

Government of the District of Columbia
Office of the Chief Financial Officer

CHAIRMAN GRAY



2008 DEC 16 AM 9:16

Natwar M. Gandhi
Chief Financial Officer

MEMORANDUM

TO: The Honorable Vincent C. Gray
Chair, Council of the District of Columbia

FROM: Natwar M. Gandhi
Chief Financial Officer 

DATE: DEC 15 2008

SUBJECT: Fiscal Impact Statement: "Comprehensive Stormwater Management Enhancement Amendment Act of 2008"

REFERENCE: Bill Number 17-980, Committee Print dated November 21, 2008

Conclusion

Funds are sufficient in the FY 2009 through FY 2012 budget and financial plan to implement the proposed legislation.

Background

The proposed legislation would expand the authority and responsibility of the Director of the District Department of Environment (DDOE) to manage, coordinate and implement the storm water management policies of the District regarding Municipal Separate Storm Sewer System (MS4) compliance and activities. A number of provisions of the proposed bill are intended to address Section 103(b)(2) of the DDOE Establishment Act of 2005,¹ which required the transfer of such duties from the District of Columbia Water and Sewer Authority (DC WASA) to DDOE within one year of the effective date of the Act.

Specifically, the proposed bill:

¹ Effective February 15, 2006. D.C. Law 16-51; D.C. Official Code § 8-151.01 *et seq.*

- Prohibits a landlord from passing a storm water user fee charge to a tenant which is more than the storm water user fee prescribed by the Director.

Financial Plan Impact

Funds are sufficient in the FY 2009 through FY 2012 budget and financial plan to implement the proposed legislation. DDOE and DDOT have indicated to the Office of the Chief Financial Officer that they could implement the provisions of the proposed legislation with existing resources. A Storm Water Agency would be able to seek reimbursement from the DDOE Enterprise Fund for the cost of activities associated with new tasks outside of the agency's core mission.

It is expected that the DDOE Director would adjust storm water user fees as necessary to ensure sufficient funding to implement the requirements of the proposed bill. DDOE has indicated that the current fee structure would likely be in place through the end of FY 2010.

- Establishes the Storm Water Administration within DDOE and enumerates the powers and responsibilities of the Administration and the "Storm Water Agencies" in the District;²
- Authorizes the Director of DDOE to oversee and manage the Storm Water Permit Compliance Enterprise Fund (Enterprise Fund);³
- Directs the Mayor, within one year of the enactment of the impervious area storm water user fee by DC WASA, to establish a Storm Water User Fee Discount Program to be coordinated between DC WASA and the Administration;
- Directs the Mayor to establish a storm water management and Low Impact Development (LID) grant program using Enterprise Funds, "...contingent on maintaining adequate Enterprise Funds to address District obligations pursuant to the MS4 Permit;"
- Directs the Department of Transportation (DDOT), within one year of the effective date of the proposed bill, to submit to the Director an action plan recommending policies and measures to reduce impervious surfaces and promote LID projects in public space, including the cost for each recommendation contained in the action plan, and directs the Mayor to incorporate these recommendations in the next and subsequent proposed annual budgets;
- Directs the Director, together with the Storm Water Agencies, to prepare a study recommending policies and measures developed to implement LID and storm water best management practices on District properties within one year of the effective date of the proposed bill, and directs the Mayor to incorporate these recommendations in the next and subsequent annual proposed budgets;
- Provides other public educational outreach and LID research requirements for the Director of DDOE;
- Establishes and provides duties for a Storm Water Advisory Panel within DDOE to coordinate the responsibilities of the agencies and DC WASA;
- Requires the Panel, within 120 days after the effective date of the proposed bill, to establish a Technical Working Group (TWG) of agency technical staff;
- Provides that DC WASA is to collect a storm water user fee established by the Director of DDOE, which the Director will establish by rulemaking and may amend from time to time;
- Provides that the storm water user fee shall be collected from each property in the District and is to be based on an impervious area assessment of the property;
- Requires the Mayor to coordinate the development and implementation of the MS4 storm water user fee with DC WASA's impervious surface charge, to ensure that both fee systems employ consistent methodologies;
- Requires the Mayor to offer financial assistance programs to mitigate the impact of any increases in storm water user fees on low-income residents of the District; and

² These include the Department of Transportation, Department of Public Works, the Office of Planning, the Office of Public Education Facilities Modernization, the Office of Property Management, the Department of Parks and Recreation, and DC WASA, and any other agency identified by the Director.

³ The proposed bill strikes the Fund as it currently exists (in D.C. Official Code § 34-2202.06b) and replaces it with a fund by the same name, but under the control of the Director of DDOE as opposed to DC WASA.