Council of the District of Columbia COMMITTEE ON BUSINESS AND ECONOMIC DEVELOPMENT MEMORANDUM

1350 Pennsylvania Avenue, NW, Washington, D.C. 20004

TO: Chairperson Phil Mendelson

FROM: Councilmember Kenyan R. McDuffie

RE: Request to Agendize Measures for the March 1, 2022, Legislative Meeting

DATE: February 24, 2022

I write to request that the following measures be placed on the agenda for the March 1, 2022, Legislative Meeting:

Emergency Measures

- Medical Cannabis Emergency Declaration Resolution of 2022
- Medical Cannabis Emergency Amendment Act of 2022
- Medical Cannabis Temporary Act of 2022

In 2021, the Council enacted legislation, on an emergency and a temporary basis, that amended the Legalization of Marijuana for Medical Treatment Amendment Act of 2010 to remove the blanket prohibition on individuals with felony convictions from obtaining a medical cannabis license (but still restrict individuals with certain felony convictions), establish a limit of no more than 2 testing laboratories within an election ward, and remove the prohibition preventing an individual with a felony conviction from working at a dispensary, cultivation center, or testing laboratory. The Medical Cannabis Temporary Amendment Act of 2021, effective July 28, 2021 (D.C. Law 24-13; 68 DCR 5834) ("temporary legislation") expires on March 10, 2022. The Medical Cannabis Amendment Act of 2021, as introduced on February 26, 2021 (Bill 24-113) ("permanent legislation"), must still complete the legislative process. It is important to keep the provisions described in subsection (a) of this section in effect until the permanent legislation has completed the legislative process and become law.

- Reopen Washington DC Alcoholic Beverage Regulation Emergency Declaration Resolution of 2022
- Reopen Washington DC Alcoholic Beverage Regulation Emergency Amendment Act of 2022

On March 11, 2020, Mayor Muriel Bowser declared both a state of emergency and public health emergency in the District in response to the outbreak of the coronavirus global pandemic and the District government implemented guidelines on social distancing in order to contain the spread of the virus. The guidelines, and mandates, inadvertently affected the hospitality industry resulting in many alcohol establishments operating at a limited capacity, and, in some cases, only on an off-premises basis. One legislative action the Council undertook was to enact the Streatery Program and Pop-Up Locations Emergency Amendment Act of 2020, enacted on July 27, 2020 (D.C. Act 23-346; 67 DCR 9387) ("emergency measure").

The emergency measure, and its subsequent legislative extensions, authorized the streatery and pop-up programs to April 30, 2022. Permanent legislation, the Reopen Washington DC Alcoholic Beverage Regulation Amendment Act of 2022, as approved by the Committee on Business and Economic Development on February 9, 2022 (Committee print of Bill 24-44) ("Bill 24-44"), would

extend the authorization for streatery and pop-up programs to December 31, 2023. On Tuesday, February 15, 2022, the Committee of the Whole voted unanimously in favor of Bill 24-44. However, Bill 24-44 must complete its legislative process and will not become law until after April 30, 2022. This emergency legislation is necessary to prevent a gap in authorization so that the streatery and pop-up programs can continue operation beyond April 30, 2020, while the permanent legislation, Bill 24-44, completes the legislative process and becomes law.

- Coronavirus Business Assistance Income Tax Relief Emergency Declaration Resolution of 2022
- Coronavirus Business Assistance Income Tax Relief Emergency Amendment Act of 2022
- Coronavirus Business Assistance Income Tax Relief Temporary Act of 2022

This emergency and temporary legislation would exempt certain grant funds from computation of gross income for District tax filings. The District has created several grant programs to provide financial assistance and support for small businesses since the beginning of the COVID-19 public health emergency. To further support small businesses and other grantees, the Council has passed emergency and temporary legislation to exclude from the computation of District gross income, for tax purposes, funds received pursuant to several of the District's public health emergency grant programs.

This legislation would exclude from gross income public health emergency response grants issued pursuant to D.C. Code § 7-2304.02, which include the Bridge Fund grants. This measure will provide additional relief to the District's struggling businesses and create consistency for the treatment of COVID-19 related grant funds for District tax purposes.

- Equitable Impact Assistance for Local Businesses Emergency Declaration Resolution of 2022
- Equitable Impact Assistance for Local Businesses Emergency Amendment Act of 2022
- Equitable Impact Assistance for Local Businesses Temporary Amendment Act of 2022

In the Fiscal Year 2021 Budget Support Act of 2020, the District enacted the Equitable Impact Assistance for Local Businesses Act of 2020, effective December 3, 2020. This measure established the Equity Impact Fund to be managed by a fund manager selected by the Mayor, with the initial funding of \$1.25 million to be provided by the Deputy Mayor for Planning and Economic Development (DMPED) for the purpose of aiding and investing in eligible businesses that otherwise lack access to capital. Funds were put in DMPED's Fiscal Year 2021 budget for this purpose.

This is an active grant program with funds in the process of being disbursed to applicants. Accordingly, to ensure that the program can continue without interruption, it is necessary that this measure be adopted after a single reading.

Ceremonial Resolutions:

• "District of Columbia Bar 50th Anniversary Recognition Resolution of 2022"

This resolution posthumously recognizes and honors the 50th Anniversary of the District of Columbia Bar, the gold standard of legal excellence and licensing organization for lawyers in the District of Columbia.

• "Beacon House 30th Anniversary Recognition Resolution of 2022"

This resolution recognizes and honors the 30th Anniversary of Beacon House, an organization that provides children with a safe and nurturing environment in which they may pursue academic excellence, discover their talents, and achieve their greatest potential in the Edgewood neighborhood in the District of Columbia.

The filed ceremonial resolutions are attached along with the draft emergency measures. If you have any questions, please contact Alicia DiFazio at adifazio@dccouncil.us.

Thank you for your consideration of this request.

cc: Members, Council of the District of Columbia
Office of the Secretary
Office of the General Counsel
Office of the Budget Director