


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: February 25, 2020

SUBJECT: Fiscal Impact Statement – Ivory and Horn Trafficking Prohibition Act of 2020

REFERENCE: Bill 23-34, Committee Print as shared with the Office of Revenue Analysis on February 24, 2020

Conclusion

Funds are not sufficient in the fiscal year 2020 through fiscal year 2023 budget and financial plan to implement the bill. The bill's implementation will cost \$440,000 over the four-year financial plan period.

Background

The bill makes it unlawful to distribute a prohibited animal product in the District. A prohibited animal product is a tooth or tusk composed of ivory from an elephant, hippopotamus, mammoth, mastodon, narwhal, or whale; the horn of a rhinoceros; or any item wholly or partially composed of those materials. Any person convicted of knowingly selling, importing, offering for sale, purchasing, bartering, trading, or possessing with the intent to sell a prohibited animal product shall be fined up to \$25,000 or three times the value of the prohibited product and/or be imprisoned for up to three years depending on the frequency of the offenses.¹ If the prohibited product is worth more than

¹ A first offense carries a fine of \$1,000 or twice the value of the prohibited product and/or a term of imprisonment of up to thirty days. A second offense carries a fine of up to \$5,000 or twice the value of the prohibited product and/or a term of imprisonment of up to one year. A third or subsequent offense carries a fine of \$25,000 or three times the value of the prohibited product and/or a term of imprisonment of up to three years.

The Honorable Phil Mendelson

FIS: Bill 23-34, "Ivory and Horn Trafficking Prohibition Act of 2020," Draft Committee Print as shared with the Office of Revenue Analysis on February 24, 2020

\$25,000 the person can be fined up to three times the value of the prohibited product and/or imprisoned for up to three years. The fines can be doubled for any violator that is not an individual.

The bill establishes conditions whereby a person can legally possess a prohibited animal product. It is not unlawful to transfer possession of the product to a legal beneficiary of an estate or trust upon death, through gifting or donating without remuneration, as a government employee conducting a law enforcement action, or as otherwise authorized under federal law. The bill also exempts products used or exchanged for educational or scientific purposes, antiques,² and musical instruments.³

The prohibition will begin one year from the bill's effective date.

Financial Plan Impact

Funds are not sufficient in the fiscal year 2020 through fiscal year 2023 budget and financial plan to implement the bill. Beginning in fiscal year 2021, the Mayor will need to enforce the bill's prohibition and test any materials that are uncovered through enforcement actions. The Mayor requires an additional investigator at a cost of \$93,000 in fiscal year 2021 and \$290,000 over the four-year financial plan period. The Department of Forensic Sciences (DFS) will be responsible for testing and expects to contract for this testing at a cost of approximately \$50,000 annually.

Ivory and Rhinoceros Horn Trafficking Prohibition Act of 2020					
Bill 23-34					
Implementation Costs					
Fiscal Year 2020 - Fiscal Year 2023					
(\$000s)					
	FY 2020	FY 2021	FY 2022	FY 2023	Total
Investigator	\$0	\$93	\$97	\$100	\$290
Testing and Administrative Costs	\$0	\$50	\$50	\$50	\$150
Total Costs	\$0	\$143	\$147	\$150	\$440

² Antiques must be composed of not more than 20 percent of a prohibited product by volume and be at least 100 years old.

³ Musical instruments must be composed of less than 20 percent of a prohibited product by volume and have been manufactured before 1976.