 2020. |
| <u>Section 3</u> | Amends the Fiscal Year 2020 Local Budget Act District of Columbia Public Charter Schools appropriation to authorize the advance payments to be made based on the Fiscal Year 2021 budget “as approved by the Council on second reading” rather than “as adopted by the District” and makes a conforming amendment to the timing of the advance payment. |
| <u>Section 4</u> | Sets forth the transfers of amounts from certain funds to the unassigned balance of the General Fund to be used in the FY21 budget and financial plan. |
| <u>Section 5</u> | Sets forth adjustments to listed capital projects. |
| <u>Section 6</u> | Directs proceeds from the sale of Parcel 17 on the St. Elizabeths campus to be deposited in the unassigned balance of the General Fund to be used in the FY21 budget and financial plan. |
| <u>Section 7</u> | Provides that the Council adopts the fiscal impact statement of the Chief Financial Officer. |

Section 8 Establishes the effective date of the act.

IX. COMMITTEE ACTION

X. ATTACHMENTS

1. Bill 23-763 as introduced.
2. May 18, 2020 certification letter for Bill 23-763.
3. Mayor's errata letter.
4. Legal Sufficiency Determination for Bill 23-763.
5. Charts supporting revisions in Bill 23-763.
6. Committee Print for Bill 23-763.



MURIEL BOWSER
MAYOR

May 18, 2020

The Honorable Phil Mendelson, Chairman
Council of the District of Columbia
1350 Pennsylvania Avenue, NW
Washington, DC 20004

Dear Chairman Mendelson:

On behalf of the residents of the District of Columbia, I am pleased to submit to you the proposed District of Columbia Fiscal Year 2021 Proposed Budget and Financial Plan, *DC HOPE (Health Opportunity Prosperity Equity)*. Included in this submission, you will find the "Fiscal Year 2021 Local Budget Act of 2020," the "Fiscal Year 2021 Federal Portion Budget Request Act of 2020," the "Fiscal Year 2021 Budget Support Act of 2020," the "Fiscal Year 2020 Revised Local Budget Emergency Act of 2020," the "Fiscal Year 2020 Revised Local Budget Temporary Act of 2020," and the "Fiscal Year 2020 Revised Local Budget Emergency Declaration Resolution of 2020".

Despite a substantial loss of revenue due to the global coronavirus pandemic, the Fiscal Year 2021 budget proposal continues to make significant investments in District residents. This budget supports the priorities and values of our residents by making critical investments in our public health infrastructure, affordable housing, and public schools. With a focus on health, opportunity, prosperity, and equity, this budget provides a sense of hope that even in times of unprecedented crisis, we can live up to our DC values and provide every Washingtonian with a fair shot at pathways to the middle class.

In just a few short months, this pandemic has created many challenges for our community and has laid bare distressing health disparities that exist across our nation and within our community. We know that these disparities are the result of generations of discriminatory policies and systems that negatively affect the health and well-being of people of color. This budget recognizes that in order to build a healthier, more equitable, and more resilient city, we must improve our health care system while also addressing the social determinants that drive health outcomes.

The DC HOPE Budget includes \$306 million for a state-of-the-art community hospital at St. Elizabeths and \$69 million ambulatory complex to support a stronger network of care in Wards 7 and 8. The budget also includes \$4.8 million to support the recommendations of the Mayor's Commission on Healthcare Systems Transformation, including investments to reduce reliance on emergency care and \$400,000 to improve pre-natal care. Through these investments, we can transform our health care system by promoting equity in care, access, and outcomes.

Despite the difficult circumstances we face, I remain steadfast in my commitment to affordable housing. Thus, this budget includes a \$100 million investment in the Housing Production Trust Fund and a \$1 million commitment to the Housing Preservation Fund which is leveraged with private investments to ensure we preserve critical affordable housing units.

We will also continue our robust investments in education, with a 3 percent increase in the Uniform Per Student Funding Formula and \$1.4 billion over the next six years for the continued modernization of our schools.

This budget also maintains critical investments in building a safer, stronger DC, including a \$1.7 million investment in our Cadet Program, which will provide 50 young District residents an opportunity to be a part of our Metropolitan Police Department.

Below are additional examples of important investments in the proposed FY 2021 Budget and Financial Plan that will help us build a more resilient and equitable DC.

Health and Human Services

The FY 2021 budget supports the health and well-being of District residents through the following investments:

- \$4.2 million in FY 2021 to support five Centers of Excellence at Howard University Hospital, which will strengthen the Howard University Hospital and improve the health outcomes of Washingtonians;
- \$12.8 million in Homeward DC to make homelessness rare, brief, and non-recurring, including 96 new units for singles, 54 new units for families, and operating costs for our new short-term family housing shelters;
- \$5 million to continue funding for the Safe at Home program to meet program demands and \$250 thousand in grants for senior hearing aids;
- \$26 million to complete the Therapeutic Recreation Center in Ward 7 and \$8.9 million for the Ward 8 Senior Wellness Center project; and
- \$86 million in the capital budget to improve and expand public parks and recreational facilities.

Affordable Housing

Producing, preserving, and protecting affordable housing remains a top priority. The FY 2021 budget makes the following investments in affordable housing:

- \$100 million contribution to the Housing Production Trust Fund;
- \$1 million for the Housing Preservation Fund;
- \$76 million in capital funding to rehabilitate and modernize public housing units; and
- \$35.5 million to expand and renovate the District's permanent and temporary supportive housing.

High-Quality Education

Our community continues to recognize the important role our public schools play in creating opportunity and helping us build a more equitable city. We know that investments in our public schools were the driving force behind the renaissance of our city, and our steadfast commitment to our students, families, and educators remains strong. In the DC HOPE Budget, we continue to make education a top priority through a range of investments, including:

- a \$113.5 million increase in funding for K-12 public education;
- 3.0 percent increase to the base amount of the Uniform Per Student Funding Formula;
- more than \$1.4 billion for DC Public Schools (DCPS) to fund school modernizations, small capital projects, and school expansions to address overcrowding;
- \$80.2 million for the opening of Bard High School Early College, \$22.7 million for a new expansion at Barnard Elementary School, \$56 million for the development of a new Foxhall School, and \$2 million to support Excel Academy;
- \$75 million in capital funding to support 17 schools in the creation of 540 new early childcare seats and 180 pre-kindergarten seats across the District;
- \$20 million in funding for the Parkland Turner Library in Ward 8;
- a continued investment of \$90.3 million for the University of the District of Columbia, including \$6.5 million in investments for IT upgrades and an additional \$108 million in capital investments for university improvements; and
- \$1 million to support the operations of the new Martin Luther King Library.

Public Safety and Justice

Our work to build safer, stronger neighborhoods across all eight wards continues, and the FY 2021 budget includes critical investments that support our collective commitment to public safety and justice:

- \$2 million for an additional 30 corrections officers and \$48 million to address critical building needs at the DC Jail.
- \$327 thousand to provide critical Public Health Emergency resources to the Department of Forensic Sciences;
- \$200 thousand to implement a consumer case management system to improve code violation enforcement, as was recommended by the independent review of the 708 Kennedy Street fire; and
- \$86 million to upgrade our Fire and Emergency Medical Services fleet vehicles.

Transportation and the Environment

The FY 2021 budget makes key investments in transportation and infrastructure that will make moving throughout our city safer and provide more convenient access to transit options in underserved areas. The budget also includes investments that over time will make the District greener and more sustainable. Key investments in the District's transportation and environment include:

- \$1.7 billion to support capital infrastructure upgrades for the Washington Metro Area Transit Authority;
- \$6.5 million to support the continued improvement of our Circulator services and fund key wage components of our Circulator contract;
- \$56 million in safety and mobility investments and \$146 million in streetscapes as well as \$250 thousand in operating enhancements for new Vision Zero improvements to improve safety and reduce serious injuries and traffic fatalities;
- \$117 million to build the K Street Transitway by 2023, providing protected bus and bike lanes across the District's downtown core;
- \$1 million to install new electric vehicle charging stations at District agencies to support growing the District's electric fleet; and

- \$40 million to conduct hazardous material remediation as part of ongoing efforts to make the Anacostia River fishable and swimmable.

Jobs and Economic Opportunity

While recovery efforts for residents and businesses will be ongoing and include the use of local and federal funds, the FY 2021 budget builds on efforts to spread prosperity and support local businesses and entrepreneurs with:

- \$3.7 million for Main Streets and \$4.5 million for Clean Teams;
- \$250 thousand to help returning citizens start new businesses and launch careers;
- \$7 million to support business development across the city with a focus on mixed-use development in high-unemployment areas;
- the creation of an online marketplace that will digitize, simplify, and improve accountability of the third-party construction inspection process; and
- expanded access to our Opportunity Accounts program, allowing residents enrolled in the District's Opportunity Accounts program to use matched savings for medical emergencies not covered by insurance, as well as health insurance premiums in the event of a sudden loss of income.

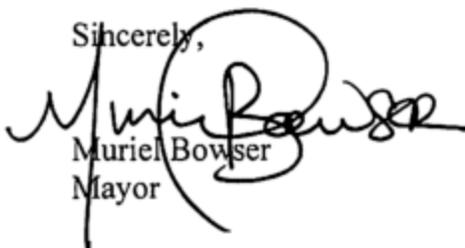
Government Operations

The FY 2021 budget reflects a focus on streamlined and efficient government services that support our DC values, including:

- \$2.5 million for the Immigrant Justice Legal Services grant program;
- \$4.3 million to fully fund the Fair Elections Program;
- \$3.3 million to build a new animal shelter; and
- \$72 million to complete the modernization of the District's financial systems.

The FY 2021 budget is unique in that when we started putting it together, the world and the District were in a much different place than we are today. While our challenges are still great, Washington, DC is fortunate that we went into this crisis in strong financial standing – a place we got to through years of being responsible stewards of taxpayer dollars. I am proud that the DC HOPE Budget, which was revised and updated in the midst of this crisis, continues to reflect our ongoing commitment to good government and fiscal responsibility without compromising our shared DC values.

Sincerely,



Muriel Bowser
Mayor


Chairman Phil Mendelson
at the request of the Mayor

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A BILL

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To adjust, on an emergency basis, certain allocations in the Fiscal Year 2020 Local Budget Act of 2019 to maintain a balanced budget for the fiscal year ending September 30, 2020.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA,

That this act may be cited as the “Fiscal Year 2020 Revised Local Budget Emergency Act of 2020”.

Sec. 2. The appropriations set forth in the Fiscal Year 2020 Local Budget Act of 2019, effective August 31, 2019 (D.C. Law 23-11; 66 DCR 12340), are decreased by (\$350,629,241) (including (\$308,577,853) in local funds, (\$23,355,258) in dedicated taxes, and (\$18,696,130) in other funds), to be allocated as follows:

Governmental Direction and Support

The appropriation for Governmental Direction and Support is decreased by (\$8,259,396) in local funds, to be allocated as follows:

- (1) Board of Ethics and Government Accountability. – (\$71,000) is rescinded from local funds;
- (2) Captive Insurance Agency. – (\$107,966) is rescinded from local funds;
- (3) Contract Appeals Board. - (\$61,621) is rescinded from local funds;
- (4) Department of General Services. – (\$9,709,253) is added to local

1 funds;

2 (5) Department of Human Resources. - \$200,000 is added to local funds;

3 (6) Executive Office of the Mayor. - (\$700,000) is rescinded from local

4 funds;

5 (7) Mayor's Office of Legal Counsel. - (\$425,000) is rescinded from local

6 funds;

7 (8) Office of Campaign Finance. - (\$83,149) is rescinded from local funds;

8 (9) Office of Contracting and Procurement. - (\$2,365,951) is rescinded

9 from local funds;

10 (10) Office of Disability Rights. - (\$51,784) is rescinded from local funds;

11 (11) Office of Employee Appeals. - (\$35,343) is rescinded from local

12 funds;

13 (12) Office of Finance and Resource Management. - (\$383,000) is

14 rescinded from local funds;

15 (13) Office of Risk Management. - (\$368,898) is rescinded from local

16 funds;

17 (14) Office of the Attorney General for the District of Columbia. -

18 (\$1,500,000) is rescinded from local funds;

19 (15) Office of the Chief Financial Officer. - (\$2,000,000) is rescinded

20 from local funds;

21 (16) Office of the Chief Technology Officer. - (\$8,166,742) is rescinded

22 from local funds;

23 (17) Office of the City Administrator. - (\$350,000) is rescinded from local

1 funds;

2 (18) Office of the Inspector General. – (\$1,300,000) is rescinded from

3 local funds;

4 (19) Office of the Secretary. – (\$38,000) is rescinded from local funds;

5 (20) Office of the Senior Advisor. – (\$86,769) is rescinded from local

6 funds; and

7 (21) Public Employee Relations Board. – (\$73,426) is rescinded from

8 local funds.

9 **Economic Development and Regulation**

10 The appropriation for Economic Development and Regulation is decreased by

11 (\$16,707,744) in local funds, to be allocated as follows:

12 (1) Commission on the Arts and Humanities. – (\$983,010) is rescinded

13 from local fund;

14 (2) Department of Consumer and Regulatory Affairs. – (\$350,000) is

15 rescinded from local funds;

16 (3) Department of Employment Services. - (\$2,900,783) is rescinded from

17 local funds;

18 (4) Department of Housing and Community Development. – (\$162,806) is

19 rescinded from local funds;

20 (5) Department of Small and Local Business Development. – (\$635,035)

21 is rescinded from local funds;

22 (6) Housing Authority Subsidy. – (\$9,871,000) is rescinded from local

23 funds;

- 1 (7) Office of Cable Television, Film, Music, and Entertainment. –
2 (\$186,698) is rescinded from local funds;
- 3 (8) Office of Planning. – (\$368,038) is rescinded from local funds;
- 4 (9) Office of the Deputy Mayor for Planning and Economic Development.
5 - (\$620,000) is rescinded from local funds;
- 6 (10) Office of the People’s Counsel. – (\$74,226) is rescinded from local
7 funds;
- 8 (11) Office of the Tenant Advocate. – (\$311,897) is rescinded from local
9 funds;
- 10 (12) Office of Zoning. – (\$190,261) is rescinded from local funds;
- 11 (13) Real Property Tax Appeals Commission. – (\$28,290) is rescinded
12 from local funds; and
- 13 (14) Rental Housing Commission – (\$25,700) is rescinded from local
14 funds.

15 **Public Safety and Justice**

16 The appropriation for Public Safety and Justice is decreased by (\$202,333,690) in
17 local funds, to be allocated as follows:

- 18 (1) Corrections Information Council. – (\$7,817) is rescinded from local
19 funds;
- 20 (2) Criminal Code Reform Commission. – (\$68,779) is rescinded from
21 local funds;
- 22 (3) Criminal Justice Coordinating Council. – (\$231,285) is rescinded from
23 local funds;

1 (4) Department of Corrections. – (\$22,658,465) is rescinded from local
2 funds;

3 (5) Department of Forensic Sciences. – (\$1,119,022) is rescinded from
4 local funds;

5 (6) District of Columbia National Guard. – (\$112,481) is rescinded from
6 local funds;

7 (7) District of Columbia Sentencing Commission. – (\$120,204) is
8 rescinded from local funds;

9 (8) Fire and Emergency Medical Services Department. – (\$72,750,000) is
10 rescinded from local funds;

11 (9) Metropolitan Police Department. – (\$97,519,285) is rescinded from
12 local funds;

13 (10) Office of Administrative Hearings. - \$74,350 is added to local funds;

14 (11) Office of Neighborhood Safety and Engagement. – (\$454,788) is
15 rescinded from local funds;

16 (12) Office of Police Complaints. – (\$160,000) is rescinded from local
17 funds;

18 (13) Office of the Chief Medical Examiner. – (\$2,392,373) is rescinded
19 from local funds;

20 (14) Office of the Deputy Mayor for Public Safety and Justice. – (\$92,174)
21 is rescinded from local funds;

22 (15) Office of Unified Communications. – (\$1,655,501) is rescinded from
23 local funds; and

1 (\$2,680,486) is rescinded from local funds.

2 **Human Support Services**

3 The appropriation for Human Support Services is decreased by (\$90,828,481) in
4 local funds, to be allocated as follows:

5 (1) Child and Family Services Agency. – (\$2,631,274) is rescinded from
6 local funds;

7 (2) Department of Aging and Community Living. – (\$1,527,525) is
8 rescinded from local funds;

9 (3) Department of Health. – (\$6,291,168) is rescinded from local funds;

10 (4) Department of Health Care Finance. – (\$57,223,759) is rescinded from
11 local funds;

12 (5) Department of Human Services. - \$12,084,296 is added to local funds;

13 (6) Department of Parks and Recreation. – (\$3,415,809) is rescinded from
14 local funds;

15 (7) Department of Youth Rehabilitation Services. – (\$7,017,034) is
16 rescinded from local funds;

17 (8) Department on Disability Services. – (\$20,700,000) is rescinded from
18 local funds;

19 (9) Employees' Compensation Fund. – (\$3,289,438) is rescinded from
20 local funds;

21 (10) Office of Human Rights. – (\$728,995) is rescinded from local funds;

22 (11) Office of Veterans' Affairs. - (\$8,000) is rescinded from local funds;

23 (12) Office on Asian and Pacific Islander Affairs. – (\$8,125) is rescinded

1 from local funds; and

2 (13) Office on Latino Affairs. – (\$71,650) is rescinded from local funds.

3 **Public Works**

4 The appropriation for Public Works is decreased by \$47,234,867 (including
5 (\$5,183,867) in local funds, (\$23,355,258) in dedicated taxes, and (\$18,696,130) in other
6 funds) to be allocated as follows:

7 (1) Department of Energy and Environment. – (\$851,483) is rescinded
8 from local funds;

9 (2) Department of For-Hire Vehicles. – (\$369,569) is rescinded from local
10 funds;

11 (3) Department of Motor Vehicles. - \$2,245,119 is added to local funds;

12 (4) Department of Public Works. – (\$3,943,398) is rescinded from local
13 funds;

14 (5) Department of Transportation. - (\$2,184,399) is rescinded from local
15 funds;

16 (6) Office of the Deputy Mayor for Operations and Infrastructure. –
17 (\$79,749) is rescinded from local funds; and

18 (7) Metropolitan Washington Transit Authority. – (\$47,234,867) is
19 rescinded (including (\$5,183,479) from local funds, (\$23,355,258) from dedicated taxes,
20 and (\$18,896,130) from other funds).

21 **Financing and Other**

22 The appropriation for Financing and Other is increased by \$33,527,678 in local
23 funds to be allocated as follows:

- 1 (1) Non-Departmental. – \$13,754,300 is added to local funds;
- 2 (2) Pay-As-You-Go Capital Fund. – (\$6,000,000) is rescinded from local
- 3 funds; and
- 4 (3) Repay Emergency and Contingency Reserve Funds. – \$23,737,344 is
- 5 added to local funds; and
- 6 (3) Workforce Investments Account. - \$2,037,034 is added to local funds.

7 Sec. 3. Notwithstanding any provision of law limiting the use of funds in the

8 accounts listed in the following chart, the Chief Financial Officer shall transfer in Fiscal

9 Year 2020 the following amounts from certified fund balances and other revenue in the

10 identified accounts to the unassigned fund balance of the General Fund of the District of

11 Columbia:

Agency Code	Fund Detail	Fund Name	Amount
AG0	0601	Accountability Fund	60,000
BD0	2001	Historic Landmark and Historic District Filing Fees	127,039
BX0	0600	Arts and Humanities Enterprise Fund	23,000
CI0	0600	Special Purpose Revenue	700,000
CQ0	6000	Rental Unit Fee Fund	462,101
FB0	0601	FEMS Reform Fund	189,064
GD0	0620	Child Development Facilities Fund	86,737
GD0	6007	Site Evaluation	40,000
GL0	0619	State Athletic Acts Program and Office Fund	49,801
KT0	6082	Solid Waste Disposal Fee Fund	37,889
KT0	6591	Clean City Fund	205,723
RJ0	0640	Subrogation Fund	678,000
TO0	0602	0602-DC Net Services Support	1,130,032

UC0	1630	911 and 311 Assessments	1,455,501
LQ0	0110	Dedicated Taxes	568,715

1 Sec. 5. Capital project rescissions and increases.

2

3 (a) The existing allotments of the following capital projects are rescinded in the

4

following amounts:

Owner Agency	Project Number	Implementing Agency	Project Title	Amount of Rescission
DPW	CP201C	DGS	Composting Facility	(\$1,075,000)
DPW	FLW02C	DPW	Fleet Vehicles >100K	(\$3,375,000)
DPR	QL201C	DGS	Off-Leash Dog Parks	(\$1,550,000)

5

6 (b) The Fiscal Year 2020 allotment of the following capital project is increased

7

in the following amount:

Owner Agency	Project Number	Implementing Agency	Project Title	Amount of Addition
DDOT	AW031C	DDOT	South Capitol Street/Frederick Douglass Bridge	\$23,900,000

8

9 (c) In Fiscal Year 2020, the Chief Financial Officer shall rescind or increase

10

capital project allotments as set forth in the following tabular array:

Project No	Project Title	Fund Detail	Total
PFLO8	Paid Family Leave	300	(\$16,500,000)
BR005	H Street Bridge	300	(\$13,541,000)
TB137	Brent ES Modernization	300	(\$8,976,668)
LC837	RELOCATION OF ENGINE COMPANY 26	300	(\$8,976,668)
BRM26	HSEMA EMERGENCY OPERATIONS CENTER RENOVATION	300	(250,000)
PSH01C	PSH Units for Senior Women	300	(\$5,673,332)
04002C	MP - New Financial System	300	(573,216.00)

11

12 Sec. 6. Fiscal impact statement.

13

The Council adopts the fiscal impact statement of the Chief Financial Officer as

1 the fiscal impact statement required by section 4a of the General Legislative Procedures
2 Act of 1975, approved October 16, 2006 (120 Stat. 2038; D.C. Official Code § 1-
3 301.47a).

4 Sec. 7. Effective date.

5 This act shall take effect following approval by the Mayor (or in the event of veto
6 by the Mayor, action by the Council to override the veto), and shall remain in effect for
7 no longer than 90 days, as provided for emergency acts of the Council of the District of
8 Columbia in section 412(a) of the District of Columbia Home Rule Act, approved
9 December 24, 1973 (87 Stat. 788; D.C. Official Code § 1-204.12(a)).

GOVERNMENT OF THE DISTRICT OF COLUMBIA
OFFICE OF THE CHIEF FINANCIAL OFFICER



Jeffrey S. DeWitt
Chief Financial Officer

May 18, 2020

The Honorable Muriel Bowser
Mayor of the District of Columbia
John A. Wilson Building
1350 Pennsylvania Avenue, NW, Room 306
Washington, DC 20004

Dear Mayor Bowser:

I am pleased to transmit the Fiscal Year (FY) 2021– FY 2024 Proposed Budget and Financial Plan. The FY 2021 Proposed Budget includes \$8.5 billion in Local funds and \$16.7 billion in Gross funds (excluding Intra-District funds).

The Office of the Chief Financial Officer (OCFO) worked closely with your executive leadership team, the City Administrator’s Office of Budget and Performance Management staff, and agency program staff to produce a balanced budget and five-year financial plan. The FY 2021 policy budget reflects your administration’s funding priorities and determinations.

The FY 2021 – FY 2024 Budget and Financial Plan makes prudent use of reserves, utilizes federal funding, reduces certain projected program expenditures, and refinances debt. Therefore, after careful review, I certify that the FY 2021 – FY 2024 Budget and Financial Plan is balanced.

REVENUE OUTLOOK

The District is experiencing a severe economic downturn that began last March, with District real gross domestic product not expected to regain its prior peak until the end of 2021. Like other state and local governments throughout the United States, in mid-March, the District government closed schools, stores, hotels, restaurants and other workplaces, and placed severe restrictions on travel and social gatherings to control the spread of COVID-19. Initial District unemployment claims have surged in the last month as hotels, restaurants, other retail, and personal service establishments have either closed or sharply reduced operations. The forecast assumes that the restrictions on social gatherings and other activities will continue through the Spring, and that District economic activities will then begin to return slowly over subsequent months. It assumes that District jobs, wages, and the stock market will decline in calendar year 2020 and recover by the end of calendar year 2021.

There is a high degree of uncertainty around the forecast because the rapid spread of the virus, and the measures to control it, are without precedent in recent history. One source of uncertainty is how and when restrictions will be lifted both locally and nationally--and how the public and business entities will respond when the restrictions are lifted. Another source of uncertainty is the severity of the disruption to the national economy, which has already experienced a steep rise in unemployment and a 34 percent decline in stock prices in the first few weeks of the public health emergency. Although stock prices have staged a recovery recently, they have been characterized by large daily price swings. While the federal government has enacted several measures designed to aid individuals and businesses, it is unclear how successful these measures will be in stabilizing the economy and encouraging meaningful recovery. This estimate will be revisited in August at which time more information will be available.

All revenue sources are affected by the current downturn. The largest revision is to sales tax revenue, reflecting the decline in revenue from hotels, restaurants, and "brick and mortar" retail. As residents stay home and commuting is significantly curtailed, people are concerned about their personal health and safety, the duration of the restrictions, and possible job losses. As a result, consumers have reduced their spending significantly, and while there is more spending online and for takeout or delivery, overall spending has declined.

This economic outlook is based on a number of sources, including: cash collection reports; federal data on District population, employment and income; private data sources on housing, commercial real estate and hotels; and forecasts of the U.S. economy prepared by the Congressional Budget Office and private-sector economists, including the Blue Chip consensus forecast of 50 private sector economists and two private-sector firms (IHS Markit and Moody's Analytics) that also prepare forecasts of the District's economy.

BUDGET OVERVIEW

The \$7.92 billion Local funds revenue estimate for FY 2021 is an increase of \$186.2 million (2.4%) from the FY 2020 estimates (revised April 24, 2020). Including dedicated and special purpose revenues and policy initiatives, FY 2021 General Fund revenue is \$9.21 billion, \$426.3 million more than FY 2020. Various policy initiatives increase General Fund revenue by \$25 million in FY 2020, \$78 million in FY 2021, and \$79 million in FY 2022.

EXPENDITURES

Local Funds

The Mayor's Proposed FY 2021 Budget includes approximately \$8,542.0 million in spending supported by \$8,542.5 million of resources, with an operating margin of \$0.5 million, as shown in Table 1.

Table 1	
FY 2021 Proposed Budget Summary	
Local Funds	
(\$ in millions)	
Taxes	\$ 7,425.1
Non-Tax Revenues	440.0
Lottery	51.4
All Other Resources	19.3
Revenue Proposals	74.5
Fund Balance Use	532.3
Total Local Fund Resources	\$ 8,542.5
Local Expenditures	\$ 8,542.0
Projected FY 2021 Operating Margin	\$0.5

Gross Funds

The proposed FY 2021 gross funds operating budget (excluding intra-District funds) is \$16.7 billion, an increase of \$1.3 billion, or 8.4 percent, over the FY 2020 approved gross budget of \$15.4 billion. The largest portion of this increase is due to the required budget authority in Enterprise and Other Funds related to the Universal Paid Leave (UPL) and Unemployment Insurance (UI) programs, followed by increases in federal payments and grants related to COVID-19. The Local and non-Local funding components of the proposed FY 2021 gross budget and the changes from FY 2020 are summarized in Table 2 below.

Table 2				
FY 2020 vs. FY 2021 Gross Funds Budget by Fund Type				
(\$ in millions)				
Fund Type	FY 2020 District's Approved	FY 2021 Mayor's Proposed	Change	% Change
Local	\$ 8,567.9	\$ 8,542.0	(\$25.8)	-0.3%
Dedicated Tax	566.3	528.0	(38.4)	-6.8%
Special Purpose	771.0	754.8	(16.2)	-2.1%
Subtotal, General Fund	\$ 9,905.1	\$ 9,824.8	(\$80.4)	-0.8%
Federal	3,474.0	4,034.1	560.1	16.1%
Private	8.3	4.8	(3.6)	-43.0%
Total, Operating Funds	\$ 13,387.5	\$ 13,863.6	\$ 476.2	3.6%
Enterprise and Other Funds (including from Dedicated Taxes)	1,993.7	2,804.1	810.4	40.6%
Total Gross Funds	\$ 15,381.2	\$ 16,667.7	\$ 1,286.5	8.4%

Note: Details may not add to totals due to rounding

MAJOR COST DRIVERS – LOCAL FUNDS

Overall, the proposed FY 2021 Local funds budget decreased by \$25.8 million, or 0.3 percent, compared to FY 2020. Table 3 provides a snapshot of major cost drivers for the increase.

Table 3	
Mayor's FY 2021 Proposed Budget	
Cost Drivers - Local Funds (in millions)	Amount
Major Changes:	
District of Columbia Public Schools	\$ 76.9
Department of Health Care Finance	38.3
District of Columbia Public Charter Schools	35.8
Metropolitan Police Department	17.5
Fire and Emergency Medical Services Department	(18.0)
Office of the State Superintendent of Education	(18.2)
Housing Production Trust Fund Subsidy	(21.1)
Workforce Investments Account	(89.1)

Primary Cost Drivers

- **District of Columbia Public Schools:** \$76.9 million over FY 2020 is primarily attributed to a 3.0 percent increase to the Uniform Per Student Funding Formula (UPSFF) Foundation level, which is \$11,310 for FY 2021, in comparison to the FY 2020 UPSFF Foundation level of \$10,980.
- **Department of Health Care Finance:** 38.3 million over FY 2020 is primarily attributed to one-time enhancements that support increased enrollment in healthcare services, and physicians' supplemental payments.
- **District of Columbia Public Charter Schools:** \$35.8 million over FY 2020 is primarily attributed to a 3.0 percent increase in the UPSFF.
- **Metropolitan Police Department:** \$17.5 million over FY 2020 is primarily attributed to additional support of the Patrol Services bureau, which will afford MPD the ability to coordinate crime prevention and reduction efforts in the seven police districts.
- **Fire and Emergency Medical Services Department:** \$18.0 million reduction compared to FY 2020 is primarily the result of shifting allowable Local fund expenses to the one-time COVID-19 Relief Fund to pay these costs.
- **Office of the State Superintendent of Education:** \$18.2 million reduction compared to FY 2020 is primarily the result of a reduction in various nonpersonal services items.
- **Housing Production Trust Fund Subsidy:** \$21.1 million reduction compared to FY 2020 is primarily the result of partial removal of one-time funding.
- **Workforce Investments Account:** \$89.1 million reduction is the result of removing funding for Cost of Living Adjustments (COLA) for both union and non-union employees.

MULTI-YEAR FINANCIAL PLAN

The economic effects of the pandemic on FY 2020 have been significant and require a revised FY 2020 budget that addresses the revenue shortfall. The April 2020 revised revenue estimate for FY 2020 was \$7.92 billion, a decrease of \$476 million from the revenue (including policy proposals) on which the FY 2020 Approved Budget was based. A further \$7 million decrease in transfers of excess Tax Increment Financing revenues to the Local fund means the net decrease in available resources is \$483 million, compared to the approved budget. The proposed FY 2020 revised budget makes several changes to address the revenue shortfall and spending pressures to date. The revised budget reduces Local fund expenditures by a net \$309 million by:

- reducing \$189 million of agency expenditure budgets;
- shifting \$214 million of spending to federal funds, using both CARES Act funds and Public Assistance funding through the Federal Emergency Management Agency;
- increasing spending in certain agencies by \$57 million to address spending pressures, required federal match, and other issues; and
- using \$37 million to replenish the Contingency Cash Reserve Fund, for those uses that are not related to COVID-19.

This net \$309 million of expenditure reductions, combined with \$149 million of additional fund balance use and an additional \$25 million of revenue derived by delaying defeasance (early retirement) of Ballpark bonds, closed the \$483 million gap for FY 2020.

The District's FY 2021- FY 2024 Budget and Financial Plan includes reductions to programs and initiatives to address the precipitous second quarter reduction in revenues, which is the direct result of the COVID-19 pandemic. To partially offset the drop in revenues and ensure that necessary services continue, the District utilizes its substantial reserves including the Fiscal Stabilization Reserve Fund; shifts allowable Local fund expenditures to federal COVID Relief funds, both grants and Federal Payments, for COVID-related expenses through December 31, 2020 or the 1st quarter of FY 2021; eliminates COLA increases across the financial plan; and restructures debt to gain more financial flexibility.

The proposed FY 2021 budget uses the District's Fiscal Stabilization Reserve Fund for the first time. In FY 2019, the District reached its goal of 60 days of cash on hand in its four reserve funds. Reaching this goal means the District has resources and flexibility to address emergency needs such as those created by the pandemic. By using the \$213 million in the Fiscal Stabilization Reserve Fund in FY 2021, the proposed budget can be balanced without severe reductions in services and staffing. The financial plan shows the Fiscal Stabilization Reserve Fund being replenished in FY 2023 and FY 2024 when revenues recover.

Finally, the proposed budget takes advantage of opportunities to restructure debt and fully utilizes other financial tools to manage liquidity and limit adverse budgetary effects during a recession. The OCFO's Office of Finance and Treasury will restructure existing debt in the current environment of low interest rates to reduce debt service payments in FY 2021 and FY 2022.

CAPITAL IMPROVEMENTS PLAN

The District is addressing its continuing infrastructure needs through its Capital Improvements Plan (CIP). The total appropriation request for the FY 2021 through FY 2026 CIP is \$7.9 billion from all sources. Much of the capital budget will be financed with municipal bonds totaling \$4.6 billion, along with Pay-As-You-Go (Paygo) transfers from the General Fund, Federal Highway Administration grants, a local match to the Federal Highway Administration grants from the District's Highway Trust Fund, and local transportation fund revenue.

Beginning with FY 2021, the District will increase its capital contribution to WMATA to \$183.9 million as its share of last fiscal year's region-wide commitment to increase capital funding by \$500 million per year. The District's contribution is projected to grow by 3 percent annually thereafter. The additional contribution will provide the necessary annual revenue to WMATA to fund improvements for a state of good repair. This increased contribution to WMATA totals \$1.7 billion through the FY 2026 CIP period.

The proposed capital budget for FY 2021 of \$1.7 billion of planned capital expenditures will be financed by \$1.1 billion in new Income Tax Secured or General Obligation bonds including tax-exempt and taxable issuances, \$244.1 million in Paygo, \$189.9 million in federal grants and payments, \$29.6 million in the Local Match to the Federal Highway Administration grants, and

\$40.3 million from the Local Transportation Revenue fund. Debt service through the CIP period remains below the 12 percent debt cap.

CONCLUSION

During this difficult period, the leadership provided by you and your team, along with the hard work of the Office of Budget and Planning, the Associate Chief Financial Officers and their staffs, the Office of Revenue Analysis and others in the OCFO, have allowed us to work effectively together to produce a balanced budget. I look forward to continuing to work with you and the Council during the upcoming budget deliberations.

Sincerely,

A handwritten signature in black ink that reads "Jeffrey S. DeWitt". The signature is written in a cursive style with a large, looped initial "J".

Jeffrey S. DeWitt



MURIEL BOWSER
MAYOR

June 2, 2020

The Honorable Phil Mendelson
Chairman
Council of the District of Columbia
1350 Pennsylvania Avenue, N.W., Suite 504
Washington, D.C. 20004

Dear Chairman Mendelson:

The purpose of this letter is to request that the Council of the District of Columbia (“Council”) make the following corrections and amendments to the proposed FY 2021 Budget and Financial Plan and the Fiscal Year 2020 Revised Local Budget Emergency Act of 2020, both of which were submitted to the Council on May 18, 2020.

Government Direction and Support

1. Office of the Attorney General

(a) Reduce the fund balance within the Litigation Support Fund by \$225,627.

The reduction above was not included due to a drafting error when submitting the budget.

2. Office of the Chief Financial Officer

(a) Remove \$5,673,332 from the MP-New Financial System capital project in FY 2020 (IFSMP)

The funding above was included due to a drafting error when submitting the budget.

Economic Development and Regulation

1. Recognizing Revenue due to Parcel Sales

(a) Recognize approximately \$2,000,000 in new revenue due to the sale of a District-owned parcel at Fort Totten. This funding will be deposited in June.

The revenue generated by the item above was unable to be included in the original submission of the Mayor's budget.

(b) Recognize \$3,204,936 in new revenue due to the sale of Parcel 17 on the St. Elizabeths campus. This funding was deposited into an escrow account on May 18, 2020.

The revenue generated by the item above was unable to be included in the original submission of the Mayor's proposed budget.

2. Office of Cable Television, Film, Music, and Entertainment

(a) Remove \$93,301 in personal funding (PS), including \$77,428.22 in CSG 11, Regular Pay and \$15,872.78 in CSG 14, Fringe Benefits for the salary and benefits and 1 FTE for an Operations Specialist Position within Activity 4010.

The funding above was included due to a drafting error when submitting the budget.

Public Safety and Justice

1. Office of Victim Services and Justice Grants

(a) Add \$500,000 to Justice Grants program (Activity 2010, CSG 0050).

The funding above was not included due to a drafting error when submitting the budget.

Public Education System

1. Office of the State Superintendent of Education

(a) Add a one-time enhancement of \$5,000,000 to continue the District's Childcare Subsidy at FY 2020 levels.

The enacted FY 2020 budget includes \$5 million in a one-time enhancement for the Childcare Subsidy provider payments. This enhancement was intended to continue as a one-time enhancement in the FY 2021 proposed Budget, but due to a drafting error when submitting the budget, this item was omitted.

(b) Restore \$844,400 in one-time funding for Healthy Tots within the Office of Nutrition Programs Activity – E504.

The funding above was not included due to a drafting error when submitting the budget.

2. District of Columbia Public Library

(a) Remove \$3,724,233 in Paygo funding from the Chevy Chase Library capital project (CCL37C) in FY 2024 and add \$1,100,000 in Paygo funding to Fiscal Year 2023 to the same project.

The funding above was included due to a drafting error when submitting the budget.

3. Department of Parks and Recreation

(a) Restore \$1,200,000 in one-time funding within the Department of Parks and Recreation within the Planning and Capital Projects Activity – 3825 for the Capitol Riverfront Business Improvement District.

The funding above was not included due to a drafting error when submitting the budget.

4. District of Columbia Public Charter Schools (DCPCS)

(a) Reduce total funding for the DCPCS by \$5,788,028 due to the closure of Achievement Prep Middle School.

The funding above was included due to a drafting error when submitting the budget and reflects a redistribution between DCPCS and District of Columbia Public Schools.

5. District of Columbia Public Schools (DCPS)

(a) Increase total funding for the DCPS by \$2,452,246 due to the closure of Achievement Prep Middle School.

The funding above was not included due to a drafting error when submitting the budget and reflects a redistribution between DCPCS and DCPS and the absorption of a portion of those students into DCPS schools.

Human Support Services

1. Department of Health

(a) Remove the one-time enhancement for the Commission on Health recommendations totaling \$2,150,000.

The item above and the activities that it funds are redundant to activities already included in a one-time enhancement of \$3,125,000. This redundancy was due to a drafting error when submitting the budget.

2. Department of Behavioral Health

(a) Remove the reduction of \$586,000 to eliminate 4.5 vacant positions that would be assigned to schools within activity Prevention/Early Intervention-School Mental Health - 6912.

The item above was reduced due to a drafting error when submitting the budget.

(b) Remove the reduction of \$1,143,160 to eliminate 11 vacant positions within activity Support Staff Services

The item above was reduced due to a drafting error when submitting the budget.

3. Department of Human Services

(a) Add \$2,100,000 in one-time funding to the Department of Human Services to support the Temporary Assistance for Needy Families (TANF) cost of living allowance in Fiscal Year 2021.

The item above was not included due to a drafting error when submitting the budget.

(b) Add \$1,100,000 in one-time funding to the Department of Human Services to support the Emergency Rental Assistance Program (ERAP).

The item above was not included due to a drafting error when submitting the budget.

(c) Add \$5,673,332 to the PSH Units for Senior Women capital project (PSH01) in FY 2020.

The item above was reduced due to a drafting error when submitting the budget.

4. Department of Health Care Finance

(a) Add \$5,000,000 of funding in Fiscal Year 2024 for the operating reserve requirement of the new GW Health hospital and ambulatory center at St. Elizabeths.

The item above was not included due to a drafting error when submitting the budget.

5. Child and Family Services Agency

(a) Add \$530,486 of one-time funding to Activity 8040, Object: 0501, CSG 0050 to support the Families First initiative.

The item above was not included due to a drafting error when submitting the budget.

Operations and Infrastructure

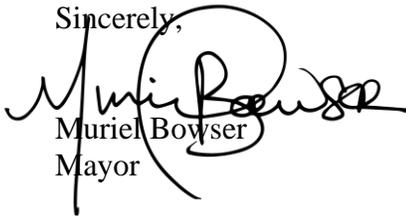
1. Department of Consumer and Regulatory Affairs

(a) Reduce the budget for the expedited building permit review special purpose revenue fund by \$1,150,000.

The reduction above was not included due to a drafting error when submitting the budget.

Thank you for your consideration of these changes.

Sincerely,



Muriel Bowser
Mayor