

A BILL

24-429

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

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To amend the Department of Transportation Establishment Act of 2002 to require the Director to enter into an agreement with the Washington Metropolitan Area Transit Authority for fare-free Metrobus travel and expanded after-hours Metrobus service in the District and to establish the District Resident Transit Subsidy Program, which provides to eligible District residents a subsidy for use on public transit; to establish the Fare-Free Bus Service Fund, which provides for fare-free Metrobus transportation within the District; to establish the Bus Service Enhancement Fund, which directs investments to areas of transportation need and historically disadvantaged communities for the purposes of improving transit service or increasing ridership; to amend section 47-1803.02 of the District of Columbia Official Code to exclude from gross income subsidies provided pursuant to the District Resident Transit Subsidy Program; and to direct certain revenues to the Fare-Free Bus Service Fund and the Bus Service Enhancement Fund.

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

act may be cited as the “Metro for D.C. Amendment Act of 2022”.

Sec. 2. 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 as follows:

(a) Section 3 (D.C. Official Code § 50-921.02) is amended by adding a new subsection

(h) to read as follows:

“(h)(1) Within 60 days of the effective date of the Metro for D.C. Amendment Act of 2022, approved by the Committee of the Whole on December 6, 2022 (Committee Print of Bill

31 24-429), the Director shall enter into a fare buydown agreement with the Washington Area  
32 Metropolitan Transit Authority to facilitate:

33 “(A) The provision of fare-free Metrobus transportation within the  
34 District; and

35 “(B)(i) Daily 24-hour Metrobus service on at least 12 Metrobus lines in  
36 the District, with a maximum of 20 minutes between any scheduled bus arrival at any stop.

37 “(ii) The Metrobus lines identified in subparagraph (B)(i) of this  
38 paragraph shall be determined based on high ridership, with an emphasis on serving major  
39 transportation corridors and activity centers.

40 “(2) The Director may amend the fare buydown agreement required by paragraph  
41 (1) of this subsection or enter in additional fare buydown agreements in order to expand the  
42 availability of Metrobus service within the District.”.

43 (b) A new title VI is added to read as follows:

44 “TITLE VI. TRANSIT SUBSIDIES FOR DISTRICT RESIDENTS.

45 “Sec. 11t. Definitions.

46 “For the purposes of this title, the term:

47 “(1) “DDOT” means the District Department of Transportation.

48 “(2) “Participant” means an individual who has applied and been determined  
49 eligible for the Program within the prior 12 months, pursuant to section 11w.

50                   “(3) “Program” means the District Resident Transit Subsidy Program, established  
51 by section 11u.

52                   “(4) “WMATA” means the Washington Metropolitan Area Transit Authority.

53                   “Sec. 11u. Transit Subsidy Program established.

54                   “(a) There is established a District Resident Transit Subsidy Program, which shall be  
55 administered by DDOT, to provide subsidies to participants for travel on any transportation that  
56 accepts payment through a SmarTrip card issued by WMATA or a similar transit card utilized by  
57 WMATA or any other agency in the District or another jurisdiction with which the Mayor has  
58 entered into an agreement pursuant to subsection (b) of this section.

59                   “(b) The Mayor shall enter into an agreement with WMATA, and may enter into an  
60 agreement with any other agency in the District or another jurisdiction, to manage subsidies  
61 provided by the Program, including to:

62                   “(1) Make payments onto a transit card for the transportation of participants; and

63                   “(2) Track the value of subsidies paid, fare payments, and remaining subsidy  
64 balances on each transit card registered to a participant, such that funds deposited for the purpose  
65 of this subsidy:

66                   “(A) Are tracked separately from other funds deposited on the same transit  
67 card; and

68                   “(B) Are tracked separately from and not used to pay for parking.

69           “(c) Assistance provided pursuant to this title shall not constitute an entitlement nor be  
70 considered income for the purpose of determining eligibility for public assistance.

71           “Sec. 11v. Transit subsidy payments.

72           “(a) DDOT shall, on the first day of each month, disburse funds to the transit card of  
73 participants such that the total amount of subsidy dollars available on each participant’s transit  
74 card equals \$100.

75           “(b) Upon the cancellation or expiration of a participant’s transit card, WMATA or  
76 another agency shall revert to the District any remaining funds on the transit card disbursed  
77 pursuant to the Program.

78           “Sec. 11w. Eligibility.

79           “(a)(1) A person shall be eligible to receive a subsidy under the Program if the person:

80                           “(A) Provides DDOT with proof of District residency;

81                           “(B) Certifies that the person is 5 years of age or older; and

82                           “(C) Is not, at the time of application or renewal, a recipient of

83   “(i) Another subsidy paid by the federal government that is  
84 deposited on a SmarTrip card issued by WMATA or any other transit card; or

85   “(ii) Free transit fares from the Kids Ride Free Program pursuant  
86 to section 6044 of the Student, Foster Youth, Summer Youth Employee, and Adult Learner  
87 Transit Subsidies Act of 2019, effective September 11, 2019 (D.C. Law 23-16; D.C. Official  
88 Code § 35–243).

89                   “(2) DDOT may enter into an agreement with a District or federal agency to share  
90 information necessary to determine a person’s eligibility pursuant to paragraph (1) of this  
91 subsection.

92                   “(3) Notwithstanding paragraph (1) of this subsection, DDOT may, by rule,  
93 further restrict eligibility to receive a subsidy under the Program to applicants who do not, at the  
94 time of application, receive another subsidy paid by the District government or the applicant’s  
95 employer that is deposited on a SmarTrip card issued by WMATA or any other transit card.

96                   “(4) DDOT may require a minor’s parent or guardian or school to file an  
97 application on behalf of the minor to participate in the Program.

98                   “(b)(1) DDOT shall establish a process for persons to apply for a subsidy under this title,  
99 which, at a minimum, shall include accepting applications online through the DDOT website and  
100 in hard copy via mail, including development of an application and a website that includes  
101 information on the Program, how to apply, and non-profit assistance available pursuant to  
102 subsection (e) of this section.

103                   “(2) The Mayor shall make the application available online on the DDOT website  
104 and in hard copy at Department of Parks and Recreation and District of Columbia Public Library  
105 facilities open to the public.

106                   “(c) DDOT shall promulgate a list of the documentation or other proof an applicant, who  
107 is not otherwise presumed to be a District resident pursuant to this subsection, may submit to

108 prove the applicant is a resident of the District; except, that an applicant shall be presumed to be  
109 a District resident if:

110           “(1) During the previous year, the applicant filed an income tax return, pursuant  
111 to Subchapter VI of Chapter 18 of Title 47 of the District of Columbia Official Code, as a  
112 resident of the District;

113           “(2) The applicant is currently having District income tax withheld from their  
114 wages;

115           “(3) The applicant receives public assistance, as that term is defined in section  
116 101(6) of the District of Columbia Public Assistance Act of 1982, effective April 6, 1982 (D.C.  
117 Law 4-101; D.C. Official Code § 4-201.01(6)), administered by a District agency; or

118           “(4) An organization certified by the Department of Human Services to document  
119 the homeless status of an individual has completed a social service proof of residency form,  
120 certifying that the applicant is a District resident.

121           “(d) Twelve months after first receipt of a subsidy under the Program, and every year  
122 thereafter, a participant shall recertify the participant’s eligibility for the Program. DDOT shall  
123 confirm that, at the time of application, the participant remains eligible under subsection (a) of  
124 this section.

125           “(e)(1) DDOT shall maintain a list on its website of nonprofit organizations that offer  
126 services to assist persons with applying for the Program or recertifying their eligibility.

127                   “(2) DDOT shall provide notice on both the online and hard copy applications for  
128 the Program that nonprofit organizations are available to provide assistances. Such notice shall  
129 include a link to the list of nonprofit organizations on DDOT’s website required by paragraph (1)  
130 of this subsection.

131                   “(3) DDOT may provide grants to nonprofit organizations for the purpose of:

132                                 “(A) Assisting applicants with applying for the Program or recertifying  
133 their eligibility, including providing proof of residency;

134                                 “(B) Purchasing SmarTrip or other transit cards for participants;

135                                 “(C) Providing guidance on Program eligibility; and

136                                 “(D) Providing other services necessary for residents to access the subsidy  
137 provided under the Program.

138                   “Sec. 11x. Authorization to negotiate fares.

139                   ““The Mayor is authorized to enter into an agreement with WMATA or other agencies for  
140 reduced transit fares for participants.

141                   “Sec. 11y. [Reserved]

142                   “Sec. 11z. Fare-Free Bus Fund established.

143                   “(a) There is established as a special fund the Fare-Free Bus Service Fund (“Fund”),  
144 which shall be administered by the Mayor in accordance with subsection (c) of this section.

145           “(b) Provided that the Chief Financial Officer certifies that sufficient revenue exists  
146 pursuant to section 11bb, there shall be deposited into the Fund general retail sales tax revenue  
147 collected pursuant to Chapter 20 of Title 47 of the D.C. Official Code as follows:

148                   “(1) In Fiscal Year 2023 -- \$11 million;

149                   “(2) In Fiscal Year 2024 -- \$43.03 million; and

150                   “(3) In Fiscal Year 2025 -- \$45.18 million;

151                   “(4) In Fiscal Year 2026 -- \$47.44 million; and

152                   “(5) For each succeeding fiscal year after Fiscal Year 2026, an amount equal to  
153 105% of the prior year’s amount.

154           “(c) Money in the Fund shall be used to support the fare buydown agreement entered into  
155 pursuant to section 3(h) to provide fare-free Metrobus transportation within the District and 24-  
156 hour daily Metrobus service on Metrobus lines as specified by the fare buydown agreement.

157           “(d)(1) The money deposited into the Fund but not expended in a fiscal year shall not  
158 revert to the unassigned fund balance of the General Fund of the District of Columbia at the end  
159 of a fiscal year, or at any other time.

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

162           “Sec. 11aa. Bus Service Enhancement Fund established.

163           “(a) There is established as a special fund the Bus Service Enhancement Fund (“Fund”),  
164 which shall be administered by DDOT in accordance with subsection (c) of this section.



165           “(b) Provided that the Chief Financial Officer certifies that sufficient revenue exists  
166 pursuant to section 11bb, there shall be deposited into the Fund general retail sales tax revenue  
167 collected pursuant to Chapter 20 of Title 47 of the D.C. Official Code as follows:

168                   “(1) In Fiscal Year 2023, \$2.5 million; and

169                   “(2) For each succeeding fiscal year after Fiscal Year 2023, \$10 million.

170           “(c) Money in the Fund shall be used to improve transit access or service in areas  
171 identified in DDOT’s Multimodal Long-Range Transportation Plan as areas of high  
172 transportation need or historically underserved communities, or to serve residents of those areas  
173 as follows:

174                   “(1) Making payments to WMATA to:

175                           “(A) Create new bus routes not in operation before July 1, 2023; or

176                           “(B) Extend service hours, shorten headways, or make other service  
177 improvements for an existing bus route;

178                   “(2) Used by DDOT to:

179                           “(A) Operate new DC Circulator or DC Streetcar routes not in operation  
180 before July 1, 2023;

181                           “(B) Extend service hours, shorten headways, or make other service  
182 improvements for an existing DC Circulator or DC Streetcar line; or

183                   “(C) Install, lease, maintain, or operate infrastructure that DDOT  
184 determines will increase ridership or improve transit service, including dedicated transit lanes,  
185 signal priority, bus shelters, payment kiosks, or other amenities; or

186                   “(3) Funding studies to support increased ridership or improved transit service.

187                   “(d)(1) The money deposited into the Fund but not expended in a fiscal year shall not  
188 revert to the unassigned fund balance of the General Fund of the District of Columbia at the end  
189 of a fiscal year, or at any other time.

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

192                   “Sec. 11bb. Revised revenue allocation for bus service.

193                   “(a)(1) The fiscal impact of the general sales tax dedication to the Fare-Free Bus Service  
194 Fund, established pursuant to section 11z, and the general sales tax dedication to the Bus Service  
195 Enhancement Fund, established pursuant to section 11aa, shall be offset, in that order, by local  
196 fiscal year recurring revenues included in the Chief Financial Officer’s December 2022 revenue  
197 estimate and, if necessary, the February 2023 revenue estimate, that exceed the local fund  
198 revenue incorporated in the Fiscal Year 2023 approved budget and financial plan.

199                   “(2) If the excess revenue included in the December 2022 revenue is not sufficient  
200 to fully offset the dedication to the Fare-Free Bus Service Enhancement Fund and the Bus  
201 Service Enhancement Fund, the excess revenue shall be set aside first to the Fare-First Bus  
202 Service Enhancement Fund until that is fully funded.

203 “(b) In the December 2022 revenue estimate, the Chief Financial Officer shall certify:

204 “(1) Whether and by what amount local fiscal year revenues included in the  
205 revenue estimate exceed the annual revenue estimate for Fiscal Year 2023 through Fiscal Year  
206 2026, as incorporated in the approved budget and financial plan for Fiscal Year 2023;

207 “(2) Whether such excess revenues are in an amount sufficient to offset the  
208 general sales tax dedication identified in subsection (a) of this section; and if not, what amount  
209 has been set aside;

210 “(3) That all such excess revenues have been set aside to ensure the general sales  
211 tax dedication identified in subsection (a) of this section is fully offset.

212 “(c) In the February 2023 revenue estimate, the Chief Financial Officer shall certify:

213 “(1) Whether and by what amount local fiscal year revenues included in the  
214 revenue estimate exceed the annual revenue estimate for Fiscal Year 2023 through Fiscal Year  
215 2026, as incorporated in the approved budget and financial plan for Fiscal Year 2023;

216 “(2) Whether such excess revenues, together with the excess revenues identified  
217 pursuant to this subsection in the December 2022 revenue estimate, are in an amount sufficient to  
218 offset the general sales tax dedication identified in subsection (a) of this section; and

219 “(3) That all such excess revenues, together with the excess revenues identified  
220 pursuant to this subsection in the December 2022 revenue estimate, have been set aside to ensure  
221 the general sales tax dedication identified in subsection (a) of this section is fully offset.

222 “Sec. 11cc. Rules.

223           “The Mayor, pursuant to Title I of the District of Columbia Administrative Procedure  
224 Act, approved October 21, 1968 (82 Stat. 1204; D.C. Official Code § 2-501 *et seq.*), shall issue  
225 rules to implement the provisions of this title.

226           “Sec. 11dd. Reporting.

227           “By January 1, 2024, and each year thereafter, DDOT shall post information publicly on  
228 its website, and, to the extent practical, make the underlying data publicly available, regarding  
229 the implementation and administration of this title. At a minimum, this information shall include,  
230 for the preceding fiscal year, data on the Bus Service Enhancement Fund established in section  
231 11aa, including:

232                   “(1) A list of services and projects receiving funding from the Bus Service  
233 Enhancement Fund, including specific funding levels if available; and

234                   “(2) Data on service or ridership changes that occurred for Bus Service  
235 Enhancement Fund funded projects.”.

236           Sec. 3. D.C. Official Code § 47-1803.02(a)(2) is amended by adding a new subparagraph  
237 (YY) to read as follows:

238                   “(YY) A subsidy provided pursuant to Title VI of the Department of  
239 Transportation Establishment Act of 2002, as approved by the Committee of the Whole on  
240 December 6, 2022 (Committee print of Bill 24-429).”.

241           Sec. 4. Applicability

242 (a) Amendatory sections 11u, 11v, 11w, and 11dd of the Department of Transportation  
243 Establishment Act of 2002, as approved by the Committee of the Whole on December 6, 2022  
244 (Committee print of Bill 24-429), within section 2 and section 3 shall apply upon the date of  
245 inclusion of their fiscal effect in an approved budget and financial plan.

246 (b) The Chief Financial Officer shall certify the date of the inclusion of the fiscal effect in  
247 an approved budget and financial plan and provide notice to the Budget Director of the Council  
248 of the certification.

249 (c)(1) The Budget Director shall cause the notice of the certification to be published in  
250 the District of Columbia Register.

251 (2) The date of publication of the notice of the certification shall not affect the  
252 applicability of the provisions identified in subsection (a) of this section.

253 Sec. 5. Fiscal impact statement.

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

257 Sec. 6. Effective date.

258 This act shall take effect following approval by the Mayor (or in the event of veto by the  
259 Mayor, action by the Council to override the veto), a 30-day period of congressional review as  
260 provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December

**ENGROSSED ORIGINAL**

261 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), and publication in the District of  
262 Columbia Register.