



FY2020 Appropriations: District of Columbia

The U.S. Constitution provides Congress with plenary legislative authority over the District of Columbia (DC), as the federal capital. With the passage of the District of Columbia Self-Government and Governmental Reorganization Act of 1973, P.L. 93-198 (Home Rule Act), Congress granted DC limited home rule authority and empowered DC residents to elect a mayor and city council. Congress retained its authority to review and approve all DC laws, including the district's annual budget.

Local Budget Autonomy

In 2013, DC enacted the Local Budget Autonomy Act of 2012. The act amended DC's home rule charter by decreasing the length of the congressional review/layover period for its local budget to 30 days, consistent with other DC laws. The District of Columbia Board of Elections placed the proposed charter amendment on an April 23, 2013, ballot. DC voters approved the local budget autonomy charter amendment with 83% of the vote in support of the amendment. The act faced various legal and federal legislative challenges but has been observed by the DC government since 2016.

District of Columbia Budget Process

As required by the Home Rule Act, the DC Council must approve a budget within 70 days after receiving from the DC mayor a budget proposal, which generally is submitted in March. The budget consists of a federal portion and a local portion. Once approved, the federal portion is transmitted by the mayor to the President, who forwards it to Congress for its review, possible modification, and approval through the annual appropriations process. The local portion is submitted by the Chairman of the Council to the Speaker of the House of Representatives, for a 30-day period of review by Congress.

Since FY2006, the DC appropriations act has been included in a multi-agency appropriations bill, currently the Financial Services and General Government appropriations bill (FSGG).

DC appropriations acts typically include the following three components:

1. *Special federal payments*, appropriated by Congress to be used to meet certain statutory obligations and to fund particular initiatives or activities of interest to Congress or the Administration.
2. *DC's operating budget* expenditures, intended to cover the day-to-day functions, activities, and responsibilities of the DC government. These expenditures are paid for by revenues generated through local taxes (sales and income), funds for federal programs (e.g., Temporary Assistance for

Needy Families), fees (e.g., Ballpark Fee), and other sources (e.g., fines).

3. *General provisions*, which can be grouped into several distinct but overlapping categories, with the most predominant being provisions relating to fiscal and budgetary directives and controls. Other provisions include administrative directives and controls, limitations on lobbying for statehood or congressional voting representation, congressional oversight, and congressionally imposed restrictions and prohibitions related to social policy.

At times, Congress has included language authorizing new programmatic initiatives or amendments to the DC Home Rule Charter in DC's appropriations bill. For example, in 2004, Congress included statutory provisions creating a school voucher program as part of the DC appropriations, which was a component of a consolidated appropriations act, P.L. 108-199.

The President's FY2020 Budget Request

On March 11, 2019, the Trump Administration submitted its detailed budget request for FY2020. The President's proposed budget for federal payments to the District of Columbia was included in an appendix for "Other Independent Agencies." The Administration's proposed budget included \$716.6 million in special federal payments to the District of Columbia, for activities including court services, offender supervision and public defender services, which represented a \$9.1 million decrease from the FY2019 appropriations of \$725.7 million for DC.

District of Columbia FY2020 Budget

Mayor Muriel Bowser submitted a proposed FY2020 budget to the DC Council on March 20, 2019. The Council approved a \$1.5 billion budget, of which \$8.6 billion was local funding. The budget was signed by the mayor and forwarded to Congress for review on July 30, 2019.

The special federal payments section of the budget request as passed by the DC Council differed from the Administration's budget submission in several programs. For instance, DC requested the continuation of federal payments for DC resident tuition support and increases in payments for emergency planning and security costs, the DC Water and Sewer Authority, the DC Courts, judicial commissions, and the Criminal Justice Coordinating Council.

Congressional Action

The House Appropriations Committee reported the FSGG Appropriations Act, 2020 (H.R. 3351) on June 11, 2019, by a vote of 30-21. The bill proposed \$741.3 million in federal payments to DC. Among other provisions, the bill sought to allow DC to continue to operate during any federal

government shutdowns in FY2021. The House passed H.R. 3351 on June 26, 2019.

The Senate Appropriations Committee marked up and reported the FSGG Appropriations Act (S. 2524) on September 19, 2019, by a vote of 31-0. The bill included a provision prohibiting the sale of recreational marijuana in DC, among other provisions restricting DC legislation.

No further action was taken on these bills. The FSGG Appropriations Act, 2020, was included as Division C of the Consolidated Appropriations Act, 2020 (H.R. 1158). The House and Senate passed the act on December 17 and 19, 2019, respectively. The President signed the act into law (P.L. 116-93) on December 20, 2019.

Consolidated Appropriations

The District of Columbia Appropriations Act, 2020 (Title IV of Division C of the Consolidated Appropriations Act (P.L. 116-93) appropriated \$714 million in federal payments to DC, including

- Federal Payment for Resident Tuition Support: \$40,000,000
- Federal Payment for Emergency Planning and Security Costs: \$18,000,000
- Federal Payment to the District of Columbia Courts: \$250,088,000
- Federal Payment For Defender Services in District of Columbia Courts: \$46,005,000
- Federal Payment to the Court Services and Offender Supervision Agency for the District of Columbia: \$248,254,000
- Federal Payment to the District of Columbia Public Defender Service: \$44,011,000
- Federal Payment to the Criminal Justice Coordinating Council: \$2,150,000
- Federal Payment to the Criminal Justice Coordinating Council: \$600,000
- Federal Payment For School Improvement: \$52,500,000
- Federal Payment for the District of Columbia National Guard: \$413,000
- Federal Payment for Testing and Treatment of HIV/AIDS: \$4,000,000
- Federal Payment to the District of Columbia Water and Sewer Authority: \$8,000,000—with a required 100% match from the Water and Sewer Authority

The act also approved the expenditure of DC local funds as outlined in the *Fiscal Year 2020 Budget Request Act of 2019*. Additionally, the act authorized DC to continue operations using local funds in the event of a federal

shutdown due to the expiration of a continuing resolution or regular appropriations bill in FY2021.

District of Columbia Issues and Appropriations

In past appropriations bills, Congress has included provisions prohibiting or restricting the use of funds for various activities in DC. Title VIII of Division C in the FY2020 appropriations act includes several similar provisions, including

- a prohibition on the use of funds to legalize or reduce penalties on the possession, use, or sale of schedule I substances;
- a prohibition on the use of federal funds by DC officials or entities to seek DC voting representation in Congress;
- a prohibition on the use of federal funds for needle distribution programs; and
- a restriction on the use of funds for abortion.

COVID-19 Related Supplemental Appropriations

Congress has passed and the President has signed four FY2020 supplemental appropriations acts in response to the COVID-19 pandemic (P.L. 116-123, P.L. 116-127, P.L. 116-136, and P.L. 116-139). Title V of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act, P.L. 116-136) established the Coronavirus Relief Fund to address certain costs caused by the COVID-19 pandemic. The fund appropriated \$150 billion for states, territories, and tribal areas, with an option for some local governments to receive direct allocations. DC received a portion of the amount allocated to the U.S. territories. This was significantly less than the amount DC would have received had it been defined as a state, as it was elsewhere in Title V of the act.

On May 15, 2020, the House of Representatives passed H.R. 6800, the Health and Economic Recovery Omnibus Emergency Solutions (HEROES) Act. As passed in the House, the bill would treat DC as a state for a subsequent round of Coronavirus Relief Fund appropriations. The bill would also retroactively treat DC as a state under the Coronavirus Relief Fund in the CARES Act. The bill has been referred to the Senate.

For More Information/CRS Reports

CRS *Appropriations Status Table*, Appropriations Status Table, at crs.gov

CRS Report R45295, *Financial Services and General Government (FSGG) FY2019 Appropriations: Overview*, by Baird Webel

CRS In Focus IF11443, *District of Columbia Statehood and Voting Representation*, by Joseph V. Jaroscak

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