

A BILL

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To amend, on an emergency basis, Title 47 of the District of Columbia Code to increase the tax rate on certain gross receipts, the revenue from which is dedicated to the Washington Convention and Sports Authority for transfer to Destination DC, for a specified period to provide support for the recovery of tourism in the District, and to require Destination DC to meet specified requirements.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the “Tourism Recovery Tax Emergency Amendment Act of 2022”.

Sec.2. Section 47-2002.03a of the District of Columbia Code is amended as follows:

(a) Subsection (a) is amended as follows:

(1) Designate the existing text as paragraph (1).

(2) The newly designated paragraph (1) is amended by striking the phrase “A tax,” and inserting the phrase “Except as provided in paragraph (2) of this subsection, a tax,” in its place.

(3) A new paragraph (2) is added to read as follows:

“(2) For the period of time beginning on April 1, 2023, through March 31, 2027, the tax imposed by paragraph (1) of this subsection shall be at the rate of 1.3%.”.

(b) A new subsection (d) is added to read as follows:

31 “(c) For the expenditure of any tax revenue received pursuant to subsection (a)(2) of  
32 this section, Destination DC shall:

33 “(1) Comply with the requirements of section 2346 of the Small, Local, and  
34 Disadvantaged Business Enterprise Development and Assistance Act of 2005, effective October  
35 20, 2005 (D.C. Law 16-33; D.C. Official Code § 2-218.46);

36 “(2) Consult with the Deputy Mayor for Planning and Economic Development,  
37 the Washington Convention and Sports Authority, the Restaurant Association Metropolitan  
38 Washington, and the Hotel Association of Washington, DC on the use of any tax revenue  
39 received; and

40 “(3) Enter into a memorandum of understanding with the District  
41 regarding the use of any tax revenue received pursuant to subsection (a)(2) of this section in  
42 accordance with the recommendations determined necessary and appropriate pursuant to the  
43 consultations required by paragraph (2) of this subsection.”.

44 Sec. 3. Section 47-2202.03 of the District of Columbia Code is amended as follows:

45 (a) Subsection (a) is amended as follows:

46 (1) Designate the existing text as paragraph (1).

47 (2) The newly designated paragraph (1) is amended by striking the phrase “A  
48 tax,” and inserting the phrase “Except as provided in paragraph (2) of this subsection, a tax” in  
49 its place.

50 (3) A new paragraph (2) is added to read as follows:

51 “(2) For the period of time beginning on April 1, 2023, through March 31, 2027,  
52 the tax imposed by paragraph (1) subsection shall be at the rate of 1.3%.”.

53 (b) A new subsection (e) is added to read as follows:

“ (e) For the expenditure of any tax revenue received pursuant to subsection (a)(2) of this section, Destination DC shall:

“(1) Comply with the requirements of section 2346 of the Small, Local, and Disadvantaged Business Enterprise Development and Assistance Act of 2005, effective October 20, 2005 (D.C. Law 16-33; D.C. Official Code § 2-218.46);

“(2) Consult with the Deputy Mayor for Planning and Economic Development, Washington Convention and Sports Authority, the Restaurant Association Metropolitan Washington, and the Hotel Association of Washington, DC on the use of any tax revenue received; and

“(3) Enter into a memorandum of understanding with the District regarding the use of any tax revenue received pursuant to subsection (a)(2) of this section in accordance with the recommendations determined necessary and appropriate pursuant to the consultations required by paragraph (2) of this subsection.”.

#### Sec. 4. Fiscal impact statement.

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

#### Sec. 5. Effective date.

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