

No. 27

November 1, 2001

S. 1543 – District of Columbia Appropriations Bill, FY02

Calendar No. 196

Reported as an original bill from the Senate Appropriations Committee on October 15, 2001 by a vote of 16-13 (all Republicans except Senator Specter voted nay). S. Rept. 107-85.

NOTEWORTHY

- The Senate bill provides an appropriation of \$408 million in federal funds for the District, which is \$49.4 million more than the budget request and \$56.1 million less than last year. This sum includes the federal payment for D.C. corrections trustee operations, for D.C. courts, and for the Court Services and Offender Supervision Agency. In addition, \$1.7 billion is available in federal grants for a total of \$2.1 billion in federal funds.
- The bill includes a recommendation of \$7.15 billion in funds for the District of Columbia for its local budget.
- Included in its recommendation for federal funds, the Committee provides a payment of \$16 million to the District to be used for certain security costs related to the presence of the federal government in the District.
- The bill maintains the current prohibition on the use of federal funds for a needle exchange program, but it modifies current law to allow D.C. to use locally generated revenues to support programs that provide individuals with sterile needles and syringes (Sec. 127). The House-passed bill retains the current-law prohibition on the use of federal and District funds for a needle exchange program.
- Likewise, the bill (section 118) maintains the current prohibition on the use of federal funds to implement the Domestic Partners Act, but allows D.C. to use locally generated revenues to implement the Act. (The House-passed bill retains the current-law prohibition on the use of any appropriated funds to implement the Act.) Similar changes were made for use of locally generated revenues for lobbying funds and actions relating to voting representation in Congress for the District (see bill's Sections 106 and 125).
- As in previous years, the bill prohibits the use of any appropriated funds for abortion, except in cases of rape, incest or when the life of the mother is in danger.

- The House passed its D.C. Appropriations bill (H.R. 2944) on September 25, 2001, by a vote of 327 to 88.

HIGHLIGHTS

Total Resources for Local Budget: It is estimated that a total of \$7.15 billion will be available to the District of Columbia for FY 2002 for its local budget. Included in this figure are appropriations from local funds, federal grants, and private and other funds. The financing of appropriations from District funds is from various local taxes, fees, charges, and other collections received by the District government.

Federal Funds: A total of \$2.1 billion in federal funds will be available to the District government during FY 2002. Included in this total is \$1.7 billion from the various federal grant programs and \$408 million in specified federal payments, including those for the D.C. corrections trustee operations, the D.C. Courts, and the D.C. Court Services and Offender Supervision Agency. The total also includes \$17 million for resident tuition support and \$16 million for security costs. Other federal funds will be received by the District from the various federal grant programs. In addition, federal reimbursements are received from such programs as Medicaid and Medicare.

- **Federal Payment to Corrections Trustee Operations:** The Committee provides \$32.7 million for payment to the D.C. corrections trustee for the administration and operation of correctional facilities for sentenced adult felons.
- **Federal Payment for D.C. Courts:** A total payment of \$140.2 million is provided, including \$112.3 million for operation of the D.C. courts and \$27.9 million for capital improvements to courthouse facilities.
- **Federal Payment to the Court Services and Offender Supervision Agency (CSOSA):** The Committee appropriates \$147.3 million. This mission of this agency is to increase public safety, prevent crime, reduce recidivism, and support the fair administration of justice in close collaboration with the community.
- **Federal Payment for Resident Tuition Support:** The Committee recommends \$17 million in federal funds for District of Columbia resident tuition support, to be administered by the mayor. These funds will be used to award scholarships to eligible District residents to pay the difference between in-state and out-of-state tuition at public institutions of higher education. The Committee has included new bill language directing the District to establish a fund comprised of all federal funds appropriated for the program, including unobligated balances and any interest earned, in order to make sure that all interest earned on these funds is dedicated to this purpose.

- **Federal Payment for Security Costs:** Due in part to the events of September 11 (and in part to activities related to the scheduled meeting of the IMF in September), the Committee recommends \$16 million in federal funds for certain security costs related to the presence of the federal government in the District. The funds are to be used by the mayor and the chairman of the D.C. Council to develop, in consultation with all relevant federal and local agencies, an integrated emergency plan, and to begin implementing the plan.
- **Federal Grants:** The District participates as a state, county, and city in the various federal grant programs. At the time the FY 2002 budget was submitted, the District estimated that it would receive a total of \$1.7 billion in federal grants during the coming year. This grant assistance includes \$1.08 billion for human support services, \$185 million for the public education system, \$96.2 million for economic development and regulation, \$38.8 million for governmental direction and support, and \$8.3 million for public safety and justice.

GENERAL PROVISIONS

New Provisions:

The Committee has added the following three new provisions requested by the District:

- **Integrated Product Team:** Section 134 prohibits funds to be available for an Integrated Product Team until reorganization plans for the team and a Capital Construction Services Administration have been approved.
- **Antitrust, Antifraud, Consumer Protection Funds for Corporation Counsel:** Section 135 states the ability of the Corporation Counsel of the District of Columbia to access the Antitrust and Anti-fraud Funds.
- **Risk Management for Settlements and Judgments:** Section 136 allows any entity of the District government to pay a settlement or judgment in an amount less than \$10,000.

Other Provisions:

- **Lobbying:** While maintaining the restriction on the use of federal funds, the Committee has modified current law to allow the District to use locally generated revenues to lobby the Congress or any state legislature (Section 106).
- **Abortion Funding:** Section 117 prohibits the use of all appropriated funds to perform abortions except in cases of rape, incest or when the life of the mother would be endangered.
- **Domestic Partners Law:** Section 118 maintains the current restriction on the use of any federal funds by the District to implement the Domestic Partners Act. This would prohibit the use of any

federal funds to extend city health care benefits to any live-in partner registered by a city employee. However, the Committee has modified the section to allow the District to use locally generated revenues to implement the law.

- **Voting Representation:** Section 125 maintains the restriction on the use of federal funds by the D.C. Corporation Counsel for a petition drive or civil action which seeks to require Congress to provide for voting representation in Congress for District. However, the Committee modifies the section to allow the District to use locally generated revenues for this purpose.

COST

The Congressional Budget Office estimates that the bill would result in outlays of \$368 million in FY 2002, and \$39 million in FY 2003.

POSSIBLE AMENDMENTS

Unknown. Needle exchange program.

Unknown. Domestic Partners Act.

At press time, negotiations were continuing on a possible amendment by Senator Hutchison regarding attorney fees for those who represent children in suits brought against the D.C. public schools under the Individuals with Disabilities Education Act (IDEA). (The FY01 appropriations bill does contain a cap on attorney fees, but it also provides the means for the mayor and superintendent of the District's schools to agree to set a different cap. Neither S. 1543 as reported nor the House-passed bill for FY02 contains attorney fee cap language.)

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