

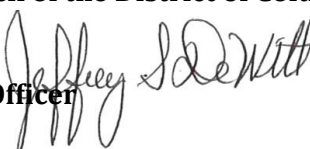
Government of the District of Columbia
Office of the Chief Financial Officer



Jeffrey S. DeWitt
Chief Financial Officer

MEMORANDUM

TO: The Honorable Phil Mendelson
Chairman, Council of the District of Columbia

FROM: Jeffrey S. DeWitt
Chief Financial Officer 

DATE: March 2, 2017

SUBJECT: Fiscal Impact Statement – Business License Technology Fee
Reauthorization Amendment Act of 2017

REFERENCE: Draft bill provided to the Office of Revenue Analysis on February 23,
2017

Conclusion

Funds are sufficient in the fiscal year 2017 through fiscal year 2020 budget and financial plan to implement the bill.

Background

The bill approves¹ the continued collection of a 10 percent fee on the cost of each basic business license² by the Department of Consumer and Regulatory Affairs, and retroactively approves the fee collection that has occurred since 2013.

The fee was established 2010³ to pay for enhancing the basic business licensing information technology system at DCRA, and was set to expire on October 1, 2013. In August 2013, a DCRA rulemaking⁴, approved by Council in February 2014, extended the fee. However, DCRA did not publish the final rulemaking until January 2017. Despite the gap in time between Council approval and publishing the final rulemaking, the fee has continued to be collected after the 2013 expiration date. The bill retroactively authorizes the collection during that gap.

¹ By amending Section 500.4 of Chapter 5 (Basic Business License Schedule of Fees) of Title 17 of the District of Columbia Municipal Regulations.

² See D.C. Official Code § 47-2851.01, *et seq.* for more on Basic Business Licenses.

³ Fiscal Year 2011 Budget Support Act of 2010, effective September 24, 2010 (D.C. Law 18-223; 57 DCR 6242).

⁴ As published in the *D.C. Register* on August 9, 2013 (60 DCR 11636)

The Honorable Phil Mendelson

FIS: "Business License Technology Fee Reauthorization Amendment Act of 2017," Draft bill provided to the Office of Revenue Analysis on February 23, 2017.

Financial Plan Impact

Funds are sufficient in the fiscal year 2017 through fiscal year 2020 budget and financial plan to implement the bill. Continuing the collection of the fee does not have a fiscal impact.