

**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  
Chief Financial Officer

**DATE:** February 27, 2003

**SUBJECT:** Fiscal Impact Statement: "Water Pollution Control  
Amendment Act of 2003"

**REFERENCE:** Draft Legislation – Bill Number Not Available

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**Conclusion**

Funds are sufficient in the FY 2003 through FY 2006 budget and financial plan to implement the proposed legislation because no additional staff or resources will be required. The proposed legislation would generate dedicated revenue through fees, payments in lieu of mitigation and reimbursement of certain city services.

The proposed legislation would establish an "O" type fund account, thus dedicating revenues generated by the program to fund the program's operations. It is the policy of the District government to limit this practice to cases where the program funding cannot be properly accommodated through the local fund budget process. Dedicated revenues, including "O" type funds, do not promote sound budgeting and spending practices because they reduce the District's flexibility to address current and future priorities, eroding the integrity of the General Fund.

**Background**

The proposed legislation would establish two new dedicated funds – one for wetland and stream mitigation and one for well maintenance – and abolish a congressionally obsolete water pollution control fund. It would revise the type of dredge and fill activities allowed in wetlands and authorize payments into the dedicated fund in lieu of repairing damage to a wetland. It also would authorize the: 1) regulation of wells, 2) collection of fees and reimbursement for well permits and inspections, and 3) judicial procedures for well inspection and sanctions for non-compliance. The proposed legislation would establish

the fines for initial violations of the well regulation components of this Act of \$5,000 and/or imprisonment for 90 days and for subsequent violations, \$10,000 and/or imprisonment for up to one year.

### **Financial Plan Impact**

Funds are sufficient to implement the proposed legislation because no additional staff or resources will be required. Revenue would be generated; however, the amount of fees, fines, and reimbursements, as well as the amount of payments made to the wetland and stream mitigation fund, cannot be estimated at this time.