

**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 29, 2004

**SUBJECT:** Fiscal Impact Statement: "Multiple Dwelling Water Lead Level Test Emergency Act of 2004"

**REFERENCE:** Bill Number 15-980 as of October 27, 2004

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**Conclusion**

Funds are not sufficient in the FY 2005 through FY 2008 budget and financial plan. **Additional staff and resources will be required to implement the provisions of the proposed legislation. Implementing the proposed legislation will result in unbudgeted costs of \$121,000 in FY 2005 and \$484,000 in FY 2005 through FY 2008.**

**Background**

The proposed legislation establishes a process for tenants of multi-unit residential buildings in the District to request and have their water source lead level tested.

The bill would require building owners, at the written request of a tenant, to order water lead level test kits from the Water and Sewer Authority (WASA), have the tenant collect the required sample of tap water, submit the sample to WASA for testing and then post the findings in the building. The bill establishes time-frames within which the building owner must carry out the tenant's request and requires documentation of the receipt of requests, the issuance of test kits, the results of the tests and the posting of the results. The proposed legislation establishes fines and penalties for non-compliance.

Under the bill, the compliance and monitoring requirements would be implemented by the Department of Consumer and Regulatory Affairs (DCRA). DCRA would be responsible for assuring that residents of multi-unit buildings are aware of their right to have their water source tested and to be the agency of contact for landlords, tenants and

others. The agency also would be required to monitor and track testing requests, the issuance of test kits, the outcomes of tests and the dissemination of test results. In addition, the agency would be required to investigate and identify cases of non-compliance, identify non-complying owners and initiate enforcement actions. In cases where a building owner fails to comply with the tenant's request for testing, DCRA would be required to issue notices of violations as specified by the bill and impose appropriate fines.

### **Financial Plan Impact**

Funds are not sufficient in the FY 2005 through FY 2008 budget and financial plan. The Department of Consumer and Regulatory Affairs does not have sufficient resources to monitor the implementation of the proposed legislation. The table in Figure 1 presents the estimated impact to the financial plan.

*Figure 1.*

<b>Expenditure Impact to the Financial Plan</b>				
(\$ in 000s)				
<b>FY 2005</b>	<b>FY 2006</b>	<b>FY 2007</b>	<b>FY 2008</b>	<b>4 - Total</b>
\$121	\$117	\$121	\$125	<b>\$484</b>

The expenditure impact on WASA will need to be absorbed within WASA's resources. Additional WASA expenditures will not impact the District's local General Ledger.