

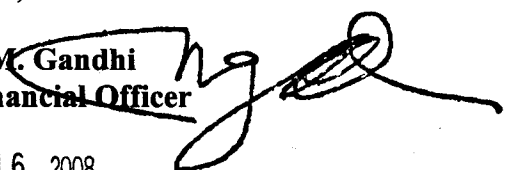
**Government of the District of Columbia
Office of the Chief Financial Officer**



Natwar M. Gandhi
Chief Financial Officer

MEMORANDUM

TO: The Honorable Vincent C. Gray
Chairman, Council of the District of Columbia

FROM: Natwar M. Gandhi 
Chief Financial Officer

DATE: SEP 16 2008

SUBJECT: Fiscal Impact Statement: "Clean Hands Before Receiving a License or Permit Act of 1996 Amendment Act of 2008"

REFERENCE: Draft Legislation to be Introduced—No Bill Number

Conclusion

Funds are sufficient in the FY 2008 budget and proposed FY 2009 through FY 2012 budget and financial plan to implement the provisions of the proposed legislation.

Background

The proposed legislation would amend the Clean Hands Before Receiving a License Act of 1996¹ to reduce, in part, the penalty for falsifying the certification for a license, permit, registration, or certification to "suspension" in lieu of "revocation." The proposed legislation also adds District issued registrations and certifications to the list of items that would be affected by the 1996 Act, which currently only affects licenses and permits.

Under D.C. Official Code § 47-2864(a)(1), if the District government determines that an applicant knowingly falsifies a certification, a licensing authority is required to "proceed immediately to revoke the license or permit, the application for which contains such a falsified certification."

While this amendment affects many District agencies, the licensing boards of the Department of Health report that current law exacts a harsh penalty for violation of the

¹ D.C. Law 11-118; D.C. Official Code § 47-2864(a); Effective May 11, 1996.

law and that a "suspension" of the license, permit, registration, or certification until such time that the debt has been satisfied or satisfactory arrangements have been made to pay the debt, is a more appropriate sanction.²

Financial Plan Impact

Funds are sufficient in the FY 2008 budget and proposed FY 2009 through FY 2012 budget and financial plan to implement the provisions of the proposed legislation. Unexpected costs associated with implementing the proposed legislation could be absorbed with existing agency resources.

² While D.C. Official Code § 3-1205.21 allows the terms and conditions of a revocation or suspension to be set by the health licensing board, the proposed Health Occupations Revision Act of 1985 Amendment Act of 2008 (B17-801, introduced on 6/25/2008) would amend this section to define "revocation" to mean "termination of the right to practice a health profession and loss of licensure, registration, or certification for five years or more," regardless of the amount of debt owed to the District.