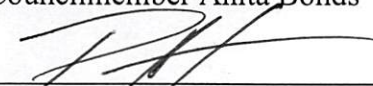
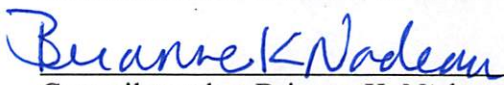


1   
2 Councilmember Anita Bonds

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4 Councilmember Robert C. White, Jr.

  
Councilmember Brandon T. Todd

  
Councilmember Brianne K. Nadeau

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8  
9 A BILL

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14 IN THE COUNCIL OF DISTRICT OF COLUMBIA  
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17

18 To amend Chapter 46 of Title 47 to establish a \$1,000 tax credit to create incentives for certified  
19 business enterprises and certified small business enterprises to purchase qualified data  
20 breach insurance, to require the Council to reauthorize the use of this tax incentive  
21 annually, and to require the Chief Financial Officer to establish rules and regulations to  
22 implement this act.

23  
24 BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this  
25 act may be cited as the "Small Business Cybersecurity Tax Credit Amendment Act of 2018".

26 Sec. 2. Section 47-4667 is added to read as follows:

27 § 47-4667. Small business cybersecurity tax credit.

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

29 (1) "Qualified data breach insurance" means coverage provided by an insurance  
30 company for expenses or losses in connection with the theft, loss, disclosure, inaccessibility, or  
31 manipulation, of data.

32 (2) "CBE" means a certified business enterprise as defined in section 302(1B) of  
33 the Small, Local, and Disadvantaged Business Enterprise Employment and Assistance Act of  
34 2005, effective October 20, 2005 (D.C. Law 16-33; D.C. Official Code § 2-218.02(1B)).

35 (3) "Certified SBE" means a small business enterprise as defined in section  
36 302(16) of the Small, Local, and Disadvantaged Business Enterprise Employment and  
37 Assistance Act of 2005, effective October 20, 2005 (D.C. Law 16-33; D.C. Official Code § 2-  
38 218.02(16)).

39 (4) "CFO" means the Chief Financial Officer as defined in section 424(a) of the  
40 District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 774; D.C. Official  
41 Code § 1-204.24(a)).

42 (b)(1) A CBE or certified SBE is entitled to a credit against payment of taxes withheld  
43 under D.C. Official Code § 47-1812.08 for calendar years ending on or after 12 months from the  
44 date when qualified data breach insurance is purchased.

45 (2) The credit shall be claimed for the first calendar year ending on or after the  
46 date on which the qualified data breach insurance was purchased.

47 (3) The credit shall not exceed \$1,000.

48 (c) The CFO shall issue rules to implement this section. The rules may provide for  
49 recipients of credits under this act to be charged fees to cover administrative costs of the tax  
50 credit program.

51 Sec. 3. Applicability.

52 This act shall apply upon the inclusion of its fiscal effect in an approved budget and  
53 financial plan.

54 Sec. 4. Fiscal impact statement.

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

58           Sec. 5. Effective date.

59           This act shall take effect following approval by the Mayor (or in the event of veto by the  
60 Mayor, action by the Council to override the veto), a 30-day period of congressional review as  
61 provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December  
62 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), and publication in the District of  
63 Columbia Register.