

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Office of the Chief Financial Officer

Natwar M. Gandhi
Chief Financial Officer



MEMORANDUM

TO: The Honorable Linda W. Cropp
Chairman, Council of the District of Columbia

FROM: Natwar M. Gandhi
Chief Financial Officer

DATE: June 19, 2001

SUBJECT: Fiscal Impact Statement: “Litter Control Amendment Act of 2001”

REFERENCE: Draft Legislation – No Bill Number Available

Conclusion

Funds are sufficient in the FY 2002 through FY 2005 budget and financial plan because no additional staff or resources will be required to implement the components of the proposed legislation. The provisions of the proposed legislation will not impact estimates of funds generated by tax sale, to be deposited as local General Fund revenue, considered in the development of the FY 2002 budget.

Background

The proposed legislation amends the Litter Control Administration Act to allow the placement of a lien on property owned by some person or entity who has violated the nuisance property provisions of the Act with regard to real property. The lien may be placed on any personal or real property owned by that person or entity, even that which is acquired subsequent to the violation, until the lien is satisfied.

As an enforcement mechanism to facilitate the collection of these liens, the District will record a “Notice of Converted Property Tax Lien,” after which the amounts due may appear on the owner’s property tax bill as real property tax. Provisions of the proposed legislation allow the lien to convert to real property tax if payment is not made by the due date. Once converted to property tax, the lien accrues interest and penalties like any other delinquent property tax. Following the conversion to real property tax, the lien may be cause for the property to go to tax sale, like any other delinquent property tax.

Additionally, the proposed legislation will allow the District to pass all the costs involved with the nuisance property to the lien. The District may attach to the lien all fines, penalties and fees as well as costs for notices, expenses, interest, charges, and costs to contract a firm or individuals for collection. These costs may appear on a real property tax bill and deemed to be an additional real property tax to be collected in the normal manner.

Financial Plan Impact

Funds are sufficient in the FY 2002 through FY 2005 budget and financial plan. No additional staff or resources will be required to implement the provisions of the proposed legislation. The proposed legislation will not impact the current administrative costs associated with the collection of tax liens or for bringing a nuisance property tax sale. Although funds received will be deposited in the General Fund, implementing the provisions of the proposed legislation will not impact FY 2002 estimated revenue.