

**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: JUL -6 2004

SUBJECT: Fiscal Impact Statement: "Civil Infractions Schedule of Fines
for Food and Food Operations Regulations"

REFERENCE: Draft Proposed Rulemaking – Number Not Available

Conclusion

Funds are sufficient in the FY 2005 through FY 2008 budget and financial plan to implement the proposed rulemaking with existing staff and resources. The proposed legislation could generate additional fine revenue in the FY 2005 through FY 2008 period.

Background

The proposed rulemaking would establish a schedule of civil infractions for the new Food and Food Operations Regulations (Title 25 of the DCMR), with the minimum fine for any infraction being \$25. In addition, the proposed rulemaking would re-number and move the regulations governing fines for violations of certain other regulations.

Financial Plan Impact

The proposed rulemaking establishing a schedule of fines for civil infractions of the new Food and Food Operations Regulations would be implemented with existing resources and could generate additional food inspection violation fine revenue in the FY 2005 through FY 2008 period.

Honorable Linda W. Cropp

FIS: "Civil Infractions Schedule of Fines for Food and Food Operations Regulations"

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According to the Department of Health (DOH) an increase in the length of inspections at the regulated establishments and the minimum fine of \$25 for each violation established by the proposed regulations could generate significant additional fine revenue. The Department of Health advises that operational changes are planned to achieve more in depth inspections and thus, an expected growth in the number of fines assessed.

The current, projected fine revenue for food violations in the FY 2004 budget is \$10,000; however, based on collections for the first nine months of this fiscal year, DOH is expected to collect \$15,000 in fine revenue for food violations in FY 2004.