


Councilmember David Grosso

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A BILL

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To amend section 47-392.02 of the District of Columbia Official Code to align the locally mandated cash reserve funding formula with the federally mandated cash reserve funding formula.

BE IT ENACTED BY THE COUNCIL FOR THE DISTRICT OF COLUMBIA, That this act may be cited as the “Reserve Fund Improvement Amendment Act of 2017”.

Sec. 2. Section 47-392.02 of the D.C. Official Code is amended as follows:

(a) Subsection (j-1)(3) is amended to read as follows:

“(3) The Fiscal Stabilization Reserve Account shall be required to maintain a balance in the fund of an amount equal to 2.34% of the operating expenditures reported in the District of Columbia’s Comprehensive Annual Financial Report for the fiscal year immediately preceding the current fiscal year as the actual operating expenditure from local funds, less any amounts that are attributed to debt service payments for which a separate reserve fund is already established pursuant to section 450A of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 803; D.C. Official Code § 1-204.50a).”.

(b) Subsection (j-2) is amended as follows:

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

“(3) The Cash Flow Reserve Account shall be required to maintain a

35 balance in the fund of an amount equal to 8.33% of the operating expenditures reported in the
36 District of Columbia's Comprehensive Annual Financial Report for the fiscal year immediately
37 preceding the current fiscal year as the actual operating expenditure from local funds, less any
38 amounts that are attributed to debt service payments for which a separate reserve fund is already
39 established pursuant to section 450A of the District of Columbia Home Rule Act, approved
40 December 24, 1973 (87 Stat. 803; D.C. Official Code § 1-204.50a).”.

41 (2) Paragraph (4)(B) is amended by striking the period at the end and inserting the
42 phrase “, provided that additional Pay-as-you-go funding shall be used to supplement the existing
43 capital budget for school construction until modernizations are complete.” in its place.

44 Sec. 4. Fiscal impact statement.

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

48 Sec. 5. Effective date.

49 This act shall take effect following approval by the Mayor (or in the event of veto by the
50 Mayor, action by the Council to override the veto), a 30-day period of congressional review as
51 provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December
52 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), and publication in the District of
53 Columbia Register.