

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 6, 2016

SUBJECT: Fiscal Impact Statement – Sale of Synthetic Drugs Amendment Act of 2016

REFERENCE: Bill 21-261, Committee Print as shared with the Office of Revenue Analysis on October 3, 2016

Conclusion

Funds are sufficient in the fiscal year 2017 through fiscal year 2020 budget and financial plan to implement the bill.

Background

The bill permits¹ the Chief of Police to seal the premises of a business engaged in selling or buying synthetic drugs² for up to 96 hours, and allows the Mayor to revoke the license of the business and issue a fine of \$10,000. The Mayor must notify the Office of the Attorney General as soon as a business is sealed. The Department of Consumer and Regulatory Affairs (DCRA) must post a notice at the sealed business that includes a description of the actions being taken, the legal basis for the action, and the licensee's right to a hearing.³

After the first violation, the licensee is required to submit a remediation plan to DCRA within 14 days of being sealed, which DCRA may accepted or rejected. The Mayor or the Chief of Police must

¹ By amending Section 47-2844(a-2) of the D.C Official Code.

² The bill defines synthetic drugs as “any product possessed, provided, distributed, sold, and/or marketed with the intent that it be used as a recreational drug, such that its consumption or ingestion is intended to produce effects on the central nervous system or brain function to change perception, mood, consciousness, cognition and/or behavior in ways that are similar to the effects of marijuana, cocaine, amphetamines or Schedule 1 narcotics...” Additional definitions are provided in the bill.

³ The licensee of a sealed property has a right to request a hearing with the Office of Administrative Hearings within three business days of receiving notice.

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FIS: "Sale of Synthetic Drugs Amendment Act of 2016," Committee Print as shared with the Office of Revenue Analysis on October 3, 2016.

send a notification stating that they intend to revoke all licenses for the business if a violator fails to submit an acceptable remediation plan.

In the event of any subsequent violations, the Mayor may issue a fine of \$20,000, and the Chief of Police may seal the premises for up to 30 days. Additionally, the bill labels⁴ the selling of synthetic drugs as an imminent danger to the health and safety of the residents of the District.

Financial Plan Impact

Funds are sufficient in the fiscal year 2017 through fiscal year 2020 budget and financial plan to implement the bill. DCRA already investigates synthetic drug sale business violations, and the bill more clearly defines the process for handling these cases. The cost of enforcing this can be absorbed within existing budgets.

⁴ By amending Section 106 of the Department of Consumer and Regulatory Affairs Civil Infractions Act of 1985 Technical and Clarifying Amendments Act of 1990, effective March 8, 1991 (D.C. Law 8-237; D.C. Official Code § 2-1801.06).