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



Jeffrey S. DeWitt Chief Financial Officer

## **MEMORANDUM**

то:	The Honorable Phil Mendelson Chairman, Council of the District of Columbia				
FROM:	Jeffrey S. DeWitt Chief Financial Officer	Spleen Stewlitt			
DATE:	November 7, 2018	T NV O			
SUBJECT:	Fiscal Impact Statement Amendment Act of 2018	- Rental Housing Smoke Free Common Area			
REFERENCE:	Bill 22-949. Draft Commi	ttee Print circulated November 6, 2018			

## Conclusion

Funds are not sufficient in the fiscal year 2019 through fiscal year 2022 budget and financial plan to implement the bill. The bill will cost \$238,000 in fiscal year 2019 and \$958,000 over the four-year budget and financial plan.

## Background

The bill prohibits smoking in indoor common areas of multifamily rental accommodations and also within 25 feet of an entrance or a window of a multifamily rental accommodation.<sup>1</sup> Housing providers must post specific no smoking signage in common areas and must warn tenants observed violating the ban about the prohibition. Buildings may create designated smoking areas indoors, but fan-based ventilation systems are required. Tenants may not be evicted for smoking violations.

The bill directs the Department of Health to enforce the smoking prohibitions, conduct compliance inspections, and assess penalties. Civil fines of \$10 - \$100 are authorized for violations of smoking in a prohibited area, failure to post no smoking signage, tampering with signage, or failure to warn persons smoking in prohibited areas.

## **Financial Plan Impact**

Funds are not sufficient in the fiscal year 2019 through fiscal year 2022 budget and financial plan to implement the bill. The Department of Health requires 2.5 FTEs to conduct inspections of rental

<sup>&</sup>lt;sup>1</sup> By amending the Rental Housing Act of 1985, effective July 17, 1985 (D.C. Law 6-10; D.C. Official Code § 42-3501.01 et seq.).

The Honorable Phil Mendelson FIS: "Rental Housing Smoke Free Common Area Amendment Act of 2018," Draft Committee Print circulated November 6, 2018

housing accommodation to comply with the bill, as well as vehicle fleet funding for the employees, and one-time funding for a public information campaign.

Cost of Bill 22-949: Rental Housing Smoke Free Common Area Amendment Act of 2018						
	FY 2019	FY 2020	FY 2021	FY 2022	Four-year Total	
Personnel Costs <sup>(a)</sup>	\$201,000	\$207,000	\$213,000	\$219,000	\$840,000	
Nonpersonnel costs <sup>(b)</sup>	\$37,000	\$27,000	\$27,000	\$27,000	\$118,000	
TOTAL COST	\$37,000 \$238,000	\$27,000 \$234,000	\$27,000 \$240,000	\$27,000 \$246,000	\$118,000 <b>\$958,000</b>	

Table assumptions

(a) 2.5 Sanitarians, Grade 9, including fringe costs. Based on a rate of 380 inspections per year per employee and an expected apartment building inspection cycle of once per three years.

(b) Includes \$27,000 fleet vehicle costs and a one-time public information campaign costing \$10,000.