

Council of the District of Columbia
COMMITTEE ON BUSINESS AND ECONOMIC DEVELOPMENT
NOTICE OF PUBLIC HEARING
1350 Pennsylvania Avenue, N.W., Washington, D.C. 20004

COUNCILMEMBER KENYAN R. MCDUFFIE, CHAIRPERSON
COMMITTEE ON BUSINESS AND ECONOMIC DEVELOPMENT

ANNOUNCES A PUBLIC HEARING ON

B24-0236 – THE “CHILD WEALTH BUILDING ACT OF 2021”

AND

TAX POLICY PROPOSALS TO BUILD WEALTH EQUITY IN THE
DISTRICT’S POST- COVID-19 ECONOMIC RECOVERY

Tuesday, May 25, 2021, 9 a.m. to 1 p.m.

Remote Hearing via Virtual Platform

Broadcast live on DC Council Channel 13

Streamed live at www.dccouncil.us and entertainment.dc.gov.

On Tuesday, May 25, 2021, Councilmember Kenyan R. McDuffie, Chairperson of the Committee on Business and Economic Development will convene a public hearing to consider B24-0236, the “Child Wealth Building Act of 2021” and “Tax Policy Proposals to Improve Wealth Equity in the District’s Post-COVID-19 Economic Recovery.” The hearing will be held virtually via the Zoom platform from 9:00 a.m. to 1:00 p.m. Testimony at the Committee’s hearing will be limited to invited witnesses only.

B24-0236, the “Child Wealth Building Act of 2021”, would provide a District government-sponsored trust fund for babies born in the District beginning in Tax Year 2022. The bill would apply to households whose income does not exceed 500% of the Federal Poverty Level, currently approximately \$132,000 for a household of four. Enrollment would be automatic and each eligible child’s trust fund would receive an initial deposit of \$1,000; deposits in subsequent years would increase up to \$2,000 depending on household income. At age 18, eligible children may withdraw trust fund proceeds for specified purposes, including education, business ownership, business investment, property ownership, and retirement investments. Accordingly, the Committee seeks to discuss the benefits of a government-sponsored child trust fund for low- to moderate-income children as a means of seeding asset and wealth accumulation in effort to close the disparate racial wealth gap.

Tax Policy Proposals to Build Wealth Equity Post-COVID, on March 11, 2020, Mayor Muriel Bowser declared a public health emergency due to the spread of the COVID-19 virus. The District

and jurisdictions across the country implemented policies aimed at limiting the spread of the virus. These were the right decisions, based on available science and information, and which undoubtedly contributed to lower rates of infections and death. At the same time, the effect of many of these decisions has resulted in a loss of business and economic activity. Staggering rates of unemployment and the closure of businesses – small and otherwise – have exasperated preexisting wealth and income inequity. As the District prepares its budget for the next fiscal year and begins receiving federal funds for Post-COVID-19 recovery efforts, it is imperative to examine these inequities and identify methods by which to combat them.

Beyond its consideration of B24-0236, the “Child Wealth Building Act of 2021”, the purpose of the Committee’s hearing will be to examine and discuss tax policy proposals to create greater wealth equity in the District. Topics for discussion will include, but may not be limited to, proposals for taxing wealth, in contrast to income and the utility of universal basic income pilot programs.

As noted above, testimony at the Committee’s roundtable will be limited to invited witnesses only. Additional witnesses may provide written statements to the Committee, which will be made part of the official record. **The record for this hearing will close at 5:00 p.m. on Friday, May 28, 2021.**

Witnesses at the roundtable should limit their oral testimony to 4 minutes. The length of time provided for oral testimony may be reduced or extended at the discretion of the Committee Chair. The Committee encourages witnesses to submit their written testimony electronically in advance, but in any event, no later than the close of business on Friday, May 21, 2021, to Committee Director Alicia DiFazio at adifazio@dccouncil.us.

Witnesses who anticipate needing language interpretation are requested to inform the Committee as soon as possible by emailing adifazio@dccouncil.us. The Committee will make every effort to fulfill timely requests.