

AN ACT

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

FISCAL YEAR 2006 BUDGET SUPPORT ACT OF 2005

TABLE OF CONTENTS

TITLE I.	GOVERNMENT DIRECTION AND SUPPORT	8
	SUBTITLE A. FISCAL YEAR 2006 BUDGET SUBMISSION	
	AMENDMENT	8
	SUBTITLE B. PERFORMANCE BASED BUDGETING AMENDMENT	9
	SUBTITLE C. CRITERIA FOR SPENDING CONTINGENCY FUNDING ..	11
	SUBTITLE D. APPROPRIATION OF ADDITIONAL REVENUE	12
	SUBTITLE E. COLLECTIVE BARGAINING AMENDMENT	14
	SUBTITLE F. SUPPORT FOR VOTING RIGHTS EDUCATIONAL AND	
	INFORMATIONAL ACTIVITIES	14
	SUBTITLE G. LEASING FEES WORKING FUND AMENDMENT	15
	SUBTITLE H. TOBACCO SETTLEMENT TRUST FUND BOARD	
	MEETINGS	16
	SUBTITLE I. SURPLUS PERSONAL PROPERTY SALES OPERATING	
	FUND	16
	SUBTITLE J. REVENUE AND ALLOCATION PRIORITY	
	CLARIFICATION	17
	SUBTITLE K. STANDARD DEDUCTION AND PERSONAL EXEMPTION	
	INCREASE	18
	SUBTITLE L. EXPANSION OF THE EARNED INCOME TAX CREDIT ...	19
	SUBTITLE M. ASSESSMENT OF COLLECTION FEES ACT OF 2005	20
	SUBTITLE N. ESTABLISHMENT OF COMPLIANCE AND REAL	
	PROPERTY TAX ADMINISTRATION FUND ACT OF 2005	20
	SUBTITLE O. HOMESTEAD DEDUCTION INCREASE	21
	SUBTITLE P. ESTABLISHMENT OF THE COMMODITIES COST	
	RESERVE FUND	23

ENROLLED ORIGINAL

SUBTITLE Q. DISHONORED CHECK FEE COLLECTION	24
SUBTITLE R. REPROGRAMMING AMENDMENT	25
SUBTITLE S. TAX DEFERRAL FOR LOW-INCOME PROPERTY OWNERS	25
SUBTITLE T. FEE COLLECTION INCENTIVE	30
SUBTITLE U. THE CATHOLIC UNIVERSITY OF AMERICA TAX EXEMPTION	31
SUBTITLE V. CARVER 2000 LOW-INCOME AND SENIOR HOUSING TAX EXEMPTION	32
SUBTITLE W. DUPONT COMMONS LOW-INCOME HOUSING TAX EXEMPTION	33
SUBTITLE X. THE WAY OF THE CROSS CHURCH OF CHRIST TAX EXEMPTION	34
SUBTITLE Y. APPALACHIAN STATE UNIVERSITY TAX EXEMPTION	35
SUBTITLE Z. FAMILY PROPERTY RECORDATION AND TRANSFER TAX EXEMPTION	36
SUBTITLE AA. AMERICAN PSYCHOLOGICAL ASSOCIATION TAX EXEMPTION CONTINUATION	36
SUBTITLE BB. RECYCLABLE MATERIAL SALES TAX CLARIFICATION	37
SUBTITLE CC. NURSING HOME PROVIDER TAX TECHNICAL AMENDMENTS	37
SUBTITLE DD. WASHINGTON CONVENTION CENTER MARKETING FUND AMENDMENT	38
SUBTITLE EE. RESIDENTIAL PROPERTY TAX RATE AND CAP REDUCTION	39
SUBTITLE FF. CALCULATED RESIDENTIAL PROPERTY TAX RATE ESTABLISHMENT	41
SUBTITLE GG. LIMITED-EQUITY COOPERATIVE TAX FAIRNESS	43
SUBTITLE HH. AFFORDABLE HOUSING PRESERVATION TAX ASSESSMENT	44
SUBTITLE II. TRIENNIAL GROUP DISPARITY CORRECTION	46
SUBTITLE JJ. INCOME EXCLUSION FOR DISABLED PERSONS	47
SUBTITLE KK. REDUCED TAX LIABILITY FOR DISABLED PROPERTY OWNERS	48
TITLE II. ECONOMIC DEVELOPMENT AND REGULATION	52
SUBTITLE A. OFFICE OF PEOPLE’S COUNSEL AMENDMENT	52
SUBTITLE B. T.I.F. RE-AUTHORIZATION	52

ENROLLED ORIGINAL

	SUBTITLE C. DISTRICT OF COLUMBIA SUPPORT FOR PUBLIC HOUSING	53
	SUBTITLE D. DEPARTMENT OF CONSUMER AND REGULATORY AFFAIRS CONSUMER PROTECTION REVITALIZATION ACT..	53
	SUBTITLE E. UNEMPLOYMENT COMPENSATION ADMINISTRATIVE FUNDING ASSESSMENT	55
	SUBTITLE F. YOUTH EMPLOYMENT SERVICE INITIATIVE	56
	SUBTITLE G. OFFICE OF THE CHIEF TENANT ADVOCATE ESTABLISHMENT ACT	57
	SUBTITLE H. TRANSITIONAL EMPLOYMENT PROGRAM AND APPRENTICESHIP INITIATIVE	60
	SUBTITLE I. GREAT STREETS DEVELOPMENT	62
	SUBTITLE J. HOUSING PRODUCTION TRUST FUND AND NEW COMMUNITIES FINANCING	63
	SUBTITLE K. NATURAL GAS FUND	71
	SUBTITLE L. INSURANCE REGULATORY TRUST FUND ENHANCEMENT	71
	SUBTITLE M. TARGETED HISTORIC HOUSING TAX CREDIT ACT ...	72
	SUBTITLE N. SMALL, LOCAL, AND DISADVANTAGED BUSINESS ENTERPRISE DEVELOPMENT AND ASSISTANCE	73
TITLE III.	PUBLIC SAFETY AND JUSTICE	98
	SUBTITLE A. ESTABLISHMENT OF THE OFFICE OF THE CHIEF MEDICAL EXAMINER MANAGEMENT FUND	98
	SUBTITLE B. LEGAL SERVICE AMENDMENT	99
	SUBTITLE C. THE DEPARTMENT OF CORRECTIONS REIMBURSEMENT FUND	104
TITLE IV.	PUBLIC EDUCATION SYSTEM	105
	SUBTITLE A. EDUCATION LICENSURE COMMISSION	105
	SUBTITLE B. UNIFORM PER STUDENT FUNDING FORMULA FOR PUBLIC SCHOOLS AND PUBLIC CHARTER SCHOOLS	106
	SUBTITLE C. PRESERVATION OF SCHOOL-BASED STAFF POSITIONS	110
	SUBTITLE D. FISCAL YEAR 2006 EDUCATIONAL INVESTMENTS FUND FOR DISTRICT OF COLUMBIA PUBLIC SCHOOLS AND PUBLIC CHARTER SCHOOLS SPENDING PLAN REQUIREMENT	111
	SUBTITLE E. SCHOOLS MODERNIZATION FUND	112
	SUBTITLE F. POLICIES FOR 3 RD AND 8 TH GRADE STUDENTS	114

ENROLLED ORIGINAL

TITLE V. HUMAN SUPPORT SERVICES 115
SUBTITLE A. HEALTH CARE AND CHILD DEVELOPMENT FACILITIES
LICENSOR FEES 115
SUBTITLE B. CLINICAL LABORATORY 115
SUBTITLE C. BOARD OF MEDICINE AMENDMENT 119
SUBTITLE D. CHILD SUPPORT PASS-THROUGH ESTABLISHMENT . 120
SUBTITLE E. CHOICE IN DRUG TREATMENT SERVICES 120
SUBTITLE F. HEALTH REGULATION AND OCCUPATIONS FEES 121
SUBTITLE G. SCHOOL BASED HEALTH 122
SUBTITLE H. ACCESS RX AMENDMENT ACT 122
SUBTITLE I. HEALTH REPORTING REQUIREMENTS 123
SUBTITLE J. RESIDENTIAL PLACEMENT OF CHILDREN
AGREEMENT 126
SUBTITLE K. DEPARTMENT OF MENTAL HEALTH RETIREMENT
INCENTIVE PROGRAM ACT 126
SUBTITLE L. DEPARTMENT OF MENTAL HEALTH ACUTE CARE
INITIATIVE ACT 128
SUBTITLE M. HIV/AIDS CRISIS AREA CAPACITY BUILDING FUND . 129
SUBTITLE N. DESIGNATED APPROPRIATION ALLOCATIONS 130
SUBTITLE O. FUNDING SAFEGUARDS FOR THE CHILD AND FAMILY
SERVICES AGENCY 137

TITLE VI. PUBLIC WORKS 138
SUBTITLE A. TRAFFIC AMENDMENT 138
SUBTITLE B. PARKING FINES INCREASE 138
SUBTITLE C. LOCAL ROADS CONSTRUCTION AND MAINTENANCE
FUND 139
SUBTITLE D. INTERNATIONAL REGISTRATION PLAN FUND
REVISION 139
SUBTITLE E. DISTRICT DEPARTMENT OF TRANSPORTATION
OPERATING FUND 140

TITLE VII. EFFECTIVE DATE 141

ENROLLED ORIGINAL

To amend the Fiscal Year 2005 Budget submission to allow the Mayor to submit to the Council a segmented budget; to amend Title 47 of the District of Columbia Code to establish performance measures by which agencies under performance based budgeting or funded by O-type funds shall be evaluated; to establish a criteria for contingency funds spending; to allocate additional revenue realized through a revised quarterly revenue estimate; to amend the District of Columbia Government Comprehensive Merit Personnel Act of 1978 to provide that no subordinate agency may negotiate a collective bargaining agreement; to allow the Mayor to issue a grant solely for the purpose of education and informing the general public on the District's lack of voting rights; to amend the District of Columbia Appropriations Act, 1955, to create a nonlapsing working fund for the receipt and expenditure of certain funds received by the Office of Property Management; to amend the Tobacco Settlement Trust Fund Establishment Act of 1999 to provide that the Board of Trustees' duty to meet begins once funds are deposited into the Fund; to amend the District of Columbia Procurement Practices Act of 1985 to authorize an operating fund to pay the costs of conducting District of Columbia surplus personal property sales and of operating and maintaining the Personal Property Division of the Office of Contracting and Procurement; to amend Title 47 of the District of Columbia Official Code to increase the standard deduction from \$2000 to \$2500; to amend Title 47 of the District of Columbia Official Code to increase the earned income tax credit to 34% of the federal credit and make it nonrefundable; to amend the Title 47 of the District of Columbia Code to allow the Mayor to assess a collection fee; to amend Title 47 of the District of Columbia Code to establish a dedicated fund to fund the Compliance Administration and the Real Property Tax Administration; to amend Title 47 of the District of Columbia Official Code to increase the homestead deduction from \$38,000 to \$60,000; to amend Title 47 of the District of Columbia Code to create a dedicated fund for the payment of unbudgeted commodity costs; to amend An Act To authorize the Commissioners of the District of Columbia to prescribe penalties for the handling and collection of dishonored checks to establish a fund for the collection of fees from dishonored checks; to amend Title 47 of the District of Columbia Official Code to amend section 47-363 of the District of Columbia Official Code to make an adjustment to the reprogramming threshold for capital projects; to amend Title 47 of the District of Columbia Official Code to provide a real property tax deferral for low-income District resident property owners and a real property tax deferral for low-income senior property owners; to amend Title 47 of the District of Columbia Official Code to exempt from taxation certain property of and provides equitable real property tax relief to The Catholic University of America for the Soldier's and Airmen's Home; to amend Title 47 of the District of Columbia Official Code to provide tax and fee waivers and exemptions for the Carver 2000 Low-Income and Senior Housing Project provides WIN/Enterprise Fort Dupont Nehemiah Homes Inc. with a deferral

from recordation and real property taxes for 2 years and an exemption from the same for up to 4 years based on sales to low-income homeowners; to amend Title 47 of the District of Columbia Official Code to exempt from taxation certain property of and provide equitable real property tax relief to the Way of the Cross Church of Christ for use of the property as the home for their pastor; to amend Title 47 of the District of Columbia Official Code to exempt from taxation certain property of and provide equitable real property tax relief to the Board of Trustees of the Endowment Fund of Appalachian State University; to amend Title 47 of the District of Columbia Official Code to exempt intra-family transfers of property between grandparents and grandchildren from the recordation and transfer tax; to amend Title 47 of the District of Columbia Official Code to exempt from taxation certain property of a subsidiary of the American Psychological Association; to amend Title 47 of the District of Columbia Official Code to retroactively exempt the collection and disposal of recyclables in the District of Columbia from sales tax and provide tax relief to Consolidated Waste Industries; to amend Title 47 of the District of Columbia Official Code to make technical corrections to the existing provider tax; to amend Washington Convention Center Authority Act of 1994 to establish Washington Convention Center Authority Marketing Fund; to amend Title 47 of the District of Columbia Official Code to limit real property tax increases to 10% of the prior year's tax for certain owner-occupied properties; to amend Title 47 of the District of Columbia Official Code to revise real property tax rates for Class 1 real property; to amend Title 47 of the District of Columbia Official Code to provide for a mechanism for recomputing real property tax rates for Class 1 real properties; to amend Title 47 of the District of Columbia Official Code to provide real property valuation rules for limited-equity cooperatives; to amend Title 47 of the District of Columbia Official Code to provide real property valuation rules for certain nonprofit housing organizations; to amend Title 47 of the District of Columbia Official Code to adjust the prior year's taxable assessment for triennial groups 1 and 2 for purposes of the owner-occupant residential tax credit; to amend Title 47 of the District of Columbia Official Code to provide to disabled persons an income tax exclusion not to exceed \$10,000 for income from any source; to amend Title 47 of the District of Columbia Official Code to provide a 50% reduction to disabled persons on their property tax liability; to create an administrative funding surtax for administering the unemployment compensation law; to create a year round employment program for out-of school District youth; to create a Transitional Employment and Pre-Apprenticeship Program for District residents; to establish the Great Streets Development Fund, and to require the Mayor to transmit legislation to implement the program; to amend the Housing Production Trust Fund of 1998 to allow the funds to be used for the New Communities Initiative upon approval of a plan by an act of the Council and in accordance with District of Columbia Municipal Rules and Regulations, and to permit the funds to secure the issuance of revenue bonds; to amend the Omnibus

Utility Amendment Act of 2004 to add a funding source for the Natural Gas Trust Fund; to authorize the appropriation of additional revenues if the Chief Financial Officer certifies that funds are available; to amend An Act Making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June thirtieth, nineteen hundred and fourteen, and for other purposes to allow the Office of People's Counsel to obtain assessments of special franchise tax deposits in instances of cases involving bankruptcy of a company with whom a public utility has contracts and where the utility alleges that the bankruptcy may have adverse consequences on District of Columbia ratepayers; to amend the District of Columbia Housing Authority Act of 1999 to provide that local revenues of the District appropriated funds for the Housing Authority shall not be deposited in the dedicated fund of the Housing Authority and shall be expended and accounted for in the same manner as all other District agencies; to amend Title 28 of the District of Columbia Code to revitalize consumer protection in the District, including enforcement options through the Department of Consumer and Regulatory Affairs and before the Office of the Attorney General and the courts; to amend the Insurance Regulatory Trust Fund Act of 1993 and the Certified Capital Companies Act of 2003 to authorize the Department of Insurance, Securities, and Banking to deposit fees generated from the Certified Capital Companies Act of 2003 in the Insurance Regulatory Trust Fund; to establish an Office of the Tenant Advocate as an office within the Department of Consumer and Regulatory Affairs responsible for education and outreach to tenants and the community about laws, rules, and other policy matters involving rental housing; to improve contracting and procurement opportunities for local, small, and disadvantaged businesses based in the District of Columbia by elevating the Office of Local Business Development to the Department of Small and Local Business Development, a subordinate agency in the executive branch of government, and charging the Department with enhanced compliance monitoring, meaningful advocacy, outreach, and efficient certification of eligible business enterprises, to establish the District of Columbia Small and Local Business Opportunity Commission to certify business enterprises for participation in the contracting and procurement programs of the District government, and to repeal the remaining provisions of the Minority Contracting Act of 1976 and the Equal Opportunity for Local, Small, and Disadvantaged Business Enterprises Act of 1998; to amend the Establishment of the Office of the Chief Medical Examiner Act of 2000 to establish the Office of the Chief Medical Examiner Management Fund as a nonlapsing fund and to require that all revenue collected and deposited into the fund be used for personnel and non-personnel expenditures of the Office of the Chief Medical Examiner; to amend the District of Columbia Government Comprehensive Merit Personnel Act of 1978 to require, starting in fiscal year 2006, Legal Service attorneys employed by subordinate agencies to be transferred to the employment and control of the Office of the Attorney General for the District of Columbia, with agencies retaining responsibility for the

compensation of these attorneys out of their own budgets during fiscal year 2006, to grant the Attorney General for the District of Columbia the authority to manage the Legal Service full-time equivalent budgets in the subordinate agencies, to conform Title VIII-B of the CMPA to Mayor's Order 2004-92, which renamed the Office of the Corporation Counsel as the Office of the Attorney General; to amend the Department of Mental Health Establishment Amendment Act of 2001 to make the General Counsel, or the equivalent, at the Department of Mental Health an employee of the Office of the Attorney General, under the full control of the Attorney General for the District of Columbia; to amend An Act Making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June thirtieth, nineteen hundred and fourteen, and for other purposes to repeal obsolete references and to clarify that the People's Counsel is in the Senior Executive Attorney Service as mandated by the Legal Service Establishment Amendment Act of 1998; to amend the District of Columbia Government Comprehensive Merit Personnel Act of 1978 to classify the attorneys and the Executive Director of the Public Employee Relations Board in the Legal Service; to establish the Department of Corrections Reimbursement Fund as a nonlapsing fund to be used to support the activities prescribed by the Memorandum of Understanding between the Department of Corrections and the United States Marshals Service; to amend the Education Licensure Commission Act of 1976 to require that all revenues collected by the Education Licensure Commission be deposited in the Education Licensure Commission Site Evaluation Fund; to amend the State Education Office Establishment Act of 2000 to establish the Education Licensure Commission Site Evaluation Fund as a nonlapsing fund to be used to cover costs associated with the Education Licensure Commission's review of educational institutions for licensing purposes; to amend the Uniform Per Student Funding Formula for Public Schools and Public Charter Schools and Tax Conformity Clarification Amendment Act of 1998 to reflect inflationary adjustments and to repeal the 5% set-aside for District of Columbia Charter Schools; to amend the District of Columbia School Reform Act of 1995 to establish restrictions on reductions of school-based employees by the Board of Education; to establish the Fiscal Year 2006 Educational Investments Fund for District of Columbia Public Schools and Public Charter Schools into which shall be deposited \$25.2 million to be used by District of Columbia public schools and public charter schools to conduct activities leading to increased student achievement and improved school performance, and to provide that no funds from the fund may be available for expenditure unless the Superintendent, the District of Columbia Public Charter School Board, and the District of Columbia Board of Education Charter School Board submit to the Mayor, no later than December 31, 2005, a plan for the use of the funds; to establish a revolving, nonlapsing dedicated fund, within which shall be 2 dedicated accounts, within the General Fund of the District of Columbia to be used to pay the debt service on revenue bonds issued to finance the repair and renovation of District schools and to

make bond revenue available to the District of Columbia Public Schools for that purpose, and to establish criteria for the use of the bond revenue to make repairs and renovations to schools; to request that the Board of Education and Superintendent establish policies to ensure that 3rd grade students are able to read independently and understand the fundamentals of mathematics upon being promoted to the 4th grade, and that 8th grade students are able to read at or above grade level and are exposed to pre-algebra concepts in preparation for high school; to amend section 5(j) of the Health-Care and Community Residence Facility, Hospice and Home Care Licensure Act of 1983 to permit the Mayor to establish and modify license fees for health-care facilities and agencies without prior Council approval and to amend section 47-2842 of the District of Columbia Official Code to remove the prohibition against license fees for child development homes; to amend the Clinical Laboratory Act of 1988 to include a physician office or other health care facility laboratory within the definition of clinical laboratory, define tests, to allow laboratories to operate without a license for one year from the date rules are issued, to clarify activities that shall be licensed, to provide that licenses shall be renewed every 2 years and to establish personnel requirements; to amend the District of Columbia Health Occupations Revision Act of 1985 to permit a designee to serve on the Board of Medicine for the Director, Department of Health; to amend the District of Columbia Public Assistance Act of 1982 to provide for a \$150-per-month child support pass-through and disregard for families in the Temporary Assistance to Needy Families program; to amend the Choice in Drug Treatment Act of 2000 to improve access to substance abuse rehabilitation; to amend the Department of Health Functions Clarification Act of 2001 to require that fee and fines relating to health be deposited in the Regulatory Enforcement Fund or the Health Occupations Regulations Fund; to require that the Maternal and Family Health Administration provide to the Council a plan for supplying Medicaid eligible service to children enrolled in public and charter schools; to amend title I of the AccessRx Act of 2004 to establish a Pharmaceutical Resource Center; to require that the Environmental Health Administration provide a report on the status a \$250,000 allocation; to require that the Health Care Regulation and Licensing Administration provide a report on the number of District residents in long-term care facilities located outside of the District of Columbia; to require the Policy, Planning and Research Administration to provide a report on the status of the proposed updated District State Health Plan; to require the Medical Assistance Administration to report on its effort to use State Childrens Health Insurance Program funds to expand eligibility for health services provided by DC Healthy Families; to require the Department of Health to provide a report on its effort to enter into an agreement with the Office of Administrative Hearings; to require the Department of Health and the Department of Mental Health to offer training; to require the Department of Health to provide a report on its effort to ensure that its private community services providers are billing appropriate costs to Medicaid providers; to

require the Agency Management Program in the Department of Health to provide a report on all leases or tenancies for properties occupied by the Department Health; to require the Department of Mental Health, the Children and Family Services Administration, and the Department of Youth Rehabilitation Services to enter into an agreement for the Department of Mental Health to contract and authorize placement for children and youth requiring residential treatment center placement; to authorize the Department of Mental Health to participate in a retirement incentive program if one is offered; to amend section 115 of the Mental Health Establishment Amendment Act of 2001 to authorize the Department of Mental Health to seek amendment approval from the federal government and from the Council to provide for a per diem reimbursement for inpatient psychiatric treatment in certain cases; to establish a HIV/AIDS Crisis Area Capacity Building Fund to provide loans and grants to expand support to persons with HIV/AIDS in certain wards; to authorize the City Administrator to provide a grant, if available, of up to \$1.8 million to the District of Columbia Primary Care Association; to require a \$75,000 distribution to Howard University Hospital to support diabetes programs; to require a \$250,000 distribution to Howard University Hospital to supplement its prostate cancer screening program; to require a \$250,000 distribution to Greater Southeast Community Hospital to supplement a cancer screening program; to require a \$400,000 distribution to the American Lung Association of DC for tobacco cessation initiatives; to require a \$500,000 distribution to the Children's National Medical Center to meet Department of Health specified needs; to require a \$600,000 distribution to the District of Columbia Area Health Education Center for primary care and prevention for professional training programs and supplemental services and to facilitate access to matching federal funds; to require a \$100,000 distribution to the Washington Regional Transplant Consortium to assist with an organ transplant database; to require a \$500,000 distribution to Food & Friends for supplemental services; to require that no less than \$250,000 be made available for burial assistance; to require that \$1 million be made available to the Addiction Prevention and Recovery Administration Choice in Drug Treatment Program to coordinate comprehensive treatment for and support of substance abusers with HIV/AIDS; to require that \$323,000 of funds appropriated in fiscal year 2006 for the HIV/AIDS Administration be made available for inmates of Oak Hill Juvenile Detention Center and the D.C. Jail for the purpose of counseling, testing, and referral services; to require that \$150,000 be provided to Transgender Health Empowerment, Inc., for HIV/AIDS support services and prevention education; to require that \$50,000 be provided to Greater DC Cares to assist with creation of a volunteer emergency responder data base and \$150,000 be provided to the District of Columbia Hospital Association for the Terrorism Response Planning; to make \$5 million available for the Department of Health to contract with the School of Public Health at George Washington University; to allocate \$2 million for contractual services in the Office of Program Integrity to perform audits of Medicaid programs; to

require that no less than \$1.5 million be expended by the Office of Managed Care in the Medical Assistance Administration in the Department of Health to increase reimbursement rates and access to dental services; to require that no less than \$1,505,250 be expended for services to the elderly and physically disabled from funds appropriated in fiscal year 2006 for the Office of Disabilities and Aging in the Medicaid Assistance Administration in the Department of Health; to require that \$500,000 from funds for Office of Program Operations in the Medicaid Assistance Administration in the Department of Health be allocated to the Health Care Ombudsman Program; to require that \$2 million in Department of Health funds be used exclusively for the purpose of funding the Nursing Facility Quality of Care Fund; to require that \$1 million from Department of Health appropriated funds be granted to Southeastern University to develop training programs for allied health services; to require that \$900,000 be made available to the Addiction Prevention and Recovery Administration Choice in Drug Treatment Program to coordinate comprehensive treatment for and support of substance abusers with mental illness; to require that \$3.6 million of Department of Mental Health funds be allocated to school-based mental health services; to require that \$1.5 million of Department of Mental Health Direct Community Services funds be allocated to expand jail diversion programs and to provide mental health services at the D.C. Jail; to require that \$1 million of Department of Mental Health Direct Community Services funds be allocated to enhance the Department of Mental Health's housing program; to require that \$250,000 of Department of Mental Health Direct Community Services funds be allocated for a contract with the District of Columbia Birth Center, Inc., to support critical community work; to require that \$150,000 of Addiction Prevention and Recovery Administration funds be granted to the Wards on a priority need basis to be used for substance abuse prevention and outreach; to require that \$100,000 of Department of Mental Health funds be allocated to mental health services at the Addiction Prevention and Recovery Administration Detoxification Facility; to require that designated appropriation allocation in subtitle N of Title V of this act be consistent with the requirements of the District of Columbia Procurement Practices Act of 1985 to chapter 5000 of Title 1 of the District of Columbia Municipal Code or the terms and conditions of the federal funding source; to provide that a request for additional funding in Fiscal Year 2006 for the Child and Family Services Agency to hire necessary personnel transmitted by the Mayor to the Council shall identify the source of the funding and include a certification from the Chief Financial Officer that the funds are available and needed, and to clarify that the additional funding would be in addition to \$1 million of contingency funds potentially available to the agency for the hiring of personnel; to provide that \$3.3 million allocated to the Department of Mental Health for the provision of mental health services to foster-care children shall be transferred to the Child and Family Services Agency if the Department of Mental Health is unable build the capacity to provide those services by October 1, 2005; to provide one-time

nonrecurring funds to the Department of Health from the budgets of agencies under the purview of the Committee on Finance and Revenue; to amend the District of Columbia Traffic Amendment Act of 1990 to permit the increase of the fine for immobilized vehicles; to amend the Title 18 of the District of Columbia Municipal Regulations to increase various parking fines; to amend the Highway Trust Fund Establishment Act of 1996 to include 50% of sales and use taxes collected by the District for parking and storing vehicles to the source of funds for the Local Roads Construction and Maintenance Fund; to amend the International Registration Plan Agreement Act of 1997 to provide that a certain portion of International Registration Plan fees may be used by the Department of Motor Vehicles for operating costs; and to amend the Department of Transportation Establishment Act of 2002 to establish the District Department of Transportation Operating Fund.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the “Fiscal Year 2006 Budget Support Act of 2005”.

TITLE I. GOVERNMENT DIRECTION AND SUPPORT
SUBTITLE A. FISCAL YEAR 2006 BUDGET SUBMISSION AMENDMENT
Sec. 1001. Short title.

This subtitle may be cited as the “Fiscal Year 2006 Budget Submission Amendment Act of 2005”.

Sec. 1002. The Fiscal Year 2006 Budget Submission Act of 2004, effective December 7, 2004 (D.C. Law 15-205; 51 DCR 8441), is amended as follows:

(a) Subsection (a) is amended to read as follows:

“(a) Beginning with the submission of the fiscal year 2006 budget, the Mayor shall submit a budget to the Council that is segmented and distinctly identifies:

“(1) That portion of the budget submission in which local funds are consistent with the amount projected in spending for the previous fiscal year by the Council in its Committee of the Whole Report on the Budget Request Act; provided, that the amounts included in the Committee of the Whole Report are to be revised to incorporate supplemental budget actions approved by the District during the course of any fiscal year; provided further, that the revised projections are certified by the Office of the Chief Financial Officer; and

“(2) Any additional proposed budget expenditures not included in paragraph (1) of this subsection that are supported by the revenue and resources certified as available by the Office of the Chief Financial Officer.”.

(b) New subsections (e) and (f) are added to read as follows:

“(e) Beginning with the submission of the fiscal year 2007 budget, the Mayor shall include a Children’s Budget report that:

"(1) Outlines the portion of the District's annual budget that is directed toward services and programs included in that budget that serve children and youth from birth to 18 years of age;

"(2) Includes all services that are directed toward children and youth or toward families for the benefit of their children;

"(3) Provides information on expenditures at the program and activity levels;

"(4) For agencies that are required to provide budget information at the service level, provides information at the program, activity, and service levels; and

"(5) For programs provided by the District of Columbia Public Schools, provides administrative cost of service information both including and excluding costs associated with non-local school administrative expenses.

"(f) The Office of the Chief Financial Officer ("OCFO") shall submit to the Mayor with its budget request, by agency, the total number of FTEs under supervision of the OCFO and the related personal services costs which the Mayor shall submit as part of each fiscal year's budget request."

Sec. 1003. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206(c)(3)).

SUBTITLE B. PERFORMANCE BASED BUDGETING AMENDMENT

Sec. 1005. Short title.

This subtitle may be cited as the "Performance-Based Budgeting Act of 2005".

Sec. 1006. Chapter 3 of Title 47 of the District of Columbia Official Code is amended as follows:

(a) The table of contents is amended by adding the section designation "47-308.02. Relevant performance measures" and "47-308.03 Performance accountability reporting." after the section designation "47-308.01. Performance-based budget."

(b) Section 47-308.01 is amended by adding new paragraphs (3A), (3B) and (3C) to read as follows:

"(3B) "Relevant performance measures" means metrics established by the Mayor, after consultation with Stakeholders before the beginning of each fiscal year, that establish expectations about:

"(A) The results an agency will produce;

"(B) The outputs or services the agency will produce;

"(C) The demands for activities from the agency; and

"(D) The efficiency with which the agency produces results, outputs, and services and meets the demands for activity by the agency.

“(3A) “Relevant cost drivers” are the basic causes behind service delivery that can be utilized to reasonably predict the cost of a service based on its level of activity, which for 2008 shall be reported at the program level and for 2009 and beyond shall be reported at the activity level.

“(3C) “Stakeholders” are the customers of an agency that use the agency’s services or products and may include both government customers and persons or corporations that are resident in the District.”.

(c) New sections 47-308.02 and 47-308.02 are added to read as follows:

“§ 47-308.02. Relevant performance measures.

“(a) Each relevant performance measure must be linked to spending on the relevant activity.

“(b) Each relevant performance measure shall represent a significant and realistic challenge for expected performance of the activity.

“(c) Each agency shall have at least one relevant performance measure for each activity.

“(d) Relevant performance measures for each fiscal year, shall be established by the Mayor or his designee, after consultation with the agency’s stakeholders.

“(e) Beginning with fiscal year 2007, and for each subsequent fiscal year, all relevant performance measures for the prior fiscal year shall be provided to the Council in January along with the performance accountability reports submitted pursuant to the Government Managers Accountability Act of 1995 effective May 16, 1995 (D.C. Law 11-16; D.C. Official Code §1-614.05 *et seq.*), and beginning with fiscal year 2008, and for each following fiscal year, all relevant cost drivers shall be provided with the relevant performance measures in accordance with § 47-308.03(e).

“(f) Beginning with fiscal year 2008, and for each subsequent fiscal year, the Mayor, or his designee, shall, in consultation with an agency’s stakeholders, establish relevant performance measures and utilize these performance measures in the agency’s strategic business plan.

“§ 47-308.03. Performance accountability reporting.

“(a) By September 30, 2005, the Mayor shall ensure that each agency engaged in Performance Based Budgeting shall meet with its stakeholders to review and update its current relevant performance measures.

“(b) By September 30, 2006, and each subsequent year, the Mayor shall ensure that for the following fiscal year each agency activity has at least one relevant performance measure and per program one relevant cost driver.

“(c)(1) No later than January 15th of each year, the Mayor shall submit to the Council a performance accountability report that includes the evaluation of each agency’s performance on its activities for the preceding fiscal year and includes all relevant performance measures, as determined in accordance with subsections (a) or (b) of this section, whichever is applicable.

(2) The report shall provide quantitative or qualitative results for the relevant performance measures, where available, accompanied by an analysis of the results achieved.

“(d) Beginning with the District of Columbia’s fiscal year 2007 budget and financial plan and continuing in subsequent fiscal years, the Mayor, in consultation with the Chief Financial Officer, shall provide for each agency under performance-based budgeting or funded by O-type funds, relevant performance measures that comply with subsection (c) of this section for Council review within 180 days of the beginning of the fiscal year.

“(e) For fiscal year 2007, and each subsequent fiscal year, each independent and executive agency shall have at least one relevant performance measure for each activity reported in the budget and financial plan. Beginning with fiscal year 2008, each independent and executive agency shall have at least one relevant cost driver reported in the budget and financial plan, which for 2008 shall be reported at the program level and for 2009 and beyond shall be reported at the activity level.

“(f) For each fiscal year, the Mayor shall:

“(1) Submit a copy of the measures developed pursuant to subsection (a) of this section to the Council for review for informational purposes no later than May 31st indicating each relevant performance measure published in the Budget and Financial Plan that was not used to evaluate agency directors for bonuses; and

“(2) Publish in the Budget and Financial Plan, at least one relevant performance measure for each agency activity, including a summary explanation of why the measures assist in holding the agency’s management accountable for their use of public funds.”.

Sec. 1007. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

SUBTITLE C. CRITERIA FOR SPENDING CONTINGENCY FUNDING

Sec. 1010. Short title.

This subtitle may be cited as the "Criteria for Spending Pay-As-You-Go Contingency Funding Act of 2005".

Sec. 1011. Criteria for spending Pay-As-You-Go contingency funding in fiscal year 2006.

(a) Of the Pay-As-You-Go contingency funding for fiscal year 2006, a total of \$12,461,994 shall be made available upon the Mayor’s submission of a request to the Council for its approval, as provided in subsection (c) of this section, in which the Mayor demonstrates and the Chief Financial Officer ("CFO") certifies that funds are needed as follows:

- (1) Office of Administrative Hearings, up to \$130,000 for security costs;
- (2) Department of Corrections, up to \$5,964,801 for nonpersonal services costs;
- (3) DC Emergency Management Agency, up to \$755,000 for relocation costs to move to the Office of Unified Communications building;

(4) Department of Youth Rehabilitation Services, up to \$2,120,282 for personal and nonpersonal services;

(5) The Wilson Building, up to \$491,911 for maintenance contract costs;

(6) Child and Family Services Agency, up to \$1 million to support increased hiring;

(7) District of Columbia Public Schools, up to \$1 million to fund an initiative to provide computers to McKinley Technology High School, Ballou High School, and other high schools in DCPS, to be used as matching funds; and

(8) Office of the Mayor, up to \$1 million to support public education initiatives regarding voting rights in the District of Columbia.

(b) Any funds not used for its stated purpose shall revert to the Pay-As-You-Go Capital fund.

(c)(1) The Mayor shall transmit a request for funds in the form of a proposed resolution to the Council for its approval, which the Council may approve in whole or in part. The transmittal shall include CFO certification that the funds are needed for the stated purpose and the CFO's independent analysis that led to the certification. If no written notice of disapproval of the proposed resolution is filed with the Secretary to the Council within 14 calendar days of the receipt of a request from the Mayor or no oral notice of disapproval is given during a meeting of the Council during the 14 calendar day period, which review period shall begin on the 1st day following its receipt by the Office of the Secretary, the proposed resolution shall be deemed to be approved. If a notice of disapproval is given during the 14 calendar day review period, the Council may approve or disapprove, in whole or in part, the request by resolution within 30 calendar days of the receipt of the request from the Mayor, or such request shall be deemed to be approved.

(2) No request may be submitted to the Council under this subsection during such time as the Council is on recess, according to its rules, nor shall any time period provided in this subsection or in the Council's rules with respect to a request continue to run during such time as the Council is on recess.

Sec. 1012. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

SUBTITLE D. APPROPRIATION OF ADDITIONAL REVENUE

Sec. 1015. Short title.

This subtitle may be cited as the "Appropriation of Additional Revenue Act of 2005".

Sec. 1016. If the Chief Financial Officer of the District of Columbia certifies, through a revised quarterly revenue estimate for fiscal year 2006, that local funds exceed the annual

revenue estimates incorporated in the approved Fiscal Year 2006 budget and financial plan, a minimum of \$21 million in those additional revenues shall be allocated to human services needs as follows:

- (1) An amount of \$5.12 million for the Office of Early Childhood Development to support quality improvements, reimbursement rates, and an increased number of subsidized slots in the child day care program;
- (2) An amount of \$6.9 million for the D.C. Housing Authority, provided that such funds shall be used only to enhance the ability of the Authority to provide housing for low income and very low income residents;
- (3) An amount of \$1 million for the Office of Victim Services, Deputy Mayor for Public Safety to expand shelter assistance for victims of domestic violence;
- (4) An amount of \$3 million for the Department of Human Services for homeless services, of which \$2 million shall be for the expansion of emergency shelter and transitional and permanent housing facilities for homeless families with children, and \$1 million shall fund the Continuum of Care for homeless persons;
- (5) An amount of \$2 million for the Addiction Prevention and Recovery Administration for the expansion of substance abuse treatment and prevention;
- (6) An amount of \$780,000 for the Child and Family Services Agency for Healthy Families B Healthy Communities Collaborative; and
- (7) An amount of \$2.2 million for the Child and Family Services Agency, \$100,000 of which shall be used to fund children's advocacy programs; and \$ 2.1 million of which shall be used to fund mental health services for children in foster care, contingent upon the submission to the Council of a plan to minimize the use of non-Medicaid-certified providers.

Sec. 1017. Conditional applicability.

(a) Section 1016 shall apply for taxable years beginning after September 30, 2005; provided, that the condition in subsection (b) of this section is met prior to September 30, 2006.

(b) Section 1016 shall not apply unless the amount of revenue in a revised quarterly revenue estimate of the Chief Financial Officer exceeds the annual revenue estimate incorporated in the approved fiscal year 2006 budget and financial plan by an amount sufficient to account for its fiscal effect in accordance with the priorities set forth in this subtitle and subtitle J of this title.

Sec. 1018. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02 (c)(3)).

SUBTITLE E. COLLECTIVE BARGAINING AMENDMENT

Sec. 1020. Short title:

This subtitle may be cited as the "Collective Bargaining Agreements Amendment Act of 2005".

Sec. 1021. Section 1717(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 § 1-617.17(b)), is amended by striking the phrase "compensation matters." and inserting the phrase "compensation matters. No subordinate agency shall negotiate a collective bargaining agreement." in its place.

Sec. 1022. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02 (c)(3)).

SUBTITLE F. SUPPORT FOR VOTING RIGHTS EDUCATIONAL AND INFORMATIONAL ACTIVITIES

Sec. 1025. Short title.

This subtitle may be cited as the "Support for Voting-Rights Educational and Informational Activities Act of 2005".

Sec. 1026. Expenditures for Educational and Informational Activities Supporting Voting Rights.

(a) There is hereby appropriated to the Executive Office of the Mayor, solely from local funds, \$1 million to promote educational and informational activities to apprise the general public of the lack of voting rights in the United States Congress for District residents. The Mayor may expend these funds directly or award them as one or more subgrants to non-governmental organizations for this purpose.

(b) Notwithstanding the provisions of subsection (a) of this section, none of the funds shall be expended to carry on lobbying in support of voting rights in Congress for District of Columbia residents in violation of section 305 of the District of Columbia Appropriations Act, 2005, approved October 18, 2004 (Pub. L. No. 108-335; 118 Stat. 1322). Any audio or video production financed in whole or in part by the funds appropriated in subsection (a) of this section shall contain a voice-over, or in the case of a video production, a printed notice prominently stating, "Sponsored by the Government of the District of Columbia."

(c) The Mayor shall adopt written procedures to ensure compliance with the provisions of this section. The Mayor may make one or more grants or subgrants of the funds appropriated under this section; provided, that these grants or subgrants comply with the requirements of Title 1, Chapter 50 of the District of Columbia Municipal Regulations.

(d) The expenditures in this subtitle shall be consistent with the requirements of the District of Columbia Procurement Practices Act of 1985, effective February 21, 1986 (D.C. Law 6-85; D.C. Official Code § 2-301.01 *et seq.*), 1 DCMR 5000 *et seq.*, or the terms and conditions of the federal funding source, whichever is applicable.

Sec. 1027. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

SUBTITLE G. LEASING FEES WORKING FUND AMENDMENT

Sec. 1030. Short title.

This subtitle may be cited as the "Leasing Fees Working Fund Amendment Act of 2005".

Sec. 1031. Section 5 of the District of Columbia Appropriations Act, 1955, approved July 1, 1954 (68 Stat. 393; D.C. Official Code § 10-701), is amended to read as follows:

"Sec. 5. Establishment of working fund.

"(a) There is established within the General Fund of the District of Columbia a nonlapsing working fund to be known as the District of Columbia Leasing Fees Working Fund ("Fund"). All rents and fees received by the District government from the lease of real property owned by the District shall be deposited into the Fund.

"(b) The monies in the Fund may be used by the District subject to authorization by Congress in an appropriations act for the maintenance, repair, and improvement to buildings owned by the District.

"(c) All monies deposited in the Fund, excluding monies collected in the year of deposit, along with moneys deposited in a preceding year occurring after the Fund is established, and the interest earned on that money remaining in the Fund after the payment of costs accrued in that preceding year for the purposes under subsection (b) of this section, less 10% of the remainder amount that shall be retained as a reserve operation balance, shall be transferred or revert to the fund balance of the General Fund of the District.

"(d) The Mayor shall provide the Council with an annual accounting of the receipts of and the expenditures from the Fund."

Sec. 1032. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206(c)(3)).

SUBTITLE H. TOBACCO SETTLEMENT TRUST FUND BOARD MEETINGS

Sec. 1035. Short title.

This subtitle may be cited as the "Tobacco Settlement Trust Fund Board of Trustees Meetings Amendment Act of 2005".

Sec. 1036. Section 2302a(d) of the Tobacco Settlement Trust Fund Establishment Act of 1999, effective October 19, 2000 (D.C. Law 13-172; D.C. Official Code § 7-1811.02(d)), is amended by striking the phrase "The Board shall meet" and inserting the phrase "Once funds are deposited into the Fund, the Board shall meet" in its place.

Sec. 1037. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

SUBTITLE I. SURPLUS PERSONAL PROPERTY SALES OPERATING FUND

Sec. 1038. Short title.

This subtitle may be cited as the "Surplus Personal Property Sales Operating Fund Amendment Act of 2005".

Sec. 1039. The District of Columbia Procurement Practices Act of 1985, effective February 21, 1986 (D. C. Law 6-85; D. C. Official Code § 2-301.01 *et seq.*), is amended as follows:

(a) Section 701(2) (D.C. Official Code § 2-307.01(2)) is amended by adding the phrase "competitive electronic sales" after the phrase "competitive sealed bidding,".

(b) Section 702 (D. C. Official Code § 2-307.02) is repealed.

(c) A new section 703 is added to read as follows:

"Sec. 703. District of Columbia Surplus Personal Property Sales Operating Fund.

"(a) For the purposes of this section, the term:

"(1) "Collected funds" means all funds collected pursuant to subsection (b) of this section in a current fiscal year and all interest earned on those funds.

"(2) "Surplus personal property sales" means the sales of surplus supplies described in section 701(2).

"(b) There is established a fund designated as the District of Columbia Surplus Personal Property Sales Operating Fund ("Fund") that shall be a segregated account within the General Fund of the District of Columbia.

"(c) The Chief Procurement Officer may collect and deposit in the Fund established pursuant to subsection (b) of this section the proceeds from surplus personal property sales.

"(d) All collected funds shall be deposited into the Fund without regard to fiscal year limitation pursuant to an act of Congress, and except as provided in this section, shall not be

transferred or revert to the fund balance of the General Fund of the District.

"(e) The Chief Procurement Officer shall use collected funds to pay the costs of conducting surplus personal property sales and operating and maintaining the Personal Property Division, an existing entity of the Office of Contracting and Procurement.

"(f) All monies deposited in the Fund, excluding monies collected in the year of deposit, along with moneys deposited in a preceding year occurring after the Fund is established, and the interest earned on that money remaining in the Fund after the payment of costs accrued during that preceding year for the purposes under subsection (e) of this section, less 10% of the remainder amount that shall be retained as a reserve operation balance, shall be transferred or revert to the General Fund of the District.

"(g) Nothing in this section shall be construed as prohibiting or limiting the allocation of funds from the revenues of the District of Columbia for the purposes designated in subsection (e) of this section.

"(h) The Chief Procurement Officer shall transmit to the Council a quarterly report providing detailed information on sale, lease or disposal transactions made under section 701.

"(i) Upon the effective date of the Surplus Personal Property Sales Operating Fund Amendment Act of 2005, any monies collected in fiscal year 2005 pursuant to subsection (c) of this section shall be deposited into the Fund and used to cover costs associated with fees owed to a contractor for conducting sales of surplus personal property, and operating and maintaining the Personal Property Division of the Office of Contracting and Procurement."

Sec. 1040. Fiscal impact statement.

The Council adopts the fiscal impact statement provided by the Chief Financial Officer as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D. C. Official Code § 1-206.02(c)(3)).

SUBTITLE J. REVENUE AND ALLOCATION PRIORITY CLARIFICATION

Sec. 1041. Short title.

This subtitle may be cited as the "Revenue and Allocation Priority Clarification Act of 2005".

Sec. 1042. Following a certification by the CFO through a revised quarterly revenue estimate for fiscal year 2006 that local funds exceed the annual revenue estimates incorporated in the approved fiscal year 2006 budget and financial plan, allocation of additional revenues or of tax relief shall be in the order of priority as follows:

- (1) Residential Property Tax Rate and Cap Reduction Act of 2005;
- (2) Limited-Equity Cooperative Tax Fairness Act of 2005;
- (3) Affordable Housing Preservation Tax Assessment Act of 2005;
- (4) Appropriation of Additional Revenue Act of 2005;
- (5) Triennial Group Taxable Assessment Disparity Correction Act of 2005;

- (6) Disabled Persons Tax Reduction Act of 2005; and
- (7) Disabled Property Owners Tax Reduction Act of 2005.

Sec. 1043. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02 (c)(3)).

**SUBTITLE K. STANDARD DEDUCTION AND PERSONAL EXEMPTION
INCREASE**

Sec. 1045. Short title.

This subtitle may be cited as the “Increase in the Standard Deduction and Personal Exemption Act of 2005”.

Sec. 1046. Chapter 18 of Title 47 of the District of Columbia Official Code is amended as follows:

(a) Section 47-1801.04(26) is amended as follows:

(1) Subparagraph (A) is amended by striking the phrase "\$2,000" and inserting the phrase "\$2,500" in its place.

(2) Subparagraph (B) is amended by striking the phrase "\$1,000" and inserting the phrase "\$1,250" in its place.

(b) Section 47-1806.02 is amended as follows:

(1) Subsection (f)(1)(A) is amended to read as follows:

“(A) Whose gross income for the calendar year in which the year of the taxpayer begins is less than \$1,500; or.”.

(2) Subsection (i) is amended to read as follows:

“(i) For purposes of this section, the deduction for personal exemptions shall be \$1,500.”.

Sec. 1047. Applicability.

Section 1046 shall apply as of January 1, 2006.

Sec. 1048. Fiscal impact statement.

The Council adopts the fiscal impact statement of the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

SUBTITLE L. EXPANSION OF THE EARNED INCOME TAX CREDIT

Sec. 1051. Short title.

This subtitle may be cited as the "Expansion of the Earned Income Tax Credit Act of 2005".

Sec. 1052. Section 47-1806.04 of the District of Columbia Official Code is amended as follows:

(a) Subsection (f) is amended to read as follows:

"(f)(1) If a return is filed for a full calendar or fiscal year beginning after December 31, 2004, an individual who is allowed an earned income tax credit under section 32 of the Internal Revenue Code of 1986 shall be allowed a credit against the tax imposed by this chapter for the taxable year in an amount equal to 35% of the earned income tax credit allowed under section 32 of the Internal Revenue Code of 1986; provided, that the credit shall not be allowed to a resident who has elected to claim the low income tax credit provided for in subsection (e) of this section.

"(2) If a return is filed for a period of less than a full calendar or fiscal year beginning after December 31, 2004, the credit allowed under this subsection shall be reduced to the amount that bears the same ratio to the credit computed under the provisions of paragraph (1) of this subsection as the number of months in the period for which the return is made bears to 12 months.

"(3) The credit allowed under this subsection shall be refundable to the resident claiming the credit."

(b) A new subsection (g) is added to read as follows:

"(g)(1) A taxpayer described in paragraph (2) of this subsection, and who otherwise would not qualify for the earned income tax credit under subsection 32(b) of the Internal Revenue Code of 1986, shall be allowed a credit equal to the credit allowed in subsection (f) of this section.

"(2) To qualify for a credit as described in subsection (f) of this section, a taxpayer shall satisfy all the following requirements during the entire period for which the taxpayer seeks the credit:

"(A) The taxpayer shall be a District resident taxpayer;

"(B) The taxpayer shall be between the ages of 18 and 30;

"(C) The taxpayer shall be the parent of a minor child with whom the taxpayer does not reside;

"(D) A court order shall require the taxpayer to make child support payments, which are payable through a government-sponsored support collection unit, which order must have been in effect for at least one-half of the taxable year for which the taxpayer is seeking the credit; and

"(E) The taxpayer shall have paid an amount in child support in the taxable year at least equal to the amount of current child support due during the taxable year for

which the taxpayer is seeking the credit.”.

Sec. 1053. Applicability.

Section 1052(b) shall apply for taxable years beginning after December 31, 2005.

Sec. 1054. Fiscal impact statement.

The Council adopts the fiscal impact statement of the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

SUBTITLE M. ASSESSMENT OF COLLECTION FEES ACT OF 2005

Sec. 1061. Short title.

This subtitle may be cited as the “Assessment of Collection Fees Act of 2005”.

Sec. 1062. Section 47-4405 of the District of Columbia Official Code is amended as follows:

(a) Subsection (a) is amended by striking the phrase “owing for a period longer than 6 months” and inserting the phrase “owing for a period longer than 90 days” in its place.

(b) Subsection (b)(3) is amended by striking the phrase “excluding penalties and interest” and inserting the phrase “including penalties and interest” in its place.

(c) A new subsection (d) is added to read as follows:

“(d) If the Mayor does not contract with a collection agency inside or outside the District of Columbia, for the collection of delinquent taxes due from a taxpayer, a collection fee not in excess of 25% may be charged by the District as set forth in subsection (b)(3) of this section.”.

Sec. 1063. Fiscal impact statement.

The Council adopts the fiscal impact statement of the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

SUBTITLE N. ESTABLISHMENT OF COMPLIANCE AND REAL PROPERTY TAX ADMINISTRATION FUND ACT OF 2005

Sec. 1071. This subtitle may be cited as the “Establishment of Compliance and Real Property Tax Administration Fund Act of 2005”.

Sec. 1072. Chapter 3 of Title 47 of the District of Columbia Official Code is amended as follows:

(a) The table of contents is amended by adding the section designations "47-317.08 Compliance and Real Property Tax Administration Fund." after the section designation

"47-317.07. SHARE Data Center."

(b) A new section 47-317.08 is added to read as follows:

"§ 47-317.08. Compliance and Real Property Tax Administration Fund.

“(a) There is established a fund designated as the Compliance and Real Property Tax Administration Fund, which shall be a segregated account within the General Fund of the District of Columbia. All funds shall be deposited into the Fund without regard to fiscal year limitation and shall not revert to the fund balance of the General Fund of the District of Columbia at the end of any fiscal year or at any other time, but shall be continually available for the uses and purposes set forth in subsection (b) of this section, subject to authorization by Congress; provided, that excluding funds collected in the current year, those funds deposited in the Fund in the year prior to the current year and the interest earned on that money remaining in the Fund after the payment of costs accrued in the prior year, less 10% of that remaining amount, to be retained as a reserve operating balance, shall be transferred or revert to the fund balance of the General Fund of the District of Columbia. The Fund shall be administered by the Chief Financial Officer of the District of Columbia.

“(b) The funds deposited into the Fund shall be placed in 2 separate accounts, one to be used solely for the expenditures of the Compliance Administration of the Office of Tax and Revenue ("CA") for the costs of compliance activities of the CA ("CA Account") and one to be used solely for the expenditures of the Real Property Tax Administration of the Office of Tax and Revenue ("RPTA") for the costs of tax sale activities of the RPTA ("RPTA Account"). All fees collected by the CA for the costs of collection of delinquent taxes shall be deposited in the CA Account and all revenues collected by the RPTA from fees for the costs of tax sales shall be deposited in the RPTA Account.

"(c) Pursuant to § 47-4405(d), the CA may assess fees for the costs of collection of delinquent taxes and the RPTA may assess fees for the costs of tax sales."

(c) Section 47-368.01(a) is amended by striking the phrase "and Alcoholic Beverage Regulation Administration" and inserting the phrase "Alcoholic Beverage Regulation Administration; and Compliance and Real Property Tax Administration Fund" in its place.

Sec. 1073. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

SUBTITLE O. HOMESTEAD DEDUCTION INCREASE

Sec. 1081. Short title.

This subtitle may be cited as the "Real Property Tax Relief Act of 2005".

Sec. 1082. Chapter 8 of Title 47 of the District of Columbia Official Code is amended as follows:

(a) Section 47-850(a) is amended as follows:

(1) Strike the phrase "\$38,000" and insert the phrase "\$60,000" in its place.

(2) Strike the phrase "estimated market value" and insert the phrase "assessed value" in its place.

(b) Section 47-850.01 is amended by striking the phrase "\$38,000" and inserting the phrase "\$60,000" in its place.

(c) Section 47-863(c)(2) is amended by adding a new subparagraph (C) to read as follows:

"(C) The deduction shall be passed on to the senior's household by the cooperative housing association during the corresponding tax year."

(d) Section 47-864(d) is amended as follows:

(1) Paragraph (2) is amended to read as follows:

"(2) The credit shall be calculated as follows:

"(A)(i) In the case of a real property that did not receive the credit under this section in the prior tax year:

"(I) Subtract the prior tax year's homestead deduction from the prior tax year's assessed value; provided that for tax year 2006, the prior tax year's homestead deduction shall be deemed to be \$60,000; and

"(II) Multiply the amount in sub-sub-subparagraph (I) of this sub-subparagraph by 112% to determine the current tax year's taxable assessment; or

"(ii) In the case of a real property that did receive the credit under this section in the prior tax year, multiply the prior tax year's taxable assessment by 112% to determine the current tax year's taxable assessment; provided, that:

"(I) For tax year 2006, the current tax year's taxable assessment shall be determined by subtracting \$22,000 from 112% of the prior year's taxable assessment; and

"(II) For the tax year 2007, the amount determined in sub-sub-subparagraph (I) of this sub-subparagraph shall be the prior year's taxable assessment;

"(B) Subtract the current tax year's homestead deduction from the current tax year's assessed value;

"(C) Subtract the current tax year's taxable assessment determined under subparagraph (A) of this paragraph from the amount determined in subparagraph (B) of this paragraph; and

"(D) If the amount determined under subparagraph (C) of this paragraph is a positive number, multiply the difference by the applicable real property tax rate to determine the credit for the current tax year."

(2) Paragraph (3) is amended as follows:

(A) Subparagraph (A)(i) is amended by striking the phrase "new owner"

and inserting the phrase "new owner and the return required by section 303(d) of the District of Columbia Deed Recordation Act, approved March 2, 1962 (76 Stat. 11; D.C. Official Code § 42-1103(d)), and § 47-903(d) was due" in its place.

(B) A new subparagraph (C) is added to read as follows:

"(C) During the tax year, qualifying and current homestead deduction applications are on file for less than 50% of the dwelling units in a cooperative housing association, or such applications are not filed in time for the homestead deduction to apply to the entire tax year."

(3) A new paragraph (4) is added to read as follows:

"(4) The credit under this subsection shall be nonrefundable, and the credit shall be apportioned equally between each installment during the tax year and shall not be carried forward or carried back."

Sec. 1083. Applicability.

Section 1082(a)(1), (b), (d)(1), and (d)(2)(B) shall apply for taxable years beginning after September 30, 2005.

Sec. 1084. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02 (c)(3)).

SUBTITLE P. ESTABLISHMENT OF THE COMMODITIES COST RESERVE FUND

Sec. 1091. Short title.

This subtitle may be cited as the "Establishment of the Commodities Cost Reserve Fund Act of 2005".

Sec. 1092. Chapter 3 of Title 47 of the District of Columbia Official Code is amended as follows:

(a) The table of contents is amended by adding the section designation "47-368.04. Commodities Cost Reserve Fund ." after the section designation "47-368.03 . Reduction in rates for certain excise taxes."

(b) A new section 47-368.04 is added to read as follows:

"§ 47-368.04. Commodities Cost Reserve Fund.

"(a) There is established a fund designated as the Commodities Cost Reserve Fund, which shall be a segregated account within the General Fund of the District of Columbia. All funds shall be deposited into the Fund without regard to fiscal year limitation pursuant to an act and shall not revert to the fund balance of the General Fund of the District of Columbia at the end of any fiscal year or at any other time, but shall be continually available for the uses and

purposes set forth in subsection (b) of this section, subject to authorization by Congress in an appropriations act. The Fund shall be administered by the Mayor.

“(b) At the end of each fiscal year, the Chief Financial Officer shall transfer into the Fund from the General Fund of the District of Columbia the unobligated and unexpended annual appropriation, identified after the end of the fiscal year, for the District of Columbia’s costs for all consumption-driven commodities including electricity, fuel, water, steam, natural gas, postage, telephone, custodial, security, occupancy, and rent. The funds deposited in the Fund shall be used for the unbudgeted expenses caused by unanticipated increases in consumption-driven commodity costs.”.

Sec. 1093. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code §1-206.02(c)(3)).

SUBTITLE Q. DISHONORED CHECK FEE COLLECTION

Sec. 1101. Short title.

This subtitle may be cited as the “Dishonored Check Fee Collection Fund Establishment Act of 2005”.

Sec. 1102. Section 1 of An Act To authorize the Commissioners of the District of Columbia to prescribe penalties for the handling and collection of dishonored checks, approved September 28, 1965 (79 Stat. 844; D.C. Official Code § 1-333.11), is amended by adding a new subsection (g) to read as follows:

“(g) There is hereby established within the General Fund of the District of Columbia a segregated, nonlapsing fund to be known as the Dishonored Check Fee Collection Fund (“Fund”); provided, that any funds deposited in the Fund in the year prior to a current year and the interest earned on that money remaining in the Fund after the payment of the costs accrued in the prior year, less 10% of the remainder amount that shall be retained as a reserve operating balance, shall be transferred or revert to the General Fund of the District of Columbia. All funds obtained from the fees authorized by this section, shall be deposited into the Fund and shall be used, subject to authorization by Congress in an appropriations act, to pay the costs of operating and maintaining the office or offices responsible for processing the fees authorized by this section.”.

Sec. 1103. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

SUBTITLE R. REPROGRAMMING AMENDMENT

Sec. 1131. Short title.

This subtitle may be cited as the "Reprogramming Act of 2005".

Sec. 1132. Section 47-363(c) of the District of Columbia Official Code is amended by striking the figure "\$25,000", and inserting the figure "\$860,000" in its place.

Sec. 1133. Fiscal impact statement.

This legislation does not affect the District of Columbia's budget or financial plan and, therefore, has no fiscal impact.

SUBTITLE S. TAX DEFERRAL FOR LOW-INCOME PROPERTY OWNERS

Sec. 1141. Short title.

This subtitle may be cited as the "Tax Deferral for Low-income Property Owners Act of 2005".

Sec. 1142. Chapter 8 of Title 47 of the District of Columbia Official Code is amended as follows:

(a) The table of contents is amended by adding the section designations "47-845.02. Tax deferral – Low-income property owners. 47-845.03. Tax deferral – Low-income senior property owners." after the section designation "47-845.01. Tax deferral – Bureau of National Affairs."

(b) New sections 47-845.02 and 47-845.03 are added to read as follows:

"§ 47-845.02. Tax deferral – Low-income property owners.

"(a) For purposes of this section, the term:

"(1) "Eligible owner" means an owner (or owners):

"(A) Who resides in the District in a house or condominium; and

"(B) Whose household adjusted gross income is less than \$50,000.

"(2) "Household adjusted gross income" means the adjusted gross income of all persons residing in a household, excluding the adjusted gross income of any person who is a tenant by virtue of a written lease for fair market value.

"(b) Except as provided in subsection (d) of this section, an eligible owner may defer for each tax year any real property tax in excess of the real property tax for the prior tax year.

"(c) Real property tax deferred under this section shall bear interest at the rate of 8% per annum.

"(d) Real property tax shall not be deferred if the aggregate amount of the deferred real property tax, including interest thereon, under this section and § 47-845, is equal to or greater than 25% of the assessed value of the real property for the tax year (or half tax year for which the deferral would otherwise continue).

"(e) To qualify to receive the deferral, the eligible owner shall complete and file with

the Mayor an application in a form prescribed by the Mayor. The eligible owner shall certify, under penalty of perjury, the information provided on the application form and the application form shall be filed in the manner prescribed by the Mayor. The Mayor may require the eligible owner to provide any information which the Mayor considers necessary, including all taxpayer identification numbers of the eligible owner, any other owner, any person with legal or equitable title, and any person in the household of the eligible owner. The Mayor may also require eligible owner, any person with legal or equitable title, and any person in the household of the individual to submit information after the deferral has been granted to determine whether the eligible owner continues to be entitled to the deferral.

"(f) If a properly completed and approved application is filed during the period October 1 through March 31 of the tax year, the eligible owner shall receive the deferral for the entire tax year. Notwithstanding subsection (b) of this section, if a properly completed and approved application is filed during the period April 1 through September 30, the eligible household shall receive ½ of the deferral, which shall be applied to the second installment only.

"(g) The application form filed by the individual, shareholder, or member shall apply to the initial tax year or initial second-half tax year, and to any succeeding tax year thereafter, for which the deferral is granted.

"(h)(1) If the eligible owner no longer qualifies for the deferral, the eligible owner shall notify the Mayor of the date of the change in eligibility within 30 days after the change in eligibility and the amount of the deferred tax, plus interest at the rate provided in subsection (c) of this section, for the tax year in which the change in eligibility occurred shall be paid within 30 days of the change in eligibility. If the applicant fails to notify the Mayor timely, the amount of the deferred tax, plus interest thereon, shall bear interest at the rate provided for the payment of delinquent real property taxes, plus applicable penalties thereon.

"(2) Notwithstanding paragraph (1) of this subsection, if the real property of the eligible owner is transferred and continues to qualify for the deferral 30 days or less before the date of execution of the deed of transfer, the eligible owner shall not be required to notify the Mayor of the change in eligibility.

"(3) If the change in eligibility occurs during the period October 1 through March 31 of the tax year, the deferral shall be disallowed for the entire tax year.

"(4) If the change in eligibility occurs during the period April 1 through September 30, the deferral shall be disallowed for ½ of the tax year.

"(i)(1) There shall be a lien on the real property in the amount of the deferred real property tax, at the rate as provided in subsection (c) of this section or subsection (h) of this section, as applicable, and any penalties.

"(2) Deferred real property tax, interest thereon, and any penalties, shall be payable upon the transfer of the real property. Real property that is not transferred within one year from the date of death of the eligible owner shall be deemed transferred. Real property tax together, and interest thereon, that is not paid within 5 days of the date of transfer shall be deemed delinquent real property tax.

"(j) The eligibility of an eligible owner for the deferral shall not be affected by the transfer of the real property into a revocable trust if the transfer is without consideration and the real property remains the residence of the eligible owner before and after the transfer.

"(k) If an eligible owner claims a deferral for more than one real property in the same tax year, and has not timely notified the Mayor of all changes in eligibility, the Mayor shall disallow the deferral for each real property claimed by the eligible owner.

"(l) Section 47-863(k) shall apply in the case of a deferral under this section.

"(m) The real property tax bill shall indicate whether the real property is receiving the deferral under this section.

"(n) Any taxpayer who is 65 years of age or older and who applies for real property tax deferral under this section shall have undergone counseling as described in section 255 of the National Housing Act, approved February 5, 1988 (101 Stat. 1908; 12 U.S.C. § 1715z-20), relating to insurance on home equity conversion mortgages for elderly homeowners.

"§ 47-845.03 Tax deferral – Low-income senior property owners.

"(a) For purposes of this section, the term:

"(1) "Adjusted gross income" shall have the same meaning as in section 62 of the Internal Revenue Code of 1986, approved August 16, 1954 (68 Stat. 17; 26 U.S.C. § 62).

"(2) "Household adjusted gross income" means the adjusted gross income of all persons residing in a household, excluding the adjusted gross income of any person who is a tenant by virtue of a written lease for fair market value.

"(3) "Residence" means the principal place of residence in the District of an individual who is domiciled in the District.

"(4) "Senior's household" means a house or condominium which is an individual's residence:

"A That comprises a dwelling unit;

"B That is Class 1 Property, as defined in § 47-813, and contains not more than 5 dwelling units therein;

"C That is owned at least 50%, in whole or in part, by the individual who is 65 years of age or older; and

"D Wherein the household adjusted gross income is less than \$50,000.

"(b) Except as provided in subsection (d) of this section, a senior's household may defer each year any real property tax owed.

"(c) Taxes deferred under this section shall bear interest at the rate charged on underpayments of federal income taxes under section 6621 of Internal Revenue Code of 1986, approved January 3, 1975 (88 Stat. 2114; 26 U.S.C. § 6621), on the date the first installment of the real property tax to be deferred under this section is originally due to be paid to the District of Columbia; provided, that the rate of interest shall not exceed 8% per year.

"(d) No further deferrals of real property tax shall be granted to a senior's household if the aggregate amount of the deferred tax, plus interest, from previous tax years, under this

section and § 47-845, is equal to or greater than 25% of the assessed value of the property for the tax year for which the deferral is requested.

"(e)(1) There shall be a lien on the real property in the amount of the deferred real property tax, plus interest, at the rate as provided in subsection (c) of this section or subsection (j) of this section, as applicable, and any penalties.

"(2) Deferred real property tax, interest thereon, and any penalties, shall be payable upon the transfer of the real property. Real property that is not transferred within one year from the date of death of the eligible owner shall be deemed transferred. Real property tax together, and interest thereon, that is not paid within 5 days of the date of transfer shall be deemed delinquent real property tax.

"(f) To qualify the senior's household to receive the deferral, the individual shall complete and file with the Mayor an application in a form prescribed by the Mayor. The individual shall certify, under penalty of perjury, the information provided on the application form and the application form shall be filed in the manner prescribed by the Mayor. The Mayor may require the individual to provide any information which the Mayor considers necessary, including all taxpayer identification numbers of the individual, any other owner, any person with legal or equitable title, and any person in the household of the individual. The Mayor may also require the individual, any other owner, any person with legal or equitable title, and any person in the household of the individual to submit information after the deferral has been allowed to determine whether the real property remains a senior's household and entitled to the deferral.

"(g) If a properly completed and approved application is filed during the period October 1 through March 31 of the tax year, the senior's household shall receive the deferral for the entire tax year. If a properly completed and approved application is filed during the period April 1 through September 30, the senior's household shall receive the deferral for only ½ of the property taxes for the year.

"(h) The application form filed by the individual shall apply to the initial tax year and to any succeeding tax year thereafter for which the deferral is allowed.

"(i)(1) If the senior's household no longer qualifies for the deferral, the eligible owner shall notify the Mayor of the date of the change in eligibility within 30 days after the change in eligibility and the amount of the deferred tax, plus interest at the rate provided in subsection (c) of this section, for the tax year in which the change in eligibility occurred shall be paid within 30 days of the change in eligibility. If the applicant fails to notify the Mayor timely, the amount of the deferred tax, plus interest thereon, shall bear interest at the rate provided for the payment of delinquent real property taxes, plus applicable penalties thereon.

"(2) Notwithstanding paragraph (1) of this subsection, if the real property of the senior's household is transferred and continued to qualify for the deferral 30 days or less before the date of execution of the deed of transfer, the individual, shareholder, or member shall not be required to notify the Mayor of the change in eligibility.

"(3) If the change in eligibility occurs during the period October 1 through

March 31 of the tax year, the deferral shall be disallowed for the entire tax year.

"(4) If the change in eligibility occurs during the period April 1 through September 30, the deferral shall be disallowed for only ½ of the property taxes for the year.

"(j) If real property tax is owing as a result of an erroneous or improper deferral, the following shall apply:

"(1)(A) If the senior's household was transferred, the individual shall be personally liable for the amount of the delinquent real property tax which was not paid timely during the period when the individual had an ownership interest in the senior's household, together with interest at the same rate as provided in this chapter for the late payment of real property tax.

"(B) The tax shall be considered due on the date that the total amount of real property tax was due but unpaid and shall be collected in the manner prescribed under Chapter 44.

"(2) Notwithstanding paragraph (1) of this subsection, if the senior's household was transferred and the grantee failed to timely record a deed under § 47-1431, there shall be a lien on the real property in the amount of the delinquent real property tax which was not timely paid, together with interest as provided in this chapter for the late payment of real property tax.

"(3) In all other cases, there shall be a lien on the real property in the amount of the delinquent real property tax which was not paid timely, together with interest as provided in this chapter for the late payment of real property tax.

"(k) The eligibility of a senior's household for the deferral shall not be affected by the transfer of the senior's household into a revocable trust if the transfer is without consideration and the senior's household remains the residence of the individual-grantor before and after the transfer.

"(l) Only one individual in a household and that individual's spouse, if any, shall claim a deferral for a senior's household in the District.

"(m) If an individual claims more than one senior's household in the same tax year, and has not timely notified the Mayor of all changes in eligibility, the Mayor shall disallow the deferral for all senior's households claimed by the individual.

"(n) Section 47-863(k) shall apply in the case of deferral under this section.

"(o) The real property tax bill shall indicate whether the real property is receiving the deferral under this section.

"(p) Any taxpayer who is 65 years of age or older, who applies for property tax deferral under this section shall have undergone counseling as described in section 255 of the National Housing Act, approved February 5, 1988 (101 Stat. 1908; 12 U.S.C. § 1715z-20), relating to insurance on home equity conversion mortgages for elderly homeowners."

Sec. 1143. Conforming amendments.

Title 47 of the District of Columbia Official Code is amended as follows:

(a) Section 47-405 is amended by adding a new subsection (c-1) to read as follows:

"(c-1) This section shall not apply to real property taxes deferred under §§ 47-845, 47-845.01, 47-845.02, and 47-845.03."

(b) Section 47-831(b) is amended by striking the phrase "or exemption" and inserting the phrase "exemption, or deferral" in its place.

(c) Section 47-845(d) is amended to read as follows:

"(d) No further deferrals of real property tax shall be granted to a taxpayer when the aggregate amount of the deferred real property tax plus interest from previous tax years, under this section, § 47-845.02, and § 47-845.03, is equal to or greater than 25% of the assessed value of the real property for the tax year for which the deferral is requested."

Sec. 1144. Applicability.

Sections 1142 and 1143 shall apply to tax periods beginning after September 30, 2005.

Sec. 1145. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

SUBTITLE T. FEE COLLECTION INCENTIVE

Sec. 1151. Short title.

This subtitle may be cited as the "Fee Collection Incentive Act of 2005".

Sec. 1152. Fee Collection Incentive Fund.

(a) For the purposes of this section, the term:

(1) "Agency" means any District agency, except the Office of the Chief Financial Officer, involved in the collection of fees or fines on behalf of the District.

(2) "Base year" means the fiscal year in which supplementary revenue is collected.

(3) "Disbursal year" means the fiscal year after the base year.

(4) "Fees and fines" includes all collections subject to general appropriations, but shall not include funds which are earmarked for special purposes and accounted for or deposited in a special fund for such purposes.

(5) "Fund" means the Fee Collection Incentive Fund established under this section.

(6) "Supplementary revenue" means the amount of revenue from all fees and fines collected by an agency in the base year which exceeds the estimate of revenue from fees and fines for the agency in the base year budget and financial plan.

(b) There is established a fund designated as the Fee Collection Incentive Fund, which shall be a segregated account within the General Fund of the District of Columbia. All funds shall be deposited into the Fund without regard to fiscal year limitation and shall not revert to

the fund balance of the General Fund of the District of Columbia at the end of any fiscal year or at any other time, but shall be continually available for the uses and purposes set forth in subsection (c) of this section, subject to authorization by Congress in an appropriations act.

(c) Five percent of supplementary revenue collected by an agency in the base year shall be deposited on an annual basis at the beginning of the disbursal year in the Fund in an account established for the agency. The funds in the agency account may be expended for any authorized use in the disbursal year; provided, that the funds shall not be used by the agency for employee bonuses; provided further, that the expenditure of funds shall directly enhance the agency's efficiency. Any balance of funds in an account in the Fund at the end of the disbursal year shall be transferred to the General Fund of the District of Columbia.

Sec. 1153. Applicability.

This subtitle shall apply as of October 1, 2005.

Sec. 1154. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

SUBTITLE U. THE CATHOLIC UNIVERSITY OF AMERICA TAX EXEMPTION

Sec. 1161. Short title.

This subtitle may be cited as the "Catholic University of America Real Property Tax Exemption and Equitable Real Property Tax Relief Act of 2005".

Sec. 1162. Chapter 10 of Title 47 of the District of Columbia Official Code is amended as follows:

(a) The table of contents is amended by adding the section designation "47-1066. The Catholic University of America's Soldiers and Airmen's Home, parcel No. 121/29." at the end.

(b) A new section 47-1066 is added to read as follows:

"§ 47-1066. The Catholic University of America's Soldiers and Airmen's Home, parcel No. 121/29.

"The Catholic University of America's Soldiers' and Airmen's Home, parcel No. 121/29, located in the Northeast quadrant of the District of Columbia and comprising approximately 49 acres of land generally bounded by North Capitol Street, Irving Street, Michigan Avenue, Harewood Road, and the Pope John Paul II Cultural Center, together with the improvements thereon and owned by The Catholic University of America, shall be exempt from all taxation so long as it is owned and planned for use by, or actually used by, The Catholic University of America for its purposes and activities, and is not used for commercial purposes, subject to the provisions of §§ 47-1005, 47-1007, and 47-1009, as if the exemption were granted administratively."

Sec. 1163. Real property taxes, transfer and recordation taxes, interest, penalties, fees, and other related charges assessed against the real property known as the Soldiers' and Airmen's Home, parcel No. 121/29, located in the Northeast quadrant of the District of Columbia and comprising approximately 49 acres of land generally bounded by North Capitol Street, Irving Street, Michigan Avenue, Harewood Road, and the Pope John Paul II Cultural Center, for the period of April 29, 2004 through the effective date of this subtitle, shall be forgiven, and any payments made for such period shall be refunded.

Sec. 1164. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

SUBTITLE V. CARVER 2000 LOW-INCOME AND SENIOR HOUSING TAX EXEMPTION

Sec. 1171. Short title.

This subtitle may be cited as the "Carver 2000 Low-Income and Senior Housing Project Act of 2005".

Sec. 1172. Chapter 46 of Title 47 of the District of Columbia Official Code is amended as follows:

(a) The table of contents is amended by adding the section designation "47-4607. Carver 2000 Low-Income and Senior Housing Project—tax exemptions." at the end.

(b) A new section 47-4607 is added to read as follows:

"§ 47-4607. Carver 2000 Low-Income and Senior Housing Project—tax exemptions.

"(a) For the purposes of this section, the term "Carver 2000 Low-Income and Senior Housing Project" means the financing, refinancing, or reimbursing of costs incurred for the acquisition, development, construction, installation, and equipping of the mixed-use 176 units of apartment and town homes for senior citizens and low-income residents of the District of Columbia, located in the following lots and squares: 5140-0819; 5140-0820; 5140-0821; 5140-0822; 5140-0823; 5140-0824; 5140-0825; 5140-0826; 5190-0806; 5190-0807; 5190-0808; 5348-0001; 5348-0002; 5348-0003; 5348-0004; 5348-0005; 5348-0006; 5348-0007; 5348-0008, and consisting of:

"(1) Land and improvements that are to be renovated into approximately 176 units of apartments and town homes for senior citizens and low-income families; and

"(2) All common areas and ancillary improvements identified in any pre-existing financing agreements supporting the development of low-income and senior housing in the lots and squares identified in this subsection.

"(b) The Carver 2000 Low-Income and Senior Housing Project shall be exempt from the tax imposed by §§ 42-1102 and 47-903.

"(c) The sales and rental of tangible personal property to be incorporated in or consumed in the Carver 2000 Low-Income and Senior Housing Project, whether or not the sale, rental, or nature of the material or tangible personal property is incorporated as a permanent part of the Carver 2000 Low-Income and Senior Housing Project or the Carver 2000 Low-Income and Senior Housing Project property, shall be exempt from the tax imposed by § 47-2002.

"(d)(1) The Carver 2000 Low-Income and Senior Housing Project property shall be exempt from the tax imposed by Chapter 8.

"(2) The real property tax exemption granted by paragraph (1) of this subsection shall only apply for the 8 consecutive real property tax years beginning with Tax Year 2003.

"(e) The exemptions pursuant to subsections (c) and (d) of this section shall be in addition to, and not in lieu of, any other tax relief or assistance from any other source applicable to the Carver 2000 Low-Income and Senior Housing Project or the Carver 2000 Low-Income and Senior Housing Project."

Sec. 1173. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

**SUBTITLE W. DUPONT COMMONS LOW-INCOME HOUSING TAX
EXEMPTION**

Sec. 1181. Short title.

This subtitle may be cited as the "Dupont Commons Low-Income Housing Tax Relief Act of 2005".

Sec. 1182. Section 47-3505(f) of the District of Columbia Official Code is amended by adding a new paragraph (3) to read as follows:

"(3)(A) Subject to the requirements of subparagraphs (B) and (C) of this paragraph any nonprofit organization that has been denied exemption from District of Columbia real property taxes pursuant to § 47-1002 and has acquired property to develop more than 10 units of housing for affordable or lower income homeownership households in the District of Columbia and subdivides the acquired property into more than 10 units shall have 2 years from the date of the subdivision of the property to hold the property as exempt from the recordation, transfer, and real property taxes associated with the acquisition and development of the property for low-income or affordable housing.

"(B) Recordation, transfer, and real property tax assessments associated with the acquisition of a property under subparagraph (A) of this paragraph shall not be assessed against a nonprofit organization that acquires property and subdivides it for resale into more than 10 units to low-income home owners when the first low-income home owner purchases a home within 2 years of the subdivision of the real property into lots on the records and cadastral

maps of the Office of Tax and Revenue.

“(C) Real property owned or acquired by a nonprofit organization shall be exempt from recordation, transfer and real property taxes if the nonprofit organization subdivides the property into more than 10 units of low-income housing and completes the sale of all units of low-income housing on the property within 4 years from the date of acquisition.”.

Sec. 1183. Applicability.

Section 1182 shall apply to real property exemption applications filed on or after January 1, 2001.

Sec. 1184. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

SUBTITLE X. THE WAY OF THE CROSS CHURCH OF CHRIST TAX EXEMPTION

Sec. 1191. Short title.

This subtitle may be cited as the "Way of the Cross Church of Christ Real Property Tax Exemption and Equitable Real Property Tax Relief Act of 2005".

Sec. 1192. Chapter 10 of Title 47 of the District of Columbia Official Code is amended as follows:

(a) The table of contents is amended by adding the section designation "47-1067. Way of the Cross Church of Christ; lots 918, 7, 9, 11, 118, 119, 120, 121, 122, 123, 124, 125, 126, 800, 801, 861, 863, 865, 867, 869, and 871 in square 5730."

(b) A new section 47-1067 is added to read as follows:

"§ 47-1067. Way of the Cross Church of Christ; lots 918, 7, 9, 11, 118, 119, 120, 121, 122, 123, 124, 125, 126, 800, 801, 861, 863, 865, 867, 869, and 871 in square 5730.

"The real property located at square 5730, lots 918, 7, 9, 11, 118, 119, 120, 121, 122, 123, 124, 125, 126, 800, 801, 861, 863, 865, 867, 869, and 871, shall be exempt from all taxation so long as the property is owned by the Way of the Cross Church of Christ and the property located on square 5730, lot 918 is used as the principal residence of the pastor of the church."

Sec. 1193. Equitable real property tax relief; exemption from penalties, interest, or fees.

The Council orders that all unpaid real property taxes, interest, penalties, fees, and other related charges assessed against real property located at square 5730, lots 918, 7, 9, 11, 118, 119, 120, 121, 122, 123, 124, 125, 126, 800, 801, 861, 863, 865, 867, 869, and 871, since January 1, 2004 through the first day of the month following the effective date of this subtitle,

be forgiven, and that any payment already made for this period be refunded.

Sec. 1194. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

SUBTITLE Y. APPALACHIAN STATE UNIVERSITY TAX EXEMPTION

Sec. 1201. Short title.

This subtitle may be cited as the "Appalachian State University Real Property Tax Exemption and Equitable Real Property Tax Relief Act of 2005".

Sec. 1202. Chapter 10 of Title 47 of the District of Columbia Official Code is amended as follows:

(a) The table of contents is amended by adding the section designation "47-1068. Appalachian State University, lot 42 in square 871." at the end.

(b) A new section 47-1068 is added to read as follows:

"§ 47-1068. Appalachian State University, lot 42 in square 871.

"The property located in the Southeast quadrant of the District of Columbia and described as lot 42 in square 871, comprising land located adjacent to North Carolina Avenue, S.E., together with the improvements thereon and owned by The Board of Trustees of the Endowment Fund of Appalachian State University, shall be exempt from all taxation so long as it is owned by The Board of Trustees of the Endowment Fund of Appalachian State University and planned for use by the Appalachian State University for its purposes and activities, and is not used for commercial purposes, subject to the provisions of §§ 47-1005, 47-1007, and 47-1009."

Sec. 1203. Real property taxes, recordation taxes, interest, penalties, fees, and other related charges assessed against the real property known as lot 42 in square 871 for the period of October 31, 2003 through the effective date of this subtitle, shall be forgiven, and any payments made for the period shall be refunded.

Sec. 1204. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

SUBTITLE Z. FAMILY PROPERTY RECORDATION AND TRANSFER TAX
EXEMPTION

Sec. 1211. Short title.

This subtitle may be cited as the "Family Property Recordation and Transfer Tax Exemption Act of 2005".

Sec. 1212. Section 302(7) of the District of Columbia Deed Recordation Tax Act, approved March 2, 1962 (76 Stat. 11; D.C. Official Code § 42-1102(7)), is amended by striking the phrase "or parent and child, or domestic partners" and inserting the phrase "parent and child, grandparent and grandchild, or domestic partners," in its place.

Sec. 1213. Section 47-902(5) of the District of Columbia Official Code is amended by striking the phrase "or parent and child, or domestic partners" and inserting the phrase "parent and child, grandparent and grandchild, or domestic partners," in its place.

Sec. 1214. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

SUBTITLE AA. AMERICAN PSYCHOLOGICAL ASSOCIATION TAX
EXEMPTION CONTINUATION

Sec. 1221. Short title.

This subtitle may be cited as the "American Psychological Association Partial Real Property Tax Exemption Continuation Act of 2005".

Sec. 1222. Chapter 10 of Title 47 of the District of Columbia Official Code is amended as follows:

(a) The table of contents is amended by adding the section designation "§ 47-1069. American Psychological Association, lot 146, square 677." at the end.

(b) A new section 47-1069 is added to read as follows:

"§ 47-1069. American Psychological Association, lot 146, square 677.

"The real estate described for assessment and taxation purposes as lot 146, square 677, in the District of Columbia, and the buildings located thereon, owned by APA 750 LLC, a wholly-owned subsidiary of the American Psychological Association, a District of Columbia nonprofit corporation, is hereby exempt from taxation for that portion of property owned by APA 750 LLC and occupied and used by the American Psychological Association to the extent that the property continues to be so owned and occupied, and not used for commercial purposes, subject to the provisions of §§ 47-1007 and 47-1009."

Sec. 1223. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

SUBTITLE BB. RECYCLABLE MATERIAL SALES TAX CLARIFICATION

Sec. 1231. Short title.

This subtitle may be cited as the "Recyclable Material Sales Tax Clarification Act of 2005".

Sec. 1232. Section 47-2001(n)(1)(M)(i) of the District of Columbia Official Code is amended as follows:

(a) The existing text is designated as sub-sub-subparagraph (I).

(b) A new sub-sub-subparagraph (II) is added to read as follows:

“(II) The term “real property maintenance” shall not include the exterior or interior trash removal of recyclable material. For the purposes of this sub-sub-subparagraph, the term “recyclable material” means material that would otherwise become municipal solid waste and is shown by the provider of the interior or exterior trash removal that the material has been collected, separated, or processed to be returned into commerce as a raw material or product, or has been sold to a company in the business of separating or processing recyclable materials.”.

Sec. 1233. Consolidated Waste Industries shall not be liable for taxes and interest on recyclable material owed for the period of August 1, 1999 through the effective date of this subtitle and any payments made for the period, in an amount not to exceed \$273,000, shall be refunded.

Sec. 1234. Section 1232 shall apply as of October 1, 2005.

Sec. 1235. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

SUBTITLE CC. NURSING HOME PROVIDER TAX TECHNICAL AMENDMENTS

Sec. 1241. Short title.

This subtitle may be cited as the "Nursing Home Provider Tax Technical Amendments Act of 2005".

Sec. 1242. Title 47 of the District of Columbia Official Code is amended as follows:

(a) Section 47-1263 is amended as follows:

(1) Subsection (b) is amended to read as follows:

"(b) Except for fiscal year 2005, the Mayor shall require each nursing facility to provide to the Office of Tax and Revenue a self-assessment of the amount owed based on net resident revenue as provided in subsection (a) of this section for the ensuing fiscal year of the District no later than September 1."

(2) A new subsection (d) is added to read as follows:

"(d) The Chief Financial Officer may determine the manner in which payments are made under this chapter, including whether payments owed by each nursing facility under subsection (a) of this section shall be paid electronically."

(b) Section 47-1264 is amended as follows:

(1) Subsection (a) is amended by striking the second sentence.

(2) Subsection (c) is amended by striking the phrase, "of not more than \$1,000" and inserting the phrase "equal to the tax owed." in its place.

Sec. 1243. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

SUBTITLE DD. WASHINGTON CONVENTION CENTER MARKETING FUND AMENDMENT

Sec. 1251. Short title.

This subtitle may be cited as the "Washington Convention Center Authority Marketing Fund Amendment Act of 2005".

Sec. 1252. Section 208a(b) of the Washington Convention Center Authority Act of 1994, effective August 12, 1998 (D.C. Law 12-142; D.C. Official Code § 10-1202.08a(b)), is amended by striking the phrase "District, except as provided in section 213." and inserting the phrase "District. The Marketing Fund shall be audited at least once each year and a report of the audit shall be published by the Authority." in its place.

Sec. 1253. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

SUBTITLE EE. RESIDENTIAL PROPERTY TAX RATE AND CAP REDUCTION

Sec. 1261. Short title.

This subtitle may be cited as the "Residential Property Tax Rate and Cap Reduction Act of 2005".

Sec. 1262. Title 47 of the District of Columbia Official Code is amended as follows:

(a) Section 47-812 is amended by adding a new subsection (b-7) to read as follows:

"(b-7) Notwithstanding the provisions of subsection (a) of this section, the sum of the real property tax rates and special real property tax rates for taxable real property in the District of Columbia for the tax year beginning October 1, 2005, shall be:

"(1) \$0.92 for each \$100 of assessed value for Class 1 Property;

"(2) \$1.85 for each \$100 of assessed value for Class 2 Property; and

"(3) \$5.00 for each \$100 of assessed value for Class 3 Property."

(b) Section 47-863 is amended as follows:

(1) Subsection (a) is amended by adding a new paragraph (5) to read as follows:

"(5) "Taxable assessment" means the assessed value of the real property, reduced, if applicable, by the credit under § 47-864 or the deduction under § 47-850."

(2) Subsection (b) is amended to read as follows:

"(b)(1) In the case of a house or condominium, a senior's household shall be eligible for a 50% deduction in computing real property tax liability. The deduction shall be computed by multiplying the tax rate by 50% of an amount equal to the current tax year's taxable assessment. The deduction shall be apportioned equally between each installment during a tax year and shall not be carried forward or carried back.

"(2)(A) In the case of a cooperative housing association, the deduction shall be computed by multiplying the tax rate by 50% of an amount equal to the current tax year's taxable assessment attributable to the senior's household. The deduction shall be apportioned equally between each installment during a tax year and shall not be carried forward or carried back.

"(B) The taxable assessment attributable to the senior's household shall be determined in the same manner as the cooperative housing association was assessed under § 47-820.01, including any prorations thereunder."

(c) Section 47-864 is amended to read as follows:

"§ 47-864. Owner-occupant residential tax credit.

"(a) Real property receiving the homestead deduction under § 47-850 shall receive an owner-occupant residential tax credit.

"(b) The credit shall be calculated as follows:

"(1)(A) In the case of a real property that did not receive the credit under this section in the prior tax year:

"(i) Subtract the prior tax year's homestead deduction from the prior tax year's assessed value; provided, that for tax year 2006, the prior tax year's homestead

deduction shall be deemed to be \$60,000; and

“(ii) Multiply the amount determined in sub-subparagraph (i) of this subparagraph by 110% to determine the current tax year's taxable assessment; or

“(B) In the case of a real property that did receive the credit under this section in the prior tax year, multiply the prior tax year's taxable assessment by 110% to determine the current tax year's taxable assessment; provided, that:

“(i) For tax year 2006, the current tax year's taxable assessment shall be determined by subtracting \$22,000 from 110% of the prior tax year's taxable assessment; and

“(ii) For tax year 2007, the amount determined in sub-subparagraph (i) of this subparagraph shall be the prior tax year's taxable assessment;

“(2) Subtract the current tax year's homestead deduction from the current tax year's assessed value;

“(3) Subtract the current tax year's taxable assessment determined under paragraph (1) of this subsection from the amount determined in paragraph (2) of this subsection; and

“(4) If the amount determined under paragraph (3) of this subsection is a positive number, multiply the difference by the applicable real property tax rate to determine the credit for the current tax year.

“(c) The credit shall not apply if:

“(1) During the prior tax year:

“(A) The real property was transferred for consideration to a new owner and the return required by section 303(d) of the District of Columbia Deed Recordation Act, approved March 2, 1962 (76 Stat. 11; D.C. Official Code § 42-1103(d)), and § 47-903(d) was due;

“(B) The value of the real property was increased due to a change in the zoning classification of the real property initiated or requested by the homeowner or anyone having an interest in the real property; or

“(C) The assessment of the real property was clearly erroneous due to an error in calculation or measurement of improvements on the real property;

“(2) During the prior calendar year, the real property was assessed under § 47-829; or

“(3) During the current tax year, qualifying homestead deduction applications for dwelling units in a cooperative housing association are:

“(A) Filed for less than 50% of the dwelling units; or

“(B) Not filed timely for the entire tax year.

“(d) The credit shall:

“(1) Be nonrefundable;

“(2) Be apportioned equally between each installment during the tax year; and

“(3) Not be carried forward or carried back.”.

Sec. 1263. Applicability; conditional effect.

(a) Section 1262 shall apply for taxable years beginning after September 30, 2005; provided, that condition of subsection (b) of this subsection is met prior to February 15, 2006; provided further, that section 1262 shall apply for the second half of Fiscal Year 2006 if the condition of subsection (b) of this subsection is met after February 14, 2006 and prior to August 5, 2006.

(b) Section 1262 shall not apply unless the amount of revenue in a revised quarterly revenue estimate of the Chief Financial Officer exceeds the annual revenue estimate incorporated in the approved fiscal year 2006 budget and financial plan and the Revised Revenue Estimate Contingency Priority of the Fiscal Year 2006 Budget Request Act of 2005 by an amount sufficient to account for its fiscal effect.

(c) If section 1262 takes effect as of the effective date of this title, section 1082(d) shall be void.

Sec. 1264. Sunset.

This subtitle shall expire on August 5, 2006 if this subtitle has not taken effect under section 1263.

Sec. 1265. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

SUBTITLE FF. CALCULATED RESIDENTIAL PROPERTY TAX RATE ESTABLISHMENT

Sec. 1271. Short title.

This subtitle may be cited as the “Calculated Residential Property Tax Rate Establishment Act of 2005”.

Sec. 1272. Section 47-812 is amended by adding a new subsection (b-8) to read as follows:

“(b-8)(1)(A) Notwithstanding the provisions of subsection (a) of this section, the sum of the real property tax rates and special real property tax rates for taxable Class 1 Property in the District of Columbia for the tax year beginning October 1, 2006, and each tax year thereafter, shall be established as follows:

“(i)(I) For the tax year beginning October 1, 2006, the Mayor shall compute the real property tax rate (rounded up to the nearest penny) for Class 1 Properties calculated to yield in the tax year the same amount of taxes estimated to be collected, as certified in the latest revenue estimate, during the tax year beginning October 1, 2005, plus 9%.

“(II) Before September 16, 2006, the Mayor shall submit

to the Council the real property tax rate computed under sub-sub-subparagraph (I) of this sub-subparagraph.

“(ii)(I) For the tax year beginning October 1, 2007, the Mayor shall compute the real property tax rate (rounded up to the nearest penny) for Class 1 Properties calculated to yield in the tax year the same amount of taxes estimated to be collected, as certified in the latest revenue estimate, during the tax year beginning October 1, 2006, plus 8%.

“(II) Before September 16, 2007, the Mayor shall submit to the Council the real property tax rate computed under sub-sub-subparagraph (I) of this sub-subparagraph.

“(iii)(I) For the tax year beginning October 1, 2008, the Mayor shall compute the real property tax rate (rounded up to the nearest penny) for Class 1 Properties calculated to yield in the tax year the same amount of taxes estimated to be collected, as certified in the latest revenue estimate, during the tax year beginning October 1, 2007, plus 7%.

“(II) Before September 16, 2008, the Mayor shall submit to the Council the real property tax rate computed under sub-sub-subparagraph (I) of this sub-subparagraph.

“(iv)(I) For the tax year beginning October 1, 2009, and each tax year thereafter, the Mayor shall compute the real property tax rate (rounded up to the nearest penny) for Class 1 Properties calculated to yield in the tax year the same amount of taxes estimated to be collected, as certified in the latest revenue estimate, during the preceding tax year, plus the lesser of :

“(aa) Seven percent; or

“(bb) The percentage increase in the total aggregate assessment of taxable real property for Class 1 Properties.

“(II) Before September 16, 2009, and each anniversary thereafter, the Mayor shall submit to the Council the real property tax rate computed under sub-sub-subparagraph (I) of this sub-subparagraph.

“(B) Notwithstanding the provisions of subparagraph (A) of this paragraph, if, for the current tax year, the total aggregate assessment of taxable real property for Class 1 Properties is estimated to decrease, the real property tax rate for Class 1 Properties shall be the real property tax rate for the prior tax year.

“(2) Notwithstanding the provisions of subsection (a) of this section, the sum of the real property tax rates and special real property tax rates for taxable Class 2 and 3 Properties in the District of Columbia for the tax year beginning October 1, 2006, and each tax year thereafter, shall be:

“(A) \$1.85 for each \$100 of assessed value for Class 2 Property; and

“(B) \$5.00 for each \$100 of assessed value for Class 3 Property.”.

Sec. 1273. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

SUBTITLE GG. LIMITED-EQUITY COOPERATIVE TAX FAIRNESS

Sec. 1275. Short title.

This subtitle may be cited as the “Limited-Equity Cooperative Tax Fairness Act of 2005”.

Sec. 1276. Chapter 8 of Title 47 of the District of Columbia Official Code is amended as follows:

(a) Section 47-802 is amended by adding new paragraphs (11) and (12) to read as follows:

“(11) The term “limited-equity cooperative” means a cooperative required by a government agency or nonprofit organization to limit the resale price of membership shares for the purposes of keeping the housing affordable to incoming members that are low and moderate income.

“(12) The term “carrying charge subsidies” means any payment, originating directly or indirectly, with a federal or local government housing agency, used to supplement the monthly housing payments of individual cooperative members.”.

(b) Section 47-820.01(a)(1) is amended as follows:

(1) Subparagraph (A) is amended by striking the phrase “; or” and inserting a semicolon in its place.

(2) Subparagraph (B) is amended by striking the semicolon and inserting the phrase “; or” in its place.

(3) A new subparagraph (C) is added to read as follows:

“(C) In the case of limited-equity cooperatives, the lesser of the assessed value determined under subparagraph (A) of this paragraph, subparagraph (B) of this paragraph, or the annual amount residents are paying in carrying charges, excluding carrying charge subsidies, divided by an appropriate capitalization rate as determined by the Office of Tax and Revenue; provided, that if a property ceases to be a limited-equity cooperative, it shall be assessed under subparagraph (A) or subparagraph (B) of this paragraph.”.

Sec. 1277. Applicability; conditional effect.

(a) Section 1276 shall apply for taxable years beginning after September 30, 2005; provided, that condition of subsection (b) of this subsection is met prior to February 15, 2006; provided further, that section 1276 shall apply for the second half of Fiscal Year 2006 if the condition of subsection (b) of this subsection is met after February 14, 2006 and prior to August 5, 2006.

(b) Section 1276 shall not take effect unless the amount of revenue in a revised quarterly revenue estimate of the Chief Financial Officer exceeds the annual revenue estimate incorporated in the approved fiscal year 2006 budget and financial plan by an amount sufficient to account for its fiscal effect and the fiscal effect of Subtitles I-C and I-EE.

Sec. 1278. Sunset.

This act shall expire on August 5, 2006 if this act has not taken effect under section 1277.

Sec. 1279. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602 (c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

SUBTITLE HH. AFFORDABLE HOUSING PRESERVATION TAX ASSESSMENT

Sec. 1280. Short title.

This subtitle may be cited as the “Affordable Housing Preservation Tax Assessment Act of 2005”.

Sec. 1281. Title 47 of the District of Columbia Official Code is amended as follows:

(a) Chapter 8 is amended as follows:

(1) The table of contents is amended by adding the section designation “47.820.02. Residential real property subject to certain affordability and resale restrictions; Mayor to issue rules.” after the section designation “§ 47-820.01. Same -- Improved residential real property owned by cooperative housing association; reports by association; Mayor to issue rules.”.

(2) Section 47-813(c-6)(2) is amended by adding a new subparagraph (E) to read as follows:

“(E) Real property owned by a qualifying nonprofit housing organization under § 47-3505(a) shall be classified as Class 1 property.”.

(3) A new section 47-820.02 is added to read as follows:

“§ 47.820.02. Residential real property subject to certain affordability and resale restrictions; Mayor to issue rules.

“(a) Except as otherwise provided in subsection (b) of this section, the assessed value of resale restricted properties (as defined in subsection (c) of this section) shall be:

“(1)(A) First determined for the year in which the current property owner received the property.

“(B) The base assessment amount shall be the amount paid by the current property owner in exchange for the property, not including any grants or other amounts received by the property owner from government agencies, housing organizations, and other entities that

are not likely to be repaid (absent a violation of the terms of the limitations, encumbrances, or other restrictions attached to the sale).

“(2) For subsequent years in which the limitations, encumbrances, or restrictions remain in effect, the property shall be assessed at the base assessment amount, adjusted by the consumer price inflation index for the Washington-Baltimore Metropolitan Area as reported by the Bureau of Labor Statistics, United States Department of Labor.

“(b) If the purchase price is not ascertainable or the property has been transferred from a government entity or tax-exempt organization to a property owner without significant consideration, the property shall be assessed taking into account all limitations, encumbrances, and restrictions and shall be assessed in its initial year at a value not to exceed the price the property owner would receive under a sale under the terms of the limitations, encumbrances, and restrictions associated with the property. In any subsequent year in which the limitations, encumbrances, or restrictions remain in effect, the property's assessed value shall be calculated under subsection (a)(2) of this section.

“(c) For the purposes of this section, the term “resale restricted properties” means any properties for which a United States or District of Columbia government entity, or a charitable organization with tax-exempt status under section 501(c)(3) of the Internal Revenue Code of 1986, approved October 22, 1986 (100 Stat. 2085; 26 U.S.C. § 501(c)(3)), directly or indirectly, imposes limitations, encumbrances, or restrictions upon the properties' subsequent sale or transfer that are intended to preserve or promote the affordability of housing for low- and moderate-income owners, for a period of not less than 5 years.

“(d) The Mayor shall promulgate rules for the administration of this section within one year of the effective date of the Affordable Housing Preservation Tax Assessment Act of 2005.

(b) Section 47-3502(c) is amended by striking the phrase "\$250,000" and inserting the phrase "80% of the median sale price for homes within the District of Columbia in the prior year" in its place.

(c) Section 47-3505 is amended as follows:

(1) Subsection (b)(1) is amended by striking the phrase "within 1 year" and inserting the phrase "within 36 months" in its place.

(2) Subsection (c)(1) is amended by striking the phrase "within 1 year" and inserting the phrase "within 36 months" in its place.

(3) Subsection (d) is amended by striking the phrase "first tax year" and inserting the phrase "third tax year" in its place.

(d) Section 47-3506(a) is amended as follows:

(1) Strike the phrase "within 1 year" and insert the phrase "within 36 months" in its place.

(2) Paragraph (1)(C) is amended as follows:

(A) Strike the phrase "90 days" and insert the phrase "6 months" in its place.

(B) Strike the phrase "1-year period" and insert the phrase "36-month

period" in its place.

(3) Paragraph (2) is amended as follows:

(A) Strike the phrase "within 1 year" and insert the phrase "within 36 months" in its place.

(B) Subparagraph (C) is amended as follows:

(i) Strike the phrase "90 days" and insert the phrase "6 months" in its place.

(ii) Strike the phrase "1-year period" and insert the phrase "36-month period" in its place.

Sec. 1282. Applicability; conditional effect.

(a) Section 1281 shall apply for taxable years beginning after September 30, 2005; provided, that condition of subsection (b) of this subsection is met prior to February 15, 2006; provided further, that section 1281 shall apply for the second half of Fiscal Year 2006 if the condition of subsection (b) of this subsection is met after February 14, 2006 and prior to August 5, 2006.

(b) Section 1281 shall not take effect unless the amount of revenue in a revised quarterly revenue estimate of the Chief Financial Officer exceeds the annual revenue estimate incorporated in the approved Fiscal Year 2006 budget and financial plan by an amount sufficient to account for its fiscal effect and the fiscal effect of Subtitles I-C, I-EE, and Subtitle GG.

Sec. 1283. Sunset.

This act shall expire on August 5, 2006 if this act has not taken effect under section 1282.

Sec. 1284. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

SUBTITLE II. TRIENNIAL GROUP DISPARITY CORRECTION

Sec. 1285. Short title.

This subtitle may be cited as the "Triennial Group Taxable Assessment Disparity Correction Act of 2005".

Sec. 1286. Section 47-864(b)(1)(A)(i) of the District of Columbia Official Code is amended to read as follows:

“(i) For tax year 2006:

“(I) The current tax year's taxable assessment shall be determined by subtracting \$22,000 from 110% of the prior tax year's taxable assessment; and

“(II) The prior tax year's taxable assessment for taxable real property located in triennial groups 1 and 2, as designated by the Office of Tax and Revenue, that has been owned and occupied continuously by the same owner since October 1, 2001, shall be recalculated by applying a 12% cap as of October 1, 2001;”.

Sec. 1287. Conditional applicability.

(a) Section 1286 shall apply for taxable years beginning after September 30, 2005; provided, that the condition of subsection (b) of this section is met prior to February 15, 2006; provided further, that section 1286 shall apply for the second half of fiscal year 2006 if the condition of subsection (b) of this section is met after February 14, 2006 and prior to August 5, 2006.

(b) Section 1286 shall not apply unless the amount of revenue in a revised quarterly revenue estimate of the Chief Financial Officer exceeds the annual revenue estimate incorporated in the approved fiscal year 2006 budget and financial plan by an amount sufficient to account for its fiscal effect in accordance with the priorities set forth in subtitle I and J.

Sec. 1288. Sunset.

This act shall expire on August 5, 2006 if this act has not taken effect under section 1287.

Sec. 1289. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602 (c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

SUBTITLE JJ. INCOME EXCLUSION FOR DISABLED PERSONS

Sec. 1290. Short title.

This subtitle may be cited as the “Disabled Persons Tax Reduction Act of 2005”.

Sec. 1291. Section 47-1803.02(a)(2) is amended by adding a new subparagraph (V) to read as follows:

“(V) Income derived from any source, not to exceed \$10,000, for a person who has been determined to be permanently and totally disabled by the Social Security Administration, is receiving Supplemental Security Income or Social Security Disability, is receiving railroad retirement disability benefits, or is receiving federal or District of Columbia government disability payments; and, whose household adjusted gross income, as defined in § 47-863(a)(2), is less than \$100,000.”.

Sec. 1292. Conditional applicability.

(a) Section 1291 shall apply for taxable years beginning after September 30, 2005.

(b) Section 1291 shall not apply unless the amount of revenue in a revised quarterly revenue estimate of the Chief Financial Officer exceeds the annual revenue estimate incorporated in the approved fiscal year 2006 budget and financial plan by an amount sufficient to account for its fiscal effect in accordance with the priorities set forth in subtitles I-D and I-J.

Sec. 1293. Sunset.

This act shall expire on August 5, 2006 if this act has not taken effect under section 1291.

Sec. 1294. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

SUBTITLE KK. REDUCED TAX LIABILITY FOR DISABLED PROPERTY OWNERS

Sec. 1295. Short title.

This subtitle may be cited as the “Disabled Property Owners Tax Reduction Act of 2005”.

Sec. 1296. Section 302 of the District of Columbia Recordation Tax Act, approved March 2, 1962 (76 Stat. 11; D.C. Official Code § 42-1102), is amended as follows:

(a) Paragraph (27) is amended by striking the phrase “; and” at the end of the paragraph and inserting a semicolon in its place.

(b) Paragraph (28) is amended by striking the period at the end of the paragraph and inserting the phrase “; and” in its place.

(c) A new paragraph (29) is added to read as follows:

“(29)(A) A deed to residential real property, without consideration for the transfer, to the trustee of a special needs trust established for the benefit of a trust beneficiary who is disabled, as defined in section 1614(a)(3) of the Social Security Act, approved October 30, 1972 (86 Stat. 1471; 42 U.S.C. §1382c(a)(3)), or from the trustee of a special needs trust that, by its terms, terminates upon the death of the disabled trust beneficiary.

“(B) For the purposes of subparagraph (A) of this paragraph, a trust is a special needs trust if the trust instrument:

“(i) States, among its purposes, that the trust assets are not intended to be counted in determining the beneficiary’s eligibility for needs-based governmental benefits; and

“(ii)(I) Names the disabled beneficiary as the sole trust beneficiary during his or her lifetime; and

“(II) Provides that the disabled beneficiary shall not serve as trustee.”.

Sec. 1297. Title 47 of the District of Columbia Official Code is amended as follows:

(a) Chapter 8 is amended as follows:

(1) The table of contents is amended by striking the section designation “§ 47-863. Reduced tax liability for property owners over age 65; rules.” and inserting the section designation “§ 47-863. Reduced tax liability for property owners over age 65 and for disabled property owners; rules.” in its place.

(1) Section 47-802(5) is amended as follows:

(A) Subparagraph (C) is amended by striking the phrase “; or” at the end of the subparagraph and inserting a semicolon in its place.

(2) Subparagraph (D) is amended by striking the period at the end of the subparagraph and inserting the phrase “; or” in its place.

(3) A new subparagraph (E) is added to read as follows:

“(E)(i) A trust beneficiary who occupies real property owned of record by the trustee, as sole owner, of an irrevocable special needs trust if the trust beneficiary is a disabled person as defined in section 1614(a)(3) of the Social Security Act, approved October 30, 1972 (86 Stat. 1471; 42 U.S.C. §1382c(a)(3)).

“(ii) For the purposes of sub-subparagraph (i) of this subparagraph, a trust is a special needs trust if the trust instrument:

“(I) States, among its purposes, that the trust assets are not intended to be counted in determining the beneficiary’s eligibility for needs-based governmental benefits; and

“(II)(aa) Names the disabled beneficiary as the sole trust beneficiary during his or her lifetime; and

“(bb) Provides that the disabled beneficiary shall not serve as trustee.”.

(2) Section 47-849(2) is amended as follows:

(A) Subparagraph(A)(iii) is amended to read as follows:

“(iii)(I) Is owned in whole or in part by the individual; or

“(II) Is owned in whole by trustee under a special needs trust for the benefit of a beneficiary who is deemed to be the owner under § 47-802(5)(E).”.

(B) Subparagraph(B) is amended to read as follows:

“(B)(i) In the case of real property owned by a cooperative housing association that is Class 1 Property, as defined under § 47-813, a shareholder's or member's residence that:

“(I) Comprises a dwelling unit; and

“(II) By reason of his ownership of stock or membership certificate, a proprietary lease, or other evidence of membership, is occupied by right by the shareholder or member.

“(ii) For purposes of sub-subparagraph (i) of this subparagraph, a shareholder or member shall include the beneficiary of a special needs trust who is deemed to be the owner under § 47-802(5)(E).”.

(4) Section 47-863 is amended as follows:

(1) The section heading is amended to read as follows “§ 47-863. Reduced tax liability for property owners over age 65 and for disabled property owners; rules.”

(2) Strike the word “senior’s” wherever it appears and insert the word “eligible” in its place.

(3) Subsection (a) is amended as follows:

(A) A new paragraph (1A) is added to read as follows:

(1A) “Eligible household” means:

“(A) In the case of a house or condominium, an individual's residence:

“(i) That comprises a dwelling unit;

“(ii) That is Class 1 Property, as defined in § 47-813, and contains not more than 5 dwelling units therein;

“(iii) That is owned at least 50%, in whole or in part, by the individual who:

“(I)(aa) Is 65 years of age or older; and

“(bb) Whose household adjusted gross income is less than \$ 100,000; or

“(II)(aa) Has been determined to be permanently and totally disabled by the Social Security Administration, is receiving Supplemental Security Income or Social Security Disability, is receiving railroad retirement disability benefits, or is receiving federal or District of Columbia government disability payments; and

“(bb) Whose household adjusted gross income is less than \$ 100,000.

“(B) In the case of a cooperative housing association that is Class 1 Property, as defined in § 47-813, a shareholder's or member's residence:

“(I) That comprises a dwelling unit;

“(ii) That is owned at least 50%, in whole or in part, by the individual who:

“(I)(aa) Is 65 years of age or older; and

“(bb) Whose household adjusted gross income is less than \$ 100,000; or

“(II)(aa) Has been determined to be permanently and totally disabled by the Social Security Administration, is receiving Supplemental Security Income or Social Security Disability, is receiving railroad retirement disability benefits, or is receiving federal or District of Columbia government disability payments; and;

“(bb) Whose household adjusted gross income is less than \$ 100,000; and

“(iii) That, by reason of his or her ownership of stock or membership certificate, a proprietary lease, or other evidence of membership, is occupied by right by the shareholder or member with at least a 50% interest which permits the occupation of the dwelling unit.”.

(B) Paragraph (4) is repealed.

(f) Section 47-902 is amended as follows:

(1) Paragraph (20) is amended by striking the phrase “; and” at the end of the paragraph and inserting a semicolon in its place.

(2) Paragraph (21) is amended by striking the period at the end of the paragraph and inserting the phrase “; and” in its place.

(3) A new paragraph (22) is added to read as follows:

“(22)(A) Transfers of residential real property, without consideration for the transfer, to the trustee of a special needs trust established for the benefit of a trust beneficiary who is disabled, as defined in section 1614(a)(3) of the Social Security Act, 86 Stat.1471; 42 U.S.C. §1382c(a)(3)), or from the trustee of a special needs trust that, by its terms, terminates upon the death of the disabled trust beneficiary.

(B) For the purposes of subparagraph (A) of this paragraph, a trust is a special needs trust if the trust instrument:

“(i) States, among its purposes, that the trust assets are not intended to be counted in determining the beneficiary’s eligibility for needs-based governmental benefits; and

“(ii)(I) Names the disabled beneficiary as the sole trust beneficiary during his or her lifetime; and

“(II) Provides that the disabled beneficiary may not serve as trustee.”.

Sec. 1298. Conditional applicability.

(a) Sections 1296 and 1297 shall apply for taxable years beginning after September 30, 2005; provided, that condition of subsection (b) of this section is met prior to February 15, 2006; provided further, that section 1296 shall apply for the second half of Fiscal Year 2006 if the condition of subsection (b) of this section is met after February 14, 2006 and prior to August 5, 2006.

(b) Sections 1296 and 1297 shall not apply unless the amount of revenue in a revised quarterly revenue estimate of the Chief Financial Officer exceeds the annual revenue estimate incorporated in the approved fiscal year 2006 budget and financial plan by an amount sufficient to account for its fiscal effect in accordance with the priorities set forth in subtitles I-D and I-J.

Sec. 1299. Sunset.

This act shall expire on September 30, 2006 if this act has not taken effect under section 1296.

Sec. 1300. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

**TITLE II. ECONOMIC DEVELOPMENT AND REGULATION
SUBTITLE A. OFFICE OF PEOPLE'S COUNSEL AMENDMENT**

Sec. 2001. Short title.

This subtitle may be cited as the "Office of People's Counsel Amendment Act of 2005".

Sec. 2002. Paragraph 42(a)(3) of section 8 of AN ACT Making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June thirtieth, nineteen hundred and fourteen, and for other purposes, approved March 4, 1913 (37 Stat. 974; D.C. Official Code § 34-912(a)(3)), is amended by striking the phrase "special franchise tax deposits in any one year of more than one-twentieth of one percent of the jurisdictional valuation of each public utility which is the subject of one or more investigations during that year" and inserting the phrase "special franchise tax deposits in any one year of more than one-twentieth of one percent of the jurisdictional valuation of each public utility which is the subject of one or more investigations during that year; provided, that the Office may seek special franchise tax deposits of not more than one-quarter of one percent of the jurisdictional valuation of the public utility which is the subject of the proceeding in any instance where the public utility alleges in a proceeding before a federal court or federal agency that the bankruptcy of a company with whom it has contracts may have adverse consequences to ratepayers of the District of Columbia." in its place.

Sec. 2003. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

SUBTITLE B. T.I.F. RE-AUTHORIZATION

Sec. 2011. Short title.

This subtitle may be cited as the "Tax Incremental Financing Re-Authorization Act of 2005".

Sec. 2012. Section 4(b) of the Tax Increment Financing Authorization Act of 1998, effective September 11, 1998 (D.C. Law 12-143; D.C. Official Code § 2-1217.02), is amended by striking the phrase "January 1, 2003" and inserting the phrase "August 1, 2006" in its place.

Sec. 2013. Applicability.
Section 2012 shall apply as of January 1, 2003.

Sec. 2014. Fiscal impact statement.
The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

SUBTITLE C. DISTRICT OF COLUMBIA SUPPORT FOR PUBLIC HOUSING

Sec. 2021. Short title.
This subtitle may be cited as the "District Support for Public Housing Amendment Act of 2005".

Sec. 2022. Section 3 of the District of Columbia Housing Authority Act of 1999, effective May 9, 2000 (D.C. Law 13-105; D.C. Official Code § 6-202), is amended by adding a new subsection (d) to read as follows:

“(d) Notwithstanding subsection (c) of this section, or any other provision of this act, any funds provided to the Authority from the local revenues of the District shall be held separate and apart from the Fund and shall be held and expended for the use and benefit of the District for the purposes and uses provided in the approved budget and financial plan. The Authority shall expend, and account for the expenditure of, funds in the same manner as all other agencies of the District government. At the end of each fiscal year, the unexpended amount of such funds shall revert to the fund balance of the General Fund of the District of Columbia.”

Sec. 2023. Fiscal impact statement.
The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

**SUBTITLE D. DEPARTMENT OF CONSUMER AND REGULATORY AFFAIRS
CONSUMER PROTECTION REVITALIZATION ACT**

Sec. 2031. Short title.
This subtitle may be cited as the “Department of Consumer and Regulatory Affairs Consumer Protection Revitalization Act of 2005”.

Sec. 2032. Chapter 39 of Title 28 of the District of Columbia Official Code is amended as follows:

(a) The table of contents is amended by adding the section designations “28-3912. Submissions to the Council. 28-3913. Rules.” at the end.

(b) Section 28-3901(12) is amended to read as follows:

“(12) “Office of Consumer Protection” means the Department's Office of Consumer Protection which is responsible for carrying out the statutory requirements set forth in § 28-3906; and”.

(c) Section 28-3903(a)(10) and (15) are repealed.

(d) Section 28-3905(b) is amended to read as follows:

“(b)(1) Except as provided in paragraph (2) of this subsection, the Director shall investigate each such complaint and determine:

“(A) What trade practice actually occurred; and

“(B) Whether the trade practice which occurred violates any statute, regulation, rule of common law, or other law of the District of Columbia.

“(2) The Director may, in his or her discretion, decline to prosecute certain cases as necessary to manage the Department's caseload and control program costs.”.

(e) Section 28-3906 is amended to read as follows:

“§ 28-3906. Consumer education and information.

“(a) The Office of Consumer Protection is established within the Department. The Office of Consumer Protection shall:

“(1) Inform the public and the business community of existing laws, regulations, and guidelines concerning consumer rights and standards of fair treatment;

“(2) Coordinate consumer education programs with, and use consumer education programs to help carry out, the consumer protection programs of the Department, including enforcement options through the Department and the Office of the Attorney General and before the courts;

“(3) Handle publicity for the Department concerning cases under § 28-3905 when the Director requests;

“(4) Aid the Director in the formulation of consumer protection plans and recommend legislation and regulations related to consumer education;

“(5) Cooperate with consumer-related agencies, groups, and individuals in the District of Columbia metropolitan area to improve consumer education efforts; and

“(6) Perform the functions of the Department under § 28-3903(7) and (8).

“(b) The Chief of the Office of Consumer Protection shall be appointed by the Director.

“(c) In fiscal year 2006, the Office of Consumer Protection shall focus on investigation and mediation in the areas of auto repair and home improvement.”.

(f) New sections 28-3912 and 28-3913 are added to read as follows:

“§ 28-3912. Submissions to the Council.

“The Department shall, in coordination with the Office of the Attorney General, submit

2 plans to the Council:

“(1) A detailed plan for fiscal year 2006 on the steps that the Department shall take in providing consumer protection education in the District, including the dissemination of information regarding legal options through the Department and before the Office of the Attorney General and the Courts, to be submitted by September 1, 2005; and

“(2) A plan to fully implement this subchapter in fiscal year 2007, including any recommended amendments to this subchapter, to be submitted by February 1, 2006, in anticipation of the fiscal year 2007 budget.

“§ 28-3913. Rules.

“The Mayor may issue rules necessary to carry out this chapter. Rules proposed pursuant to this section shall be submitted to the Council for a 45-day period of review, excluding Saturdays, Sundays, legal holidays, and days of Council recess. If the Council does not approve or disapprove the proposed rules, in whole or in part, by resolution, within this 45-day review period, the proposed rules shall be deemed disapproved.”.

Sec. 2033. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

SUBTITLE E. UNEMPLOYMENT COMPENSATION ADMINISTRATIVE FUNDING ASSESSMENT

Sec. 2041. Short title.

This subtitle may be cited as the “Unemployment Compensation Administrative Funding Assessment Amendment Act of 2005”.

Sec. 2042. The District of Columbia Unemployment Compensation Act, approved August 28, 1935 (49 Stat. 947; D.C. Official Code § 51-101 *et seq.*), is amended as follows:

(a) Section 3 (D.C. Official Code § 51-103) is amended by adding a new subsection (m) to read as follows:

“(m)(1) Commencing January 1, 2006, an administrative funding assessment of 2% of all wages as defined in subsection (e)(6) of this section shall be paid by all employers liable for contributions required by subsections (b) and (c) of this section and by all employers liable for payments in lieu of contributions required by subsection (h) of this section. The administrative funding assessment shall be paid quarterly, but shall be separate and distinct from contributions or payments in lieu of contributions.

“(2) All administrative funding assessment payments collected shall be deposited into the Administrative Assessment Account established by section 14(d) and shall not be credited to the accounts of individual employers.

“(3) If the amount collected from the administrative funding assessment exceeds

\$4 million in any calendar year, the assessment rate for the calendar year commencing after January 1 of the following calendar year shall be adjusted so as to yield tax revenue not exceeding \$4 million.”.

(b) Section 14 (D.C. Official Code § 51-114) is amended by adding a new subsection (d) to read as follows:

“(d)(1) There is created a special fund in the General Revenue Fund of the District of Columbia government that shall be separate and distinct from the District Unemployment Fund, to be known as the Administrative Assessment Account.

“(2) Notwithstanding any contrary provisions of this act:

“(A) All administrative assessment payments collected from employers shall be deposited into the Administrative Assessment Account.

“(B) All funds deposited into the Administrative Assessment Account shall be used exclusively for the improvement of benefit claim eligibility determinations, the expansion of reemployment services to individuals determined to be likely to exhaust their benefit entitlements, fraud prevention, and the costs of collecting and administering the administrative funding assessment.

“(C) The services and improvements shall include:

“(i) Increasing the number of referrals to intensive reemployment services;

“(ii) Providing job coaches, job clubs, and weekly reemployment workshops;

“(iii) Increasing the number of eligibility review interviews;

“(iv) Increasing the number of fraud investigations;

“(v) Increasing the number of staff to perform these expanded services; and

“(vi) Other activities that may increase the likelihood of reemployment prior to the exhaustion of a benefit claim.”.

Sec. 2043. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

SUBTITLE F. YOUTH EMPLOYMENT SERVICES INITIATIVE

Sec. 2051. Short title.

This subtitle may be cited as the “Youth Employment Services Initiative Amendment Act of 2005”.

Sec. 2052. The Youth Employment Act of 1979, effective January 5, 1980 (D.C. Law 3-40; D.C. Official Code § 32-241), is amended by adding a new section 3 to read as follows:

“Sec. 3. (a) Commencing 30 days after the effective date of the Youth Employment Services Initiative Amendment Act of 2005, and subject to the annual appropriation of funds, the Mayor shall establish and operate a year round program to provide domiciliaries of the District of Columbia between the ages of 16 and 24 years with training and work experience in both the public and private sectors of the economy. The Mayor shall target the services of this program to those youth residing in persistent problem areas of the District where such factors as crime, lack of economic development, and high unemployment create a particular need for the services of this program.

“(b) Youth participants shall be certified by the Department of Employment Services as to residence and income. Priority in the selection of participants shall be given to hard-to-serve youth residing in persistent problems areas of the District that the Mayor may further identify by executive order.

“(c) Youth participants shall be assessed for work experience placement suitability at the time of entry into the program and shall receive case management services during their period of participation in the program.

“(d) Based upon the initial assessment, youth participants may be referred to and shall successfully complete employment counseling, leadership and life skills training, pre-employment training, or occupational skills training in demand occupations prior to placement in paid work.

“(e) After participants have been assessed and determined to be ready for placement in work experience, they shall be placed in available work positions that pay stipends, training wages or wages in such amounts as the Mayor may determine to be appropriate for the work position and participant.

“(f) The Mayor shall also provide participants with job development services, job retention counseling, and unsubsidized job placement assistance.”.

Sec. 2053. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

**SUBTITLE G. OFFICE OF THE CHIEF TENANT ADVOCATE ESTABLISHMENT
ACT**

Sec. 2061. Short title.

This subtitle may be cited as the “Office of the Chief Tenant Advocate Establishment Act of 2005”.

Sec. 2062. Purpose.

The purpose of this subtitle is to establish the Office of the Tenant Advocate as an office within the Department of Consumer and Regulatory Affairs to advocate on behalf of the education of, and outreach to, tenants and the people of the District.

Sec. 2063. Findings.

The Council finds that, despite the fact that the District has some of the most comprehensive pro-tenant laws in the United States:

- (1) Tenants in the District are under-informed of their rights.
- (2) It is difficult for tenants to obtain information.
- (3) Tenants cannot usually afford legal representation.
- (4) Tenants are under-informed about dispute mediation and adjudication options available to tenants in the District through the courts and through the Office of the Attorney General.
- (5) Few tenants have time for self-advocacy because of their full-time employment.
- (6) Tenants in the District need an office at the Department of Consumer and Regulatory Affairs to act on their behalf as repository of information and resources to help guide tenants through the landlord-tenant system in the District.
- (7) The establishment of an Office of the Tenant Advocate within the Department of Consumer and Regulatory Affairs will provide a valuable resource for the government and residents of the District.

Sec. 2064. Definitions.

For the purposes of this subtitle, the term:

- (1) "Chief" means Chief Tenant Advocate established by section 2066.
- (2) "Office" means the Office of the Tenant Advocate established by section 2065.
- (3) "TAC" means Tenant Advisory Council.
- (4) "Tenant" and "tenant organization" shall have the same meaning as in section 103(17) and (18) of the Rental Housing Conversion and Sale Act of 1980, effective September 10, 1980 (D.C. Law 3-86; D.C. Official Code § 42-3401.03(17) and (28)), and shall include any other tenant organization.

Sec. 2065. Establishment of Office of the Tenant Advocate.

The Office of the Tenant Advocate is established as an office within the Department of Consumer and Regulatory Affairs.

Sec. 2066. Chief Tenant Advocate of the Office of the Tenant Advocate.

(a) There shall be a Chief Tenant Advocate who shall be responsible for the administration of the Office and implementation of the duties of the Office.

(b) The Chief shall be appointed by the Mayor with the advice and consent of the Council. The Chief shall report directly to the Director of the Department of Consumer and Regulatory Affairs.

(c)(1) The Chief shall be a statutory officeholder in the Excepted Service pursuant to section 908 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 § 1-609.08), and shall receive annual compensation equivalent to that received by a District employee compensated at the grade of 15 of the District schedule established under title XI thereunder ("District schedule"). No other employee of the Office shall receive annual compensation above the level of that received by a District employee at a grade 14 pursuant to the District schedule.

(2) The Chief shall be a resident of the District of Columbia or become a resident not more than 180 days after the date of appointment, and shall remain a resident, unless temporarily or permanently exempted from these requirements by the Mayor or for good cause.

(d) The Office shall employ the staff necessary to assist the Chief in carrying out his or her duties.

Sec. 2067. Duties of the Office of the Tenant Advocate.

The Office shall:

(1) Provide education and outreach to tenants and the community about laws, rules, and other policy matters involving rental housing, including tenant rights under the petition process and formation of tenant organizations;

(2) Represent the interest of tenants in legislative, executive, and judicial issues, including advocating changes in laws and rules and reviewing landlord petitions on behalf of tenants;

(3) Advise tenants on filing complaints and petitions, including petitions in response to disputes with landlords;

(4) Advise and assisting tenants at conciliation meetings;

(5) Represent tenants in court or administrative proceedings;

(6) Organize tenant participation in building-wide inspections; and

(7) Operate a Tenant Phone Hotline and Tenant Center.

Sec. 2068. Establishment, purpose, and membership of the Tenant Advisory Council.

(a) Within 60 days of the effective date of this subtitle, the Mayor shall establish a Tenant Advisory Council to review the progress of the Office in fulfilling its mandate from its inception and to make recommendations for improving the services of the Office.

(b) The TAC shall be composed of tenant organizers, representatives of tenant

associations, and other tenant advocates with no connection to commercial real estate interests.

(c) The TAC shall monitor and report on the progress of the Office.

(d) Members of the TAC shall receive no compensation for service as members of the TAC.

Sec. 2069. Section 908 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 § 1-609.08), is amended as follows:

(a) Paragraph (14) is amended by striking the phrase “; and” at the end of the paragraph and inserting a semicolon in its place.

(b) Paragraph (15) is amended by striking the period at the end of the paragraph and inserting the phrase “; and” in its place.

(c) A new paragraph (16) is added to read as follows:

“(16) The Chief Tenant Advocate of the Office of the Tenant Advocate.”.

Sec. 2070. Section 307 of the Rental Housing Conversion and Sale Act of 1980, effective September 10, 1980 (D.C. Law 3-86; D.C. Official Code § 42-3403.07), is amended by adding a second sentence to read as follows:

“The fund shall be administered and managed on behalf of the Mayor by the Office of Tenant Advocate, established by section 2065 of the Fiscal Year 2006 Budget Support Act of 2005, passed on 2nd reading on July 6, 2005 (Enrolled version of Bill 16-200).”.

Sec. 2100. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

SUBTITLE H. TRANSITIONAL EMPLOYMENT PROGRAM AND APPRENTICESHIP INITIATIVE

Sec. 2101. Short title.

This subtitle may be cited as the “Transitional Employment Program and Apprenticeship Initiative Establishment Act of 2005”.

Sec. 2102. Transitional Employment Program.

(a) The Mayor shall establish and implement a program, subject to the annual appropriation of funds, to provide transitional employment for District of Columbia residents residing in persistent problem areas who face barriers to employment due to deficiencies in education, work experience, work training, work skills, prior incarceration, or the loss of certain occupations or industries from the economy of the District or the Washington Metropolitan Area.

(b) For purposes of this section “persistent problem area” shall mean those areas of the District where such factors as crime, lack of economic development, and high unemployment create a particular need for the services of this program and which the Mayor may further identify by executive order.

(c) At the time of entry into the program, participants shall be certified as to residence by the Department of Employment Services and assessed as to their readiness for placement in paid work positions. Based upon that assessment, a comprehensive service and case management plan shall be developed for each participant. Plans may include supportive services such as health care, childcare, counseling, financial management services, remedial education, and placement into wage paying jobs.

(d) All jobs into which participants are placed shall pay stipends, training wages, or wages as the Mayor may determine are appropriate for the job and participant and shall last for a maximum of 12 months. Placements shall be made into jobs that provide participants the opportunity to obtain needed work experience and gain job skills, with the goal of a successful transition to unsubsidized employment.

(e) All jobs into which participants are placed shall be the subject of an agreement between the Department of Employment Services and the worksite host providing that no regular employee will be displaced by program participants.

(f) Program participants placed in jobs shall participate in placement activities during their work experience including periodic job search requirements, participation in peer support groups, job coaching, and other activities and services directed to placing participants in unsubsidized employment.

(g) Participants may be provided with additional placement and supportive services for up to 6 months after the conclusion of their work experience jobs if these services are found to enhance the participants’ chances of obtaining or continuing in unsubsidized employment.

Sec. 2103. Pre-Apprenticeship Program.

(a) The Mayor, subject to the annual appropriation of funds, shall establish and administer a pre-apprenticeship program to assist District residents in meeting the requirements for registered apprenticeship programs.

(b) This program may include academic remediation, classroom-related instruction, other educational training, and on-the-job training in occupational skills necessary for entry into existing or registered new apprenticeship programs.

(c) The Mayor may enter into agreements with local unions and employers to provide pre-apprenticeship assistance. In selecting participants for pre-apprenticeship programs, the Mayor may give priority to residents of persistent problem areas.

Sec. 2104. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

SUBTITLE I. GREAT STREETS DEVELOPMENT

Sec. 2111. Short title.

This subtitle may be cited as the “Great Streets Development Act of 2005”.

Sec. 2112. Title 47 of the District of Columbia Official Code is amended as follows:

(a) Section 47-131(c)(4) is amended to read as follows:

“(4) The administration, operating, and marketing of the industrial revenue bond program established pursuant to section 490 of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 877; D.C. Official Code § 1-204.90) and the costs of operating and administering economic development programs pursuant to § 47-340.23.”.

(b) Sections 47-340.21, 47-340.22, and 47-340.23 are amended to read as follows:

“§ 47-340.21. Deposit of fees and other monies.

“Fees authorized under § 47-340.20 and the earnings thereon, capital, and other funds appropriated by Council, and such additional monies that may be contributed from any lawful source shall be deposited in an account to be known as the District of Columbia Great Streets Development Account (“Account”), that shall be a sub-account of the special account established under § 47-131(c)(4).

“§ 47-340.22. Allocation of funds.

“Monies credited to the Account established under § 47-340.21 shall be allocated annually to the Office of the Deputy Mayor for Planning and Economic Development in an aggregate amount that is equal to the total deposits and earnings that have accrued during the immediately preceding fiscal year. Monies remaining in the Account at the end of any fiscal year shall not revert to the General Fund, but shall remain in the Account.

“§ 47-340.23. Use of funds allocated.

“(a) Account monies allocated to the Office of the Deputy Mayor for Planning and Economic Development as provided in § 47-340.22 may be used to pay the costs of operating and administering economic development programs, including the provision of credit support or enhancement, loans, grants, contracts, and the implementation of other initiatives that are consistent with and in furtherance of the purposes of this subtitle or § 47-340.20. The Mayor shall report to the Council the details of how these monies are used in accordance with this subtitle or § 47-240.20.

“(b)(1) Prior to the expenditure of funds from the Account, the Mayor shall transmit legislation to the Council to :

“(A) Foster increased commercial, residential, cultural, and industrial development to promote the health, safety, and general welfare of the citizens of the District,

and to help expand the tax base through the use of loans, the abatement or forgiveness of District taxes, the award of grants and employment tax credits, and the provision of other direct and indirect forms of economic assistance;

“(B) Provide economic assistance to enable the District to leverage its limited financial resources more efficiently and effectively assist in financing the costs of capital improvements that are essential to the development or redevelopment of certain commercial areas; and

“(C) Provide a means to defray the costs of enhancing economic value and public enjoyment; to attract and retain businesses; stimulate the development of commercial, residential, recreational, and cultural projects; increase employment; promote and expand trade, tourism, and other industries, and contribute to community betterment.

“(2) No funds shall be expended from the Account until the Council has approved legislation to authorize their expenditure.”.

Sec. 2113. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

SUBTITLE J. HOUSING PRODUCTION TRUST FUND AND NEW COMMUNITIES FINANCING

Sec. 2171. Short title.

This subtitle may be cited as the "Housing Production Trust Fund and New Communities Financing Amendment Act of 2005".

Sec. 2172. The Housing Production Trust Fund Act of 2005, effective March 16, 1989 (D.C. Law 7-202; D.C. Official Code § 42-2801 *et seq.*), is amended as follows:

(a) Sections 2 through 5 are designated as Title I.

(b) Section 3 (D.C. Official Code § 42-2802) is amended as follows

(1) Subsection (b) is amended as follows:

(A) Paragraph (8B) is amended by striking the word "and".

(B) Paragraph (9) is amended by striking the word "and".

(C) Paragraph (10) is amended by striking the phrase "fiscal year." and inserting the phrase "fiscal year; and" in its place.

(D) A new paragraph (11) is added to read as follows:

“(11)(A) Funds for the New Communities Initiative as that term is defined in subparagraph (B) of this paragraph; provided, that the use of the funds for the initiative is consistent with the provisions and purposes of this section and meets the requirements of section 203(d) and the rules promulgated pursuant to this act.

“(B) For the purposes of this paragraph, the term “New Communities Initiative” means a large scale and comprehensive plan, submitted by the Mayor to the Council for approval, that provides housing infrastructure with a special focus on public housing, provides critical social support services, decreases the concentration of poverty and crime, enhances access to education, and provides training and employment education to neighborhoods where crime, unemployment, and truancy converge to create intractable physical and social conditions.”.

(2) Subsection (b-1) is amended by redesignating paragraphs (A), (B), and (C) as (1), (2), and (3).

(3) A new subsection (b-2) is added to read as follows:

“(b-2)(1) An amount not to exceed \$6 million of the funds deposited into the Fund may be used by the Mayor to secure bonds issued for the benefit of the Sursum Corda New Community Initiative pursuant to subsection (b)(11) of this section.

"(2) Council authorization by act shall be required for:

"(A) Any amount above \$6 million in the Fund to secure financing for the Sursum Corda New Community Initiative; and

"(B) Any amount of funds in the Fund to secure financing for any other New Community Initiative.".

(c) A new title II is added to read as follows:

“TITLE II. BOND AUTHORIZATION.

“Sec. 201. Definitions.

“For the purpose of this title, the term:

“(1) “Allocated Fund” means the portion of the Fund established pursuant to section 3 that equals the amount that is deposited in the Fund from the real property transfer tax imposed by D.C. Official Code § 47-903 and the deed recordation tax imposed by section 303 of the District of Columbia Recordation Tax Act, approved March 2, 1962 (76 Stat. 112; D.C. Official Code § 42-1103).

“(2) “Authorized Delegate” means the City Administrator, the Chief Financial Officer, the Treasurer, or any officer or employee of the executive office of the Mayor to whom the Mayor has delegated any of the Mayor’s functions under this act pursuant to section 422(6) of the Home Rule Act.

“(3) “Bond Counsel” means a firm or firms of attorneys designated as bond counsel from time to time by the Mayor.

“(4) “Bonds” means the District of Columbia revenue bonds, notes, or other obligations (including refunding bonds, notes, and other obligations), in one or more series, authorized to be issued pursuant to this title.

“(5) “Chairman” means the Chairman of the Council of the District of Columbia.

“(6) “Chief Financial Officer” means the Chief Financial Officer established pursuant to section 424(a)(1) of the Home Rule Act.

“(7) “City Administrator” means the City Administrator established pursuant to section 422(7) of the Home Rule Act.

“(8) “Closing Documents” means all documents and agreements other than Financing Documents that may be necessary and appropriate to issue, sell, and deliver the bonds contemplated thereby, and includes agreements, certificates, letters, opinions, forms, receipts, and other similar instruments.

“(9) “Department” means the Department of Housing and Community Development.

“(10) “Financing Documents” means the documents other than Closing Documents that relate to the financing or refinancing of transactions to be effected through the issuance, sale, and delivery of the bonds, including any offering document, and any required supplements to any such documents.

“(11) “Home Rule Act” means the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 774; D.C. Official Code § 1-201.01 *et seq.*).

“(12) “New Communities Initiative” shall have the same meaning as in section 3(b)(11(B)).

“Sec. 202. Findings.

“The Council finds that:

“(1) Section 490 of the Home Rule Act provides that the Council may, by resolution, authorize the issuance of District revenue bonds, notes, or other obligations (including refunding bonds, notes, or other obligations) to borrow money to finance, refinance, or reimburse and to assist in the financing, refinancing, or reimbursing of undertakings in certain areas designated in section 490 where the ultimate obligation to repay the revenue bonds, notes, or other obligations is that of one or more governmental persons or entities.

“(2) Under section 3, the Council established the Housing Production Trust Fund as a permanent proprietary revolving fund to be administered by the Department to provide assistance in housing production for targeted populations.

“(3) The Mayor wishes to issue bonds for the benefit of the Fund and to pledge to repayment of the bonds a portion of the monies deposited into the Fund and to use the proceeds of the bonds to accomplish certain of the purposes of this act.

“(4) Section 490 of the Home Rule Act provides that bonds may be issued to assist in undertakings in the area of housing.

“(5) The authorization, issuance, sale, and delivery of the bonds are desirable, are in the public interest, and will promote the purposes and intent of section 490 of the Home Rule Act and of this act.

“Sec. 203. Bond authorization for New Community Initiative neighborhoods, including Sursum Corda.

“(a) Pursuant to section 490 of the Home Rule Act and this title, the Mayor is authorized to issue bonds to assist in financing, refinancing, or reimbursing costs of undertakings by the District to

accomplish the purposes of the New Communities Initiative. Subject to Council approval by resolution submitted by the Mayor in accordance with subsection (d) of this section, the Mayor is authorized to issue bonds to assist in financing, refinancing, or reimbursing costs of developing mixed income and mixed use projects situated in:

“(1) The vicinity of an area known as Northwest One/Sursum Corda Cooperative, located between K Street, N.W., M Street, N.W., New Jersey Avenue, N.W., and North Capitol Street, N.W., in the District; or

“(2) Any other area that has been approved by the Council pursuant to the New Communities Initiative.

“(b) The bonds, which may be issued from time to time, in one or more series, which shall be tax-exempt or taxable as the Mayor shall determine, shall be payable solely from and secured by monies deposited in the Allocated Fund; provided, that the total amount of funds allocated annually to pay debt service on the bonds shall not exceed \$6 million.

“(c) The Mayor is authorized to pay from the proceeds of the bonds the costs and expenses of issuing and delivering the bonds, including, but not limited to, underwriting, legal, accounting, financial advisory, bond insurance or other credit enhancement, marketing and selling the bonds, and printing costs and expenses.

“(d) The Mayor shall submit and the Council shall approve, by resolution, the amount of bonds that shall be issued at any one time for a project authorized by subsection (a) of this section. Each approval resolution shall state the aggregate principal amount of bonds to be issued, and shall be accompanied by a preliminary development plan that describes the projected construction plan, and includes the following:

“(1) A plan that provides for the one-to-one replacement of existing subsidized units, minimizes the displacement of current residents, relocates displaced residents to suitable interim housing within the general neighborhood, and provides the opportunity and the means for the return of the residents to the redeveloped community;

“(2) Evidence that the poverty rate in the community is 20% or more;

“(3) An executed agreement between the Mayor, or his Authorized Delegate, and one or more designated representatives of the community that acknowledges the immediate and recognizable need for redevelopment of the community;

“(4) A plan by which local, community-based developers of affordable housing may be able to achieve at least 40% participation in the redevelopment project;

“(5) A preliminary financing plan that includes a financial feasibility analysis that sets forth the proposed sources and uses of funds;

“(6) Evidence that 500 or more new or rehabilitated housing units will be developed in the proposed New Communities Initiative neighborhood, and which specifies the total number and the distribution of planned housing units by level of household income; and

“(7) An analysis of the synergies to be achieved through the allocation of public and private investments in human and physical capital, and their combined contribution to enhancement of the project's economic feasibility.

“Sec. 204. Bond details.

“(a) The Mayor is authorized to take any action reasonably necessary or appropriate in accordance with this title in connection with the preparation, execution, issuance, sale, delivery, security for, and payment of the bonds of each series, including, but not limited to, determinations of:

- “(1) The final form, content, designation, and terms of the bonds, including a determination that the bonds may be issued in certificated or book-entry form;
- “(2) The principal amount of the bonds to be issued and denominations of the bonds;
- “(3) The rate or rates of interest or the method for determining the rate or rates of interest on the bonds;
- “(4) The date or dates of issuance, sale, and delivery of, and the payment of interest on the bonds, and the maturity date or dates of the bonds;
- “(5) The terms under which the bonds may be paid, optionally or mandatorily redeemed, accelerated, tendered, called, or put for redemption, repurchase, or remarketing before their respective stated maturities;
- “(6) Provisions for the registration, transfer, and exchange of the bonds and the replacement of mutilated, lost, stolen, or destroyed bonds;
- “(7) The creation of any reserve fund, sinking fund, or other fund with respect to the bonds;
- “(8) The time and place of payment of the bonds;
- “(9) Procedures for monitoring the use of the proceeds received from the sale of the bonds to ensure that the proceeds are properly applied and used to accomplish the purposes of the Home Rule Act and this act;
- “(10) Actions necessary to qualify the bonds under blue sky laws of any jurisdiction where the bonds are marketed; and
- “(11) The terms and types of credit enhancement under which the bonds may be secured.

“(b) The bonds shall contain a legend, which shall provide that the bonds are special obligations of the District, are without recourse to the District, are not a pledge of, and do not involve the faith and credit or the taxing power of the District (other than real property transfer taxes and deed recordation taxes allocated to the Allocated Fund), do not constitute a debt of the District, and do not constitute lending of the public credit for private undertakings as prohibited in section 602(a)(2) of the Home Rule Act.

“(c) The bonds shall be executed in the name of the District and on its behalf by the manual or facsimile signature of the Mayor, and attested by the Secretary of the District of Columbia by the Secretary’s manual or facsimile signature. The Mayor’s execution and delivery of the bonds shall constitute conclusive evidence of the Mayor’s approval, on behalf of the District, of the final form and content of the bonds.

“(d) The official seal of the District, or a facsimile of it, shall be impressed, printed, or otherwise reproduced on the bonds.

“(e) The bonds of any series may be issued in accordance with the terms of a trust instrument to be entered into by the District and a trustee to be selected by the Mayor, and may be subject to the terms of one or more agreements entered into by the Mayor pursuant to section 490(a)(4) of the Home Rule Act.

“(f) The bonds may be issued at any time or from time to time in one or more issues and in one or more series.

“Sec. 205. Sale of the bonds.

“(a) The bonds of any series may be sold at negotiated or competitive sale at, above, or below par, to one or more persons or entities, and upon terms that the Mayor considers to be in the best interests of the District.

“(b) The Mayor or an Authorized Delegate may execute, in connection with each sale of the bonds, offering documents on behalf of the District, may deem final any such offering document on behalf of the District for purposes of compliance with federal laws and regulations governing such matters, and may authorize the distribution of the documents in connection with the sale of the bonds.

“(c) The Mayor is authorized to deliver the executed and sealed bonds, on behalf of the District, for authentication, and, after the bonds have been authenticated, to deliver the bonds to the original purchasers of the bonds upon payment of the purchase price.

“(d) The bonds shall not be issued until the Mayor receives an approving opinion from Bond Counsel as to the validity of the bonds of such series and, if the interest on the bonds is expected to be exempt from federal income taxation, the treatment of the interest on the Bonds for purposes of federal income taxation.

“(e) The District of Columbia Procurement Practices Act of 1985, effective February 21, 1986 (D.C. Law 6-85; D.C. Official Code § 2-301.01 *et seq.*), and the Financial Institutions Deposit and Investment Amendment Act of 1998, effective March 18, 1998 (D.C. Law 12-56; D.C. Official Code § 47-351.01 *et seq.*), shall not apply to any contract the Mayor may from time to time enter into for purposes of this title or the Mayor may determine to be necessary or appropriate for purposes of this title to place, in whole or in part:

“(1) An investment or obligation of the District as represented by the bonds;

“(2) An investment or obligation of program of investment; or

“(3) A contract or contracts based on the interest rate, currency, cash flow, or other basis, including, without limitation, interest rate swap agreements; currency swap agreements; insurance agreements; forward payment conversion agreements; futures contracts providing for payments based on levels of, or changes in, interest rates, currency exchange rates, or stock or other indices; contracts to exchange cash flows or a series of payments; and contracts to hedge payment, currency, rate, spread or similar exposure, including, without limitation, interest rate floors, or caps, options, puts, and calls. The contracts or other arrangements may also be entered into by the District in connection with, or incidental to, entering into or maintaining any agreement that secures the

bonds. The contracts or other arrangements shall contain whatever payment security, terms, and conditions as the Mayor may consider appropriate and shall be entered into with whatever party or parties the Mayor may select, after giving due consideration, where applicable, to the creditworthiness of the counterparty or counterparties, including any rating by a nationally recognized rating agency or any other criteria as may be appropriate. In connection with, or incidental to, the issuance or holding of the bonds, or entering into any contract or other arrangement referred to in this section, the District may enter into credit enhancement or liquidity agreements, with payment, interest rate, termination date, currency, security, default, remedy, any other terms and conditions as the Mayor determines. Proceeds of the bonds and any money set aside and pledged to secure payment of the bonds or any contract or other arrangement entered into pursuant to this section may be pledged to and used to service any contract or other arrangement entered into pursuant to this section.

“Sec. 206. Payment and security.

“(a) Except as otherwise provided in section 203(b), the principal of, premium, if any, and interest on, the bonds shall be payable solely from proceeds received from the sale of the bonds, income realized from the temporary investment of those proceeds, receipts and revenues realized by the District from the Allocated Fund, income realized from the temporary investment of those receipts and revenues prior to payment to the bond owners, other moneys that, as provided in the Financing Documents, may be made available to the District for the payment of the bonds, and other sources of payment (other than the District), all as provided for in the Financing Documents.

“(b) Payment of the bonds shall be secured as provided in the Financing Documents and by an assignment by the District for the benefit of the bond owners of certain of its rights under the Financing Documents and Closing Documents, including a security interest in certain collateral, if any, to the trustee for the bonds pursuant to the Financing Documents.

“(c) The trustee is authorized to deposit, invest, and disburse the proceeds received from the sale of the bonds pursuant to the Financing Documents.

“Sec. 207. Financing and Closing Documents.

“(a) The Mayor is authorized to prescribe the final form and content of all Financing Documents and all Closing Documents to which the District is a party that may be necessary or appropriate to issue, sell, and deliver the bonds. Each of the Financing Documents and each of the Closing Documents to which the District is not a party shall be approved, as to form and content, by the Mayor.

“(b) The Mayor is authorized to execute, in the name of the District and on its behalf, the Financing Documents and any Closing Documents to which the District is a party by the Mayor’s manual or facsimile signature.

“(c) If required, the official seal of the District, or a facsimile of it, shall be impressed, printed, or otherwise reproduced on the bonds, the Financing Documents, and the Closing Documents to which the District is a party.

“(d) The Mayor’s execution and delivery of the Financing Documents and the Closing Documents to which the District is a party shall constitute conclusive evidence of the Mayor’s

approval, on behalf of the District, of the final form and content of the executed Financing Documents and the executed Closing Documents, including those Financing Documents and Closing Documents to which the District is not a party.

“(e) The Mayor is authorized to deliver the executed and sealed Financing Documents and Closing Documents, on behalf of the District, prior to or simultaneously with the issuance, sale, and delivery of the bonds, and to ensure the due performance of the obligations of the District contained in the executed, sealed, and delivered Financing Documents and Closing Documents.

“Sec. 208. Authorized delegation of authority.

“To the extent permitted by District and federal laws, the Mayor may delegate to any Authorized Delegate the performance of any function authorized to be performed by the Mayor under this title.

“Sec. 209. Limited liability.

“(a) The bonds shall be special obligations of the District. The bonds shall be without recourse to the District. The bonds shall not be general obligations of the District, shall not be a pledge of or involve the faith and credit or the taxing power of the District (other than real property transfer taxes and deed recordation taxes), shall not constitute a debt of the District, and shall not constitute lending of the public credit for private undertakings as prohibited in section 602(a)(2) of the Home Rule Act.

“(b) The bonds shall not give rise to any pecuniary liability of the District and the District shall have no obligation with respect to the purchase of the bonds.

“(c) Nothing contained in the bonds, in the Financing Documents, or in the Closing Documents shall create an obligation on the part of the District to make payments with respect to the bonds from sources other than those listed for that purpose in section 203.

“(d) All covenants, obligations, and agreements of the District contained in this title, the bonds, and the executed, sealed, and delivered Financing Documents and Closing Documents to which the District is a party, shall be considered to be the covenants, obligations, and agreements of the District to the fullest extent authorized by law, and each of those covenants, obligations, and agreements shall be binding upon the District, subject to the limitations set forth in this title.

“(e) No person, including, but not limited to any bond owner, shall have any claims against the District or any of its elected or appointed officials, officers, employees, or agents for monetary damages suffered as a result of the failure of the District to perform any covenant, undertaking, or obligation under this title, the bonds, the Financing Documents, or the Closing Documents, or as a result of the incorrectness of any representation in or omission from the Financing Documents or the Closing Documents, unless the District or its elected or appointed officials, officers, employees, or agents have acted in a willful and fraudulent manner.

“Sec. 210. District officials.

“(a) Except as otherwise provided in section 209(e), the elected or appointed officials, officers, employees, or agents of the District shall not be liable personally for the payment of the bonds or be subject to any personal liability by reason of the issuance of the bonds, or for any

representations, warranties, covenants, obligations, or agreements of the District contained in this act, the bonds, the Financing Documents, or the Closing Documents.

“(b) The signature, countersignature, facsimile signature, or facsimile countersignature of any official appearing on the bonds, the Financing Documents, or the Closing Documents shall be valid and sufficient for all purposes notwithstanding the fact that the individual signatory ceases to hold that office before delivery of the bonds, the Financing Documents, or the Closing Documents.

“Sec. 211. Maintenance of documents.

“Copies of the specimen bonds and of the final Financing Documents and Closing Documents shall be filed in the Office of the Secretary of the District of Columbia.

“Sec. 212. Information reporting.

Within 3 days after the Mayor’s receipt of the transcript of proceedings relating to the issuance of the bonds, the Mayor shall transmit a copy of the transcript to the Secretary to the Council.”.

Sec. 2173. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

SUBTITLE K. NATURAL GAS FUND

Sec. 2190. Short title.

This subtitle may be cited as the “Natural Gas Fund Amendment Act of 2005”.

Sec. 2191. Section 101(a)(3) of the Omnibus Utility Amendment Act of 2004, effective April 12, 2005 (D.C. Law 15-342; to be codified at D.C. Official Code § 34-1651(a)(3)), is amended by striking the phrase “subsection (c)” and inserting the phrase “subsections (c) and (d)” in its place.

Sec. 2192. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

SUBTITLE L. INSURANCE REGULATORY TRUST FUND ENHANCEMENT

Sec. 2201. Short title.

This subtitle may be cited as the "Insurance Regulatory Trust Fund Enhancement Act of 2005".

Sec. 2202. Section 3(a) of the Insurance Regulatory Trust Fund Act of 1993, effective October 10, 1993 (D.C. Law 10-40; D.C. Official Code § 31-1202 (a)), is amended by striking the phrase "this act" and inserting the phrase "this act and the Certified Capital Companies Act of 2003, effective March 10, 2004 (D.C. Law 15-87; D.C. Official Code § 31-5231 *et seq.*)," in its place.

Sec. 2203. The Certified Capital Companies Act of 2003, effective March 10, 2004 (D.C. Law 15-87; D.C. Official Code § 31-5231 *et seq.*), is amended by adding a new section 9a to read as follows:

"Sec. 9a. Fees deposited in Insurance Regulatory Trust Fund.

"All fees collected pursuant to this act shall be deposited in the Insurance Regulatory Trust Fund established by section 3 of the Insurance Regulatory Trust Fund Act of 1993, effective October 21, 1993 (D.C. Law 10-40; D.C. Official Code § 3-1202), and expended for the purposes authorized by the Fund."

Sec. 2204. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

SUBTITLE M. TARGETED HISTORIC HOUSING TAX CREDIT ACT

Sec. 2211. Short title.

This subtitle may be cited as the "Targeted Historic Housing Tax Credit Act of 2005".

Sec. 2212. Chapter 18 of Title 47 of the District of Columbia Official Code is amended as follows:

(a) The table of contents is amended by striking the section designation "§ 47-1806.08f. Tax on residents and nonresidents - Credits -Targeted historic housing credit." and inserting the section designation "§ 47-1806.08f. Tax on residents and nonresidents - Credits -Targeted historic housing credit - Cap; administrative costs." in its place.

(b) Section 47-1806.08f is amended to read as follows:

"§ 47-1806.08f. Tax on residents and nonresidents - Credits -Targeted historic housing credit - Cap; administrative costs.

"(a) The Mayor may approve an amount not to exceed \$1,250,000 of credits under § 47-1806.08a each fiscal year.

"(b) In each applicable fiscal year, the Mayor may expend an amount not to exceed 5% of the annual amount appropriated for credits authorized under subsection (a) of this section for reasonable administrative costs."

Sec. 2213. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

SUBTITLE N. SMALL, LOCAL, AND DISADVANTAGED BUSINESS ENTERPRISE DEVELOPMENT AND ASSISTANCE

TABLE OF CONTENTS

Part A. Short Title and Definitions.

Sec. 2301. Short title.
Sec. 2302. Definitions.

Part B. Department of Small and Local Business Development.

Sec. 2311. Establishment of the Department of Small and Local Business Development.
Sec. 2312. Director of the Department of Small and Local Business Development.
Sec. 2313. Organization and functions of the Department.
Sec. 2314. Reorganization of the Department.

Part C. Small and Local Business Opportunity Commission.

Sec. 2321. Small and Local Business Opportunity Commission Establishment; composition; appointment; term of office; qualifications; vacancies; removal; compensation.
Sec. 2322. Functions of the Commission.
Sec. 2323. Additional functions of the Commission.
Sec. 2324. Record keeping.
Sec. 2325. By-laws and internal rules.

Part D. Programs for Certified Business Enterprises.

Subpart 1. Certified Business Enterprises.

Sec. 2331. Local business enterprises.
Sec. 2332. Small business enterprises.
Sec. 2333. Disadvantaged business enterprises.
Sec. 2334. Qualified metropolitan area business enterprises.

- Sec. 2335. Resident-owned businesses.
- Sec. 2336. Longtime resident businesses.
- Sec. 2337. Local business enterprises with principal offices located in an enterprise zone.

*Codification
District of
Columbia
Official Code*

2001 Edition

**2005 Fall
Supp.**

**West Group
Publisher**

Subpart 2. Requirements for Programs.

small Sec. 2341. Goals for District agencies with respect to contracting and procurement with
business enterprises.

Sec. 2342. Required programs, procedures, and policies to achieve contracting and procurement goals.

Sec. 2344. Mandatory set-asides of small contracts for small business enterprises.

Sec. 2345. Mandatory set-asides of contracts in the District of Columbia Supply Schedule for small business enterprises.

Sec. 2346. Performance and subcontracting requirements for construction contracts; subcontracting plans.

Sec. 2347. Unbundling requirement.

Sec. 2348. Penalties.

Sec. 2349. Other procedures and programs.

Sec. 2350. Special requirements for government corporations.

Sec. 2351. Waiver of subcontracting requirement.

Sec. 2352. Enforcement mechanism against an agency.

Sec. 2353. Agency reporting requirements.

Sec. 2354. Department reporting requirements.

Sec. 2355. Regional governmental entities.

Subpart 3. Certification.

Sec. 2361. Certificate of registration.

Sec. 2362. Provisional certification; self-certification prohibited.

Sec. 2363. Revocation of registration; challenges to registration; penalties.

Subpart 4. Triennial Review and Rulemaking.

Sec. 2371. Triennial review of program and subtitle.

Sec. 2372. Rulemaking authority.

Part E. Conforming Amendments.

Sec. 2381. Amendments.

Sec. 2382. Repealers.

Part F. Fiscal Impact.

Sec. 2391. Fiscal impact statement.

Part A. Short Title and Definitions.

Sec. 2301. Short title.

This subtitle may be cited to as the “Small, Local, and Disadvantaged Business Enterprise Development and Assistance Act of 2005”.

Sec. 2302. Definitions.

For the purposes of this subtitle, the term:

(1) “Agency” means an agency, department, office, board, commission, or instrumentality of the District of Columbia government.

(2) “Commission” means the District of Columbia Small and Local Business Opportunity Commission, established by section 2321.

(3) “Department” means the Department of Small and Local Business Development, established by section 2311.

(4) “Director” means the Director of the Department of Small and Local Business Development.

(5) “Disadvantaged business enterprise” means a business enterprise as described in section 2333.

(6) “District of Columbia Supply Schedule” or “DCSS” means the District of Columbia’s multiple award schedule procurement program for providing commercial products or services to District government agencies.

(7) “Economically disadvantaged individual” means an individual whose ability to compete in the free enterprise system is impaired because of diminished opportunities to obtain capital and credit as compared to others in the same line of business where such impairment is related to the individual’s status as socially disadvantaged. An individual is socially disadvantaged if the individual has reason to believe that the individual has been subjected to prejudice or bias because of his or her identity as a member of a group without regard to his or her qualities as an individual.

(8) “Enterprise zone” means:

(A) The area of the District designated as the District of Columbia

Enterprise Zone under section 1400 of the Internal Revenue Code of 1986, approved August 5, 1997 (111 Stat. 863; 26 U.S.C. § 1400); or

(B) An economic development zone designated by the Mayor and approved by the Council pursuant to sections 2 through 5 of the Economic Development Zone Incentives Amendment Act of 1988, effective October 20, 1988 (D.C. Law 7-177; D.C. Official Code § 6-1501 *et seq.*).

(9) "Expendable budget" means the total budget of an agency, reduced by such funding sources, object classes, objects, and other items as shall be identified by the Mayor through rulemaking.

(10) "Government corporation" means an entity established as a corporate body or independent authority or instrumentality of the District government created to effectuate certain public purposes, with or without a legal existence separate from that of the District government.

(11) "Joint venture" means a combination of property, capital, efforts, skills, or knowledge of 2 or more persons or businesses to carry out a single project.

(12) "Local business enterprise" means a business enterprise as described in section 2331.

(13) "Longtime resident business" means a business which has been continuously eligible for certification as a local business enterprise, as defined in section 2331, for 20 consecutive years.

(14) "Regional governmental entity" means an organization that represents the District and surrounding local or state governments.

(15) "Resident-owned business" means a local business enterprise owned by an individual who is, or a majority number of individuals who are, subject to personal income tax in the District of Columbia.

(16) "Small business enterprise" means a business enterprise as described in section 2332.

Part B. Department of Small and Local Business Development.

Sec. 2311. Establishment of the Department of Small and Local Business Development.

(a) Pursuant to section 404(b) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 787; D.C. Official Code § 1-204.04(b)), there is established, as a subordinate agency, in the Executive Branch of the government of the District of Columbia, the Department of Small and Local Business Development.

Sec. 2312. Director of the Department of Small and Local Business Development.

(a)(1) The Department shall be under the supervision of a Director who shall carry out the functions and authorities assigned to the Department.

(2) The Mayor shall appoint the Director with the advice and consent of the Council.

(b) The Director shall have full authority over the Department and all functions and personnel assigned to the Department, including the power to re-delegate to other employees and

officials of the Department such powers and authority as in the judgment of the Director are warranted in the interests of efficiency and sound administration.

(c) The Director shall monitor the accomplishment of the requirements of this subtitle in contracting and procurement performed by any government corporation involved in the development of a commercial ballpark or soccer stadium and in all projects exceeding \$10 million in value.

(d) The Director shall have authority to make a recommendation to the Chief Procurement Officer of the Office of Contracting and Procurement or a government corporation to reject proposed award of contract awards and procurements that the Director finds fail to comply with agency or project requirements for local, small, and disadvantaged business enterprise contracting and procurement.

(e) The Director shall have authority to make a recommendation to the Chief Procurement Officer of the Office of Contracting and Procurement or a government corporation to require the payment of fines pursuant to section 2348 by prime contractors who fail to comply with the requirements of this subtitle.

(f) The Director shall have the authority to make a recommendation to the Chief Procurement Officer of the Office of Contracting and Procurement or a government corporation to withhold payment on contracts shown to be substantially noncompliant as to their approved local, small, and disadvantaged business enterprise subcontracting plans, if a subcontracting plan is required pursuant to section 2346.

Sec. 2313. Organization and functions of the Department.

(a) It shall be the goal and responsibility of the Department to stimulate and foster greater opportunities for local, small, and disadvantaged business enterprises to participate in the District's contracting and procurement process.

(b) The Department shall administer part D of this subtitle except for those responsibilities assigned to another agency by this subtitle or through an order of the Mayor. The Director shall establish procedures and guidelines for the implementation of the programs established pursuant to part D of this subtitle. The Mayor shall not reassign a responsibility specifically assigned to the Department by this subtitle.

(c) The Department shall include, and the Director shall establish, oversee, and administer, the following divisions which shall have the stated responsibilities:

(1) The Office of Certification, Compliance, and Enforcement, which shall be responsible for:

(A) Reviewing applications for certification as a local, small, or disadvantaged business enterprise, or as a resident-owned or resident business or as a local business enterprise with its principal office located in an enterprise zone;

(B) Providing information and assistance to business enterprises regarding the certification and application process;

(C) Recommending to the Commission whether an application for certification should be approved or denied;

- (D) Providing information and assistance to the Commission in the Commission's review of applications for certification;
 - (E) Monitoring agency contracting and procurement activities to the extent those activities are related to the achievement of the goals set forth in section 2341;
 - (F) Monitoring third-party contracting and procurement activities to the extent those activities are related to the achievement of goals related to contracting with, and procuring from, local, small, and disadvantaged business enterprises;
 - (G) Preparing the quarterly and annual reports of the Department required by section 2353;
 - (H) Reviewing the quarterly and annual reports of agencies required by section 2352; and
 - (I) Reviewing any reports as may be required of third parties;
- (2) The Office of Contracting Opportunities, which shall be responsible for:
- (A) Maintaining, growing, and advocating on behalf of local, small, and disadvantaged business enterprises in the following areas;
 - (i) Local, small, and disadvantaged business enterprises with less than \$10 million in annual revenue;
 - (ii) Under separate criteria, local, small, and disadvantaged business enterprises with over \$10 million in annual revenue; and
 - (iii) All local, small, and disadvantaged business enterprises that desire to participate in contracting opportunities with any government corporation;
 - (B) Maintaining and providing public access to a list of all current District government contracting and procurement bids and solicitations;
 - (C) Maintaining and providing public access to a list of other current government contracting and procurement bids and solicitations, including those of the federal government and nearby local jurisdictions;
 - (D) Monitoring agency contracting and procurement activities to the extent those activities are related to the achievement of the goals set forth in section 2341;
 - (E) Monitoring third-party contracting and procurement activities to the extent those activities are related to the achievement of goals related to contracting with, and procuring from, local, small, and disadvantaged business enterprises;
 - (F) Monitoring and preparing recommendations to ensure agency achievement of the goals set forth in section 2341;
 - (G) Monitoring agency implementation of the programs required by part D of this subtitle;
 - (H) Maintaining a list of current private contracting and procurement bids and solicitations;
 - (I) Organizing and publicizing local, small, and disadvantaged business enterprise opportunities and events where contracting, procurement, or networking opportunities will be available;

(J) Organizing or attending meetings with business groups and other organizations to provide information on the District's local, small, and disadvantaged business enterprise programs, the certification process, and the services and activities of the Department;

(K) Making known to the public and the business community information on the District's local, small, and disadvantaged business enterprise programs and the certification process; and

(L) Making known to the public and the business community information on the services and activities of the Department; and

(3) The Office of Training and Education, which shall be responsible for the following:

(A) Coordinating the District's offerings, curricula, and locations of educational and training classes, sessions, and seminars to assist small businesses in the following areas:

(i) Basic and intermediate business skills, such as bookkeeping, accounting, and marketing;

(ii) Locating and obtaining contracting and procurement opportunities; and

(iii) Locating and obtaining financing and capital;

(B) Maintaining a current list of educational and training classes, sessions, and seminars in the Washington Metropolitan Region in the subject areas set forth in subparagraph (A) of this paragraph offered by persons or organizations outside the District government;

(C) To the extent feasible, coordinating the offerings, curricula, and locations of educational and training classes, sessions, and seminars in the Washington Metropolitan Region in the subject areas set forth in subparagraph (A) of this paragraph offered by persons or organizations outside the District government;

(D) To the extent necessary, providing educational and training classes, sessions, and seminars in the subject areas set forth in subparagraph (A) of this paragraph which are not otherwise conveniently or comprehensively provided by the District government or persons or organizations outside the District government; and

(E) Training agency contracting officers on the requirements and procedures of this subtitle.

(d) The Director may establish such other offices and the Department may take such other actions as are necessary or appropriate to carry out the provisions of this subtitle.

**Part C. District of Columbia Small and Local Business
Opportunity Commission.**

Sec. 2321. District of Columbia Small and Local Business Opportunity Commission Establishment; composition; appointment; term of office; qualifications; vacancies; removal; compensation.

(a) Pursuant to section 404(b) of the District of Columbia Home Rule Act, approved

December 24, 1973 (87 Stat. 787; D.C. Official Code § 1-204.04(b)), there is established the District of Columbia Small and Local Business Opportunity Commission. The Commission is the successor in interest to the Local Business Opportunity Commission, established by section 4(a) of the Minority Contracting Act of 1976, effective March 29, 1977 (D.C. Law 1-95; D.C. Official Code § 2-215.03(a)).

(b)(1) The Commission shall consist of 9 members. The Mayor shall appoint one member from each ward of the District and one at-large member to staggered, 2-year terms with the advice and consent of the Council, in accordance with section 2 of the Confirmation Act of 1978, effective March 3, 1979 (D.C. Law 2-142; D.C. Official Code § 1-523.01).

(2) All members of the Commission shall be residents of the District of Columbia.

(3) Commissioners shall be eligible for reappointment.

(4) All commissioners shall have knowledge of the small, local, or disadvantaged business community as it relates to employment and economic development.

(5) Notwithstanding the provisions of this section, current members of the Local Business Opportunity Commission, as established by section 4(a) of the Minority Contracting Act of 1976, effective March 29, 1977 (D.C. Law 1-95; D.C. Official Code § 2-215.03(a)), shall be considered qualified and may continue to serve as members of the Commission until new members are appointed.

(c)(1) The Mayor shall appoint the chairperson of the Commission from among its members with the advice and consent of the Council. The nomination of the chairperson shall be submitted to the Council for a 45-day period of review, excluding Saturdays, Sundays, legal holidays, and days of Council recess. If the Council does not approve or disapprove the nomination within the 45-day period of review, the nomination shall be deemed approved.

(2) The chairperson shall serve as the chairperson at the pleasure of the Mayor.

(d) Any person appointed to fill a vacancy on the Commission shall be appointed only for the unexpired term of the member whose vacancy is being filled.

(e) The Mayor may remove any member of the Commission for misconduct, incapacity, or neglect of duty in accordance with procedures that the Mayor shall establish and that shall include procedures for notification and an opportunity for hearing.

(f)(1) The Commission shall meet at least once each month for the purpose of transacting any business as may properly come before it.

(2) The Commission shall meet with the Chairman of the Council Committee on Economic Development at least once per year.

(3) Special meetings may be held at such times as the chairperson may provide. Notice of each meeting and the time and place thereof shall be given to each member in such manner as the Commission may provide.

(4) The Commission may permit members to participate in meetings for the certification of joint ventures by means of a conference telephone, interactive conference video, or other similar communications equipment when it is otherwise difficult or infeasible for the members to attend the meeting in person; provided, that each member participating by such device

can be identified when speaking, all participants are able to hear each other at the same time, and members of the public attending the meeting are able to hear any member of the Commission who speaks during the meeting.

(g) A majority of the members appointed to the Commission at any given time shall constitute a quorum for the transaction of official business. Official actions of the Commission shall be based on a majority vote of the members participating at the meeting.

(h) A Commission member who has a direct financial or personal interest in any measure pending before the Commission shall disclose this fact to the Commission and shall not vote upon such measure.

(i) Members of the Commission shall serve without compensation for their service on the Commission.

Sec. 2322. Functions of the Commission.

The Commission shall:

(1) Determine a business enterprise's or joint venture's eligibility for certification under part D and review and determine the continued eligibility of business enterprises and joint ventures certified by the Commission;

(2) Determine the percentage of the dollar amount of a joint venture which may be attributed toward an agency's percentage goal; and

(3) Repeal and suspend the certification of a business enterprise pursuant to section 2363.

Sec. 2323. Additional functions of the Commission.

The Commission shall:

(1) Educate the public, including District residents and businesses, about the District's programs for local, small, and disadvantaged business enterprises;

(2) Stimulate and foster greater opportunities for local, small, and disadvantaged business enterprises to participate in the District's contracting and procurement process and provide recommendations to the Council and the Mayor on ways to increase the participation;

(3) Maintain contacts with the business community, including financial institutions and bonding companies, and elicit cooperation for economic opportunities for local, small, and disadvantaged business enterprises;

(4) Make recommendations related to agency and third-party contracting and procurement activities to increase participation by local, small, and disadvantaged business enterprises;

(5) Review the annual reports of agencies and make appropriate recommendations as set forth in section 2352;

(6) Review the triennial reports required by section 2371 and the goals, intents, and purposes of this subtitle, and make appropriate recommendations as set forth in section 2371; and

(7) Take such other actions as are necessary or appropriate to carry out

the responsibilities of the Commission under this subtitle.

Sec. 2324. Record keeping.

(a) A record of the proceedings of the Commission shall be kept and files shall be maintained.

(b) The Commission shall maintain a register of all applicants for registration showing for each applicant the date of the application, name, qualifications, place of business, place of applicant's residence, and whether the certificate was granted or denied.

(c) The books and register of the Commission shall be prima facie evidence of all matters recorded therein.

Sec. 2325. By-laws and internal rules.

The Commission may promulgate, amend, repeal, and enforce any by-laws and internal rules of operation, consistent with the provisions of this subtitle, as may be necessary or appropriate to carry out its responsibilities under this subtitle.

Part D. Programs for Certified Business Enterprises.

Subpart 1. Certified business enterprises.

Sec. 2331. Local business enterprises.

A business enterprise shall be eligible for certification as a local business enterprise if the business enterprise:

(1) Has its principal office located physically in the District of Columbia;
(2) Requires that its chief executive officer and the highest level managerial employees of the business enterprise maintain their offices and perform their managerial functions in the District; and

(3)(A) Is licensed pursuant to Chapter 28 of Title 47 of the District of Columbia Official Code;

(B) Is subject to the tax levied under Chapter 18 of Title 47 of the District of Columbia Official Code; or

(C) Is a business enterprise identified in § 47-1808.01 (1) through(5) of the District of Columbia Official Code and more than 50% of the business is owned by residents of the District.

Sec. 2332. Small business enterprises.

(a) A business enterprise shall be eligible for certification as a small business enterprise if the business enterprise:

(1)(A) Is a local business enterprise; or

(B) Is a qualified metropolitan area business enterprise;

(2) Is independently owned, operated, and controlled; and

(3)(A) Is certified by the United States Small Business Administration as a small

business concern under the Small Business Act, approved July 18, 1958 (72 Stat. 863; 15 U.S.C. § 631 *et seq.*); or

(B) Has had average annualized gross receipts for the 3 years preceding certification not exceeding the following limits:

Construction, Heavy (Street and Highways, Bridges, etc.)	\$23 million
Construction, Building (General Construction, etc.)	\$21 million
Construction, Specialty Trades	\$13 million
Goods and Equipment	\$20 million
General Services	\$19 million
Professional Services, Personal Services (Hotel, Beauty, Laundry, etc.)	\$5 million
Professional Services, Business Services	\$10 million
Professional Services, Health and Legal Services	\$10 million
Professional Services, Health Facilities Management	\$19 million
Manufacturing Services	\$10 million
Transportation and Hauling Services	\$13 million
Financial Institutions	\$300 million.

(b) A business enterprise that is affiliated with another business enterprise through common ownership, management, or control shall be eligible for certification as a small business enterprise if:

(1) The business enterprise seeking certification as a small business enterprise is a local business enterprise or a qualified metropolitan area business enterprise;

(2) The consolidated financial statements of the affiliated business enterprises do not exceed the average annualized gross receipt limits established by subsection (a)(3)(B) of this section; and

(3) In the event of a parent-subsidiary affiliation, the parent company qualifies for certification as a small business enterprise.

(c) If a business enterprise seeking certification as a small business enterprise is affiliated only with one or more business enterprises that are in a different line of business, subsection (b) of this section shall not apply, and the business enterprise shall be eligible for certification as a small business enterprise if it meets the requirements of subsection (a) of this section.

Sec. 2333. Disadvantaged business enterprises.

(a) A business enterprise shall be eligible for certification as a disadvantaged business enterprise if the business enterprise is:

(1) Owned, operated, and controlled by economically disadvantaged individuals; and

(2)(A) Is a local business enterprise; or

(B) Is a qualified metropolitan area business enterprise.

(b) A business enterprise that is affiliated with another business enterprise through common ownership, management, or control shall be eligible for certification as a disadvantaged business

enterprise if:

- (1) The business enterprise seeking certification as a disadvantaged business enterprise is a local business enterprise or a qualified metropolitan area business enterprise; and
- (2) In the event of a parent-subsidiary affiliation, both enterprises meet the requirements of subsection (a) of this section.

Sec. 2334. Qualified metropolitan area business enterprises.

A business enterprise shall be eligible for certification as a qualified metropolitan area business enterprise if the business enterprise is independently owned, operated, and controlled and:

- (1) Has its principal office located in the Washington-Arlington-Alexandria, DC-MD-VA-WV Metropolitan Division, as defined by the Office of Management and Budget Bulletin No. 05-02; and
- (2) Meets 3 of the 4 following standards:
 - (A) More than 50% of the assets of the business enterprise, excluding bank accounts, are located in the District;
 - (B) More than 50% of the employees of the business enterprise are residents of the District;
 - (C) The owners of more than 50% of the business enterprise are residents of the District; or
 - (D) More than 50% of the total sales or other revenues are derived from transactions of the business enterprise in the District.

Sec. 2335. Resident-owned businesses.

A business enterprise shall be eligible for certification as a resident-owned business if it meets the definition of resident-owned business pursuant to section 2302.

Sec. 2336. Longtime resident businesses.

A business enterprise shall be eligible for certification as a longtime resident business if it meets the definition of longtime resident business pursuant to section 2302.

Sec. 2337. Local business enterprises with principal offices located in an enterprise zone.

A local business enterprise shall be eligible for certification as a local business enterprise with principal offices located in an enterprise zone if its principal offices are located in an enterprise zone as defined by section 2302.

Subpart 2. Requirements of programs.

Sec. 2341. Goals for District agencies with respect to contracting and procurement with small business enterprises.

(a) Each agency, including an agency that contracts or procures in whole or in part through the Office of Contracting and Procurement, shall exercise its contracting and procurement authority so as to meet, on an annual basis, the goal of procuring and contracting 50% of the dollar volume of its goods and services, including construction goods and services, to small business enterprises.

(b) The dollar volume referenced in subsection (a) of this section shall be based on the expendable budget of the agency.

Sec. 2342. Required programs, procedures, and policies to achieve contracting and procurement goals.

To achieve the goals set forth in this subtitle, the Department shall establish by rules issued pursuant to section 2372, programs for local, small, and disadvantaged business enterprises, resident-owned businesses, resident businesses, and local business enterprises with principal offices located in an enterprise zone. The Department shall include among these programs:

- (1) A bid preference mechanism for local and disadvantaged business enterprises, resident-owned businesses, resident businesses, and local business enterprises with principal offices located in an enterprise zone;
- (2) A set-aside program for small business enterprises; and
- (3) A set-aside program for local, small, and disadvantaged business enterprises for the District of Columbia Supply Schedule.

Sec. 2343. Bid and proposal preferences.

(a) In evaluating bids or proposals, agencies shall award preferences as follows:

- (1) In the case of proposals, points shall be granted as follows:
 - (A) Three points for a small business enterprise;
 - (B) Three points for resident-owned business;
 - (C) Ten points for a longtime resident business;
 - (D) Two points for a local business enterprise;
 - (E) Two points for a local business enterprise with its principal office located in an enterprise zone; and
 - (F) Two points for a disadvantaged business enterprise.
- (2) In the case of bids, a percentage reduction in price shall be granted as follows:
 - (A) Three percent for a small business enterprise;
 - (B) Three percent for resident-owned business;
 - (C) Ten percent for a longtime resident business;
 - (D) Two percent for a local business enterprise;
 - (E) Two percent for a local business enterprise with its principal office located in an enterprise zone; and
 - (F) Two percent for a disadvantaged business enterprise.

(b) A certified business enterprise shall be entitled to any or all of the preferences provided in this section, but in no case shall a certified business enterprise be entitled to a preference of more than 12 points or a reduction in price of more than 12 percent.

Sec. 2344. Mandatory set-asides of small contracts for small business enterprises.

(a) Except as provided in section 2345, each agency shall set aside every contract or procurement of \$100,000 or less for small business enterprises; provided, that the agency shall not be required to set aside a contract or procurement if the agency determines in writing that there are not at least 2 responsible certified small business enterprises that can provide the services or goods which are the subject of the contract.

(b) An agency may refuse to award a contract or procurement set aside under this section, and may thereafter issue the contract or procurement in the open market if the agency determines in writing that the bids for the contract or procurement set aside for a small business enterprise are believed to be 12% or more above the likely price on the open market.

Sec. 2345. Mandatory set-asides of contracts in the District of Columbia Supply Schedule for small business enterprises.

Each agency shall set aside every contract of \$100,000 or less for the District of Columbia Supply Schedule for small business enterprises; provided, that the agency shall not be required to set aside a contract if the agency determines in writing that there are not at least 2 responsible certified small business enterprises on the DCSS that can provide the services or goods which are the subject of the contract.

Sec. 2346. Performance and subcontracting requirements for construction contracts; subcontracting plans.

(a) All construction contracts shall include a requirement that at least 35% of the dollar value, excluding the cost of materials, goods, and supplies, be subcontracted to small business enterprises, except that if there are insufficient qualified small business enterprises to fulfill this requirement, then 35% of the dollar value, excluding the cost of materials, goods, and supplies, shall be subcontracted to local, small, or disadvantaged business enterprises.

(b)(1)(A) Each construction contract for which a local, small, or disadvantaged business enterprise is selected as a prime contractor and is granted points or a price reduction pursuant to section 2343 or is selected through a set-aside program under this subpart shall include a requirement that the business enterprise perform at least 35% of the contracting effort, excluding the cost of materials, goods, and supplies, with its own organization and resources and, if it subcontracts, 35% of the subcontracted effort, excluding the cost of materials, goods, and supplies, shall be with local, small, or disadvantaged business enterprises.

(B) If the total of the contracting effort, excluding the cost of materials, good, and supplies, proposed to be performed by local, small, or disadvantaged business enterprises is less

than the amount required by subparagraph (A) of this paragraph, then the business enterprise shall not be eligible to receive preference points or price reductions for a period of not less than 2 years.

(2)(A) Each construction contract for which a joint venture is selected as a prime contractor and is granted points or a price reduction pursuant to section 2343 or is selected through a set-aside program under this subpart shall include a requirement that the local, small, or disadvantaged business enterprise perform at least 50% of the contracting effort, excluding the cost of materials, goods, and supplies, with its own organization and resources and, if the joint venture subcontracts, 35% of the subcontracted effort, excluding the cost of materials, goods, and supplies, shall be with local, small, or disadvantaged business enterprises.

(B) If the total of the contracting effort, excluding the cost of materials, good, and supplies, proposed to be performed by local, small, or disadvantaged business enterprises is less than the amount required by subparagraph (A) of this paragraph, then the business enterprise shall not be eligible to receive preference points or price reductions for a period of not less than 2 years.

(c) Each construction contract of \$1 million or less for which a local, small, or disadvantaged business enterprise is selected as a prime contractor and is granted points or a price reduction pursuant to section 2343 or is selected through a set-aside program under this subpart shall include a requirement that the business enterprise perform at least 50% of the on-site work with its own work force.

(d) Bids or proposals responding to a solicitation, including an open market solicitation, shall be deemed nonresponsive and shall be rejected if the solicitation requires submission of a local, small, or disadvantaged business enterprise subcontracting plan and the prime contractor fails to submit a subcontracting plan as part of its bid or proposal. A local, small, or disadvantaged business enterprise subcontracting plan shall specify the following:

- (1) The name and address of the subcontractor;
- (2) Whether the subcontractor is currently certified as a local, small, or disadvantaged business enterprise;
- (3) The scope of work to be performed by the subcontractor; and
- (4) The price to be paid by the contractor to the subcontractor.

(e) No prime contractor shall be allowed to amend the subcontracting plan filed as part of its bid or proposal except with the consent of the contracting officer and the Director. Any reduction in the dollar value of the subcontracted portion resulting from such amendment of the plan shall inure to the benefit of the District.

(f) No multiyear contracts or extended contracts in which the options or extensions exceed \$1 million in value, which are not in compliance with this subtitle at the time of the contemplated exercise of the option or extension, shall be renewed or extended, and any such option or extension shall be void.

(g) The subcontracting requirements of this section may be waived pursuant to section 2351.

Sec. 2347. Unbundling requirement.

The Mayor shall establish procedures to ensure that solicitations are subdivided and unbundled and that smaller contracts are created to the extent feasible and fiscally prudent.

Sec. 2348. Enforcement and penalties for willful breach of subcontracting plan.

The willful breach by a contractor of a subcontracting plan for utilization of local, small, or disadvantaged businesses in the performance of a contract, the failure to submit any required subcontracting plan monitoring or compliance report, or the deliberate submission of falsified data may be enforced by the Department through the imposition of penalties, including monetary fines of \$15,000 or 5% of the total amount of the work that the contractor was to subcontract to local, small, or disadvantaged businesses, whichever is greater, for each such breach, failure, or falsified submission.

Sec. 2349. Other procedures and programs.

(a) The Mayor shall establish policies and procedures to maximize the participation of local, small, and disadvantaged business enterprises in the contracting and procurement processes, including:

(1) A procedure whereby an agency may waive bid security requirements on contracts in excess of \$100,000, where the waiver is appropriate to achieve the purposes of this subtitle; and

(2) A policy whereby an agency shall make advance payments to a certified contractor, where the payments are necessary to achieve the purposes of this subtitle.

(b) The Mayor may establish a pilot set-aside program for small business enterprises with gross revenues of \$5 million or less.

Sec. 2350. Special requirements for government corporations.

(a) A government corporation shall comply with all provisions of this subtitle.

(b)(1)(A) A government corporation shall take all measures as shall be reasonably necessary to assure that all contracts entered into by the government corporation, or any agency or subsidiary of the government corporation, with respect to each major phase of the development and construction of a project undertaken by the government corporation, including contracts for architectural, engineering, and construction services, shall provide that at least 35% of the work in the aggregate under such contracts shall be awarded to small business enterprises.

(B) In the event that there are insufficient qualified small business enterprises to fulfill this requirement, 35% of the dollar value, excluding the cost of materials, goods, and supplies, shall be subcontracted to local, small, or disadvantaged business enterprises.

(2) Of the work required to be awarded pursuant to paragraph (1) of this subsection, at least 10% of those business enterprises shall be located in the ward in which the work is being performed.

(3) If 35% of the work required to be awarded pursuant to paragraph (1) of this

subsection, is unattainable, the government corporation shall report this fact to the Council for reconsideration of this requirement.

(c) The subcontracting requirement of subsection (b) of this section may be waived pursuant to section 2351.

(d)(1) A government corporation shall take all measures as shall be reasonably necessary to assure that all contracts entered into by the government corporation, or any agency or subsidiary of the government corporation, with respect to the development and construction of a project undertaken by the government corporation, comply with the First Source Employment requirements of the First Source Employment Agreement Act of 1984, effective June 29, 1984 (D.C. Law 5-93; D.C. Official Code § 2-219.01 *et seq.*).

(2) Of the jobs required to be filled pursuant to paragraph (1) of this subsection, at least 20% of those jobs shall be designated for residents in the ward in which the work is being performed.

(e)(1) A government corporation shall take all measures as shall be reasonably necessary to assure that all contracts entered into by the government corporation or any agency or subsidiary of the government corporation with respect to the development and construction of a project undertaken by the government corporation shall comply with the requirements of An Act To provide for voluntary apprenticeship in the District of Columbia, approved May 21, 1946 (60 Stat. 204; D.C. Official Code § 32-1401 *et seq.*).

(2)(A) Fifty percent of all apprenticeship hours performed pursuant to any apprenticeship programs related to the construction and operation of a project undertaken by the government corporation shall be performed by District of Columbia residents.

(B) Any prime contractor or subcontractor that fails to make a good faith effort to comply with the requirements of this paragraph shall be subject to a monetary fine in the amount of 5% of the direct or indirect labor costs of the contract. Fines shall be imposed by the Department of Employment Services to be applied to job training programs, subject to appropriations by Congress.

(f) Beginning with the first full quarter after the effective date of this subtitle, each government corporation shall provide a quarterly report to the Department within 30 days after the end of each quarter. The quarterly report shall include the following information:

(1) The dollar volume and percentage of awards to local, small, and disadvantaged business enterprises in construction and development projects;

(2) The dollar volume and percentage of awards to local, small, and disadvantaged business enterprises in development projects as equity partners; and

(3) The dollar volume and percentage of awards to local, small, and disadvantaged business enterprises for contracting and procurement of goods and services.

(g) Beginning with fiscal year 2006, each government corporation shall provide an annual report to the Department within 45 days after the end of each fiscal year. The annual report shall include:

(1) The information required to be included in the quarterly reports (with the dollar

percentages and volumes calculated on an annual basis);

(2) The dollar volume and percentage of the contracts and procurements awarded during the fiscal year which were actually paid (including payments through subcontracting) to:

- (A) Local, small, and disadvantaged business enterprises;
- (B) Local businesses enterprises;
- (C) Small business enterprises; and
- (D) Disadvantaged business enterprises;

(3) A description of the activities the government corporation engaged in, including the programs required by this part, in order to achieve the requirements set forth in this section; and

(4) A description of any changes the government corporation intends to make during the succeeding fiscal year to the activities it engages in to achieve the requirements set forth in this section.

(h) The Department shall monitor government corporation compliance with the reporting requirements of this section.

(i) The Department shall review the annual report of each government corporation to determine whether the planned activities of the government corporation for the succeeding fiscal year are likely to enable the agency to achieve the requirements set forth in this section. The Department shall make recommendations on activities the government corporation should engage in to meet or exceed the requirements set forth in this section. The Department's recommendations shall be submitted to the government corporation, the Council, and the Commission.

(j) The Commission may review the annual report of a government corporation to determine whether the planned activities of the government corporation for the succeeding fiscal year are likely to enable the government corporation to achieve the goals set forth in this section. The Commission may make recommendations concerning activities in which the government corporation should engage in to meet or exceed the requirements set forth in this section. The Commission's recommendations shall be submitted to the government corporation, the Council, and the Department.

Sec. 2351. Waiver of subcontracting requirements.

(a) The Director may waive the subcontracting requirements of sections 2346 and 2350 pursuant to this section.

(b) A contracting officer may request that the Director waive the subcontracting requirements for a particular contract by submitting to the Director with the request for waiver a statement of the reasons that justify a waiver.

(c) The Commission may find that a waiver of the subcontracting requirements of sections 2346 and 2350 for a particular contract are justified in order to achieve the purposes of this title.

(d)(1) The Director shall approve a waiver of the subcontracting requirements of section 2346 and 2350 requested by a contracting officer if the Director finds that no qualified business enterprises are available to satisfy the subcontracting requirements.

(2) The Director shall waive the subcontracting requirements of sections 2346 and

2350 if the Commission finds that a waiver is necessary to achieve the purposes of this title.

(e) In addition to a waiver granted pursuant to subsection (d) of this section, the Director may grant a waiver or modification of a subcontracting plan requested by the contracting officer if the Director finds that the applicant has made a good faith effort to meet the requirements of sections 2346 and 2350. In making a good faith determination, the Director shall consider the following factors:

(1) Whether the applicant conducted any pre-solicitation or pre-bid conferences to inform local, small, or disadvantaged business enterprises of contracting and subcontracting opportunities;

(2) Whether the applicant advertised in general circulation, trade association, and ethnic-focus media concerning the contracting and subcontracting opportunities;

(3) Whether the applicant provided written notice to a reasonable number of specific local, small, or disadvantaged business enterprises, in sufficient time to allow local, small, or disadvantaged business enterprises to participate effectively, that their interest in the contract was being solicited;

(4) Whether the applicant followed up initial solicitations of interest by conducting negotiations with local, small, or disadvantaged business enterprises;

(5) Whether rejections by the applicant of local, small, or disadvantaged business enterprises as being unqualified were based on sound reasoning and thorough investigation of their capabilities;

(6) Whether the applicant made efforts to assist interested local, small, or disadvantaged business enterprises in obtaining bonding, lines of credit, or insurance required by the applicant;

(7) Whether the applicant effectively used the services of the Commission in recruiting qualified and responsible local, small, or disadvantaged business enterprises;

(8) Whether bids submitted by local, small, or disadvantaged business enterprises were excessive or noncompetitive based upon a review of prevailing market conditions; and

(9) Any other factors which may be relevant in a particular case.

(f)(1) The contracting officer shall provide written notice of the waiver of the subcontracting requirements of sections 2346 and 2350 to the applicant prior to the acceptance of bids or proposals and upon approval of the waiver by the Director.

Sec. 2352. Enforcement mechanism against an agency.

If an agency fails to meet any of the goals set forth in section 2341, the Department may require that a portion of the agency's contracts and procurements be made part of a set-aside program for small business enterprises.

Sec. 2353. Agency reporting requirements.

(a) Beginning with the first full quarter after the effective date of this subtitle, each agency shall provide a quarterly report to the Department within 30 days after the end of each quarter. The

quarterly report shall include the following information:

(1) A list of each contract or procurement of the agency during the quarter, and, for each contract or procurement:

- (A) The dollar amount of the contract or procurement;
- (B) A description of the goods procured or the services contracted for;
- (C) The name of the business enterprise from which the goods were procured or services contracted;
- (D) Whether the business enterprise was a certified local, small, or disadvantaged business enterprise, and, if it was:
 - (i) The category or categories under which the business enterprise is certified; and
 - (ii) The identification number of the business enterprise assigned by the Department; and
- (E) The source of funding for the contract or procurement (local, federal, other, or capital);

(2) The dollar percentage of the contracts and procurements awarded during the quarter which were awarded to:

- (A) Local, small, and disadvantaged business enterprises;
- (B) Local businesses enterprises;
- (C) Small business enterprises; and
- (D) Disadvantaged business enterprises; and

(3) The dollar volume of the contracts and procurements awarded during the quarter which were awarded to:

- (A) Local, small, and disadvantaged business enterprises;
- (B) Local businesses enterprises;
- (C) Small business enterprises; and
- (D) Disadvantaged business enterprises.

(b) Beginning with fiscal year 2006, each agency shall provide an annual report to the Department within 45 days after the end of each fiscal year. The annual report shall include:

(1) The information required to be included in the quarterly reports (with the dollar percentages and volumes calculated on an annual basis);

(2) The dollar volume and percentage of the contracts and procurements awarded during the fiscal year which were actually paid (including payments through subcontracting) to:

- (A) Local, small, and disadvantaged business enterprises;
- (B) Local businesses enterprises;
- (C) Small business enterprises; and
- (D) Disadvantaged business enterprises;

(3) A description of the activities the agency engaged in, including the programs required by this part, in order to achieve the goals set forth in section 2341; and

(4) A description of any changes the agency intends to make during the succeeding

fiscal year to the activities it engages in to achieve the goals set forth in section 2341.

(c) The Department shall monitor agency compliance with the reporting requirements of this section.

(d) The Department shall review the annual report of each agency to determine whether the planned activities of the agency for the succeeding fiscal year are likely to enable the agency to achieve the goals set forth in section 2341. The Department shall make recommendations on activities the agency should engage in to meet or exceed the goals set forth in section 2341. The Department's recommendations shall be submitted to the agency, the Council, and the Commission.

(e) The Commission may review the annual report of an agency to determine whether the planned activities of the agency for the succeeding fiscal year are likely to enable the agency to achieve the goals set forth in section 2341. The Commission may make recommendations on activities the agency should engage in to meet or exceed the goals set forth in section 2341. The Commission's recommendations, if any, shall be submitted to the agency, the Council, and the Department.

Sec. 2354. Department reporting requirements.

Within 45 days of its receipt of the annual reports required by section 2352(b), the Department shall submit to the Council and the Commission a report containing the following documents and information:

(1) A chart containing the following information with respect to each agency for the prior fiscal year:

- (A) The expendable budget of the agency;
- (B) Each goal of the agency under section 2341 in dollar and percentage

terms;

(C) The agency's achievement with respect to each goal established by section 2341, which shall include the following information:

(i) The percentage of the expendable budget, the percentage of the total budget, and the dollar volume that was contracted or procured with the following:

- (I) Local business enterprises;
- (II) Small business enterprises; and
- (III) Disadvantaged business enterprises; and

(ii) The dollar volume and percentage of the contracts and procurements awarded during the quarter which were actually paid (including payments through subcontracting) to:

- (I) Local business enterprises;
- (II) Small business enterprises; and
- (III) Disadvantaged business enterprises; and
- (D) A list of each contract or procurement of the agency, including:
 - (i) A description of the contract or procurement;
 - (ii) The dollar amount of the contract or procurement;

- (iii) The name of the business enterprise from which the goods or services were contracted or procured;
- (iv) Whether the business enterprise was a certified local, small, or disadvantaged business enterprise, and, if it was:
 - (I) The category or categories under which the business enterprise is certified; and
 - (II) The identification number of the business enterprise assigned by the Department; and
 - (v) The source of funding for the contract (local, federal, other, or capital); and
- (2) A chart listing the following information with respect to each agency for the current fiscal year:
 - (A) The total budget of each agency;
 - (B) The expendable budget of each agency;
 - (C) A description of each funding source, object class, object, or item that was excluded from the total budget of the agency in the Department's calculation of the expendable budget of the agency; and
 - (D) Each goal of the agency under section 2341 in percentage and dollar terms.

Sec. 2355. Regional governmental entities.

(a) Except as provided in subsection (b) of this section, a regional governmental entity shall be exempt from the requirements of this subtitle to the extent that the requirements of this subtitle impact on the regional governmental entity's operations within the territory of a member government other than the District.

(b) The District of Columbia Water and Sewer Authority shall be exempt from the requirements of this subtitle to the extent that the requirements of this subtitle are contrary to procurement regulations promulgated pursuant to statutes establishing the District of Columbia Water and Sewer Authority.

Subpart 3. Certification.

Sec. 2361. Certificate of registration.

(a) No business enterprise shall be permitted to participate in a program established under this part unless the business enterprise:

- (1) Has been issued a certificate of registration under the provisions of this subtitle;
- or
- (2) Has been issued a provisional certification under regulations issued pursuant to this subtitle.

(b)(1) An enterprise seeking to be certified as a local, small, or disadvantaged business enterprise, as a resident-owned business, as a resident business, or as a local business enterprise with

its principal office located in an enterprise zone shall file with the Commission a written application on such form or forms as may be prescribed by the Commission or the Department.

(2) The application shall include, at a minimum, the following documents and information:

- (A) A certification of the correctness of the information provided;
- (B) Written evidence that the applicant is:
 - (i) A bona fide local business enterprise;
 - (ii) A bona fide disadvantaged business enterprise;
 - (iii) A bona fide small business enterprise;
 - (iv) A bona fide local business enterprise located in an enterprise zone;
 - (v) A bona fide resident-owned business; or
 - (vi) A bona fide resident business.

(C) Evidence of ability and character;

(D) Evidence of financial position, which may be the applicant's most recent financial statement. For the purposes of this subparagraph, the term "recent" means produced from current data no more than 90 days prior to the application date; and

(E) Any other information the Commission or Department may require.

(c) The Commission shall issue the applicant a certificate of registration if:

(1) The information provided in the application or additional filings is satisfactory to the Commission;

(2) The business enterprise meets the standards of this subtitle; and

(3) The applicant fulfills other requirements as may be established by the Commission or the Department.

(d) A certificate of registration shall expire 2 years from the date of approval of the application.

Sec. 2362. Provisional certification; self-certification prohibited.

(a) The Department may authorize a business enterprise to participate in a program established under this part without receiving a certificate of registration under section 2361; provided, that such authorization shall be granted only when:

(1) A business enterprise is applying for certification in order to bid on a contract or procurement for which responses are due within the next 45 days;

(2) The business enterprise has submitted a majority of the information required under section 2361; and

(3) The Department reasonably believes that the Commission will certify the business enterprise after the business enterprise has submitted all of the information required under this subtitle or regulations promulgated pursuant to this subtitle.

(b) An authorization granted under this section shall not last for more than 120 days.

(c) The Department shall make authorizations under subsection (a) of this section pursuant

to rules promulgated pursuant to this subtitle.

(d) A business enterprise may not self-certify or self-authorize to participate in a program established under sections 2343 through 2349.

Sec. 2363. Revocation of registration; challenges to registration; penalties.

(a) The Commission may revoke or suspend the certificate of registration of a business enterprise that:

- (1) Engaged in fraud or deceit in obtaining the registration;
- (2) Furnished substantially inaccurate or incomplete ownership or financial information;
- (3) Failed to report changes that affect its eligibility for certification;
- (4) Acted with gross negligence, incompetence, financial irresponsibility, or misconduct in the practice of a trade or profession; or
- (5) Willfully violated any provision of this subtitle or rules adopted pursuant to this subtitle.

(b)(1) Any person may file with the Commission a complaint alleging a violation of this subtitle against an applicant for registration or a business enterprise registered pursuant to this subtitle. The complaint shall be in writing and sworn to by the complainant.

(2) The Commission may request that the Department investigate the facts and merits of the complaint.

(3) The Commission may, without a hearing, dismiss a complaint which it determines to be frivolous or otherwise without merit.

(4) If the Commission does not determine that a complaint is frivolous or otherwise without merit, it shall hold a hearing on the complaint within 3 months of the filing of the complaint. The Commission shall determine the time and place of the hearing. The Commission shall cause to be issued and served on the person or business enterprise alleged to have committed the violation, hereafter called the "respondent", a written notice of the hearing together with a copy of the complaint at least 30 days prior to the scheduled hearing. Notice shall be served by registered or certified mail, return receipt requested, or by personal service. At the hearing, the respondent shall have the right to appear personally or by a representative and to cross-examine witnesses and to present evidence and witnesses.

(5) If, after the conclusion of the hearing, the Commission determines that the respondent has violated the provisions of this subtitle or regulations issued pursuant to this subtitle, the Commission shall issue, and cause to be served on the respondent, a decision and order, accompanied by findings of fact and conclusions of law, revoking or suspending the respondent's registration, or taking any other action it deems appropriate.

(6) The Commission shall have the authority to issue subpoenas requiring the attendance of witnesses and to compel the production of records, papers, and other documents.

(c) In addition to the procedures and penalties provided in subsection (b) of this section, the Attorney General for the District of Columbia may bring a civil action in the Superior Court of the

District of Columbia against a business enterprise and the directors, officers, or principals of a business enterprise that is reasonably believed to have obtained certification by fraud or deceit or to have willfully furnished substantially inaccurate or incomplete ownership information to the Commission. A business enterprise or individual found guilty under this subsection shall be subject to a civil penalty of not more than \$100,000.

(d) The Commission may at any time reissue a certificate of registration to any firm or joint venture whose certificate has been revoked; provided, that a majority of at least 4 members of the Commission vote in favor of reissuance. The Commission may consider whether the firm or joint venture should be required to submit satisfactory proof that conditions within the company that led to the violation have been corrected.

Subpart 4. Triennial review and rulemaking.

Sec. 2371. Triennial review of program and subtitle.

(a) Every 3 years following the effective date of this subtitle, the Department shall submit to the Council, the Mayor, and the Commission the results of an independent evaluation of the local, small, and disadvantaged business enterprise programs. This evaluation shall compare the costs of contracts awarded pursuant to this subtitle to the cost of contracts awarded without use of the set-asides and bid preferences authorized by this subtitle. This evaluation shall also compare economic outcomes such as revenue, tax payments, and employment of District residents for local, small, and disadvantaged business enterprises certified by the Commission to economic outcomes for similar firms that are not certified by the Commission.

(b) The Department and the Commission shall review the findings in the triennial report and the goals, intents, and purposes of this subtitle. The Department shall, and the Commission may, transmit to the Council and the Mayor a report setting forth any recommended amendments to this subtitle.

Sec. 2372. Rulemaking authority.

The Mayor shall, 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.*), issue proposed rules to implement this subtitle. The proposed rules shall be submitted to the Council for a 45-day period of review, excluding Saturdays, Sundays, legal holidays, and days of Council recess. If the Council does not approve or disapprove the proposed rules, in whole or in part, by resolution within this 45-day review period, the proposed rules shall be deemed approved.

Part E. Conforming Amendments.

Sec. 2381. Amendments.

(a) Section 10b(a) of the District of Columbia Regional Interstate Banking Act of 1985, effective November 23, 1985 (D.C. Law 6-63; D.C. Official Code § 26-711(c)), is amended by striking the phrase “District of Columbia Local Business Opportunity Commission in accordance with the Equal Opportunity for Local, Small, and Disadvantaged Business Enterprises Act of 1998

and inserting the phrase “Small and Local Business Opportunity Commission in accordance with the Small, Local, and Disadvantaged Business Enterprises Development and Assistance Act of 2005 (Subtitle N of title II of Bill 16-200)”.

(b) Section 17a(a) of the District of Columbia Savings and Loan Acquisition Amendment Act of 1988, effective October 12, 1988, (D.C. Law 7-175; D.C. Official Code § 26-1217(a)), is amended by striking the phrase “District of Columbia Local Business Opportunity Commission in accordance with Equal Opportunity for Local, Small, and Disadvantaged Business Enterprises Act of 1998 and inserting the phrase “Small and Local Business Opportunity Commission in accordance with the Small, Local, and Disadvantaged Business Enterprises Development and Assistance Act of 2005 (Subtitle N of title II of Bill 16-200)”.

(c) Section 47-351.11 of the District of Columbia Official Code is amended by striking the phrase “District of Columbia Local Business Opportunity Commission in accordance with subchapter IX of Chapter 2 of Title 2” and inserting the phrase “Small and Local Business Opportunity Commission in accordance with the Small, Local, and Disadvantaged Business Enterprises Development and Assistance Act of 2005 (Subtitle N of title II of Bill 16-200)”.

Sec. 2382. Repealers.

(a) Sections 4, 5, and 13 of the Minority Contracting Act of 1976, effective March 29, 1977 (D.C. Law 1-95; D.C. Official Code §§ 2-215.03, 2-215.04, and 2-215.11), are repealed.

(b) The Equal Opportunity for Local, Small, and Disadvantaged Business Enterprises Act of 1998, effective April 27, 1999 (D.C. Law 12-268; D.C. Official Code § 2-217.01 *et seq.*), is repealed.

(c) An order, rule, or regulation in effect under a law repealed by this section shall remain in effect under the corresponding provision enacted by this subtitle until repealed, amended, or superseded.

Part F. Fiscal Impact.

Sec. 2391. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

TITLE III. PUBLIC SAFETY AND JUSTICE
SUBTITLE A. ESTABLISHMENT OF THE OFFICE OF THE CHIEF MEDICAL
EXAMINER MANAGEMENT FUND

Sec. 3001. Short title.

This subtitle may be cited as the “Office of the Chief Medical Examiner Management Fund Amendment Act of 2005”.

Sec. 3002. The Establishment of the Office of the Chief Medical Examiner Act of 2000, effective October 19, 2000 (D.C. Law 13-172; D.C. Official Code § 5-1401 *et seq.*), is amended by adding a new section 2918a to read as follows:

“Sec. 2918a. Office of the Chief Medical Examiner Management Fund.

"(a) There is established a nonlapsing fund to be designated the Office of the Chief Medical Examiner Management Fund (“Fund”), which shall be a segregated account within the General Fund of the District of Columbia and shall be used for the purposes set forth in subsection (b) of this section.

“(b) The Fund shall be used exclusively for OCME personnel and non-personnel expenditures. Authorized expenditures include expenses associated with maintaining 2 full-time equivalents, additional full-time equivalent costs, employee training, purchasing medical and mortuary supplies, purchasing other supplies and materials, OCME emergencies, OCME operations, reagents, consumables, contract services, and equipment.

"(c) All fees received by OCME for services provided under this act, all interest earned on those fees, and any additional funds which Congress may appropriate to the Fund shall be deposited into the Fund. All funds deposited into the Fund shall not revert to the fund balance of the General Fund of the District of Columbia at the end of any fiscal year or at any other time, but shall be continually available for the uses and purposes set forth in subsection (b) of this section, subject to authorization by Congress.

"(d) Nothing in this section shall be construed to prohibit or limit the appropriation of additional funds from the revenues of the District for the purposes designated in subsection (b) of this section. All monies in the Fund shall be considered as supplementing and enhancing the operations of the OCME and are not intended to be used to supplant support for the OCME provided through the General Fund of the District of Columbia.”.

Sec. 3003. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

SUBTITLE B. LEGAL SERVICE AMENDMENT

Sec. 3011. Short title.

This subtitle may be cited as the “Legal Service Amendment Act of 2005”.

Sec. 3012. The District of Columbia Government Comprehensive Merit Personnel Act of 1978, effective March 3, 1979 (D.C. Law 2-139; D.C. Official Code § 1-601.01 *et seq.*), is amended as follows:

(a) Section 851(3) (D.C. Official Code § 1-608.51(3)) is amended as follows:

(1) Subparagraph (B) is amended to read as follows:

"(B) Any attorney who is a Deputy Attorney General, Chief Deputy Attorney General, Special Deputy Attorney General, Senior Counsel to the Attorney General, General Counsel or the equivalent for any agency subordinate to the Mayor, or any other attorney in the Office of the Attorney General for the District of Columbia who routinely reports directly to the Attorney General;"

(2) Subparagraph (C) is amended to read as follows:

"(C) Any attorney who is a General Counsel employed by an independent agency, except attorneys employed by the Chief Financial Officer."

(b) Section 852 (D.C. Official Code § 1-608.52) is amended to read as follows:

"Sec. 852. There is established within the District government a Legal Service for independent and subordinate agencies to ensure that the law business of the District government is responsive to the needs, policies, and goals of the District and is of the highest quality. In order to improve the quality and timeliness of the legal services that support the lawful activities, objectives, and policies of the District government, all attorneys who perform work for subordinate agencies shall become employees of the Office of the Attorney General for the District of Columbia."

(c) Section 853 (D.C. Official Code § 1-608.53) is amended as follows:

(1) Subsections (a) through (d) are amended by striking the phrase "Attorney General" and inserting the phrase "Corporation Counsel" in its place wherever it appears.

(2) Subsection (e) is amended to read as follows:

"(e) A Senior Executive Attorney employed by the Office of the Attorney General who performs work primarily for any other subordinate agency, whether located at that agency or not, shall serve at the pleasure of the Attorney General, and the Attorney General shall consult with the agency head before making any decision concerning the termination of a Senior Executive Attorney who performs work primarily for the other subordinate agency. The Senior Executive Attorney shall serve at the pleasure of the agency head where the Attorney General has delegated direction and control over the attorney to the agency head pursuant to section 855."

(d) Section 854(a) (D.C. Official Code § 1-608.54(a)) is amended to read as follows:

"(a) Attorneys employed by the Office of the Attorney General shall be hired by the Attorney General. Attorneys, including Senior Executive Attorneys, employed by the Office of the Attorney General who perform work primarily for any other subordinate agency, whether located at that agency or not, shall be hired by the Attorney General after consultation with the head of the other subordinate agency."

(e) Section 855 (D.C. Official Code § 1-608.55) is amended as follows:

(1) Subsection (a) is amended to read as follows:

"(a) Attorneys employed by the Office of the Attorney General, wherever located in the District government, including Senior Executive attorneys, shall act under the direction, supervision, and control of the Attorney General."

(2) Subsection (b) is amended to read as follows:

"(b) Notwithstanding the authority vested in the Attorney General by subsection (a) of this section, the Attorney General may delegate the direction, supervision and control of attorneys who

perform work primarily for any other subordinate agency, whether located at the agency or not, to the head of that agency as follows:

"(1) After consulting with the agency head, delegate in writing the direction, supervision and control of all or some of the attorneys who perform work primarily for the agency, including Senior Executive Attorneys. This delegation may be withdrawn at any time, in writing, after consulting with the agency head.

"(2) The delegation and its withdrawal, if any, pursuant to paragraph(1) of this subsection shall cite the reasons for the delegation or withdrawal of delegation using the following criteria:

- "(A) Agency size;
- "(B) Agency workload;
- "(C) Necessity or lack of necessity for agency in-house counsel to engage in high level policy-making;
- "(D) Agency head or agency General Counsel or the equivalent, expressed preferences;
- "(E) Necessity or lack of necessity for Attorney General supervision;
- "(F) Practicality or impracticality of Attorney General supervision;
- "(G) Existence of a conflict of interest if the Attorney General supervises agency counsel; or
- "(H) Any other relevant factor as identified by the Attorney General."

(3) Subsection (d) is amended to read as follows:

"(d) The Attorney General may:

"(1) After consulting with the affected subordinate agency head, assign an attorney employed by the Office of the Attorney General who previously performed work primarily for the Office of the Attorney General to perform work primarily for the affected subordinate agency, whether located at the agency or not, in the Attorney General's discretion; or

"(2) After consulting with the affected sending and receiving subordinate agency heads, assign an attorney employed by the Office of the Attorney General who previously performed work primarily for the sending agency, including the Office of the Attorney General, to perform work primarily for the receiving agency, whether located at the receiving agency or not in the Attorney General's discretion, unless the Attorney General has delegated the direction, supervision, and control of the attorney pursuant to subsection (b) of this section."

(f) Section 856 (b) (D.C. Official Code § 1-608.56(b)) is amended to read as follows:

"(b) The disciplinary action provided for in subsection (a) of this section shall be taken by:

"(1) The Attorney General when the attorney is employed by the Office of the Attorney General and performs work primarily for that Office, whether located in that Office or not;

"(2) The Attorney General, after consulting with the agency head, when the attorney is employed by the Office of the Attorney General and performs work primarily for any other subordinate agency, whether located at the other subordinate agency or not, and there has been no delegation of authority pursuant to section 855;

"(3) The agency head or the Senior Executive Attorney designee when the attorney is employed by an independent agency or by a subordinate agency and the Attorney General has delegated authority over the attorney to the subordinate agency head pursuant to section 855."

(g) Section 857 (D.C. Official Code § 1-608.57) is amended by striking the phrase "Corporation Counsel" and inserting the phrase "Attorney General" in its place wherever it appears.

(h) Section 861 (D.C. Official Code § 1-608.61) is amended by striking the phrase "Corporation Counsel" and inserting the phrase "Attorney General" in its place.

(i) Section 862 (D.C. Official Code § 1-608.62) is amended by adding a new paragraph (5) to read as follows:

"(5) Effective October 1, 2005, any attorney who was employed by any subordinate agency other than the Office of the Attorney General as of the effective date of the Legal Service Amendment Act of 2005 shall become an attorney employed by the Office of the Attorney General for the District of Columbia. By December 31, 2005, the Mayor shall complete the personnel paperwork necessary to reflect these appointments."

(j) New sections 863, 864, and 865 are added to read as follows:

"Sec. 863. Payment of compensation to former subordinate agency attorneys.

"Until the Legal Service budgets of the subordinate agencies are transferred to the budget of the Attorney General, the subordinate agencies that employed the attorneys who are transferred to the employment of the Office of the Attorney General pursuant to this act shall continue to be responsible for their compensation.

"Sec. 864. Transfers.

By October 1, 2005, all subordinate agencies, other than the Office of the Attorney General, shall transfer to that Office all attorney and support staff employees, personal property, full-time equivalent position authority, assets, records, and all unexpended balances of appropriations, allocations, and other funds available or to be made available relating to the furnishing of legal and other services by the attorneys who were employed by these agencies as of the effective date of the Legal Service Amendment Act of 2005.

"Sec. 865. Budgeting.

"(a) Notwithstanding any other law, during fiscal year 2006 the entire Legal Service budget for attorneys in the subordinate agencies, including personal services and non-personal services budgets associated with the pay and benefits of attorneys and their support staff, grants, as well as all related administrative overhead, supplies, materials, equipment and equipment rentals, and contractual services shall be under the management authority and control of the Attorney General.

"(b) Notwithstanding any other law, during fiscal year 2007 and each fiscal year thereafter, the entire Legal Service budget for attorneys in the subordinate agencies shall continue to be under the management authority and control of the Attorney General, to the extent those budgets have not yet been included in the budget of the Office of the Attorney General.

"(c) The Chief Financial Officer shall determine the exact budget amounts that are under the Attorney General's management authority in accordance with this section."

Sec. 3016. Section 108 of the Department of Mental Health Establishment Amendment Act of 2001, effective December 18, 2001 (D.C. Law 14-56; D.C. Official Code § 7-1131.08), is amended to read as follows:

"Sec. 108. Appointment and duties of General Counsel.

"(a) The Department shall have a General Counsel or the equivalent, appointed by the Attorney General as an employee of the Office of the Attorney General, after consultation with the Director of the Department. The General Counsel or the equivalent shall:

"(1) Be an attorney admitted to the practice of law in the District of Columbia and qualified by experience and training to advise the Department with respect to legal issues related to its powers and duties;

"(2) Be in the Senior Executive Attorney Service as an at-will employee under the direction and control of the Attorney General;

"(3) Be subject to all applicable provisions of Title VIII-B of the District of Columbia Government Comprehensive Merit Personnel Act of 1978, effective April 20, 1999 (D.C. Law 12-260; D.C. Official Code § 1-608.51 *et seq.*);

"(4) Have an attorney-client relationship with the Department;

"(5) Advocate vigorously for the Director's positions on legal issues, and if that advocacy poses a conflict with a legal position of the Attorney General for the District of Columbia, seek exemption from the Attorney General's supervision as to that position, in accordance with section 855(b) of the District of Columbia Government Comprehensive Merit Personnel Act of 1978, effective April 20, 1999 (D.C. Law 12-260; (D.C. Official Code § 1-608.55(b)); and

"(6) Be subject to evaluation, discipline, and transfer by the Attorney General, after consultation with the Director.

"(b) This section shall apply as of October 1, 2005."

Sec. 3017. Conforming Amendment.

Paragraph 91A of section 8 of the An Act Making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June thirtieth, nineteen hundred and fourteen, and for other purposes, approved March 4, 1913 (37 Stat. 993; D.C. Official Code § 34-804(b)), is amended by striking the sentence "The People's Counsel shall be entitled to receive compensation at the maximum rate as may be established from time to time for GS-16 of the General Schedule under § 5332 of Title 5 of the United States Code or equivalent compensation pursuant to subchapter XI of Chapter 6 of Title 1." and inserting a new sentence in its place to read as follows: "The People's Counsel shall be entitled to receive compensation at the midpoint rate for Level III of the Senior Executive Attorney Service, pursuant to sections 853 and 858 of the District of Columbia Government Comprehensive Merit Personnel Act of 1978, effective April 20, 1999 (D.C. Law 12- 260; D.C. Official Code §§ 1-608.53 and 1-608.58).".

Sec. 3018. Section 501(k) 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 § 1-605.01(k)), is amended by adding a new sentence at the end to read as follows: "The Executive Director and the attorneys shall be in the Legal Service as defined in Title VIII-B of the District of Columbia Government Comprehensive Merit Personnel Act of 1978, effective April 20, 1999 (D.C. Law 12-260; D.C. Official Code § 1-608.51 *et seq.*)".

Sec. 3019. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

SUBTITLE C. THE DEPARTMENT OF CORRECTIONS REIMBURSEMENT FUND

Sec. 3031. Short title.

This subtitle may be cited as the "Department of Corrections Reimbursement Fund Act of 2005".

Sec. 3032. Department of Corrections Reimbursement Fund.

(a) There is established a nonlapsing fund to be designated as the Department of Corrections Reimbursement Fund ("Fund"), which shall be a segregated account within the General Fund of the District of Columbia and shall be used to support the activities prescribed by the Memorandum of Understanding, effective January 1, 2002, between the United States Marshals Service and the Department of Corrections ("Memorandum").

(b) All revenue derived from the reimbursement of the cost of services provided by the Department of Corrections pursuant to the Memorandum, and all fees collected for the department's housing, transporting, and handling of adult pretrial or sentenced felons, probation, parole, or supervision violators, and prisoners returning to the Superior Court of the District of Columbia on writ or subject to other commitment orders shall be deposited into the Fund.

(c) Funds deposited in the Fund shall not revert to the fund balance of the General Fund of the District of Columbia at the end of any fiscal year or at any other time, but shall be continually available for the uses and purposes set forth in this section, subject to authorization by Congress.

Sec. 3033. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

TITLE IV. PUBLIC EDUCATION SYSTEM
SUBTITLE A. EDUCATION LICENSURE COMMISSION

Sec. 4001. Short title.

This subtitle may be cited as the “Education Licensure Commission Amendment Act of 2005”.

Sec. 4002. The Education Licensure Commission Act of 1976, effective April 6, 1977 (D.C. Law 1-104; D.C. Official Code § 38-1301 *et seq.*), is amended as follows:

(a) Section 6(e) (D.C. Official Code § 38-1306(d)) is amended as follows:

(1) The existing text is designated as paragraph (1).

(2) A new paragraph (2) is added to read as follows:

“(2) All revenues collected by, and all payments made to, the Commission under this subsection shall be deposited in the Education Licensure Commission Site Evaluation Fund established by section 7a of the State Education Office Establishment Act of 2003, effective October 21, 2000 (D.C. Law 13-176; to be codified at D.C. Official Code § 38-2607).”.

(b) Section 12a (D.C. Official Code § 38-1313) is amended as follows:

(1) The section heading is amended by striking the word “Educational” and inserting the word “Education” in its place.

(2) Subsection (a) is amended by striking the word “Educational” and inserting the word “Education” in its place.

(3) Subsection (b) is amended by striking the word “Educational” and inserting the word “Education” in its place.

Sec. 4003. The State Education Office Establishment Act of 2000, effective October 21, 2000 (D.C. Law 13-176; D.C. Official Code § 38-2601 *et seq.*), is amended as follows:

(a) Section 3(b)(6) (D.C. Official Code § 38-2602(b)(6)) is amended by striking the word “Educational” and inserting the word “Education” in its place.

(b) A new section 7a is added to read as follows:

“Sec. 7a. Education Licensure Commission Site Evaluation Fund.

“(a) There is established a nonlapsing fund to be designated as the Education Licensure Commission Site Evaluation Fund (“Fund”), which shall be a segregated account within the General Fund of the District of Columbia, administered by the State Education Office, and used for the purposes set forth in subsection (b) of this section.

“(b) The Fund shall be used only to cover costs associated with the Education Licensure Commission’s review of institutions for licensing purposes under section 6 of the Education Licensure Commission Act of 1976, effective April 6, 1977 (D.C. Law 1-104; D.C. Official Code § 38-1306)(“Act”).

“(c) All revenues collected by the Education Licensure Commission for evaluations and observations done pursuant to section 6 of the Act shall be deposited into the Fund. All funds deposited into the Fund shall not revert to the fund balance of the General Fund of the District of

Columbia at the end of any fiscal year or at any other time, but shall be continually available for the uses and purposes set forth in subsection (b) of this section, subject to authorization by Congress.”.

Sec. 4004. Conforming amendments.

(a) Section 602(a) of the District of Columbia Campaign Finance Reform and Conflict of Interest Act, approved August 14, 1974 (88 Stat. 467; D.C. Official Code § 1-1106.02(a)), is amended by striking the phrase “Educational Institution Licensure Commission” and inserting the phrase “Education Licensure Commission” in its place.

(b) Subchapter One of Chapter Eighteen of An Act To establish a code of law for the District of Columbia, approved March 3, 1901 (31 Stat. 1280; D.C. Official Code § 29-601 *et seq.*), is amended as follows:

(1) Section 586b(a) (D.C. Official Code § 29-615(a)) is amended by striking the phrase “Educational Institution Licensure Commission” and inserting the phrase “Education Licensure Commission” in its place.

(2) Section 586c (D.C. Official Code § 29-616) is amended by striking the phrase “Educational Institution Licensure Commission” each time it appears and inserting the phrase “Education Licensure Commission” in its place.

(3) Section 586d (D.C. Official Code § 29-617) is amended by striking the phrase “Educational Institution Licensure Commission” each time it appears and inserting the phrase “Education Licensure Commission” in its place.

(4) Section 586e (D.C. Official Code § 29-618) is amended by striking the phrase “Educational Institution Licensure Commission” each time it appears and inserting the phrase “Education Licensure Commission” in its place.

Sec. 4005. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

SUBTITLE B. UNIFORM PER STUDENT FUNDING FORMULA FOR PUBLIC SCHOOLS AND PUBLIC CHARTER SCHOOLS

Sec. 4011. Short title.

This subtitle may be cited as the “Uniform Per Student Funding Formula for Public Schools and Public Charter Schools Amendment Act of 2005”.

Sec. 4012. The Uniform Per Student Funding Formula for Public Schools and Public Charter Schools and Tax Conformity Clarification Amendment Act of 1998, effective March 26, 1999 (D.C. Law 12-207; D.C. Official Code § 38-2901 *et seq.*), is amended as follows:

ENROLLED ORIGINAL

(a) Section 104 (D.C. Official Code § 38-2903) is amended by striking the phrase “\$6,903.60 per student for FY 2005” and inserting the phrase “7,307.47 per student for FY 2006” in its place.

(b) Section 105 (D.C. Official Code § 38-2904) is amended to read as follows:

“The student counts at certain grade levels and in certain programs shall be weighted to provide an amount per student differing from the basic foundation level in accordance with the following schedule:

Grade Level	Weighting	Per Pupil Allocation FY 2006
Pre-School / Pre Kindergarten	1.17	\$ 8,549.74
Kindergarten	1.03	\$ 7,526.69
Grades 1-3	1.03	\$ 7,526.69
Grades 4-5	1.00	\$ 7,307.47
Ungraded ES	1.03	\$ 7,526.69
Grades 6-8	1.03	\$ 7,526.69
Ungraded MS/JHS	1.03	\$ 7,526.69
Grades 9-12	1.17	\$ 8,549.74
Ungraded SHS	1.17	\$ 8,549.74
Alternative	1.30	\$ 9,499.71
Special Education Schools	1.17	\$ 8,549.74
Adult	0.75	\$ 5,480.60

(c) Section 106(c) (D.C. Official Code § 38-2905(c)) is amended to read as follows:

“(c) These supplemental allocations shall be calculated by applying weightings to the foundation level as follows:

Special Needs Add-ons:

Level/Program	Definition	Weighting	Per Pupil Supplemental FY 2006
Level 1: Special Education	Eight (8) hours or less per week of specialized services	0.55	\$4,019.11
Level 2: Special Education	More than 8 hours and less than or equal to 16 hours per school week of specialized services	0.85	\$6,211.35
Level 3: Special Education	More than 16 hours and less than or equal to 24 hours per school week of specialized services	1.50	\$10,961.21
Level 4: Special Education	More than 24 hours per week which may include instruction in a self-contained separate school other than residential placement	2.70	\$19,730.17
LEP/NEP	Limited and non-English proficient students	0.40	\$2,922.99

ENROLLED ORIGINAL

Summer	An accelerated instructional program in the summer for students who do not meet literacy standards pursuant to promotion policies of the District of Columbia Public Schools and public charter schools	0.17	\$1,242.27
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	1.70	\$12,422.70

Residential Add-ons:

Level/Program	Definition	Weighting	Per Pupil Supplemental FY 2006
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	0.374	\$2,732.99
Level 2: Special Education - Residential	Additional funding to support the after-hours level 2 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	1.360	\$9,938.16
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	2.941	\$21,491.27
Level 4: Special Education - Residential	Additional funding to support the after-hours level 4 special instructional 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	2.924	\$20,805.84

ENROLLED ORIGINAL

Level 5: Special Education - Residential	Residential placement	9.40	\$68,690.22
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	0.68	\$4,969.08

(d) Section 107(b)(3) (D.C. Official Code § 38-2906(b)(3)) is repealed.

(e) Section 107b(b) (to be codified at D.C. Official Code § 38-2906.02(b)) is amended to read as follows:

“(b) Each payment shall be one-fourth of each public charter school’s entitlement, determined as follows:

“(1) The basis of the July 15 payment to a public charter school shall be the estimate used in the June 30 quarterly report submitted by the eligible chartering authorities pursuant to section 2402(a) of the District of Columbia School Reform Act of 1995, approved April 26, 1996 (110 Stat. 257; D.C. Official Code § 38-1804.02(a)), of the number of students that will be enrolled at that public charter school on October 5;

“(2) The basis of the October 25 and January 15 payments shall be the unaudited numbers for that school contained in the reports submitted by the eligible chartering authorities on October 5; and

“(3) The basis of the April 15 payment shall be the audited October enrollment numbers; provided, that these amounts shall be adjusted in accordance with the provisions of section 106.”.

Sec. 4013. Section 2204(c)(11)(B)(ix) of the District of Columbia School Reform Act of 1995, approved April 26, 1996 (110 Stat. 1321-121; D.C. Official Code § 38-1802.04(11)(B)(ix)), is amended to read as follows:

“(ix) For the fiscal year 2005 annual financial audit and subsequent fiscal year annual financial audits, a financial statement audited by an independent certified public accountant or accounting firm, who, notwithstanding any other provision of this act, shall be selected from an approved list developed by a committee of 2 representatives each from the District of Columbia Public Charter School Board, the District of Columbia Board of Education Charter School Board, and the District of Columbia Chief Financial Officer, in accordance with Government auditing standards for financial audits issued by the Comptroller General of the United States, pursuant to the April 8, 2005 memorandum of understanding between the District of Columbia Chartering Authorities and the District of Columbia Chief Financial Officer, as amended;”.

Sec. 4014. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

SUBTITLE C. PRESERVATION OF SCHOOL-BASED STAFF POSITIONS

Sec. 4021. Short title.

This subtitle may be cited as the "Preservation of School-Based Staff Positions Amendment Act of 2005".

Sec. 4022. The District of Columbia School Reform Act of 1995, approved April 26, 1996 (110 Stat. 1321 [226]; D.C. Official Code § 38-1800.01 *et seq.*), is amended as follows:

(a) Section 2756 (D.C. Official Code § 38-1807.56) is repealed.

(b) A new section 2757 is added to read as follows:

"Sec. 2757. Preservation of school-based staff positions.

"(a) *Findings.* – The Council of the District of Columbia finds that:

"(1) In Fiscal Year 2006, the District of Columbia Public Schools ("DCPS") will receive a core budget of \$779,309,000 with additional funding in the amount of \$21 million for the Superintendent's school reform initiatives.

"(2) Despite an overall increase in funding for DCPS, local schools have been forced to develop plans to reduce their workforces because the 3.07% increase in the uniform per student funding formula does not cover the average step increase of 4.77% included in collective bargaining agreements approved by the Mayor and Council.

"(3) The Council believes that these reductions, which would come one year following the elimination of 500 school-based positions, are unacceptable and, if implemented, would be injurious to the DCPS.

"(4) As a result, there is a need to avert layoffs of more than 300 staff at individual schools.

"(5) DCPS should absorb the cost of the step increases from non-local school budget funds.

"(b) *Restrictions on reductions of school-based employees.* – To the extent that a reduction in the number of full-time equivalent positions for the District of Columbia public schools is required to remain within the budget established for the public schools in appropriations acts, no reductions shall be made from the full-time equivalent positions for school-based teachers, principals, counselors, librarians, or other school-based educational positions that were established as of the end of Fiscal Year 2005, unless the Board of Education makes a determination based on student enrollment that:

"(1) Fewer school-based positions are needed to maintain established pupil-to-staff ratios; or

“(2) Reductions in positions for other than school-based employees are not practicable.

“(c) *Definition.* – The term "school-based educational position" means a position located at a District of Columbia public school or other position providing direct support to students at such a school, including a position for a clerical, stenographic, or secretarial employee, but not including any part-time educational aide position.”.

Sec. 4023. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

SUBTITLE D. FISCAL YEAR 2006 EDUCATIONAL INVESTMENTS FUND FOR DISTRICT OF COLUMBIA PUBLIC SCHOOLS AND PUBLIC CHARTER SCHOOLS SPENDING PLAN REQUIREMENT

Sec. 4031. Short title.

This subtitle may be cited as the “Fiscal Year 2006 Educational Investments Fund for District of Columbia Public Schools and Public Charter Schools Establishment Act of 2005”.

Sec. 4032. Fiscal Year 2006 Educational Investments Fund for District of Columbia Public Schools and Public Charter Schools.

There is established a Fiscal Year 2006 Educational Investments Fund for District of Columbia Public Schools and Public Charter Schools (“Fund”), into which shall be deposited \$25.2 million in Fiscal Year 2006, of which \$21 million and \$4.2 million shall be allocated in Fiscal Year 2006 to the District of Columbia Public Schools and public charter schools, respectively, to conduct activities leading to increased student achievement and improved school performance, including comprehensive reading and math programs, parent and family resource centers, comprehensive art and music programs, the Summer Bridge Program, and a textbook management system. No funds from the Fund shall be made available for expenditure unless, by no later December 31, 2005, the Superintendent, the District of Columbia Public Charter School Board, and the District of Columbia Board of Education Charter School Board submit to the Mayor detailed plans which describe specific initiatives or activities that will be implemented during Fiscal Year 2006, and include budget and performance goals and measures for each identified initiative or activity.

Sec. 4033. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

SUBTITLE E. SCHOOLS MODERNIZATION FUND

Sec. 4041. Short title.

This subtitle may be cited as the "Schools Modernization Amendment Act of 2005".

Part A

Sec. 4042. Schools Modernization Fund.

(a) There is established a dedicated fund within the General Fund of the District of Columbia, as a separate budget line item, to be known as the Schools Modernization Fund. The fund shall be a revolving, nonlapsing fund, which shall consist of the following distinct accounts:

(1) The Debt Service account, the funds of which shall be solely used to pay the debt service on revenue bonds issued in accordance with this act, and which shall be funded through:

(A) Local funds;

(B) Federal funds;

(C) Federal grant funds;

(D) Any grants, gifts, or subsidies from public or private sources for the repair or renovation of District schools;

(E) Any return on investment of the assets of the Debt Service account, including interest thereon; and

(F) Such other funds as may be authorized to be deposited; and

(2) The Bond Revenue account, the funds of which shall be solely used to pay for the repair or renovation of District schools.

(b) Funds deposited in the Schools Modernization Fund shall not revert to the fund balance of the General Fund of the District of Columbia at the end of any fiscal year or at any other time, but shall be continually available for the uses and purposes set forth in this section, subject to authorization by Congress.

Sec. 4043. Budget submission requirements.

(a) The Mayor shall submit to the Council, as part of the annual budget, a requested appropriation of local funds for the Schools Modernization Fund, including a description of estimated expenditures.

(b) The appropriation of local funds to, or the existence of retained funds in, the Schools Modernization Fund shall not replace local funding that otherwise would be directed to the capital budget for the District of Columbia Public Schools.

Sec. 4044. Bond authorization.

(a) Pursuant to section 490 of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 809; D.C. Official Code § 1-204.90), the Mayor is authorized to issue bonds to assist in financing, refinancing, or reimbursing costs of undertakings by the District to accomplish the purposes of this subtitle.

(b) The Mayor shall submit and the Council shall approve, by resolution, the amount of bonds that shall be issued at any time for a project authorized by subsection (a) of this section that meets the criteria set forth in section 4045. Each approval resolution shall state the aggregate principal amount of the bonds to be issued, and shall be accompanied by a description of each project showing its adherence to the criteria set forth in section 4045.

Sec. 4045. Criteria for use of bond revenue by District of Columbia Public Schools.

(a) To receive funds from the Bond Revenue account of the Schools Modernization Fund, the District of Columbia Public Schools ("DCPS") shall:

(1) Develop a new Master Facilities Plan pursuant to section 1104 of the School Based Budgeting and Accountability Act of 1998, effective March 26, 1999 (D.C. Law 12-175; D.C. Official Code § 38-2803), that incorporates the findings and goals of the master education plan developed by the Superintendent.

(2) Consolidate facilities and dispose of underused buildings in accordance with the Master Facilities Plan developed under subsection (a) of this section, and applicable law; and

(3) Submit to the Mayor and Council a proposed expenditure plan developed in consideration of city-wide capital efforts and approved by the Board of Education which shall include:

(A) The specific repair or renovation for which the requested funds shall be used;

(B) An explanation as to why these additional funds, which are available over and above funds appropriated for capital investment in schools, are necessary;

(C) An analysis as to how the specific project fits into the Master Facilities Plan developed under subsection (a) of this section and DCPS' strategic objectives for school modernization;

(D) An analysis of any new program capacity to be created, including the student population to be served, how it fits into the master education plan developed by the Superintendent, and any anticipated savings resulting from providing programs within DCPS facilities instead of out-of-state;

(E) A declaration that no funds from the Bond Revenue account are intended for expenditure on a facility set for disposition; and

(F) A time table for completion of the proposed repair or renovation.

(b) Priority in funding shall be given to projects that:

(1) Locate new out-of-District special education programs within DCPS facilities;

(2) Create additional capacity for vocational education programs within DCPS facilities;

(3) Co-locate public charter schools within DCPS facilities; or

(4) Develop mixed-use facilities in collaboration with the District of Columbia Public Library, the Department of Parks and Recreations, or other appropriate District agencies.

Sec. 4046. Annual report; review of funding priorities.

(a) The Superintendent shall submit to the Council, the Mayor, and the Board of Education, an annual report containing the following information:

- (1) A summary of any real estate portfolio review and business plan studies for potential partnership development completed by the Superintendent;
- (2) The number of projects developed by the Superintendent;
- (3) The number of projects financed by the Schools Modernization Fund that:
 - (A) Created additional capacity within the District of Columbia Public Schools for special education students or programs;
 - (B) Created additional capacity for vocational education programs;
 - (C) Created a co-location arrangement with a public charter school; or
 - (D) Developed a shared-use facility or site between the District of Columbia Public Schools and another District agency.

(b) The Superintendent shall review the priorities for use of revenue from the Schools Modernization Fund specified in section 4045 every 5 years and make recommendations to the Mayor, the Council, and the Board of Education on their continued validity or propose new priorities.

Part B

Sec. 4047. Section 1104 of the School Based Budgeting and Accountability Act of 1998, effective March 26, 1999 (D.C. Law 12-175; D.C. Official Code § 38-2803), is amended as follows:

- (a) Strike the phrase "December 31, 1998" and insert the phrase "June 30, 2006" in its place.
- (b) Strike the phrase "There shall be a moratorium on disposition decisions until the facilities plan has been approved by the Council."

Sec. 4048. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

SUBTITLE F. POLICIES FOR 3RD AND 8TH GRADE STUDENTS

Sec. 4051. Short title.

This subtitle may be cited as the "Educational Policies for 3rd and 8th Grade Students Act of 2005".

Sec. 4052. Policies for 3rd and 8th grade students.

The Council requests that the Board of Education and the Superintendent establish policies to ensure that:

- (1) All 3rd grade students are able to read independently and understand the fundamentals of mathematics upon being promoted to the 4th grade; and

(2) All 8th grade students are able to read at or above grade level and are exposed to pre-algebra concepts in preparation for high school.

Sec. 4053. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

TITLE V. HUMAN SUPPORT SERVICES

SUBTITLE A. HEALTH CARE AND CHILD DEVELOPMENT FACILITIES

LICENSOR FEES

Sec. 5001. Short title.

This subtitle may be cited as the "Health Care and Child Development Facilities Licensor Fees Amendment Act of 2005".

Sec. 5002. Section 5(j) of the Health-Care and Community Residence Facility, Hospice and Home Care Licensor Act of 1983, effective February 24, 1984 (D.C. Law 5-48; D.C. Official Code § 44-504(j)), is amended by striking the phrase "rules shall be submitted" and inserting the phrase "rules, except those rules that establish or modify license fees as described in subsection (a) of this section, shall be submitted" in its place.

Sec. 5003. Section 47-2842(c) of the District of Columbia Official Code is repealed.

Sec. 5004. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

SUBTITLE B. CLINICAL LABORATORY

Sec. 5011. Short title.

This subtitle may be cited as the "Clinical Laboratory Amendment Act of 2005".

Sec. 5012. The Clinical Laboratory Act of 1988, effective March 16, 1989 (D.C. Law 7-182; D.C. Official Code § 44-201 *et seq.*), is amended as follows:

(a) Section 2 (D.C. Official Code § 44-201) is amended as follows:

(1) Paragraph (1) is repealed.

(2) Paragraph (3) is amended to read as follows:

"(3) "Clinical laboratory" means a facility for the biological, microbiological, serological, chemical, immunohematological, hematological, biophysical, cytological, pathological or other examination of materials derived from the human body for the purpose of providing

information for the diagnosis, prevention, or treatment of any disease or impairment of, or the assessment of the health of, human beings. Such examination also includes one or more procedures to determine, measure, or otherwise describe the presence or absence of various substances or organisms in the human body. The term "clinical laboratory" shall include all independent, hospital, physician-operated, health-care, and District of Columbia government laboratories."

(3) Paragraph (4) is repealed.

(4) Paragraph (5) is amended to read as follows:

"(5) "Cytotechnologist" means a person who meets qualifications for a cytotechnologist under 42 CFR § 493.1483."

(5) Paragraph (6) is repealed.

(6) A new paragraph (6A) is added to read as follows:

"(6A) "Highly complex test" means a laboratory test that requires sophisticated techniques, interpretations of multiple signals, or proven technical skill. Highly complex tests may require:

"(A) Highly skilled physical manipulation;

"(B) Technique dependent steps in the testing, sampling, or reading of results;

"(C) User Programming of a device;

"(D) Detailed calculation of the results;

"(E) Dilution of samples with chemically reactive substances; or

"(F) Preparation of reagents."

(7) Paragraph (7) is amended to read as follows:

"(7) "Laboratory director" means the person responsible for administration of the technical and scientific operation of a clinical laboratory, including supervision of procedures and reporting findings of tests."

(8) A new paragraph (8A) is added to read as follows:

"(8A) "Moderately complex test" means a laboratory test that requires a series of steps, reagents, additions, or instrumentation, the result of which is determined by a visual signal."

(9) Paragraph (9) is repealed.

(10) Paragraph (11) is repealed.

(11) New paragraphs (13), 14, and (15) are added to read as follows

"(13) "Testing event" means a specific evaluation or set of evaluations offered or performed by a laboratory to test accuracy as part of required proficiency testing.

"(14) "Testing personnel" means an individual employed or otherwise engaged by a clinical laboratory to perform clinical laboratory tests or examinations.

"(15) "Waived test" means a test that is non-instrumental in nature, the result of which is determined by a visual signal.

(b) Section 3 (D.C. Official Code § 44-202) is amended as follows:

(1) Subsection (a) is amended by striking the last sentence.

(2) A new subsection (a-1) is added to read as follows:

"(a-1) Except as provided in subsection (c) of this section, it shall be unlawful to engage in any of the following activities unless licensed to engage in that activity by the Mayor, whether the activity is public or private, for profit or not for profit:

"(1) Performing or offering to perform clinical laboratory tests or examinations in the District of Columbia; or

"(2) Performing or offering to perform clinical laboratory tests or examinations on specimens acquired in the District of Columbia, regardless of the location of the clinical laboratory at which the tests or examinations are performed."

(3) Subsection (b)(4) is repealed.

(4) Subsection (c) is amended by striking the phrase "6 months" and inserting the phrase "one year" in its place.

(5) Subsection (g) is amended by striking the phrase "one year" and inserting the phrase "2 years" in its place.

(c) Section 4 (D.C. Official Code § 44-203) is amended as follows:

(1) Subsection (b) is amended by striking the phrase "a person shall meet:" and inserting the phrase "a person shall meet the applicable qualifications as specified in rules issued pursuant to section 14 and shall:" in its place.

(2) Subsection (d) is amended to read as follows:

"(d) The laboratory director shall be accessible to the laboratory to provide onsite, telephone, or electronic consultation, as needed. If the laboratory director cannot be accessible on a short-term basis for a period of time to be determined by the Mayor, the laboratory director shall designate, in writing, a substitute laboratory director who is qualified to be director in accordance with rules issued pursuant to section 14."

(3) Subsection (e) is amended by striking the number "2" and inserting the number "5" in its place.

(d) Section 5 (D.C. Official Code § 44-204) is amended to read as follows:

"(a) A clinical laboratory performing only waived tests shall employ testing personnel who meet the qualifications set out in rules issued pursuant to section 14.

"(b)(1) A clinical laboratory performing moderately complex tests shall employ a laboratory director, a technical consultant, a clinical consultant, and testing personnel. A person may function in more than one of these capacities if he or she meets the qualifications specified in this act and in rules issued pursuant to section 14.

"(2) The laboratory director, technical consultant, clinical consultant, and testing personnel shall meet the qualifications as specified in rules issued pursuant to section 14.

"(c)(1) A clinical laboratory performing highly complex tests shall employ a laboratory director, a general supervisor, a technical supervisor, a clinical consultant, and testing personnel. A person may function in more than one of these capacities if he or she meets the qualifications specified in this act and in rules issued pursuant to section 14.

"(2) The laboratory director, general supervisor, technical supervisor, clinical consultant, and testing personnel shall meet qualifications as specified in rules issued pursuant to section 14.

"(3) In addition to the requirements set forth in paragraph (1) of this subsection, a clinical laboratory that performs highly complex tests in the subspecialty of cytology shall employ a cytology general supervisor, a cytology technical supervisor, and a cytotechnologist. A person may function in more than one of these capacities if he or she meets the qualifications specified in this act and in rules issued pursuant to section 14."

(e) Section 6 (D.C. Official Code §§ 44-205) is repealed.

(f) Section 7(a)(1) and (2) (D.C. Official Code § 44-206(a)(1) and (2)) are amended to read as follows:

"(1) Classifying laboratory tests as waived, moderately complex, or highly complex for the purposes of this act;

"(2) Developing additional requirements or limitations for clinical laboratories;"

(g) Section 8 (D.C. Official Code § 44-207) is amended as follows:

(1) Subsection (a) is amended to read as follows:

"(a) The Mayor shall conduct inspections of clinical laboratories licensed to perform moderately complex and highly complex tests, including inspections of their methods, procedures, materials, staff, and equipment and may conduct inspections of clinical laboratories licensed to perform only waived tests."

(2) Subsection (b) is amended by striking the phrase "and each Level III physician office laboratory".

(h) Section 10 (D.C. Official Code § 44-209) is amended as follows:

(1) Strike the phrase "or physician office" wherever it appears.

(2) Subsection (b) is amended to read as follows:

"(b) A proficiency testing program shall include at least 3 proficiency testing events per year, performed at approximately equal intervals. Each testing event shall include at least 5 samples. Proficiency testing shall be conducted for each category of tests for which the clinical laboratory has obtained a license. If there is no sample available for evaluation during a testing event for a particular category of laboratory tests, the clinical laboratory must devise a system for self-evaluation of this category of tests. The system for self-evaluation shall be approved by the Mayor and performed at least twice per year."

(i) Section 11(1) (D.C. Official Code § 44-210(1)) is amended to read as follows:

"(1) Limit the number of slides a cytotechnologist may examine to no more than 100 in a 24-hour period, irrespective of the site or clinical laboratory;"

(j) Section 12(b)(1) (D.C. Official Code § 44-211(b)(1)) is amended by striking the phrase "or physician office".

(k) Section 13 (D.C. Official Code § 44-212) is amended as follows:

(1) Strike the phrase "or physician office" wherever it appears.

(2) Subsection (c)(1) is amended by striking the phrase "any laboratory" and inserting the phrase "and clinical laboratory" in its place.

Sec. 5013. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

SUBTITLE C. BOARD OF MEDICINE AMENDMENT

Sec. 5021. Short title.

This subtitle may be cited as the "Board of Medicine Amendment Act of 2005".

Sec. 5022. Section 203 of the District of Columbia Health Occupations Revision Act of 1985, effective March 25, 1986 (D.C. Law 6-99; D.C. Official Code § 3-1202.03), is amended as follows:

(a) Subsection (a) is amended as follows:

(1) Paragraph (3) is amended by striking the phrase "Commissioner of Public Health" and inserting the phrase "Director of the Department of Health, or his or her designee" in its place.

(2) Paragraph (5) is amended as follows:

(A) Strike the phrase "Commission of Public Health" and insert the phrase "Director of the Department of Health" in its place.

(B) Strike the phrase "as Commissioner" and insert the phrase "as Director" in its place.

(b) Subsection (b)(3) is amended by striking the phrase "Commissioner of Public Health" and inserting the phrase "Director of the Department of Health" in its place.

(c) Subsection (d) is amended by striking the phrase "Commissioner of Public Health" and inserting the phrase "Director of the Department of Health" in its place.

(d) Subsection (e) is amended by striking the phrase "Commissioner of Public Health or the Director of the Department of Health, or to their designees" and inserting the phrase "Director of the Department of Health, or his or her designee" in its place.

Sec. 5023. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

SUBTITLE D. CHILD SUPPORT PASS-THROUGH ESTABLISHMENT

Sec. 5031. Short title.

This subtitle may be cited as the "Child Support Pass-Through Establishment Amendment Act of 2005".

Sec. 5032. The District of Columbia Public Assistance Act of 1982, effective April 6, 1982 (D.C. Law 4-101; D.C. Official Code § 4-201.01 *et seq.*), is amended as follows:

(a) Section 511(a) (D.C. Official Code § 4-205.11(a)) is amended as follows:

(1) Paragraph (5A) is amended by striking the word "and" at the end.

(2) Paragraph (6)(D) is amended by striking the period at the end and inserting the phrase "; and" in its place.

(3) A new paragraph (8) is added to read as follows:

"(8) Beginning on October 1, 2005, disregard up to the first \$150 received per month by the assistance unit that represents a current monthly child support obligation or a voluntary child support payment from an absent parent or spouse."

(b) Section 519(c) (D.C. Official Code § 4-205.19(c)) is amended as follows:

(1) Paragraph (1) is amended by striking the phrase "paragraph (4)" and inserting the phrase "paragraphs (4) and (5)" in its place.

(2) Paragraph (3) is amended by striking the word "and" at the end.

(3) Paragraph (4)(B) is amended by striking the phrase "2000." and inserting the phrase "2000; and" in its place.

(4) A new paragraph (5) is added to read as follows:

"(5) Beginning on October 1, 2005, shall not apply to up to the first \$150 received each month by the assistance unit that represents a current monthly child support obligation or a voluntary child support payment from an absent parent or spouse."

Sec. 5033. Applicability.

This subtitle shall apply as of April 1, 2006.

Sec. 5034. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

SUBTITLE E. CHOICE IN DRUG TREATMENT SERVICES

Sec. 5041. Short title.

This subtitle may be cited as the "Choice in Drug Treatment Amendment Act of 2005".

Sec. 5042. Provider certification and contracting.

The Choice in Drug Treatment Act of 2000, effective July 18, 2000 (D.C. Law 13-146; D.C. Official Code § 7-3001 *et seq.*), is amended by adding a new section 6a to read as follows:

“Sec. 6a. Certification and participation by treatment providers.

“To improve access to substance abuse rehabilitation and aftercare for persons needing addiction treatment services, the Director of the Department of Health (“Director”) is authorized to exercise procurement authority to carry out the purposes of this act independent of the Office of Contracting and Procurement. The Director may enter into provider agreements or other agreements only with providers certified under Chapter 23 of Title 29 of the District of Columbia Municipal Regulations. It shall no longer be necessary for providers to be certified under Chapter 24 of Title 29 of the District of Columbia Municipal Regulations in order to be eligible to provide services under the Choice in Drug Treatment Program. The Director shall exercise this authority consistent with the Procurement Practices Act of 1985, effective February 21, 1986 (D.C. Law 6-85; D.C. Official Code § 2-301.01 *et seq.*), except with regard to the powers and duties outlined in section 105(a), (b), (c), and (e) of that act.”.

Sec. 5043. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

SUBTITLE F. HEALTH REGULATION AND OCCUPATIONS FEES

Sec. 5051. Short title.

This subtitle may be cited as the “Department of Health Functions Clarification Amendment Act of 2005”.

Sec. 5052. The Department of Health Functions Clarification Act of 2001 effective October 3, 2001 (D.C. Law 14-28; D.C. Official Code § 7-731 *et seq.*), is amended by adding a new section 4904a to read as follows:

“Sec. 4904a. Deposit of fees.

“(a) Beginning with fiscal year 2007, the Mayor shall ensure that all fees and fines received from enforcement and regulation of the activities described in section 4902 shall be deposited in the Regulatory Enforcement Fund as required by section 4902(c).

“(b) Beginning with fiscal year 2007, the Mayor shall ensure that all licensing fees, civil fines, and interest relating to the practice of health occupations in the District shall be deposited in the Health Occupations Regulations Fund as required by section 4903.”.

Sec. 5053. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

SUBTITLE G. SCHOOL BASED HEALTH

Sec. 5061. Short title.

This title may be cited as the "School Based Health Plan Act of 2005".

Sec. 5062. Maternal and Family Health Administration plan.

The Maternal and Family Health Administration in the Department of Health shall provide to the Council by October 1, 2005, a plan, and proposed legislation, if needed, for supplying Medicaid eligible services to children enrolled in District of Columbia public and charter schools.

Sec. 5063. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

SUBTITLE H. ACCESSRx AMENDMENT ACT

Sec. 5071. Short title.

This subtitle may be cited as the "AccessRx Amendment Act of 2005".

Sec. 5072. AccessRx Pharmaceutical Resource Center.

Title 1 of the AccessRx Act of 2004, effective May 18, 2004 (D.C. Law 15-164; D.C. Official § 48-831.01 *et seq.*), is amended by adding a new subtitle D to read as follows:

"SUBTITLE D. ACCESSRx PHARMACEUTICAL RESOURCE CENTER.

"Sec. 141. Establishment of AccessRx Pharmaceutical Resource Center.

"The Department shall conduct a program to provide life saving prescription and nonprescription medications and medical supplies by enrolling eligible individuals into pharmaceutical assistance programs. Of the funds appropriated for the Department of Health for fiscal year 2006, the Director shall enter into a contract with the Archdiocesan Health Care Network, Catholic Charities in the amount of \$1.956 million to operate and administer the program and provide sufficient personnel to ensure appropriate oversight of the program.

"Sec. 142. Eligibility.

"(a) To be eligible, an individual shall:

"(1) Be a resident of the District;

"(2) Have a household income not exceeding 300% of the federal poverty level; and

"(3) Lack prescription coverage.

“(b) Eligibility shall be determined by the contract organization administering the program.

“(c) “Eligibility for District Medicaid, DC Healthcare Alliance, and other public programs shall be screened at the time an individual seeks to enroll in the program, and appropriate referrals shall be made to the Income Maintenance Administration in the Department of Human Services.”.

Sec. 5073. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

SUBTITLE I. HEALTH REPORTING REQUIREMENTS

Sec. 5081. Short title.

This subtitle may be cited as the “Health Reporting Requirements Act of 2005”.

Sec. 5082. HIV/AIDS Administration report.

The HIV/AIDS Administration in the Department of Health shall provide to the Council by October 1, 2005, a report on its efforts to ensure that its private community services providers who are treating individuals enrolled in the Medicaid program are billing appropriate costs to Medicaid rather than using Ryan White funds.

Sec. 5083. Primary Care and Prevention Administration Spring Valley health study report.

The Primary Care and Prevention Administration in the Department of Health shall provide to the Council by October 1, 2005, a report on the status of the \$250,000 authorized in the Fiscal Year 2005 Operating Cash Reserve Allocation Temporary Act of 2005, effective June 17, 2005 (D.C. Law 16-6; 52 DCR 4145), to conduct an analysis of the health of the residents and former residents of the area in the District known as Spring Valley where munitions testing occurred.

Sec. 5084. Health Care Regulation and Licensing Administration long-term care report.

The Health Care Regulation and Licensing Administration in the Department of Health shall provide to the Council by October 1, 2005, a report on the number of District residents in long-term care facilities located outside of the District of Columbia and the amount paid monthly and annually by the District for these residents.

Sec. 5085. The Policy, Planning, and Research Administration State Health Plan report.

The Policy, Planning, and Research Administration in the Department of Health shall provide to the Council by October 1, 2005, a report on the status of the proposed updated District State Health Plan.

Sec. 5086. Medical Assistance Administration expanded coverage report.

By October 1, 2005, the Medical Assistance Administration in the Department of Health shall provide to the Council a report on its efforts to use State Children's Health Insurance Program ("SCHIP") funds to expand eligibility for health services provided by DC Healthy Families to District residents who are 18 years of age or less and whose total gross household income exceeds 200%, but not 250% of the Federal Poverty Guidelines. The report shall include:

- (1) The number of children who could be served by the program with the available funds;
- (2) The number of children who would be eligible under the proposed eligibility income guidelines;
- (3) The total cost of covering all of the eligible children;
- (4) The number of undocumented children who would be eligible under the proposed eligibility guidelines and the cost of providing coverage for them; and
- (5) A draft Medicaid State Plan Amendment to the District SCHIP program that would authorize the coverage.

Sec. 5087. Department of Health Office of Administrative Hearings Report.

The Department of Health shall provide to the Council by October 1, 2005, a report on its effort to enter into a written agreement with the Office of Administrative Hearings regarding the distribution of fines collected by the Office of Administrative Hearings from cases referred by the Department of Health.

Sec. 5088. Department of Health and Mental Health full-time employee status report.

(a) The Department of Health shall provide a report to the Council by October 1, 2005, on the status of its effort to:

- (1) Convert term employees to full-time employee status; and
- (2) Offer training for employees, including the budget for training expenditures for each bureau or program within each administration of the Department.

(b) The Department of Mental Health shall provide a report to the Council by October 1, 2005, on the status of its effort to:

- (1) Convert term employees to full-time employee status; and
- (2) Offer training for employees, including the budget for training expenditures for each bureau or program within each administration of the Department.

Sec. 5089. Mental Health Service providers report.

The Department of Mental Health shall provide to the Council by October 1, 2005, a report on its effort to ensure that its private community services providers who are treating individuals enrolled in the Medicaid program are billing appropriate costs to Medicaid providers rather than using local funds.

Sec. 5090. Department of Health and Mental Health lease report.

(a) The Agency Management Program in the Department of Health shall provide to the Council by October 1, 2005, a report on all leases or tenancies for properties occupied by the Department during the fiscal years 2005 and 2006. The report shall include for each property:

- (1) The accurate street address of the property;
- (2) The names of all owners during the term of the occupancy;
- (3) The number of square feet occupied by the Department, or if the total square footage is occupied by more than one agency, the total square feet and the percentage occupied by the Department;
- (4) The gross rent per square foot for each of fiscal years 2005 and 2006;
- (5) The date the lease commenced and the date it expired or will expire, and if it has expired what the current tenancy status is;
- (6) The rent schedule for the life of the lease and if the lease term has been exceeded, the rent for each year after the expiration date;
- (7) Services included in the rent;
- (8) Services specifically not included in the rent that the District is required to provide and the cost of each service;
- (9) The assessed value of the property during each of fiscal years 2005 and 2006;

and

- (10) The name of the individual who negotiated the lease on behalf of the District.

(b) The Agency Management Program in the Department of Mental Health shall provide to the Council by October 1, 2005, a report on all leases or tenancies for properties occupied by the Department during the fiscal years 2005 and 2006. The report shall include for each one:

- (1) The accurate street address of the property;
- (2) The names of all owners during the term of occupancy;
- (3) The number of square feet occupied by the Department, or if the total square footage is occupied by more than one agency, the total square feet and the percentage occupied by the Department;
- (4) The gross rent per square foot for each of fiscal years 2005 and 2006;
- (5) The date the lease commenced and the date it expired or will expire, and if it has expired, what the current tenancy status is;
- (6) The rent schedule for the life of the lease and if the lease term has been exceeded, the rent for each year after the expiration date;
- (7) Services included in the rent;
- (8) Services specifically not included in the rent that the District is required to provide and the cost of each service;
- (9) The assessed value of the property during each of fiscal years 2005 and 2006;

and

- (10) The name of the individual who negotiated the lease on behalf of the District.

Sec. 5091. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

SUBTITLE J. RESIDENTIAL PLACEMENT OF CHILDREN AGREEMENT

Sec. 5101. Short title.

This subtitle may be cited as the "Residential Treatment Centers Placement Act of 2005".

Sec. 5102. Residential treatment centers placement agreement.

(a) The Department of Mental Health ("DMH"), the Children and Family Services Administration ("CFSA"), and the Department of Youth Rehabilitation Services ("DYRS") shall enter into an agreement for DMH to contract for and authorize placements for all children and youth requiring residential treatment center placement, regardless of the fund source for children and youth with emotional or mental disorders.

(b) The agreement shall require DMH, CFSA, and DYRS to plan and contract jointly for evidence-based, effective community alternatives to residential treatment center placements.

(c) All residential treatment center providers who currently are not certified who choose to remain contractors with the District and who meet certification standards shall be certified by DMH.

Sec. 5103. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

SUBTITLE K. DEPARTMENT OF MENTAL HEALTH RETIREMENT INCENTIVE PROGRAM ACT

Sec. 5111. Short title.

This subtitle may be cited as the "Department of Mental Health Retirement Incentive Programs Act of 2005".

Sec. 5112. Definitions.

For the purposes of this act, the term "felony" means an offense that is punishable by a term of imprisonment that exceeds one year or a fine of at least \$1,000, or both.

Sec. 5113. Easy out retirement incentive.

(a) Notwithstanding section 1106 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 § 1-611.06) ("CMPA"), if the Council adopts changes to the Career and Excepted Service compensation system under section 1104 of the CMPA that authorize the Mayor to establish a retirement incentive

program for certain District employees ("Easy Out Program"), the Department of Mental Health is hereby authorized to offer the cash incentives described in subsection (b) to employees who are eligible to participate in any Easy Out Program approved by the federal Office of Personnel Management and the District of Columbia Office of Personnel for fiscal year 2006, if the Department of Mental Health chooses to participate in the Easy Out Program.

(b) The Department of Mental Health may offer a retirement incentive of up to 50% of an employee's annual rate of base pay, based on the employee's salary or pay schedule in effect on October 1, 2005, not to exceed \$25,000, to be paid within one year of the employee's retirement.

(c) Retirement incentive payments shall be prorated in the case of a part-time employee.

(d) Retirement incentive payments shall not be considered basic pay for computing retirement entitlement, insurance entitlement, any category of premium pay entitlement, lump-sum leave, or any other entitlement that is computed on basic pay.

(e) No incentive payment shall be paid to:

(1) An employee who is a reemployed annuitant under the provisions of 5 U.S.C. § 8344;

(2) An employee who is in a critical position as defined by the Department of Mental Health;

(3) An employee who is under indictment or who is charged by information with or who has been convicted of a felony, or who has pled guilty or has been convicted after a plea of nolo contendere to a felony, related to his or her employment duties; provided, that any employee who is ultimately acquitted or cleared of any charge that caused his or her ineligibility shall be eligible for all benefits as if that employee had never been indicted for or charged by information with a felony; or

(4) An employee who, based on conduct related to his or her employment duties, has been convicted of a misdemeanor, or who has pled guilty or has been convicted after a plea of nolo contendere to a misdemeanor; provided, that any employee who is ultimately acquitted or cleared of any charge that caused his or her ineligibility shall be eligible for all benefits as if that employee had never been charged with a misdemeanor.

(f) An employee who receives an incentive payment under the Easy Out Program shall not be eligible for reemployment with the District government for 5 years from the date of retirement, and shall not be hired or retained as a sole source consultant or personal services contractor for 5 years from the date of retirement.

Sec. 5114. Early out retirement incentive.

(a) Notwithstanding section 1106 of the CMPA, if the Council adopts changes to the Career and Excepted Service compensation system under section 1104 of the CMPA that authorize the Mayor to establish a retirement incentive program for certain District employees ("Early Out Program"), the Department of Mental Health is hereby authorized to offer the cash incentives described in subsection (b) to employees who are eligible to participate in any Early Out Program approved by the federal Office of Personnel Management and the District of Columbia Office of

Personnel for fiscal year 2006, if the Department of Mental Health chooses to participate in the Early Out Program.

(b) The Department of Mental Health may offer a retirement incentive of up to 50% of an employee's annual rate of base pay, based on the employee's salary or pay schedule in effect on October 1, 2005 not to exceed \$25,000, to be paid within one year of the employee's retirement.

(c) Retirement incentive payments shall be prorated in the case of a part-time employee.

(d) Retirement incentive payments shall not be considered basic pay for computing retirement entitlement, insurance entitlement, any category of premium pay entitlement, lump-sum leave, or any other entitlement that is computed on basic pay.

(e) No incentive payment shall be paid to:

(1) An employee who is a reemployed annuitant under the provisions of 5 U.S.C. § 8344;

(2) An employee who is in a critical position as defined by the Department of Mental Health;

(3) An employee who is under indictment or who is charged by information with or who has been convicted of a felony, or who has pled guilty or has been convicted after a plea of nolo contendere to a felony, related to his or her employment duties; provided, that any employee who is ultimately acquitted or cleared of any charge that caused his or her ineligibility shall be eligible for all benefits as if that employee had never been indicted for or charged by information with a felony; or

(4) An employee who, based on conduct related to his or her employment duties, has been convicted of a misdemeanor, or who has pled guilty or has been convicted after a plea of nolo contendere to a misdemeanor; provided, that any employee who is ultimately acquitted or cleared of any charge that caused his or her ineligibility shall be eligible for all benefits as if that employee had never been charged with a misdemeanor.

(f) An employee who receives an incentive payment under the Early Out Program shall not be eligible for reemployment with the District government for 5 years from the date of retirement, and shall not be hired or retained as a sole source consultant or personal services contractor for 5 years from the date of retirement.

Sec. 5115. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

SUBTITLE L. DEPARTMENT OF MENTAL HEALTH ACUTE CARE INITIATIVE ACT

Sec. 5121. Short title.

This subtitle may be cited as "Department of Mental Health Acute Care Initiative Act of 2005".

Sec. 5122. Section 115 of the Mental Health Establishment Amendment Act of 2001, effective December 18, 2001 (D.C. Law 14-56; D.C. Official Code § 7-1131.15), is amended as follows:

- (a) Designate the existing text as subsection (a).
- (b) A new subsection (b) is added to read as follows:

"(b) The Department shall have the authority to request that the Medical Assistance Administration ("MAA") seek the approval of the United States Department of Health and Human Services, Centers for Medicare and Medicaid Services for an amendment to the Medicaid State Plan that will provide for a per diem reimbursement for inpatient psychiatric treatment for cases where the authorized length of stay exceeds 7 days and the Diagnostic Related Group reimbursement does not exceed the per diem reimbursement schedule for Medicaid-eligible involuntary, emergency psychiatric admissions. The MAA shall submit the amendment to the Medicaid State Plan to the Council for approval by resolution within 30 days of receipt of approval of the amendment from the federal government."

Sec. 5123. Section 8(b) of the Health Services Planning Program Act of 1997, effective April 9, 1997 (D.C. Law 11-191; D.C. Official Code § 44-407(b)), is amended by adding a new paragraph (13) to read as follows:

"(13) Upon the effective date of the Department of Mental Health Acute Care Initiative Act of 2005, passed on 2nd reading on July 6, 2005 (Enrolled version of Bill 16-200), any increase in the licensed psychiatric bed capacity by a private general hospital, psychiatric hospital, or other specialty or rehabilitation hospital holding a certificate of need to operate psychiatric beds; provided, that the Department of Mental Health has requested such expansion specific to a reduction in psychiatric acute care services offered by Saint Elizabeths Hospital. The facility shall provide the Department of Mental Health with a copy of the letter of notice required by SHPDA for projects exempt from the certificate of need review."

Sec. 5124. Fiscal impact statement

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

SUBTITLE M. HIV/AIDS CRISIS AREA CAPACITY BUILDING FUND

Sec. 5231. Short title.

This subtitle may be cited as the "HIV/AIDS Crisis Area Capacity Building Fund Act of 2005".

Sec. 5232. Funds for HIV/AIDS Crisis Area Capacity Building.

(a) There is established a revolving HIV/AIDS Crisis Area Capacity Building Fund, to be administered by the Mayor, for the purposes of providing loans and grants of up to \$500,000 to

develop, support, expand, repair, or improve service delivery to persons with HIV/AIDS within those Wards that did not receive grants from the HIV/AIDS Administration during fiscal year 2005.

(b) There is authorized to be appropriated out of the revenue of the District \$500,000 to carry out the purposes of this act.

Sec. 5233. Rulemaking.

By December 1, 2005, the Mayor shall issue proposed rules to implement the provisions of this act. The proposed rules shall be submitted to the Council for a 45-day period of review, excluding Saturdays, Sundays, legal holidays, and days of Council recess. If the Council does not approve or disapprove the proposed rules, in whole or in part, by resolution within this 45-day review period, the proposed rules shall be deemed approved.

Sec. 5234. HIV/AIDS Administration Capacity Building Fund report.

(a) By December 1, 2005, the Mayor, through the HIV/AIDS Administration within the Department of Health, shall provide to the Council a report that includes a comprehensive plan for distributing the funds from the Capacity Building Fund to those wards that lack the infrastructure to provide preventative and maintenance services within the ward to persons living with HIV/AIDS.

(b) The Mayor shall submit to the Council no later than 180 days after the end of each fiscal year a report on the financial condition of the Capacity Building Fund, including the results of the operation of the fund for the preceding fiscal year and an analysis of the number of persons living with HIV/AIDS, by ward.

Sec. 5235. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

SUBTITLE N. DESIGNATED APPROPRIATION ALLOCATIONS

Sec. 5241. Short title.

This subtitle may be cited as the "Designated Appropriation Allocation Act of 2005".

Sec. 5242. Grant by the City Administrator from operating funds available to the Department of Health.

(a) In recognition of the coalition of service providers known as Medical Homes D.C. led by the District of Columbia Primary Care Association ("DCPCA") and the Brookings Institution seeking to ensure that each resident of the District of Columbia has a primary care provider in his or her neighborhood to address his or her health needs, in addition to any contract for services authorized by the Health Care Privatization Amendment Act of 2001, effective July 12, 2001 (D.C. Law 14-18; D.C. Official Code § 7-1401 *et seq.*) ("Act"), and subject to any necessary appropriation and to the legal availability of funding, the Office of the City Administrator is authorized to award,

through a grant to the DCPCA from operating funds available to the Department of Health not including funding for any contract authorized by the Act, an amount not to exceed \$1.824 million during fiscal year 2006, of which \$100,000 may be granted to the DC Assembly on School Based Health Care to support and stimulate the Medical Homes D.C.'s public purpose of health improvement by ensuring that all residents of the District of Columbia, especially low-income residents and indigent residents, have a medical home where a primary care provider knows each patient's health history, where each patient can be seen regardless of ability to pay, and where each patient can routinely seek non-emergency medical care in the community where the patient resides.

(b) The Mayor, pursuant to Title 1 of the District of Columbia Administrative Procedure Act, approved October 21, 1968 (82 Stat. 1204; D.C. Official Code § 2-501 *et seq.*), may issue rules to implement the provisions of this section.

Sec. 5243. Funding of the diabetes program.

Of the funds appropriated in fiscal year 2006 for the Diabetes Control and Prevention Program in the Bureau of Chronic Diseases in the Primary Care and Prevention Administration of the Department of Health, \$75,000, which shall be a one-time, nonrecurring distribution, shall be granted to Howard University Hospital to support diabetes programs, subject to terms and conditions approved by the Department of Health.

Sec. 5244. Funding of the prostate cancer program.

Of the funds appropriated in fiscal year 2006 for the Prostate Cancer Program in the Bureau of Chronic Diseases in the Primary Care and Prevention Administration of the Department of Health, \$250,000, which shall be a one-time, nonrecurring distribution, shall be granted to Howard University Hospital to supplement its program for prostate cancer screening, subject to terms and conditions approved by the Department of Health.

Sec. 5245. Funding of the breast, cervical, and ovarian early detection program.

Of the funds appropriated in fiscal year 2006 for the Breast and Cervical Cancer Program in the Bureau of Chronic Diseases in the Primary Care and Prevention Administration in the Department of Health, \$250,000, which shall be a one-time, nonrecurring distribution, shall be granted to Greater Southeast Community Hospital to supplement its program for screening for breast, cervical, and ovarian cancer, subject to terms and conditions approved by the Department of Health.

Sec. 5246. Funding of the tobacco control and cancer prevention program.

Of the funds appropriated in fiscal year 2006 for the Tobacco Control and Cancer Prevention Program in the Bureau of Chronic Diseases in the Primary Care and Prevention Administration in the Department of Health, \$400,000, which shall be a one-time, nonrecurring distribution, shall be granted to the American Lung Association of DC for tobacco cessation initiatives, subject to terms and conditions approved by the Department of Health.

Sec. 5247. Administration of the immunization program.

Of the funds appropriated in fiscal year 2006 for the Immunization Program in the Primary Care and Prevention Administration in the Department of Health, \$500,000, which shall be a one-time, nonrecurring distribution, shall be granted to the Children's National Medical Center to meet the needs identified by the Department of Health, subject to terms and conditions approved by the Department of Health.

Sec. 5248. Funds for area health education centers.

Of the funds appropriated in fiscal year 2006 for the Primary Care and Prevention Administration in the Department of Health, \$600,000, which shall be a one-time, nonrecurring distribution, shall be granted to the District of Columbia Area Health Education Center for health professional training programs and supplemental services, which will facilitate matching federal funds of \$800,000, subject to terms and conditions approved by the Department of Health.

Sec. 5249. Funds for organ transplant database.

Of the funds appropriated in fiscal year 2006 for the Primary Care and Prevention Administration in the Department of Health, \$100,000, which shall be a one-time, nonrecurring distribution, shall be granted to the Washington Regional Transplant Consortium for purposes of assisting with an organ transplant database for the District of Columbia, subject to terms and conditions approved by the Department of Health.

Sec. 5250. Funds for Food & Friends.

Of the funds appropriated in fiscal year 2006 for the HIV/AIDS Administration in the Department of Health, \$500,000, which shall be a one-time, nonrecurring distribution, shall be granted to Food & Friends for supplemental services, subject to terms and conditions approved by the Department of Health.

Sec. 5251. Funds for burial assistance.

Of the funds appropriated in fiscal year 2006 for the HIV/AIDS Administration in the Department of Health, no less than \$250,000, shall be made available for burial assistance, subject to appropriations.

Sec. 5252. Funds for Whitman Walker Clinic.

Of the funds appropriated in fiscal year 2006 for the HIV/AIDS Administration, \$1.525 million, \$525,000 of which shall come from unobligated funds, that shall be a one-time, nonrecurring distribution shall be made available for the Whitman Walker Clinic, subject to terms and conditions approved by the Department of Health.

Sec. 5253. Funds for Oak Hill Juvenile Detention Center and D.C. Jail HIV/AIDS counseling.

Of the funds appropriated in fiscal year 2006 for the HIV/AIDS Administration, \$323,000 shall be made available for pre-release and post-release HIV/AIDS counseling, testing, and referral services for inmates at Oak Hill Juvenile Detention Center and the D.C. Jail.

Sec. 5254. Funds for transgender community HIV/AIDS prevention education.

Of the funds appropriated in fiscal year 2006 for the HIV/AIDS Administration, \$150,000, which shall be a one-time, nonrecurring distribution, shall be granted to Transgender Health Empowerment, Inc., for HIV/AIDS support services and prevention education for transgendered individuals, subject to terms and conditions approved by the Department of Health.

Sec. 5255. Funds for volunteer responders database.

(a) Of the funds appropriated in fiscal year 2006 for contractual services in the Emergency Health and Medical Services Administration in the Department of Health, a grant of no less than \$50,000, which shall be a one-time, nonrecurring distribution, shall be provided to Greater DC Cares to assist with the creation of a database for volunteer emergency responders, subject to terms and conditions approved by the Department of Health.

(b) Of the funds appropriated in fiscal year 2006 for contractual services in the Emergency Health and Medical Services Administration in the Department of Health, a grant of no less than \$150,000, which shall be a one-time, nonrecurring distribution, shall be provided to the District of Columbia Hospital Association for the Hospitals' Terrorism Response Planning Coordination Services, subject to terms and conditions approved by the Department of Health.

Sec. 5256. Medical Assistance Administration Management Assistance.

Of funds appropriated in fiscal year 2006 for contractual services in Support Services in the Medical Assistance Administration in the Department of Health, up to \$5 million, which shall be a one-time, nonrecurring distribution, shall be made available exclusively for the Department of Health to contract with the School of Public Health at The George Washington University. The Department of Health shall have the ability to negotiate for rates and services and the contract shall be used at the discretion of the Director of the Department of Health to conduct federally reimbursable management and administrative projects on an as needed basis.

Sec. 5257. Funding for Medical Assistance Administration audit.

Of the funds appropriated in fiscal year 2006 to the Medical Assistance Administration in the Department of Health up to \$2 million shall be allocated to contractual services in the Office of Program Integrity to perform comprehensive audits of programs within Medicaid.

Sec. 5258. Funds for Medicaid dental services.

(a) Of the funds appropriated in fiscal year 2006 for the Office of Managed Care in the Medical Assistance Administration in the Department of Health, in addition to the resources requested by the Mayor for dental services, no less than \$1.5 million shall be used to increase reimbursement rates and access to dental services, especially for preventive care for children enrolled in the Managed Care Program, subject to appropriations.

(b) No later than January 1, 2006, the Medical Assistance Administration shall establish a minimum reimbursement schedule, to be included in the Medicaid Managed Care program, for the provision of pediatric dental services for children, including cleaning, sealants, and bitewings.

Sec. 5259. Funds for Medical Home Health Care Staff living wage.

(a) Of the funds appropriated in fiscal year 2006 for Subsidies and Transfers in the Office of Disabilities and Aging in the Medicaid Assistance Administration in the Department of Health, \$6 million shall be allocated for payment of a living wage to home health care workers and personal care assistants who service the Medicaid program in the District at a minimum of \$10.50 per hour.

(b) By November 1, 2005, any home health care agency or personal care service provider that fails to meet this minimum wage requirement shall be ineligible to receive funds under the Medicaid program in the District.

Sec. 5260. Fund for Elderly and Physically Disabled waiver implementation.

Of the funds appropriated in fiscal year 2006 for the Office of Disabilities and Aging in the Medicaid Assistance Administration in the Department of Health, no less than \$1,505,250 shall be expended for services to the elderly and physically disabled pursuant to the implementation of the Elderly and Physically Disabled Waiver, the 1950(c) Home and Community Based Waiver, subject to appropriations.

Sec. 5261. Funds for the health care ombudsman program.

Of the funds appropriated in fiscal year 2006 for the Office of Program Operations in the Medicaid Assistance Administration in the Department of Health, \$500,000 shall be allocated to fund the Health Care Ombudsman Program established pursuant to the Health Care Ombudsman Program Establishment Act of 2004, effective April 12, 2005 (D.C. Law 15-331; 52 DCR 1981).

Sec. 5262. Funding for Nursing Facility Quality of Care Fund.

(a) Of the local funds appropriated for fiscal year 2006 for the Department of Health, \$2 million shall be used exclusively for the purpose of funding the Nursing Facility Quality of Care Fund established by the Nursing Facility Quality of Care Act of 2004, effective December 7, 2004 (D.C. Law 15-205; D.C. Official Code § 47-1262), to implement a nursing home case mix reimbursement methodology.

(b) If the Department of Health does not implement a case mix reimbursement methodology in fiscal year 2006:

(1) The fiscal year 2006 budget for the Department of Health shall be reduced by \$2 million; and

(2) The Chief Financial Officer of the District of Columbia shall include this \$2 million for the purposes of calculating tax relief triggers for fiscal year 2006 and the fiscal years 2006-2009 financial plan.

Sec. 5263. Funds for allied training programs.

Of the funds appropriated in fiscal year 2006 for the Department of Health, \$1 million, which shall be a one-time, nonrecurring distribution, shall be granted to Southeastern University to work in partnership with the Service Employees International Union to develop training programs for allied health services, subject to terms and conditions approved by the Department of Health.

Sec. 5264. Funds for choice in drug treatment vouchers.

Of the funds appropriated in fiscal year 2006 for the Department of Mental Health, \$900,000 shall be made available for substance abuse vouchers utilizing the Addiction Prevention and Recovery Administration Choice in Drug Treatment Program to coordinate comprehensive treatment and support to substance abusers with mental illness.

Sec. 5265. School-based mental health services funds.

Of the funds appropriated in fiscal year 2006 for the Department of Mental Health, \$3.6 million shall be allocated to school-based mental health services.

Sec. 5266. Funds for jail diversion.

Of the funds appropriated in fiscal year 2006 for contractual services in Direct Community Services in the Department of Mental Health, \$1.5 million shall be allocated to the Department to expand jail diversion programs for persons with mental health illness, to provide mental health services at the D.C. Jail, and to provide services for persons with mental illness being released from jail.

Sec. 5267. Funds for housing for individuals with mental illness.

Of the funds appropriated in fiscal year 2006 for contractual services in Direct Community Services in the Department of Mental Health, in addition to the funds in the Mayor's fiscal year budget request for housing, \$1 million shall be allocated for enhancing the Department's supported housing program in order to develop affordable housing for individuals with mental illness.

Sec. 5268. Mental health parental support funding.

Of the funds appropriated in fiscal year 2006 for contractual services in Direct Community Services in the Department of Mental Health, \$250,000, which shall be a one-time, nonrecurring

distribution, shall be granted to the District of Columbia Birth Center, Inc., to support their critical community work, which includes parental education and postpartum counseling, subject to terms and conditions approved by the Department of Mental Health.

Sec. 5269. Substance abuse prevention and outreach funds.

Of the funds appropriated in fiscal year 2006 for the Addiction Prevention and Recovery Administration, \$150,000 shall be granted, to service providers located in wards that currently lack the capacity to provide for substance abuse prevention and outreach, subject to terms and conditions approved by the Department of Health.

Sec. 5270. Mental health substance abuse detoxification facility funds.

Of the funds appropriated in fiscal year 2006 for the Department of Mental Health, \$100,000 shall be allocated to mental health services at the Addiction Prevention and Recovery Administration Detoxification Facility.

Sec. 5271. Funding provided for the Department of Health by the Committee on Finance and Revenue.

Of the one-time, nonrecurring funds transferred to the Department of Health by the Committee on Finance and Revenue and appropriated in fiscal year 2006:

- (1) An amount up to \$250,000 shall be used by the HIV/AIDS Administration for HIV prevention grants;
- (2) An amount up to \$150,000 shall be used by the Addiction Prevention and Recovery Administration to provide funding for a mobile outreach and treatment van;
- (3) An amount up to \$530,000 shall be used by the Bureau of Chronic Diseases in the Primary Care and Prevention Administration for the following purposes:
 - (A) Thirty thousand dollars to be granted to the D.C. Cancer Consortium to promote and coordinate activities to educate the general public on cancer prevention and to promote healthy lifestyles;
 - (B) Sixty thousand dollars to be granted to the D.C. Cancer Consortium to develop and maintain a cancer website listing cancer-related services and programs within the District of Columbia;
 - (C) Two hundred fifty thousand dollars to be granted to the Capital Breast Care Center to develop and test a model program to improve outreach, quality, and timeliness of breast care for low-income DC residents;
 - (D) One hundred Ninety thousand dollars to be granted for breast, cervical, and ovarian cancer outreach and treatment services to low-income women; and
- (4) An amount up to \$210,000 shall be used to fund school-based health programs, of which \$100,000 shall be granted to the D.C. Assembly on School Based Health Care.

Sec. 5272. Conforming requirements.

The designated appropriation allocations of this subtitle shall be consistent with the requirements of the District of Columbia Procurement Practices Act of 1985, effective February 21, 1986 (D.C. Law 6-85, D.C. Official Code § 2-301.01 *et seq.*), 1 DCMR 5000 *et seq.*, or the terms and conditions to the federal funding source, whichever is applicable.

Sec. 5273. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

SUBTITLE O. FUNDING SAFEGUARDS FOR THE CHILD AND FAMILY SERVICES AGENCY

Sec. 5275. Short title.

This subtitle may be cited as the "Funding Safeguards for the Child and Family Services Agency Act of 2005".

Sec. 5276. Additional fiscal year 2006 funding for hiring of Child and Family Services Agency personnel.

(a) Any request for additional funding in fiscal year 2006 for the Child and Family Services Agency to hire necessary personnel transmitted by the Mayor to the Council shall:

(1) Not be for an amount that would make the total amount allocated for hiring personnel exceed total funds requested for that purpose in the original fiscal year 2006 budget transmitted by the Mayor to the Council;

(2) Identify the source of the funding; and

(3) Include a certification from the Chief Financial Officer that the funds are available and needed to hire personnel.

(b) Funding sought under subsection (a) of this section shall be in addition to the \$1 million to support increased hiring authorized by section 1011(a)(6).

Sec. 5277. Transfer of funding to the Child and Family Services Agency for provision of mental health services.

If the Department of Mental Health ("DMH") is unable to build the capacity to provide mental health services to foster-care children under the jurisdiction of the Child and Family Services Agency ("CFSA") in fiscal year 2006, the Mayor may transmit to the Council a reprogramming request that would transfer to the CFSA the \$3.3 million allocated to the DMH for that purpose in fiscal year 2006, or any balance of that allocation. The CFSA shall use the transferred funds to provide mental health services to the foster-care children under its jurisdiction.

Sec. 5278. Fiscal impact statement.

The Council adopts the fiscal impact statement of the Budget Director as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

TITLE VI. PUBLIC WORKS

SUBTITLE A. TRAFFIC AMENDMENT

Sec. 6001. Short title.

This subtitle may be cited as the "Traffic Amendment Act of 2005".

Sec. 6002. Section 6(k)(4) of the District of Columbia Traffic Act, 1925, approved March 3, 1925 (43 Stat. 1121; D.C. Official Code § 50-2201.03 (k)(4)), is amended by striking the figure "\$50" and inserting the figure "\$75" in its place.

Sec. 6003. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

SUBTITLE B. PARKING FINES INCREASE

Sec. 6011. Short title.

This subtitle may be cited as the "Parking Fines Increase Act of 2005".

Sec. 6012. Section 2601.1 of Title 18 of the District of Columbia Municipal Regulations is amended as follows:

(a) The infraction "Overtime at [§2404.3]" under the caption "Meter" is amended by striking the figure "15" and inserting the figure "25" in its place.

(b) The infraction "In time zone restricted by posted sign [2400.7]" under the caption "Overtime" is amended by striking the figure "15" and inserting the figure "25" in its place.

(c) The infraction "Not parked in meter space [§ 2404.4]" under the caption "Meter" is amended by striking the figure "15" and inserting the figure "25" in its place.

(d) The infraction "Stop sign, within 25 feet of [2405.2(d)]" is amended by striking the figure "20" and inserting the figure "50" in its place.

(e) The infraction "Bus stand or zone [§ 2409.3]" is amended by striking the figure "50" and inserting the figure "100" in its place.

(f) The infraction "Official parking permit space, in [§ § 2406.1, 2417]" is amended by striking the figure "20" and inserting the figure "25" in its place.

(g) The infraction "Government vehicles only [2406.1]" is amended by striking the figure "20" and inserting the figure "25" in its place.

ENROLLED ORIGINAL

(h) The infraction "Motorcycle parking only [§ § 4019.11, 4023.5]" is amended by striking the figure "20" and inserting the figure "25" in its place.

(i) The infraction "Emergency no parking [§ 2407.9]" is amended by striking the figure "20" and inserting the figure "50" in its place.

Sec. 6013. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code §1-206.02(c)(3)).

SUBTITLE C. LOCAL ROADS CONSTRUCTION AND MAINTENANCE FUND

Sec. 6021. Short title.

This subtitle may be cited as the "Local Roads Construction and Maintenance Fund Amendment Act of 2005".

Sec. 6022. The Highway Trust Fund Establishment Act of 1996, effective April 9, 1997 (D.C. Law 11-184; D.C. Official Code § 9-111.01 *et seq.*), is amended as follows:

(a) Section 102a (D.C. Official Code § 9-111.01a) is amended as follows:

(1) Subsection (a) is amended by striking the phrase "or any other regulations," and inserting the phrase "or any other regulations, 50% of the proceeds of sales and use tax collected by the District for parking and storing vehicles," in its place.

(2) Subsection (c) is repealed.

(3) Subsection (d)(3) is repealed.

(b) Section 102b (D.C. Official Code §9-111.01b) is repealed.

Sec. 6023. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

SUBTITLE D. INTERNATIONAL REGISTRATION PLAN FUND REVISION

Sec. 6031. Short title.

This subtitle may be cited as the "International Registration Plan Agreement Amendment Act of 2005".

Sec. 6032. Subsection 7(b) of the International Registration Plan Agreement Act of 1997, effective September 5, 1997 (D.C. Law 12-14; D.C. Official Code § 50-1507.06(b)), is amended to read as follows:

ENROLLED ORIGINAL

“(b)(1) Vehicle registration fees for IRP registrants, and all interest earned on those fees, shall be deposited into a designated account entitled the IRP Fund to be used to reimburse IRP member jurisdictions and after such reimbursement to offset the costs of implementing this act.

“(2) Any monies remaining in the IRP fund after the requirements of paragraph (1) of this subsection have been met may be used by the Department of Motor Vehicles to defray operating costs.

“(3) All monies collected under this subsection and all interest earned on those monies shall be deposited into the IRP Fund without regard to fiscal year limitation, shall not revert to the fund balance of the General Fund at the end of any fiscal year or at any other time, but shall be continually available for the uses and purposes set forth in this subsection, subject to authorization by Congress.”.

Sec. 6033. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

SUBTITLE E. DISTRICT DEPARTMENT OF TRANSPORTATION OPERATING FUND

Sec. 6061. Short title.

This subtitle may be cited as the "District Department of Transportation Operating Fund Establishment Amendment Act of 2005".

Sec. 6062. The Department of Transportation Establishment Act of 2002, effective May 21, 2002 (D.C. Law 14-137; D. C. Official Code § 50-921.01 *et seq.*), is amended by adding new sections 11a and 11b to read as follows:

"Sec. 11a. District Department of Transportation Operating Fund.

"(a)(1) There is hereby established the District Department of Transportation Operating Fund ("DDOT Fund"), as a nonlapsing, revolving fund, the funds of which shall be for the District Department of Transportation to pay for goods, services, property, or for any other permitted purpose as authorized by section 5, subject to authorization by Congress in an appropriations act.

“(2) Excluding monies collected in the current year, any money deposited in the DDOT Fund in the year prior to the current year and the interest earned on that money remaining in the DDOT Fund after the payment of costs accrued in the prior year, less 20% of that remaining amount, to be retained as a reserve operating balance, shall be transferred or revert to the fund balance of the General Fund of the District of Columbia.

"(b) Local funds shall be deposited in the DDOT Fund for the purposes set forth in subsection (a) of this section as follows:

"(1) Beginning October 1, 2005:

ENROLLED ORIGINAL

"(A) One hundred percent of the proceeds collected by the District for rental of public space;

"(B) Fifty percent of the proceeds of sales and use taxes collected by the District for parking and storing vehicles; provided, that the funds shall be used exclusively to pay the debt service associated with approved programs, such as the Traffic Relief Program; and

"(C) One hundred percent of the District's parking meter proceeds.

"(2) Beginning on October 1, 2005, the Mayor shall submit to the Council a report, certified by the Office of the Chief Financial Officer, that details the activities, budget, expenditures, and variances, at the program level, of all programs, activities, and projects undertaken by the District Department of transportation from all available funding sources. The report shall be submitted on a quarterly basis.

"Sec. 11b. Securities funds; Council project approval.

"(a) For each project for which funding is derived, in whole or in part, from securitized funds, the Mayor shall submit to the Council a resolution of project approval accompanied by a summary description of the proposed project, including the cost of the project, the expected duration of the project, details of the financing, and a summary of the public benefits to be derived from the proposed project for a 45-day period of Council review, excluding Saturdays, Sundays, legal holidays, and days of Council recess.

"(b) The Council may approve, conditionally approve, or disapprove a proposed project by resolution within 45 days after the Mayor transmits to the Council the proposed resolution and information set forth in subsection (a) of this section. If the Council takes no action on the resolution within the 45-day review period, the project shall be deemed approved."

Sec. 6063. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

TITLE VII. EFFECTIVE DATE

Sec. 7001. This act shall take effect following approval by the Mayor (or in event of veto by the Mayor, action by the Council to override the veto), a 30-day period of Congressional review as provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December 24,

ENROLLED ORIGINAL

1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), and publication in the District of Columbia Register.

Chairman
Council of the District of Columbia

Mayor
District of Columbia