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2 Chairman Phil Mendelson


Councilmember Charles Allen

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7 A BILL
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12 IN THE COUNCIL OF THE DISTRICT OF COLUMBIA
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17 To amend, on an emergency basis, the Department of Transportation Establishment Act of 2002
18 to require the Director to enter into an agreement with the Washington Metropolitan Area
19 Transit Authority for fare-free Metrobus travel and expanded after-hours Metrobus
20 service in the District, to establish the Fare-Free Bus Service Fund, and to establish the
21 Bus Service Enhancement Fund; and to direct revised revenue to the Fare-Free Bus
22 Service Fund and the Bus Service Enhancement Fund.
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24 BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this
25 act may be cited as the "Fare-Free Bus Funding Emergency Amendment Act of 2022".

26 Sec. 2. The Department of Transportation Establishment Act of 2002, effective May 21,
27 2002 (D.C. Law 14-137; D.C. Official Code § 50-921.01 *et seq.*), is amended as follows:

28 (a) Section 3 (D.C. Official Code § 50-921.02) is amended by adding a new subsection
29 (h) to read as follows:

30 "(h)(1) Within 60 days of the effective date of the Metro for D.C. Amendment Act of
31 2022, approved by the Committee of the Whole on December 6, 2022 (Committee Print of Bill
32 24-429), the Director shall enter into a fare buydown agreement with the Washington Area
33 Metropolitan Transit Authority to facilitate:

34 "(A) The provision of fare-free Metrobus transportation within the
35 District; and

36 “(B)(i) Daily 24-hour Metrobus service on at least 12 Metrobus lines in
37 the District, with a maximum of 20 minutes between any scheduled bus arrival at any stop.

38 “(ii) The Metrobus lines identified in paragraph (B)(i) shall be
39 determined based on high ridership, with an emphasis on serving on major transportation
40 corridors and activity centers.

41 “(2) The Director may amend the fare buydown agreement required by paragraph
42 (1) of this subsection, or enter in additional fare buydown agreements, in order to expand the
43 availability of Metrobus service within the District.”.

44 (b) New sections 11z, 11z-1, and 11z-2 are added to read as follows:

45 “Sec. 11z. Fare-Free Bus Service Fund established.

46 “(a) There is established as a special fund the Fare-Free Bus Service Fund (“Fund”),
47 which shall be administered by the Mayor in accordance with subsection (c) of this section.

48 “(b) Provided that the Chief Financial Officer certifies that sufficient revenue exists
49 pursuant to section 11z-2 , there shall be deposited into the Fund general retail sales tax revenue
50 collected pursuant to Chapter 20 of Title 47 as follows:

51 “(A) In Fiscal Year 2023 -- \$11 million;

52 “(B) In Fiscal Year 2024 -- \$43.03 million;

53 “(C) In Fiscal Year 2025 -- \$45.18 million;

54 “(D) In Fiscal Year 2026 -- \$47.44 million; and

55 “(E) For each succeeding fiscal year after Fiscal Year 2026, an amount equal to
56 105% of the prior year’s amount.

57 “(c) Money in the Fund shall be used to support the fare buydown agreement entered into
58 pursuant to section 3(h) of the Department of Transportation Establishment Act of 2002,

approved by the Committee of the Whole on December 6, 2022 (Committee Print of Bill 24-429), to provide fare-free Metrobus transportation within the District and 24-hour daily Metrobus service on Metrobus lines as specified by the fare buydown agreement.

“(d)(1) The money deposited into the Fund but not expended in a fiscal year shall not revert to the unassigned fund balance of the General Fund of the District of Columbia at the end of a fiscal year, or at any other time.

“(2) Subject to authorization in an approved budget and financial plan, any funds appropriated in the Fund shall be continually available without regard to fiscal year limitation.

“Sec. 11z-1. Bus Service Enhancement Fund established.

“(a) There is established as a special fund the Bus Service Enhancement Fund (“Fund”), which shall be administered by the Department in accordance with subsection (c) of this section.

“(b) Provided that the Chief Financial Officer certifies that sufficient revenue exists pursuant to section 11z-2, there shall be deposited into the Fund general retail sales tax revenue collected pursuant to Chapter 20 of Title 47 as follows:

“(1) In Fiscal Year 2023, \$2.5 million; and

“(2) For each succeeding fiscal year after Fiscal Year 2023, \$10 million.

“(c) Money in the Fund shall be used to improve transit access or service in areas identified in DDOT’s Multimodal Long-Range Transportation Plan as areas of high transportation need or historically underserved communities, or to serve residents of those areas as follows:

“(1) Making payments to WMATA to:

“(A) Create new bus routes not in operation before the applicability date of the Metro for D.C. Amendment Act of 2022, as approved by the Committee of the Whole on December 6, 2022 (Committee print of Bill 24-429); or

“(B) Extend service hours, shorten headways, or make other service improvements for an existing bus route;

“(2) Used by DDOT to:

“(A) Operate new DC Circulator or DC Streetcar routes not in operation before the applicability date of the Metro for D.C. Amendment Act of 2022, as approved by the Committee of the Whole on December 6, 2022 (Committee print of Bill 24-429);

“(B) Extend service hours, shorten headways, or make other service improvements for an existing DC Circulator or DC Streetcar line; or

“(C) Install, lease, maintain, or operate infrastructure that DDOT determines will increase ridership or improve transit service, including dedicated transit lanes, signal priority, bus shelters, payment kiosks, or other amenities; or

“(3) Funding studies to support increased ridership or improved transit service.

“(d)(1) The money deposited into the Fund but not expended in a fiscal year shall not revert to the unassigned fund balance of the General Fund of the District of Columbia at the end of a fiscal year, or at any other time.

“(2) Subject to authorization in an approved budget and financial plan, any funds appropriated in the Fund shall be continually available without regard to fiscal year limitation.

“11z-2. Revised revenue allocation for bus service.

“(a)(1) The fiscal impact of the general sales tax dedication to the Fare-Free Bus Service Fund, established pursuant to section 11z, and the general sales tax dedication to the Bus Service

Enhancement Fund, established pursuant to section 11z-1, shall be offset, in that order, by local fiscal year recurring revenues included in the Chief Financial Officer's December 2022 revenue estimate and, if necessary, the February 2023 revenue estimate, that exceed the local fund revenue incorporated in the Fiscal Year 2023 approved budget and financial plan.

“(2) If the excess revenue included in the December 2022 revenue is not sufficient to fully offset the dedication to the Fare-Free Bus Service Fund and the Bus Service Enhancement Fund, the excess revenue shall be set aside first to the Fare-Free Bus Service Fund until that is fully funded.

“(b) In the December 2022 revenue estimate, the Chief Financial Officer shall certify:

“(1) Whether and by what amount local fiscal year revenues included in the revenue estimate exceed the annual revenue estimate for Fiscal Year 2023 through Fiscal Year 2026, as incorporated in the approved budget and financial plan for Fiscal Year 2023;

“(2) Whether such excess revenues are in an amount sufficient to offset the general sales tax dedication identified in subsection (a) of this section; and if not, what amount has been set aside;

“(3) That all such excess revenues have been set aside to ensure the general sales tax dedication identified in subsection (a) of this section is fully offset.

“(c) In the February 2023 revenue estimate, the Chief Financial Officer shall certify:

“(1) Whether and by what amount local fiscal year revenues included in the revenue estimate exceed the annual revenue estimate for Fiscal Year 2023 through Fiscal Year 2026, as incorporated in the approved budget and financial plan for Fiscal Year 2023;

124 “(2) Whether such excess revenues, together with the excess revenues identified
125 pursuant to this subsection in the December 2022 revenue estimate, are in an amount sufficient to
126 offset the general sales tax dedication identified in subsection (a) of this section; and

127 “(3) That all such excess revenues, together with the excess revenues identified
128 pursuant to this subsection in the December 2022 revenue estimate, have been set aside to ensure
129 the general sales tax dedication identified in subsection (a) of this section is fully offset.”.

130 Sec. 3. Fiscal impact statement.

131 The Council adopts the fiscal impact statement of the Budget Director as the fiscal impact
132 statement required by section 4a of the General Legislative Procedures Act of 1975, approved
133 October 16, 2006 (120 Stat. 2038; D.C. Official Code § 1-301.47a).

134 Sec. 4. Effective date.

135 This act shall take effect following approval by the Mayor (or in the event of veto by the
136 Mayor, action by the Council to override the veto), and shall remain in effect for no longer than
137 90 days, as provided for emergency acts of the Council of the District of Columbia in section
138 412(a) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 788;
139 D.C. Official Code § 1-204.12(a)).