# 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:** October 31, 2018

SUBJECT: Fiscal Impact Statement - Driver's License Revocation Fairness

**Amendment Act of 2018** 

REFERENCE: Bill 22-618, Draft Committee Print as shared with the Office of Revenue

office Sawith

Analysis on October 30, 2018

#### Conclusion

Funds are sufficient in the fiscal year 2019 through fiscal year 2022 budget and financial plan to implement the bill.

# **Background**

When a driver in the District is found liable in court for damages resulting from her or his ownership, maintenance, or use of a motor vehicle, nonpayment of the judgment allows the District to suspend the driver's operator's license<sup>1</sup> or vehicle registration. The bill repeals the District's ability to suspend an operator's license or vehicle registration due to an unpaid judgment.

## **Financial Plan Impact**

Funds are sufficient in the fiscal year 2019 through fiscal year 2022 budget and financial plan to implement the bill. The Department of Motor Vehicles receives each year approximately 90 requests for license suspensions due to failure to pay settlements, but the range is wide because judgments can take years to move through the court system. The District will lose reinstatement revenues<sup>2</sup> when those suspended licenses are reinstated, but the number of requests in any given year is difficult to predict and any reinstatement revenue loss is expected to be de minimis.

<sup>&</sup>lt;sup>1</sup> This also applies to a non-resident's driving privileges in the District.

<sup>&</sup>lt;sup>2</sup> The reinstatement fee is \$98.