COUNCIL OF THE DISTRICT OF COLUMBIA COMMITTEE ON BUSINESS AND ECONOMIC DEVELOPMENT MEMORANDUM 1350 PENNSYLVANIA AVENUE, N.W. WASHINGTON, D.C. 20004

To: Chairman Phil Mendelson

From: Councilmember Kenyan R. McDuffie

Date: November 2, 2023

Subject: Notice of Requests for the November 7, 2023 Legislative Meeting

Pursuant to Council Rule 426, regarding a waiver of Rule 231(c), I request that the following measures be agendized for the November 7, 2023 Legislative Meeting, or that these measures be agendized for an Additional Meeting of the Committee of the Whole should one be scheduled. These measures were marked up by the Committee on Business and Economic Development on October 18, 2023, and October 31, 2023, and have been timely filed with the Secretary.

Revenue Bond Resolution

1. PR25-0261, the "Launchpad Development Three DC, LLC Revenue Bonds Project Approval Resolution of 2023"

Proposed Resolution 25-0261, the "Launchpad Development Three DC, LLC Revenue Bonds Project Approval Resolution of 2023" authorizes the issuance, sale, and delivery of up to \$32 million in District of Columbia revenue bonds to assist Launchpad Development Three DC, LLC ("The Borrower"). The Borrower is the real estate arm of Rocketship Public Schools, DC, which operates three school campuses in the District, including Rocketship Infinity Community Prep, located in Ward 5. The loan will finance, refinance, or reimburse costs associated with an authorized project pursuant to the D.C. Home Rule Act. Bond proceeds will be used to acquire a long-term leasehold interest in its campus at 5450 3rd St NE, Washington, DC.

Confirmation Resolutions

2. PR25-0388, the "Alcoholic Beverage and Cannabis Board Donovan W. Anderson Confirmation Resolution of 2023"

Proposed Resolution 25-0388 will confirm the reappointment of Mr. Donovan W. Anderson as a member and as Chairperson of the Alcoholic Beverage and Cannabis Board, for a term to end on May 7, 2027. Mr. Anderson has served on the Alcoholic Beverage and Cannabis Board since 2015 and currently serves as the Chair. Outside of his Board service, Mr. Anderson is a dedicated public servant and has been an advocate for DC families with special education needs for nearly twenty years, both inside and outside the school system. In 2000, he started his own law firm that specializes in representing families of children with special education needs. He received his Bachelor of Arts from Colgate University and a Juris Doctor from Georgetown University Law Center. Mr. Anderson is a 22-year resident of the District of Columbia and currently resides in Ward 7.

3. PR25-0475, the "Alcoholic Beverage and Cannabis Board Silas H. Grant, Jr. Confirmation Resolution of 2023"

Proposed Resolution 25-0475 will confirm the appointment of Mr. Silas H. Grant, Jr. as a member of the Alcoholic Beverage and Cannabis Board, succeeding Ed Grandis, for a term to end on May 7, 2027. Mr. Grant has dedicated his life to community engagement and activism in the Washington, D.C. metropolitan area, and dedicates much of his time to volunteerism as well as developing the next generation of public leaders. He has served as an elected official in the District of Columbia as a former Advisory Neighborhood Commissioner and a former Chair of the Ward 5 Democrats and has assisted in the implementation of gang and violence prevention programs throughout the District. Mr. Grant received a Bachelor of Science in accounting from Hampton University. He is a Ward 5 resident.

Permanent Legislation

4. B25-0071, the "Children's National Hospital Research and Innovation Campus Equitable Tax Relief Amendment Act of 2023"

Bill 25-0071, the "Children's National Hospital Research and Innovation Campus Equitable Tax Relief Amendment Act of 2023" would establish that the Certified Business Enterprise (CBE) requirements associated with the development of Lots 824 and 826 in Square 2950 apply to the gross project spend goal for the full Children's National Research and Innovation Campus redevelopment project. It would also require Children's National Hospital to pay the District the sum proportionate to the difference between the project goal and its actual CBE expenditure during the timeframe of the project if it fails to meet its CBE spend goal. *The Committee Print is substantively identical to the emergency and temporary legislation passed by the Council earlier this year.*

5. B25-0126, the "Life and Health Insurance Guaranty Association Amendment Act of 2023"

Bill 25-0126, the "Life and Health Insurance Guaranty Association Amendment Act of 2023" would address changes in the long-term care insurance market and update the District's framework for addressing insurer insolvencies. Under existing law, the Life and Health Insurance Guaranty Association ("Association") intervenes in the event of an insolvency of a long-term care insurer to process the orderly payment of certain statutorily guaranteed benefits owed to the insolvent insurer's policyholders when there is a shortfall after the liquidation of the insolvent insurer's assets. The Association pays these benefits by assessing current health insurers or life insurers that hold a health insurance license. In effect, when a long-term care insurer goes insolvent, health insurers bear approximately 80% of the assessment costs and life insurers (with health insurer licenses) cover the remaining 20%. This balance of cost-sharing in the event of an insolvency is problematic because over time, the long-term care insurance market has shifted from primarily health insurers to now mostly a few life and annuity insurers.

This measure reforms the Association in line with model legislation enacted in most states to establish a more equitable assessment system to better protect consumers and stabilize the insurance market. First, the bill would change the Association membership by requiring all Health Maintenance Organizations ("HMOs") to be members. Second, the legislation would also change how a long-term health care insolvency is assessed, from having only health insurers assessed for the insolvency of a long-term care insurer to having both health and life insurers assessed. Third, the bill would make changes to the operation of the Association by removing the insolvency provisions in the Health Maintenance Organization Act of 1996. In its place, the bill would require HMOs with members in the District to be covered by the insolvency provisions administered by the Association. Finally, the legislation would allow the Association to file for justified rate changes, clarify health care products covered by the Association, and increase the board membership to between 7 and 11 members (from the current membership of 5 to 9 members).

6. B25-0150, the "Motor Vehicle and Homeowner Insurance Prior Approval Rate Filing Amendment Act of 2023"

Bill 25-150 would address a recent trend in motor vehicle and homeowner insurance markets in the District where insurers have been requesting double-digit rate increases. The bill changes the rate filing standard for motor vehicle and homeowner insurer rate filings to "prior approval" and gives the Department of Insurance, Securities, and Banking time to review the filings and ensure that the rate increases are neither excessive nor discriminatory before they become effective. Insurers are also required under this bill to provide at least 45 days advance written notice of any rate increase. A version of this legislation was passed as emergency and temporary legislation by the Council in March and May of this year. *The Committee Print tracks the substantive provisions of the temporary bill.*

If you have any questions regarding these measures, please contact Justin Kim, Committee Director, at ikim@dccouncil.gov.

cc: Members, Council of the District of Columbia
Office of the Secretary
Office of the General Counsel
Office of the Budget Director
Mayor's Office of Policy and Legislative Affairs