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



Glen Lee

Chief Financial Officer

MEMORANDUM

TO: The Honorable Phil Mendelson

Chairman, Council of the District of Columbia

FROM: Glen Lee

Chief Financial Officer

DATE: May 13, 2025

SUBJECT: Fiscal Impact Statement - Consumer Protection Clarification

Amendment Act of 2025

REFERENCE: Bill 26-45, Draft Committee Print as provided to the Office of Revenue

Analysis on April 14, 2025

Conclusion

Funds are sufficient in the fiscal year 2025 through fiscal year 2028 budget and financial plan to implement the bill.

Background

The District's consumer protection laws¹ protect consumers against unfair and deceptive trade practices by any for-profit or non-profit organization providing consumer goods or services. The Department of Licensing and Consumer Protection investigates and enforces consumer protection complaints and regulations. The bill explicitly clarifies that the District government, related instrumentalities, and any employees working in their official capacities are not considered merchants under consumer protection laws and therefore not subject to related liabilities. The bill also reiterates that consumer protection laws related to landlord-tenant relations do apply to the District of Columbia Housing Authority (DCHA).

The bill's provisions are currently in effect under temporary legislation.²

¹ District of Columbia Consumer Protections Procedures Act, effective July 22, 1976 (D.C. Law 1-76; D.C. Official Code § 28-3901 *et seq.*).

² Consumer Protection Clarification Temporary Amendment Act of 2024, effective March 21, 2025 (D.C. Law 25-314; 72 DCR 3675).

The Honorable Phil Mendelson FIS: Bill 26-45, "Consumer Protection Clarification Amendment Act of 2025," Draft Committee Print as provided to the Office of Revenue Analysis on April 14, 2025

Financial Plan Impact

Funds are sufficient in the fiscal year 2025 through fiscal year 2028 budget and financial plan to implement the bill. The District government was never contemplated to be considered a merchant under the District's consumer protection laws and there are no costs associated with ensuring the District and related entities cannot be held liable under those laws. There are also no costs associated with affirming that landlord-tenant related provisions continue to apply to DCHA.

These provisions are in effect under temporary legislation through November 1, 2025.