AN AMENDMENT

#1

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

Date: July 21, 2020

Offered by: Councilmember Elissa Silverman

To: Bill 23-777, New Hospital at St. Elizabeths Amendment Act of 2020

Version: Introduced

Section 2(b) [page 2, line 50] is amended by striking the period and inserting the phrase “; provided, that UHS East End Sub, LLC, agrees to begin good faith negotiations towards labor peace agreements that conform in content to the requirements set forth in section 4 of the District Hotel Development Projects Labor Peace Agreement Act of 2002, effective April 2, 2003 (D.C. Law 14-266; D.C. Official Code § 32-853), within 2 years of the effective date of this act, upon the request of any labor organization that reasonably might represent employees at the hospital at St. Elizabeths to be located at the New Hospital Property.” in its place.

Rationale:
This amendment is necessary to help safeguard the District's investment in the new St. Elizabeths hospital. A labor peace agreement would help ensure continuity of operations, by preventing strikes or labor disturbances at the District-financed hospital. The amendment does not require a labor peace agreement, but merely requires the hospital operator to agree, as a condition of the land disposition, to begin negotiations towards a labor peace agreement within 2 years of the bill’s effective date.
FISCAL IMPACT STATEMENT

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

FROM: Jennifer Budoff - Budget Director

DATE: July 19, 2020

SHORT TITLE: B23-777, New Hospital at St. Elizabeths Amendment Act of 2020

TYPE: Amendment

REQUESTING OFFICE: Councilmember Elissa Silverman

Conclusion
This amendment does not have an impact on the District’s budget or the financial plan, because there are no known and immediate costs associated with implementing this amendment. Although this amendment itself has no fiscal impact, the Office of the Budget Director is not party to contractual negotiations between the District and UHS and therefore cannot determine whether this amendment would impact any of the agreements between the District and UHS that could subsequently impact the District’s budget or the financial plan.

Background
B23-777 approves the Development Agreement, Operations Agreement, and Lease Agreement between the District of Columbia and Universal Health Services (UHS) for the design, construction, and operation of a new hospital at St. Elizabeths. This amendment requires UHS, the new hospital operator, to begin negotiations towards a labor peace agreement with employees of the Not-For-Profit Hospital or employees at the New Hospital Property, as a condition of the disposition of the land which the hospital will be built on.

The Fiscal Impact Statement provided by the Office of the Chief Financial Officer for the underlying legislation stated that funds are sufficient in the fiscal year 2020 budget and proposed fiscal year 2021 through fiscal year 2024 budget and financial plan to implement the bill.¹ This amendment does not alter that conclusion. Although this amendment itself has no fiscal impact, the Office of the Budget Director is not party to contractual negotiations between the District and

UHS and therefore cannot determine whether this amendment would impact any of the agreements between the District and UHS that could subsequently impact the District’s budget or the financial plan.
MEMORANDUM

TO: Councilmember Elissa Silverman

FROM: Nicole L. Streeter, General Counsel

DATE: July 21, 2020

RE: Legal sufficiency determination for Amendment # 1 to the New Hospital at St. Elizabeths Amendment Act of 2020, Bill 23-777.

The amendment is legally and technically sufficient for Council consideration.

This amendment would amend section 2(b) of the New Hospital at St. Elizabeths Amendment Act of 2020 (“Act”) to require that UHS East End Sub, LLC, the planned lessee of property known as lot 859 in square 5868S (“New Hospital Property”) and operator of the new hospital to be built at that site, to agree to begin good faith negotiations, within 2 years of the effective date of the Act, toward labor peace agreements at the request of any labor organization that reasonably might represent employees at the new hospital as a condition of the Council’s authorization of the disposition of the District-owned New Hospital Property, new hospital, and other facilities to be built under the Act.

I am available if you have any questions.