


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



Jeffrey S. DeWitt
Chief Financial Officer

MEMORANDUM

TO: The Honorable Phil Mendelson
Chairman, Council of the District of Columbia

FROM: Jeffrey S. DeWitt
Chief Financial Officer 

DATE: December 18, 2019

SUBJECT: Fiscal Impact Statement – Accounting Clarification for Real Estate
Professionals Amendment Act of 2019

REFERENCE: Bill 23-173, Draft Committee Print as shared with the Office of Revenue
Analysis on December 11, 2019

Conclusion

Funds are sufficient in the fiscal year 2020 through fiscal year 2023 budget and financial plan to implement the bill.

Background

The bill removes a restriction¹ on the payment of real estate commissions to business entities that may not be licensed brokerages but are comprised of licensed real estate professionals operating as a team or group. Under current law, real estate commissions must be paid to licensed professionals directly. The bill is intended to simplify banking transactions and accounting for brokers who work for a business entity to which the commission is due.

Financial Plan Impact

Funds are sufficient in the fiscal year 2020 through fiscal year 2023 budget and financial plan to implement the bill. The District of Columbia Real Estate Commission regulates the District's real estate licensing law and is supported by staff at the Department of Consumer and Regulatory Affairs. The bill does not create new work for the Commission.

¹ By amending D.C. Official Code § 47-2853.197(38).