AN AMENDMENT

Bill 23-763, "Fiscal Year 2020 Revised Local Budget Emergency Adjustment Act of 2020"
(ANS)
July 21, 2020

Amendment 2: Section 4, Designated fund transfers.

(a) Amend this line in the table, as follows:

<table>
<thead>
<tr>
<th>HC0</th>
<th>DOH</th>
<th>0643</th>
<th>Board of Medicine</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>$659,477</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>$1,173,462</td>
</tr>
</tbody>
</table>

(b) Update totals

Rationale:

This amendment increases the amount of the designated fund transfer from the certified fund balance in the Board of Medicine fund at the Department of Health from $659,477 to $1,173,462. These funds would be available as part of the Fiscal Year 2021 budget and financial plan.

As passed on first reading, the sales tax on advertisements was placed on "the planning, creating, placing, or display of advertising in newspapers, magazines, billboards, broadcasting, and other media...". However, the intention of the tax was only to apply to the placement and display of advertisements, and not on the planning or creation of those advertisements. Amending the tax to only apply to the placement or display of advertisements reduces the amount of revenue raised by the tax. Therefore, this reduction is necessary to meet the new amount of revenue that is estimated to be available in the Fiscal Year 2021 budget and financial plan.
FISCAL IMPACT STATEMENT

TO: The Honorable Phil Mendelson
   Chairman, Council of the District of Columbia

FROM: Jennifer Budoff - Budget Director

DATE: July 21, 2020

SHORT TITLE: B23-0763 “Fiscal Year 2020 Revised Local Budget Emergency Act of 2020”

TYPE: Amendment 1

REQUESTING OFFICE: Chairman Phil Mendelson

Conclusion
This amendment does not have an adverse impact on the District’s budget or financial plan.

Background
The amendment increases the amount of the designated fund transfer from the certified fund balance in the Board of Medicine fund at the Department of Health from $659,477 to $1,173,462. These funds would be available as part of the Fiscal Year 2021 budget and financial plan.

The sales tax placed on advertisements in the Fiscal Year 2021 Budget Support Act applied to the “planning, creating, placing, or display of advertising”. However, the intention of the tax was only to apply to the placement and display of advertisements. The sales tax on advertisements will be amended at second reading of the Fiscal Year 2021 Budget Support Act to align with the intent which will lower the amount of revenue raised by the tax. This amendment increases the amount of certified fund balance in the Board of Medicine fund that will be transferred to the Fiscal Year 2021 budget and financial plan.