


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: September 26, 2017

SUBJECT: Fiscal Impact Statement – Operator’s Permit and Drug Offense
Amendment Act of 2017

REFERENCE: Bill 22-67, Draft Committee Print as shared with the Office of Revenue
Analysis on September 26, 2017

Conclusion

Funds are sufficient in the fiscal year 2018 through fiscal year 2021 budget and financial plan to implement the bill. The District will lose approximately \$54,000 annually in local fund revenues from license reinstatement fees, but the Department of Motor Vehicles (DMV) will identify savings in its local fund budget to off-set this loss.

Background

DMV revokes the operator’s permit or District driving privileges of persons convicted of a drug offense, for a period of at least six months but not more than two years.¹ The bill repeals this revocation requirement.

DMV also delays the issuance of an operator’s permit to any individual² convicted of a stolen vehicle offense, operating a vehicle without a permit or with a suspended permit, or the commission of a felony when a vehicle is involved. The bill amends the list of convictions where DMV can delay issuance of an operator’s permit to add a conviction of operating a motor vehicle under the influence of any prohibited substance.³

¹ District of Columbia Traffic Act of 1925, effective March 16, 1989 (D.C. Law 7-222; D.C. Official Code § 50-1403.02).

² This applies only to individuals who are not already in possession of a valid operator’s license.

³ Applies to substances prohibited under the Comprehensive Drug Abuse Prevention and Control Act of 1970, approved October 27, 1970 (84 Stat. 1236; 21 U.S.C. § 801 et seq.), the District of Columbia Controlled

Financial Plan Impact

Funds are sufficient in the fiscal year 2017 through fiscal year 2020 budget and financial plan to implement the proposed resolution. The bill's implementation reduces local fund revenues from license reinstatement fees by approximately \$54,000 annually, but DMV will identify savings in its local fund budget to off-set this loss.

Federal law requires a jurisdiction to suspend or revoke the driver's license of a person convicted of a drug offense or violation of the Controlled Substances Act⁴ or adopt a resolution opposing any law that requires the revocation or suspension of a driver's license.⁵ If one of these conditions is not met, then the Federal government will withhold eight percent of the jurisdiction's federal transportation funds.

The bill, on its own, violates this federal provision and puts federal funding at risk, but if the District concurrently declares that it opposes a law that requires the revocation or suspension of a driver's license upon conviction of a drug offense, it will maintain compliance with the federal law and preserve its federal transportation funding. Council intends to vote on the Opposition to the Revocation of the Operator Permit (Driver License) or Driving Privilege of a Person Convicted of a Drug Offense Resolution of 2017⁶ which makes this declaration. Without such a concurrent action, the District would likely need to defer or eliminate planned transportation projects if it experiences a reduction in federal transportation funds.

Substances Act of 1981, effective August 5, 1981 (D.C. Law 4-29; D.C. Official Code § 48-901.01 et seq.), or any other state or territory law.

⁴ 21 U.S.C. §§ 801 to 904.

⁵ Revocation or suspension of driver's licenses of individuals convicted of drug offenses (23 U.S.C. § 159).

⁶ Proposed Resolution 22-73 as introduced on January 23, 2017.