

TITLE VII – FINANCE AND REVENUE

Subtitle (VII)(A) – Pooled and Master Capital Project Reallocations Act of 2023

Background

Master capital projects allow agency directors to request the Office of Budget and Planning re-allocate funds from different sub-projects within the master capital project, or between the master project and a sub-project, provided each project is owned and implemented by the same agency. The subtitle authorizes the Mayor to request the reallocation of funding from a master capital project, pooled capital project, or sub-project, to a new or existing project number, provided the scope of the new or existing capital project is consistent with the scope of the master project. Requests for reallocations from a pooled project may be made by an implementing agency, without approval of the owner agency.

Financial Plan Impact

The subtitle changes the process for reallocation of certain types of capital funding, provided it is used for the originally appropriated purpose. This does not have an impact on the overall budget and financial plan.

Subtitle (VII)(B) – Use of Excess Ballpark Fund Revenue Amendment Act of 2023

Background

The Ballpark Revenue Fund (“Ballpark Fund”) collects dedicated revenue including utility gross receipts taxes, the Ballpark Fee, and sales taxes from sales of tickets, concessions, and merchandise at the stadium. The subtitle provides that the first \$20 million of any revenue collected in the Ballpark Fund that bond financing documents do not require to be used to pay debt service may be transferred to the District’s General Fund in each of fiscal years 2023 through 2027.

Financial Plan Impact

The Ballpark Fund is projected to receive excess revenue each year, beyond required debt service. \$20 million of the excess revenue during each of fiscal years 2023 – 2027 are used to balance the proposed budget and financial plan, for a total of \$100 million over the financial plan. The balance of the projected excess revenue will be used to defease bonds, and the bonds are expected to be fully repaid during fiscal year 2027.

Subtitle (VII)(C) – Dedicated Revenue Adjustments Amendment Act of 2023

Background

The subtitle modifies several allocations of Local Funds, Dedicated Taxes and Special Purpose Revenue. First, the subtitle eliminates dedications of revenue from sports gaming (gross receipts tax and lottery-operated net revenue) to three funds: one for the Department of Behavioral Health’s Gambling Addiction Research and Treatment fund; one for the Neighborhood Safety and Engagement Fund, and one for the Early Childhood Development Fund. Second, the subtitle repeals a dedication of certain excess amounts of automated traffic enforcement (ATE) revenue to the Vision Zero Enhancement Omnibus Amendment Act. Third, the subtitle repeals a dedication of deed transfer and recordation revenue to the West End Fire Station and Library Maintenance Fund (“West End Fund”). Fourth, the subtitle limits growth in dedicated revenue to the Housing Production Trust Fund to 2% annually, beginning in fiscal year 2024. Fifth, the subtitle limits growth in dedicated taxes from parking sales or services to the Washington Metropolitan Area Transit Authority (WMATA)

operations subsidy to 2% annually. Sixth, the subtitle limits growth of dedicated sales tax revenue for the Commission on Arts and Humanities to 2% annually. Finally, the subtitle reduces required deposits of Local Funds to the Early Childhood Educator Pay Equity Fund.⁶¹

Financial Plan Impact

The subtitle reduces required local fund deposits for the Early Childhood Educator Pay Equity Fund by \$4.375 million in fiscal year 2024 and each year thereafter, for a total savings of \$17.5 million over the four-year financial plan.

The subtitle also increases local fund revenue and decreases dedicated revenue by repealing dedications of sports gaming revenue, ATE revenue and revenue dedicated to the West End Fund. Finally, the subtitle increases local fund revenue by limiting growth in dedicated revenue to WMATA operations, the Arts and Humanities Fund, and the Housing Production Trust Fund. In total, the subtitle adds to Local Fund revenue \$7 million in fiscal year 2023, \$13.9 million in fiscal year 2024 and \$77.4 million from fiscal year 2023 through fiscal year 2027.

Subtitle (VII)(C), Dedicated Revenue Adjustments Amendment Act Local Funds Revenue Increase; also Dedicated Revenue Decrease \$ in 000s						
	FY 2023	FY 2024	FY 2025	FY2026	FY 2027	Total
Repeals of Sports Gaming Dedications	\$0	\$6,855	\$6,929	\$7,053	\$7,143	\$27,980
Repeal of ATE dedication to Vision Zero	\$7,022	\$4,906	\$2,833	\$801	\$0	\$15,563
Repeal of West End Fund dedications	\$0	\$574	\$582	\$591	\$600	\$2,347
Limit dedicated revenue growth to HPTF	\$0	\$0	\$1,477	\$5,280	\$9,063	\$15,820
Limit growth in parking tax dedications to WMATA operations	\$0	\$1,429	\$2,200	\$3,009	\$3,069	\$9,707
Limit growth in sales tax dedications to Arts and Humanities	\$0	\$181	\$928	\$1,943	\$2,926	\$5,979
TOTAL	\$7,022	\$13,945	\$14,949	\$18,676	\$22,801	\$77,394

Subtitle (VII)(D) – Fiscal Stabilization Reserve Amendment Act of 2023

Background

The subtitle authorizes the Mayor to use the Fiscal Stabilization Reserve Account⁶² to fund any locally appropriated expenditures in Fiscal Year 2023. Currently, the account is required to hold 2.34 percent of the District’s General Fund operating expenses each year and can be used for: funding local expenditures during a lapse in appropriations, funding the appropriations advance to District of Columbia Public Schools and District of Columbia Charter Schools, for covering cash flow needs, and for purposes permitted for use in the Contingency Reserve Fund.⁶³

⁶¹ D.C. Official Code § 1-325.431(b)

⁶² D.C. Official Code § 47-392.02(j-1).

⁶³ D.C. Official Code § 1-204.50a(b)(4).