

AN ACT

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To amend, on a temporary basis, the Fiscal Year 2018 Budget Support Act of 2017, the Clean and Affordable Energy Act of 2008, the Homeland Security, Risk Reduction, and Preparedness Amendment Act of 2006, the Protecting Pregnant Workers Fairness Act of 2014, the Healthy Schools Act of 2010, the District of Columbia Real Estate Deed Recordation Tax Act, Title 47 of the District of Columbia Official Code, the Marion S. Barry Summer Youth Employment Expansion Amendment Act of 2016, the Early Childhood and School-Based Behavioral Health Infrastructure Act of 2012, the Uniform Per Student Funding Formula for Public Schools and Public Charter Schools Act of 1998, and Title 5-E of the District of Columbia Municipal Regulations to clarify provisions supporting the Fiscal Year 2018 budget; to provide funding for the collective bargaining agreement between the District of Columbia Public Schools and the Washington Teachers' Union and additional funding to District of Columbia public charter schools; and to authorize certain one-time payments to District of Columbia public charter schools.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "Fiscal Year 2018 Budget Support Clarification Temporary Amendment Act of 2017".

TITLE I. BUDGET SUPPORT ACT CLARIFICATIONS

Sec. 101. Section 210(c) of the Clean and Affordable Energy Act of 2008, effective October 22, 2008 (D.C. Law 17-250; D.C. Official Code § 8-1774.10(c)), is amended as follows:

- (a) Paragraph (9) is amended by striking the phrase “; and” and inserting a semicolon in its place.
- (b) Paragraph (10) is amended by striking the period at the end and inserting the phrase “; and” in its place.
- (c) A new paragraph (11) is added to read as follows:
 - “(11) For the fiscal year beginning October 1, 2017 and ending September 30, 2018, supporting DOEE activities in the amount of \$242,412.”.

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Sec. 102. Section 501 of the Homeland Security, Risk Reduction, and Preparedness Amendment Act of 2006, effective March 14, 2007 (D.C. Law 16-262; D.C. Official Code § 22-4251), is amended as follows:

(a) Subsection (b)(2) and (3) is amended to read as follows:

“(2) Of the 20 representatives, 10 shall be appointed by the Mayor and 10 shall be appointed by the Chairman of the Council no later than 60 days after October 1, 2017.

“(3) The Mayor and the Chairman of the Council shall each designate a co-chair of the Task Force, one each from the government and non-government sectors.”.

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

“(c) No later than October 1, 2018, the Task Force shall hold at least 3 public meetings and shall present a report to the Mayor and the Council.”.

Sec. 103. The Protecting Pregnant Workers Fairness Act of 2014, effective March 3, 2015 (D.C. Law 20-168; D.C. Official Code § 32-1231.01 *et seq.*), is amended as follows:

(a) Section 8(b)(3)(B) (D.C. Official Code § 32-1231.07(b)(3)(B)) is amended by striking the phrase “examiner at set forth” and inserting the phrase “examiner as set forth” in its place.

(b) Section 9(b) (D.C. Official Code § 32-1231.08(b)) is amended by striking the phrase “a determination of an independent hearing examiner” and inserting the phrase “a final decision of the Director” in its place.

Sec. 104. Section 102(c)(6) of the Healthy Schools Act of 2010, effective July 27, 2010 (D.C. Law 18-209; D.C. Official Code § 38-821.02(c)(6)), is amended to read as follows:

“(6) To increase physical activity in schools, the Office of the State Superintendent of Education shall make grants available, subject to the availability of funds in the Fund, through a competitive process or a formula grants process to public schools, public charter schools, or organizations that provide technical assistance to public schools and public charter schools to increase the amount of physical activity in schools; provided, that a school receiving a grant award shall seek to meet the requirements of section 402 , and seek to increase the amount of physical activity in which its students engage.”.

Sec. 105. The District of Columbia Real Estate Deed Recordation Tax Act, approved March 2, 1962 (76 Stat. 11; D.C. Official Code § 42-1101 *et seq.*), is amended as follows:

(a) Section 301 (D.C. Official Code § 42-1101) is amended as follows:

(1) Paragraph (16) is amended by striking the phrase “an individual who has never owned eligible property” and inserting the phrase “an individual purchaser who has never owned improved residential real property or an economic interest in a cooperative unit that qualified for the homestead deduction provided pursuant to D.C. Official Code § 47-850 or § 47-850.01” in its place.

(2) Paragraph (17) is amended to read as follows:

“(17) The phrase “eligible property” means improved residential real property, including an economic interest in a cooperative unit, purchased at an amount not to exceed the

purchase ceiling of \$625,000 (adjusted annually beginning with real property tax year 2019 by the addition to the prior purchase ceiling of an amount equal to the percentage increase in the Washington, D.C., Standard Metropolitan Statistical Area Consumer Price Index for All Urban Consumers for the preceding calendar year in which the real property tax year begins, rounded to the next lowest multiple of \$500), that qualifies for the homestead deduction provided pursuant to D.C. Official Code § 47-850 or § 47-850.01; and the phrase also includes within the purchase ceiling all other real property conveyed on the same deed.”.

(b) Section 303 (D.C. Official Code § 42-1103) is amended as follows:

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

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

“(1) Beginning October 1, 2017, for eligible property purchased by a first-time District homebuyer, the rate of tax provided in subsections (a) and (a-4) of this section shall be reduced as follows; provided, that the requirements of paragraph (2) of this subsection are met; provided further, that the entire benefit of the reduced recordation tax rate shall be allocated to the grantees of the eligible property, as shown on the settlement statement or closing disclosure form:

“(A) To 0.725% for a deed of title; or

“(B) For an economic interest in a cooperative unit:

“(i) To 1.825% when consideration allocable to the real property is less than \$400,000; or

“(ii) To 2.175% when consideration allocable to the real property is \$400,000 or greater.”.

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

“(2) To be eligible for the reduced recordation tax rate provided by this subsection, the applicant for the reduced rate shall, at the time the deed is offered for recordation:

“(A) Certify that the applicant is a first-time District homebuyer and is a bona fide District of Columbia resident;

“(B) Provide proof that the combined federal adjusted gross income, as shown on all the owners’ and household members’ federal income tax returns originally due or filed immediately before (if filed before the original due date) the deed is offered for recordation, is no higher than 180% of the Area Median Income as provided before the beginning of the real property tax year (and effective for such tax year) by the United States Department of Housing and Urban Development as a direct calculation without taking into account any adjustment. For purposes of this subparagraph, “household” excludes any tenant occupying a separate dwelling unit under a written lease for fair market value;

“(C) Provide proof that the real property to be purchased is eligible property; and

“(D) Submit a copy of the homestead deduction application for the eligible property, signed by the applicant.”.

(C) Paragraph 3 is amended to read as follows:

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“(3) The Mayor or the Chief Financial Officer of the District of Columbia may require the applicant to provide such documentation as may be necessary or appropriate to substantiate entitlement to the reduced rate of tax provided under this subsection.”.

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

“(g) Notwithstanding subsection (c) of this section and D.C. Official Code § 47-4421, any subsequent deficiency of recordation tax determined to be owed on a deed taxed at the rate provided under subsection (e) of this section when the deed was accepted for recordation shall be the liability of the grantee or grantees solely and shall not create a lien on the real property that was transferred under such deed.”.

Sec. 106. Chapter 22 of Title 47 of the District of Columbia Official Code is amended as follows:

(a) The table of contents is amended by adding a new section designation to read as follows:

“47-2202.03. Additional tax on gross receipts for transient lodgings or accommodations.”.

(b) A new section 47-2202.03 is added to read as follows:

“§ 47-2202.03. Additional tax on gross receipts for transient lodgings or accommodations.

“(a) A tax, separate from, and in addition to, the taxes imposed pursuant to §§ 47-2202 and 47-2202.01 is imposed at the rate of 0.3% on the use, storage, or consumption of any room or rooms, lodgings, or accommodations furnished to a transient by any hotel, inn, tourist camp, tourist cabin, or any other place in which rooms, lodgings, or accommodations are regularly furnished to transients.

“(b) Vendors engaging in the business activities listed in this section and purchasers of the vendors' tangible personal property and services shall pay the tax at the rate of 0.3% of the gross receipts for the sale or charges for any room or rooms, lodgings, or accommodations furnished to a transient by any hotel, inn, tourist camp, tourist cabin, or any other place in which rooms, lodgings, or accommodations are regularly furnished to transients.

“(c) If the occupancy of a room or rooms, lodgings, or accommodations is reserved, booked, or otherwise arranged for by a room remarketer, the tax imposed by this section shall be determined based on the net charges and additional charges by the room remarketer.

“(d) The tax revenue receipted pursuant to this section shall be dedicated to the Washington Convention and Sports Authority, for transfer to Destination DC for the purposes of marketing and promoting the District of Columbia as a destination. Any tax revenue dedicated pursuant to this subsection shall be in addition to the funds dedicated to Destination DC pursuant to § 10-1202.08a.”.

Sec. 107. Section 3 of the Marion S. Barry Summer Youth Employment Expansion Amendment Act of 2016, effective May 12, 2016 (D.C. Law 21-112; 63 DCR 4326), is repealed.

Sec. 108. Section 203(b)(2) of the Early Childhood and School-Based Behavioral Health Infrastructure Act of 2012, effective June 7, 2012 (D.C. Law 19-141; D.C. Official Code § 2-1517.32(b)(2)), is amended as follows:

(a) Subparagraph (A) is amended by striking the phrase “designee;” and inserting the phrase “designee, to co-chair the task force;” in its place.

(b) Subparagraph (P) is amended by striking the phrase “members.” and inserting the phrase “members, to co-chair the task force.” in its place.

Sec. 109.

(a) Section 3500.8 of Title 5-E of the District of Columbia Municipal Regulations (5-E DCMR § 3500.8) is amended as follows:

(1) The existing text is redesignated as paragraph (a).

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

“(b) Any agreement for outside use or lease of a public school building by a civic association or Advisory Neighborhood Commission shall not stipulate any liability insurance requirement nor assess any permit, custodial, or security fee; provided, that the outside use of the public school building does not impose a cost on the District except for the costs of custodial and security services.”.

(b) Section 1153 of the Fiscal Year 2018 Budget Support Act of 2017, enacted on July 31, 2017 (D.C. Act 22-130; 64 DCR 7652), is repealed.

TITLE II. WASHINGTON TEACHERS’ UNION AGREEMENT AND PUBLIC CHARTER SCHOOLS FUNDING

Sec. 201. The Uniform Per Student Funding Formula for Public Schools and Public Charter Schools Act of 1998, effective March 26, 1999 (D.C. Law 12-207; D.C. Official Code § 38-2901 *et seq.*), is amended as follows:

(a) Section 104 (D.C. Official Code § 38-2903) is amended by striking the phrase “\$9,972 per student for Fiscal Year 2018” and inserting the phrase “\$10,257 per student for Fiscal Year 2018” in its place.

(b) Section 105 (D.C. Official Code § 38-2904) is amended by striking the tabular array and inserting the following tabular array in its place:

“

“Grade Level	Weighting	Per Pupil Allocation in FY 2018
“Pre-Kindergarten 3	1.34	\$13,744
“Pre-Kindergarten 4	1.30	\$13,334
“Kindergarten	1.30	\$13,334
“Grades 1-5	1.00	\$10,257

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“Grades 6-8	1.08	\$11,078
“Grades 9-12	1.22	\$12,514
“Alternative program	1.44	\$14,770
“Special education school	1.17	\$12,001
“Adult	0.89	\$9,129

“:

(c) Section 106(c) (D.C. Official Code § 38-2905(c)) is amended to read as follows:
“(c) The supplemental allocations shall be calculated by applying weightings to the foundation level as follows:

“Special Education Add-ons:

“Level/ Program	Definition	Weighting	Per Pupil Supplemental Allocation FY 2018
“Level 1: Special Education	Eight hours or less per week of specialized services	0.97	\$9,949
“Level 2: Special Education	More than 8 hours and less than or equal to 16 hours per school week of specialized services	1.20	\$12,308
“Level 3: Special Education	More than 16 hours and less than or equal to 24 hours per school week of specialized services	1.97	\$20,206
“Level 4: Special Education	More than 24 hours per week of specialized services, which may include instruction in a self-contained (dedicated) special education school other than residential placement	3.49	\$35,797

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“Special Education Compliance	Weighting provided in addition to special education level add-on weightings on a per-student basis for Special Education compliance.	0.069	\$708
“Attorney’s Fees Supplement	Weighting provided in addition to special education level add-on weightings on a per-student basis for attorney’s fees.	0.089	\$913
“Residential	D.C. Public School or public charter school that provides students with room and board in a residential setting, in addition to their instructional program	1.67	\$17,129

“General Education Add-ons:

“Level/ Program	Definition	Weighting	Per Pupil Supplemental Allocation FY 2018
“ELL	Additional funding for English Language Learners.	0.49	\$5,026
“At-risk	Additional funding for students in foster care, who are homeless, on TANF or SNAP, or behind grade level.	0.219	\$2,246

“Residential Add-ons:

“Level/ Program	Definition	Weighting	Per Pupil Supplemental Allocation FY 2018

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<p>“Level 1: Special Education - Residential</p>	<p>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</p>	<p>0.368</p>	<p>\$3,775</p>
<p>“Level 2: Special Education - Residential</p>	<p>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</p>	<p>1.337</p>	<p>\$13,714</p>
<p>“Level 3: Special Education - Residential</p>	<p>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</p>	<p>2.891</p>	<p>\$29,653</p>
<p>“Level 4: Special Education - Residential</p>	<p>Additional funding to support the after-hours level 4 special education needs of limited and non-English proficient students living in a D.C. Public School or public charter school that provides students with room and board in a residential setting</p>	<p>2.891</p>	<p>\$29,653</p>

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“LEP/NEP - Residential	Additional funding to support the after-hours limited and non-English proficiency needs of students living in a D.C. Public School or public charter school that provides students with room and board in a residential setting	0.668	\$6,852
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“Special Education Add-ons for Students with Extended School Year (“ESY”) Indicated in Their Individualized Education Programs (“IEPs”):

“Level/ Program	Definition	Weighting	Per Pupil Supplemental Allocation FY 2018
“Special Education Level 1 ESY	Additional funding to support the summer school or program need for students who require extended school year (ESY) services in their IEPs.	0.063	\$646
“Special Education Level 2 ESY	Additional funding to support the summer school or program need for students who require extended school year (ESY) services in their IEPs	0.227	\$2,328
“Special Education Level 3 ESY	Additional funding to support the summer school or program need for students who require extended school year (ESY) services in their IEPs	0.491	\$5,036
“Special Education Level 4 ESY	Additional funding to support the summer school or program need for students who require extended school year (ESY) services in their IEPs	0.491	\$5,036

.”.

Sec. 202. 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 a new section designation to read as follows:

“47-368.07. Workforce Investments account.”.

(b) A new section 47-368.07 is added to read as follows:

“§ 47-368.07. Workforce Investments account.

“(a) The Workforce Investments account (“Account”) shall be administered by the Mayor in accordance with subsections (b) and (c) of this section.

“(b) Money in the Account shall be used for the following purposes only:

“(1) Costs related to financial, developmental, and other investments in the District government workforce, including salary increases or other items required by the terms of collective bargaining agreements and cost-of-living adjustments to salaries and hourly wages;

“(2) Payments to public charter schools authorized by section 204 of the Fiscal Year 2018 Budget Support Clarification Temporary Amendment Act of 2017, passed on 2nd reading on November 7, 2017 (Enrolled version of Bill 22-492); and

“(3) For such other purposes for which funds previously may have been deposited into the account.

“(c)(1) The money deposited into the Account shall not revert to the unrestricted fund balance of the General Fund of the District of Columbia at the end of a fiscal year, or at any other time.

“(2) Subject to authorization in an approved budget and financial plan, any funds appropriated in the Account shall be continually available without regard to fiscal year limitation.”.

Sec. 203. The Fiscal Year 2018 Budget Support Act of 2017, enacted on July 31, 2017 (D.C. Act 22-130; 64 DCR 7652), is amended as follows:

(a) Section 4003(b) is amended to read as follows:

“(b) For District of Columbia Public Schools, no more than \$30,200,000 of the Fiscal Year 2018 increase to the Uniform Per Student Funding Formula foundation level over the Fiscal Year 2017 foundation level, effectuated by section 4002, shall be used in Fiscal Year 2018 to satisfy compensation terms required by a collective bargaining agreement that becomes effective in Fiscal Year 2018.”.

(b) Section 7102 is amended as follows:

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

(A) The lead-in language is amended as follows:

(i) Strike the phrase “if local revenues” and insert the phrase “the portion of local revenues” in its place.

(ii) Strike the phrase “estimate exceed the” and insert the phrase “estimate that exceeds the” in its place.

(iii) Strike the phrase “for Fiscal Year 2018, these additional revenues” and insert the phrase “for Fiscal Year 2018 (“additional revenues”)” in its place.

(B) Paragraph (1) is amended as follows:

(i) Strike the phrase “50% to the Workforce Investments account,” and insert the phrase “Pursuant to subsection (b)(1) under the heading “Revised Revenue Estimate Contingency Priority” in the Fiscal Year 2018 Local Budget Act of 2017, effective August 29, 2017 (D.C. Law 22-16; 64 DCR 6581), 50% of the additional revenues to the Workforce Investments account” in its place.

(ii) Strike the phrase “which shall be available to fund salary increases or other items required by the terms of collective bargaining agreements that will become effective in Fiscal Year 2018; and” and insert the phrase “; and” in its place.

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

“(2) Pursuant to subsection (b)(2) under the heading “Revised Revenue Estimate Contingency Priority” in the Fiscal Year 2018 Local Budget Act of 2017, effective August 29, 2017 (D.C. Law 22-16; 64 DCR 6581), 50% of the additional revenues as follows:

“(A) \$24.175 million in recurring additional revenues to the General Fund of the District of the Columbia (“offset”), which shall offset in an equal amount a dedication of general sales tax revenue to the capital improvements program (“CIP”) that in turn will be dedicated to the Washington Metropolitan Area Transit Authority (“WMATA”), in accordance with subsections (b) and (c) of this section; and

“(B) All remaining additional revenues to the Workforce Investments account.”

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

“(b) Revenue from general sales tax imposed by section 47-2002(a) of the District of Columbia Official Code at the rate of 5.75% (“general sales tax”) in an amount equal to the recurring revenue in the offset shall become a dedicated tax (“dedicated tax”) for use in the CIP.”

(3) Subsection (c) is amended by striking the phrase “(b)(1)(A)” both times it appears and inserting the phrase “(b)” in its place.

Sec. 204. Payments to public charter schools.

In Fiscal Year 2018, each public charter school, as that term is defined in section 102(9) of the Uniform Per Student Funding Formula for Public Schools and Public Charter Schools Act of 1998, effective March 26, 1999 (D.C. Law 12-207; D.C. Official Code § 38-2901(9)) (“UPSFF Act”), that received Fiscal-Year-2017-based uniform per student funding formula (“UPSFF”) payments shall receive a payment in Fiscal Year 2018 in an amount equal to the difference between the total sum of Fiscal-Year-2017-based UPSFF payments that the public charter school received and the total sum of Fiscal-Year-2017-based UPSFF payments that the public charter school would have received if:

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(1) The foundation level set forth in section 104 of the UPSFF Act (D.C. Official Code § 38-2903) for Fiscal Year 2017 were \$9,885;

(2) The per-pupil allocations for Fiscal Year 2017 set forth in section 105 of the UPSFF Act (D.C. Official Code § 38-2904) were adjusted to reflect a foundation level of \$9,885;

(3) The per-pupil supplemental allocations set forth in section 106(c) of the UPSFF Act (D.C. Official Code § 38-2905(c)) were adjusted to reflect a foundation level of \$9,885; and

(4) The at-risk allocations described in section 106a of the UPSFF Act (D.C. Official Code § 38-2905.01) were calculated based on a foundation level of \$9,885.

TITLE III. FISCAL IMPACT; EFFECTIVE DATE

Sec. 301. Fiscal impact statement.

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

Sec. 302. Effective date.

(a) This act shall take effect following approval by the Mayor (or in the 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, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), and publication in the District of Columbia Register.

(b) This act shall expire after 225 days of its having taken effect.

Chairman
Council of the District of Columbia

Mayor
District of Columbia