

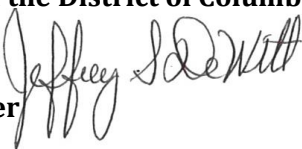
Government of the District of Columbia
Office of the Chief Financial Officer



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: October 30, 2020

SUBJECT: Fiscal Impact Statement – Antitrust Remedies Amendment Act of 2020

REFERENCE: Bill 23-300, Draft Committee Print as provided to the Office of Revenue Analysis on October 28, 2020

Conclusion

Funds are sufficient in the fiscal year 2021 through fiscal year 2024 budget and financial plan to implement the bill.

Background

The District's antitrust laws protect District residents, businesses, and agencies from anticompetitive practices that could inflate prices, reduce supply, or impact quality of products or services.¹ The District can pursue civil remedies to remedy antitrust actions including injunctive or equitable relief, damages, and reasonable costs associated with the suit.

The bill expands the Office of the Attorney General's (OAG) civil remedies to include civil penalties and aligns the remedy options between action taken on behalf of the District and action taken alongside a private individual as *parens patriae*.² The bill sets maximum civil penalties at \$100,000 when the violator is an individual and \$1,000,000 when the violator is any person other than an

¹ District of Columbia Antitrust Act of 1980, effective March 5, 1981 (D.C. Law 3-169; D.C. Official Code § 28-4501 et seq.).

² The power of the state to act as guardian for those who are unable to care for themselves, such as children or disabled individuals. https://www.law.cornell.edu/wex/parens_patriae

The Honorable Phil Mendelson

FIS: Bill 23-300, "Antitrust Remedies Amendment Act of 2020," Draft Committee Print as provided to the Office of Revenue Analysis on October 28, 2020

individual.³ The bill also allows the District, when pursuing action for injuries against its own business or property to receive up to three times damages awarded. The bill also ensures that injunctive and equitable relief, including restitution, can be granted in cases where the District is acting as *parens patriae*.

The bill also makes several technical changes to the antitrust statutes.

Financial Plan Impact

Funds are sufficient in the fiscal year 2021 through fiscal year 2024 budget and financial plan to implement the bill. The bill gives OAG more civil remedy options in antitrust cases when bringing cases on behalf of the District and when acting in a *parens patriae* capacity alongside the actions of a private individual. OAG does not require any additional resources to implement the bill's changes. Any civil penalties assessed and collected will be deposited into the OAG's Litigation Support Fund.⁴

³ "'Person' includes an individual, corporation, business trust, partnership, business association, or any other legal entity." D.C. Official Code § 28-4501(a).

⁴ Attorney General Authority and Litigation Fund Establishment Act of 2015, effective October 22, 2105 (D.C. Law 21-36; D.C. Official Code § 1-301.86b).