

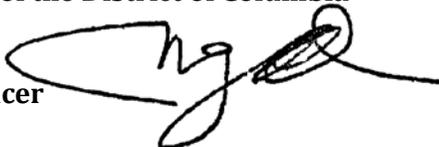
Government of the District of Columbia  
Office of the Chief Financial Officer



**Natwar M. Gandhi**  
Chief Financial Officer

**MEMORANDUM**

**TO:** The Honorable Philip H. Mendelson  
Chairman, Council of the District of Columbia

**FROM:** Natwar M. Gandhi   
Chief Financial Officer

**DATE:** August 30, 2012

**SUBJECT:** Fiscal Impact Statement – “Alternative Service of Process Amendment Act of 2012”

**REFERENCE:** Bill 19-752– Draft Committee Print as shared with the Office of Revenue Analysis on August 10, 2012

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**Conclusion**

Funds are sufficient in the FY 2013 through FY 2016 budget and financial plan to implement the bill.

**Background**

Under current law, when an individual (“plaintiff”) is involved in a motor vehicle accident or collision with a non-resident (“defendant”), the plaintiff can file a lawsuit in D.C. Court. Again, under current law, the plaintiff must serve process on the defendant via registered mail and attach the defendant’s return receipt to his or her lawsuit. Additionally, the plaintiff can serve process on the Mayor<sup>1</sup> as a legal representative of the defendant.

The bill maintains that the Mayor can be served process on behalf of a non-resident involved in a motor vehicle accident or collision. The bill also requires the plaintiff to research and serve process on the defendant at his or her last known address by certified mail, but without a requirement for a return receipt. Thus, the service of process on the Mayor is sufficient to continue the plaintiff’s legal action. The bill also removes the requirement for a plaintiff to put forth one or more sureties to fund the defendant’s legal costs if the legal action is unsuccessful.

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<sup>1</sup> The Department of Motor Vehicles is the official recipient of these notices.

The Honorable Philip H. Mendelson

FIS: Bill 19-752, "Alternative Service of Process Amendment Act of 2012" draft committee print shared with ORA on August 10, 2012

### **Financial Plan Impact**

Funds are sufficient in the FY 2013 through FY 2016 budget and financial plan to implement the bill. Current law designates the Mayor as a lawful attorney to be served process on behalf of a non-resident involved in a motor vehicle accident or collision. The bill does not create any additional burdens on the Mayor's office and does not impact the budget and financial plan over the four year financial plan period.

The removal of the requirement for plaintiff sureties and a return receipt from the defendant could allow more cases to proceed quicker in the D.C. Courts, but any additional savings or costs associated with these cases are borne by the Courts which are funded by the Federal Government.