GOVERNMENT OF THE DISTRICT OF COLUMBIA Office of the Chief Financial Officer

Natwar M. Gandhi Chief Financial Officer



MEMORANDUM

TO: The Honorable Linda W. Cropp

Chairman, Council of the District of Columbia

FROM: Natwar M. Gandhi [signature]

Chief Financial Officer

DATE: November 12, 2004

SUBJECT: Fiscal Impact Statement: "Alternative Sanctions for Nuisance

Abatement and Natural Real Estate Person Temporary Act of

2004"

REFERENCE: Draft Legislation to be Introduced - No Number Available

Conclusion

Funds are sufficient in the FY 2005 through FY 2008 budget and financial plan. No additional staff or resources will be required.

Background

Currently, the District requires owners of vacant properties to register those properties with the Department of Consumer and Regulatory Affairs. Failure to do so may result in the levy of a \$1,000 fine and/or 90 days imprisonment. The District may also take other action as required by the fire, building and housing codes. The proposed legislation authorizes the use of civil fines and penalties. The proposed legislation does not provide details of the penalties to be imposed.

Currently, the Mayor is required to update the vacant and abandoned D.C. properties list on a quarterly basis. The proposed legislation amends this to require the update on a semi-annual basis.

The proposed legislation would clarify that the exemption from the real estate licensure requirement for an owner or lessor of real estate only applies to a "natural" person, not a corporation. This will require corporations who broker or sell property to obtain a license to do so in order to transact their business in the District of Columbia.

The Honorable Linda W. Cropp
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Financial Plan Impact

Funds are sufficient in the FY 2005 through FY 2008 budget and financial plan. No additional staff or resources will be required to implement the provisions of the proposed legislation.