


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

MEMORANDUM

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TO: Nyasha Smith, Secretary to the Council

FROM: Phil Mendelson, Chairman 

DATE: June 24, 2024

RE: Notice of intent to move an amendment in the nature of a substitute to the FY25 Budget Support Act at the June 25, 2024 Legislative Meeting

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This memorandum is to provide notice of my intent to move an Amendment in the Nature of a Substitute (ANS) for Bill 25-784, the Fiscal Year 2025 Budget Support Act of 2024 (FY25 BSA) at tomorrow's additional legislative meeting. The ANS is attached. It makes several substantive revisions, as well as technical and clarifying changes developed with the Council's Office of the Budget Director and Office of the General Counsel, the Office of the Chief Financial Officer, and the Executive. Most of the changes are described briefly below.

**TITLE I. GOVERNMENT DIRECTION AND SUPPORT**

Subtitle D. Open Meetings Enforcement Amendment Act of 2024: The ANS strikes the provision related to the awarding of attorneys' fees.

Subtitle F. Procedure for the Termination of Grant Agreements Amendment Act of 2024: The ANS makes technical and clarifying changes to the content required in the show-cause notice to terminate a grant agreement for failure to comply with the terms or conditions of the agreement and the reply required by the grantor if a grantee submits a response to the show-cause notice.

Subtitle H. Department of General Services Process Improvements Amendment Act of 2024: The ANS changes two due dates from October 1, 2024 to December 31, 2025 and makes clarifying changes.

Subtitle I. Office of the Attorney General Litigation Support Fund Amendment Act of 2024: The ANS restores the Fund cap to \$23.5 million, directs \$25 million of the Saylor settlement to local revenue, and makes clarifying changes.

Subtitle N. Chief Financial Officer Authority to Budget New Agencies Act of 2024: This new subtitle provides that the Chief Financial Officer shall, as necessary, create a new agency in the financial system and reallocate funds budgeted in the Non-Departmental Account as necessary to implement the Reparations Foundation Fund and Task Force Establishment Act, following its effective date.

Subtitle O. Reception and Representation Authorization Amendment Act of 2024: This new subtitle increases the statutory cap on the amount authorized to be appropriated for official reception and representation activities. The same language was included in the Fiscal Year 2024 Revised Local Budget Adjustment Emergency Act of 2024 (FY24 Revised LBA).

Subtitle P. Residency Waivers for District IT Workers Amendment Act of 2024: This new subtitle provides that an employee with an information technology position who has received a residency requirement waiver may be granted that waiver for as long as the employee holds that position.

## **TITLE II. ECONOMIC DEVELOPMENT AND REGULATION**

Subtitle B. Vitality Fund Amendment Act of 2024: The ANS makes the Vitality Fund non-lapsing to allow for multi-year grant award disbursements and requires the Deputy Mayor for Planning and Economic Development to submit an annual report to the Council by January 1, 2026 detailing the investments made with money from the Vitality Fund and the quantifiable impacts of those investments.

Subtitle F. Central Washington Activation Program Amendment Act of 2024: The ANS renames the Downtown Activation Conversion Program Amendment Act, separates this conversion program from the “Office to Residential” program, expands the eligible area for potential conversion projects to 1,750 linear feet in any direction beyond the boundaries of the Central Washington Area, and makes clarifying and technical changes regarding the selection process and abatement caps.

Subtitle K. Entertainment Districts Establishment Authority Act of 2024: The ANS strikes this subtitle. The Executive and Monumental Sports and Entertainment are developing a comprehensive package for approval by the Council that will contain any entertainment district items in the negotiated term sheet that cannot be implemented without additional authority.

Subtitle K: Walter Reed Development Assistance Amendment Act of 2024: This new subtitle makes permanent language the Council has passed on emergency and temporary basis.

Subtitle N. Relief for River East at Grandview Condominium Owners Act of 2024: The ANS makes clarifying and technical changes at the request of the OCFO.

Subtitle Q. District of Columbia Low-Income Housing Tax Credit Amendment Act of 2024: The ANS corrects typographical errors.

Subtitle R. Local Rent Supplement Voucher Prioritization Act of 2024: The ANS updates the number of LRSP vouchers from 64 to 126 to reflect the additional vouchers funded at first and second reading of the Fiscal Year 2025 Local Budget Act of 2024 (FY25 LBA).

Subtitle S. Chinatown Long-Term Lease Incentives: The ANS makes clarifying amendments.

Subtitle T. National Theatre Acquisition Act of 2024: The ANS corrects the spelling of “theatre” and the lot number.

Subtitle U. Deputy Mayor for Planning and Economic Development Grants Act of 2024: The ANS strikes the grant to Arena Stage, which was included in the FY24 Revised LBA, and corrects the name of another grantee.

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

Subtitle D. Firearm Registration and Licensure Fees Modernization Amendment Act of 2024: The ANS strikes this subtitle due to time constraints for additional work needed.

Subtitle D. Flexible Workplace Training Amendment Act of 2024: This new subtitle directs the Office of Human Rights to include an online sexual harassment training option for managers.

Subtitle E. Coordinated Intake and Referral Client Privilege Amendment Act of 2024: The DC Bar Foundation is in the process of establishing a coordinated intake and referral system to better support District residents who need to access legal aid. This new subtitle ensures that communications between District residents and navigators—individuals who will be tasked with collecting resident information and making referrals to legal service providers—are privileged under the law.

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

Subtitle A. Funding for Public Schools and Public Charter Schools Increases Amendment Act of 2024: The ANS makes several technical and clarifying amendments, and adds the language previously included as subtitle IV-C, ImpactPlus Bonus Payments Act of 2024.

Subtitle C. ImpactPlus Bonus Payments Act of 2024: The ANS strikes this subtitle and folds the language into subtitle A of this title.

Subtitle C. DCPS Reprogramming Authority Amendment Act: This new subtitle increases the cap on the amount of non-personal services funding that an individual DCPS school may reallocate internally from \$25,000 to \$100,000.

Subtitle D. DC Public Library Leasing Authority Amendment Act: The ANS adds a conforming amendment to state that leasing must be consistent with the requirements of D.C. Official Code § 10-801.

Subtitle I. Early Childhood Educator Pay Equity Amendment Act of 2024: The ANS clarifies the authority of the Office of the State Superintendent (OSSE) to provide guidance to child development facilities on how to differentiate employee salaries and clarifies responsibilities of the Early Childhood Educator Taskforce. The ANS also includes a salary schedule that will dictate how OSSE is to make its FY25 first quarter payment to individuals and facilities participating in the Program and makes clarifying and technical amendments.

Subtitle L. Universal Paid Leave Program Amendment Act of 2024: The ANS makes technical, clarifying, and conforming amendments.

Subtitle M. Career Ready Early Scholars Program Amendment Act of 2024: The ANS makes technical and clarifying amendments.

Subtitle O. University of the District of Columbia Matching Grant Act of 2024: The ANS corrects a typographical error.

Subtitle P. Special Needs Public Charter School Funding Act of 2024: The ANS revises the deadline for the Public Charter School Board to transfer funds to St. Coletta Special Education Public Charter School, extending it from 30 days to 45 days. The ANS also extends from 2 to 5 business days for PCSB to submit the documentation to the Council after transferring the funds.

Subtitle Q. Career and Technical Education and Dual Enrollment Reporting and Career Pathways Study Amendment Act of 2024: The ANS makes technical changes.

Subtitle R. Implementation of the Early Literacy Education Task Force Recommendations Amendment Act of 2024: The ANS strikes changes previously made to the Early Learners Initiative Grant and makes clarifying and technical amendments.

Subtitle S. PR Harris Building and Site Amendment Act of 2024: The ANS strikes a provision that was included instead in the FY24 Revised LBA.

Subtitle T. Experiential Learning Grant Act of 2024: This new subtitle directs OSSE to issue a \$300,000 grant to Live it Learn it for the purpose of creating a new microgrant and support program to enhance experiential learning at high-need schools. This funding was included in the FY25 LBA; after first reading of the FY25 BSA, OSSE indicated it needed a subtitle to issue these funds.

Subtitle U. Senior Workforce Development Grant Act of 2024: This new subtitle authorizes the Department of Employment Services to issue a grant to the Institute of Gerontology to support the employment of senior citizens, enhanced social engagement, and increased skills training through offerings at the University of the District of Columbia.

Subtitle V. Permanent Position for Student and Teacher Wellness Act of 2024: This new subtitle provides definitions and directives for the funding included in the FY25 LBA for an additional position at each DCPS elementary school in Ward 7 and Ward 8, which may be used for flexible scheduling.

Subtitle W. Truancy Grants Authority Amendment Act of 2024: This new subtitle, added at the request of the Mayor, authorizes OSSE to issue truancy reduction grants on a non-competitive basis, including by extending the current grant agreements entered into previously by the Office of Victim Services and Justice Grants.

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

Subtitle C. Medicaid Inpatient Hospital Directed Payment Act of 2024: The ANS makes technical changes.

Subtitle D. Medicaid Outpatient Hospital Directed Payment Act of 2024: The ANS makes technical changes.

Subtitle G. Rapid Re-Housing Program Amendment Act of 2024: The ANS makes technical changes.

Subtitle N. Medical Cannabis Social Equity Fund Amendment Act of 2024: The ANS strikes this subtitle. The Mayor's proposed FY25 BSA repealed the tax dedication to the Fund; the Committee on Business and Economic Development backfilled the funding necessary to strike the Mayor's subtitle. Subtitle V-N was included at first reading due to a misunderstanding with the OCFO on timing of the full dedication; striking it preserves existing law, which directs a portion of the medical cannabis sales tax revenue to the Fund until October 1, 2026, when all that tax revenue will go to the Fund.

Subtitle N. Department of Aging and Community Living Grant Act of 2024: The ANS moves this subtitle up from its previous position as subtitle V-Z.

Subtitle P. Mental Health Court Urgent Care Clinic Amendment Act of 2024: After first reading of the FY25 BSA, the Council identified that the original information provided by the agency stating that recurring funds were available for this clinic was incorrect and that no funding remained. At second reading of the FY25 LBA, the Council allocated one-time funding to restore the clinic. The ANS makes changes to reflect the one-time nature of the funding and other technical corrections.

Subtitle R. Prior Authorization Reform Amendment Act of 2024: The ANS adds the provision repealing the subject to appropriation section of the underlying bill that was previously included in subtitle VII-CC.

Subtitle V. Tobacco Use Cessation Initiatives Amendment Act of 2024: The ANS adds a new use to the Fund: educating District youth on health risks associated with vaping and tobacco use, skills to prevent use and support cessation, and shifting social norms around vaping and tobacco use. The ANS also makes technical and clarifying edits.

Subtitle W. Home Visiting Medicaid Reimbursement Eligibility Amendment Act of 2024: The ANS makes a technical correction and adds the provision repealing the subject to funding section of the underlying bill that was previously included in subtitle VII-CC.

Subtitle Y. Ronald McDonald House Support Grant Act of 2024: The ANS corrects the name of the grant recipient.

Subtitle Z: DACL Grant: The ANS strikes this subtitle and relocates it to subtitle V-N.

## **TITLE VI. OPERATIONS AND INFRASTRUCTURE**

Subtitle B. Renewable Energy Portfolio Standard Amendment Act: The ANS makes technical and clarifying amendments developed with the OCFO.

Subtitle F. District Department of Transportation Projects Amendment Act of 2024: The ANS expands the use of the Electric Bicycle Incentive Program to include the purchase of a bicycle helmet and makes technical corrections.

Subtitle L. Securities and Banking Regulatory Trust Fund Amendment Act of 2024: The ANS makes a technical correction.

Subtitle N. Reversing the Defunding of Our Climate Equity Commitments Amendment Act of 2024: The ANS changes the allowable administrative use of the Sustainable Energy Trust Fund from “equal to 10%” to “not to exceed 10%” and makes technical amendments.

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

Subtitle D. Earned Income Tax Credit Amendment Act of 2024: The ANS includes changes to allow the earned income tax credit refunds above \$1,200 to be paid to the taxpayer either in 12 equal monthly payments or in a lump sum payment. It also makes conforming changes.

Subtitle G. Excess Debt Service Appropriations Amendment Act of 2024: The ANS makes technical drafting changes.

Subtitle I. Howard University Hospital Tax Abatement Clarification Amendment Act of 2024: The ANS strikes a provision requiring the Office of Tax and Revenue (OTR) to generate and send a specific statement to the University; OTR’s system cannot produce that statement.

Subtitle M. Non-Lapsing Account Repeals Amendment Act of 2024: The ANS adds a short title.

Subtitle N. Non-Lapsing Fund Conversions Act of 2024: The ANS renames the subtitle, strikes the portion that was included instead in the FY24 Revised LBA, and updates the fund conversions used in the FY25 LBA.

Subtitle P. Corporate Short-Term Stay Housing in Downtown Tax Abatement Amendment Act of 2024: The ANS updates the name and language in the bill to strike all references to “freeze” and instead use the OCFO term “abatement.” It also includes other technical, conforming, and clarifying changes developed in concert with the OCFO.

Subtitle R. Sports Wagering Amendment Act of 2024: The ANS clarifies that revenue remitted shall be dedicated to the Child Trust Fund beginning October 1, 2024, adds a provision ensuring the continuation of small business kiosks, updates the applicability date of the increase in revenue percentages to August 1, 2024 to coincide with OTR processing ability, and adds an overall applicability of July 15, 2024 to the subtitle.

Subtitle U. Clean Hands Certification Economic Expansion and Revitalization Amendment Act of 2024: The ANS clarifies that the responsible agency for the new subsection (a-1) is the Department of Motor Vehicles.

Subtitle V. Income Tax Secured Bond and Out-of-State Municipal Bond Tax Amendment Act of 2024: The ANS makes technical, conforming, and clarifying changes developed in concert with the OCFO.

Subtitle W. Small Retailer Property Tax Relief Amendment Act of 2024: The ANS makes technical, conforming, and clarifying changes developed in concert with the OCFO.

Subtitle X. Revised Revenue and Local Reserves Amendment Act of 2024: The ANS makes technical and clarifying changes to the revised revenue dedication, directs the Chief Financial Officer to develop and submit a report related to cash flow management, and expands the CFO's access for cash flow from only the Housing Production Trust Fund to also include the Universal Paid Leave Fund and the Lottery, Gambling, and Gaming Fund. The ANS requires that use of these funds for cash flow management shall not adversely affect the authorized users of the funds and shall be replenished within the same fiscal year in which they were used.

Subtitle Y. Real Property Tax Amendment Act of 2024: The ANS makes technical and clarifying changes developed in concert with the OCFO; it also includes conforming amendments throughout the tax code.

Subtitle Z. GALA Hispanic Theatre Tax Rebate Amendment Act of 2024: The ANS makes technical, conforming, and clarifying changes developed in concert with the OCFO.

Subtitle AA. Child Tax Credit Amendment Act of 2024: The ANS raises the credit amount for married filing separately filers to match the other filing statuses and decreases the credit income threshold from \$171,000 to \$160,000 for an unmarried individual; increases the credit income thresholds from \$219,000 to \$240,000 for married individuals filing jointly and from \$109,000 to \$120,000 for an individual filing as married filing separately. The ANS also makes technical and clarifying changes developed in concert with the OCFO.

Subtitle BB. Studio Theatre Housing Property Tax Exemption Amendment Act of 2024: This new subtitle changes a lot and square number related to this tax exemption.

Subtitle CC. Subject to Appropriation Repeals and Modifications Amendment Act of 2024: The ANS includes new provisions that reflect funding included at second reading of the FY25 LBA, including funding of section 8(c) of the Vision Zero Enhancement Omnibus Amendment Act of 2020; funding of section 40 of the Secure DC Omnibus Amendment Act of 2024; and full funding of the Open Movie Captioning Requirement Amendment Act of 2024. The ANS also strikes two provisions that were moved to their respective subtitles and makes technical changes.

## **TITLE VIII. TECHNICAL AMENDMENTS**

The ANS makes several technical drafting changes.

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