

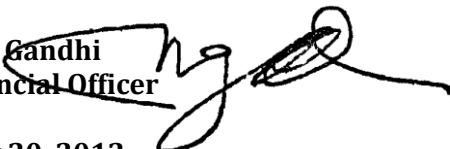
Government of the District of Columbia  
Office of the Chief Financial Officer



**Natwar M. Gandhi**  
Chief Financial Officer

**MEMORANDUM**

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

**FROM:** Natwar M. Gandhi  
Chief Financial Officer 

**DATE:** November 20, 2012

**SUBJECT:** Fiscal Impact Statement - "Pre-litigation Discovery of Insurance Coverage Act of 2012"

**REFERENCE:** Bill 19-890 - Draft Committee Print shared with the Office of Revenue Analysis on November 16, 2012

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**Conclusion**

Funds are sufficient in the FY 2013 through FY 2016 budget and financial plan to implement the bill.

**Background**

The bill requires pre-litigation disclosure of any insurance agreement so that involved parties can factor into their decision on settlement or litigation amounts the defendant's ability to satisfy all or part of a claim as a result of such insurance agreements. As a result, a claimant would be able to obtain from the defendant's insurer the relevant coverage information without having to file a suit. The bill extends the same privilege to the estate or beneficiary of an individual killed in a car accident. Furthermore the bill clarifies that releasing of coverage information would not constitute an implicit agreement on the insurer's side to fulfill the claim; nor would it create any liability for the insurance company in a future suit regarding privacy laws.

**Financial Plan Impact**

Funds are sufficient in the FY 2013 through FY 2016 budget and financial plan to implement the bill. The changes proposed in the bill do not impact the District's budget and financial plan.