


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: January 30, 2019

SUBJECT: Fiscal Impact Statement – Unfair Insurance Trade Practices
Enhancement Amendment Act of 2019

REFERENCE: Draft Bill as shared with the Office of Revenue Analysis on January 24,
2019

Conclusion

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

Background

The bill clarifies the definition of an unfair trade practice to include flagrant and conscious disregard for laws and rules governing insurance trade practices. Unfair trade practices are currently defined as practices prohibited by Title II of the Insurance Trade and Economic Development Amendment Act¹ that occur with a level of frequency that indicate the illicit conduct is a general business practice.

Financial Plan Impact

Funds are sufficient in the fiscal year 2019 through fiscal year 2022 budget and financial plan to implement the bill. The bill enhances the Department of Insurance, Securities, and Banking's (DISB) efforts to enforce unfair insurance trade practices. DISB can absorb any additional enforcement activities within its existing budget.

¹ Effective April 3, 2001 (D.C. Law 13-265; D.C. Official Code § 31-2231.01 et seq.).