

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




Fitzroy Lee
Chief Financial Officer

MEMORANDUM

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

FROM: Fitzroy Lee
Chief Financial Officer

DATE: July 5, 2022 

SUBJECT: Fiscal Impact Statement – Board of Ethics and Government
Accountability Delinquent Debt Recovery Amendment Act of 2022

REFERENCE: Bill 24-706, Committee Print as provided to the Office of Revenue
Analysis on June 30, 2022

Conclusion

Funds are sufficient in the fiscal year 2022 budget and fiscal year 2023 through fiscal year 2026 budget and financial plan to implement the bill.

Background

The Board of Ethics and Government Accountability (BEGA) administers civil penalties and fines for violations of the Government Ethics Act of 2011¹ or the Open Meetings Act². BEGA has entered into a Memorandum of Understanding with the Office of the Chief Financial Officer (“OCFO”) to allow the Central Collections Unit (CCU) to collect delinquent debt stemming from ethics violations on behalf of BEGA. The bill amends the Delinquent Debt Recovery Act of 2012³ to allow such debts collected by CCU, net of CCU’s costs and fees, to be deposited into one of BEGA’s special purpose revenue funds instead of the District’s Local funds, beginning in fiscal year 2023. The bill also makes the requirement for BEGA to transfer delinquent debts to CCU with 60 days discretionary.

¹ D.C. Official Code § 1-1162.01 *et seq.*

² D.C. Official Code § 2-571 *et seq.*

³ D.C. Official Code § 1-350.01 *et seq.*

The Honorable Phil Mendelson

FIS: Bill 24-706, "Board of Ethics and Government Accountability Delinquent Debt Recovery Amendment Act of 2022," Committee Print as provided to the Office of Revenue Analysis on June 30, 2022

Financial Plan Impact

Funds are sufficient in the fiscal year 2022 budget and fiscal year 2023 through fiscal year 2026 budget and financial plan to implement the bill. Fine and penalty revenue paid in connection with violations of statutes under BEGA's jurisdiction will be deposited into BEGA's Ethics Fund or BEGA's Open Government Fund even if referred to, and collected by, the CCU as delinquent debt. Such fine and penalty revenue recorded as Local fund revenue due to its referral to CCU has been minimal, and therefore the Local fund revenue estimates are not negatively impacted by the bill. The bill also allows CCU to continue to pay its costs and fees from recovered debt before making deposits into BEGA's special purpose funds.