

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 28, 2012

SUBJECT: Fiscal Impact Statement – Amendment to “District of Columbia Flood Assistance Fund Amendment Act of 2012”

REFERENCE: Bill 19-938 – Amendment shared with the Office of Revenue Analysis on November 27, 2012

Conclusion

Funds are sufficient in the FY 2013 through FY 2016 budget and financial plan to implement the proposed amendment. The proposed amendment removes the fiscal impact of Bill 19-938.

Background

Bill 19-938 requires the Mayor to establish a flood assistance program to provide financial assistance for District property owners and renters for damage to personal and residential property resulting from sewer-line backups.¹ The program will be run by a Program Manager who will manage the new District of Columbia Flood Assistance Fund (“Fund”). The Fund will receive monies from a special assessment imposed on DC Water, which, in turn, is expected to pass on the assessments to ratepayers. The assessment is based on the Equivalent Residential Units (ERU)² of consumption by each ratepayer.

The proposed amendment will remove the ERU’s associated with District owned properties from consideration in the assessment imposed on DC Water.

¹ Sewer-line backup is defined in the bill as wastewater backup into a building caused by blockages, flow conditions, or malfunctions within the sewer system.

² An ERU is one thousand square feet of impervious surface area.

The Honorable Phil Mendelson

FIS: Amendment to Bill 19-938, "District of Columbia Flood Assistance Fund Amendment Act of 2012,"
Amendment shared with the Office of Revenue Analysis on November 28, 2012

Financial Plan Impact

Funds are sufficient in the FY 2013 through FY 2016 budget and financial plan to implement the amendment. By exempting government owned buildings from the calculation of special assessments, the proposed amendment removes the fiscal impact of Bill 19-938, which imposed a total cost of \$209,700 on the District's budget in FY 2013 and FY 2014.