

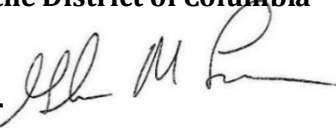
Government of the District of Columbia
Office of the Chief Financial Officer



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: November 25, 2024

SUBJECT: Fiscal Impact Statement – Containing Litter and Ensuring Adequate
Neighborhood Collections Amendment Act of 2024

REFERENCE: Bill 25-131, Draft Committee Print as provided to the Office of Revenue
Analysis on November 25, 2024

Conclusion

Funds are not sufficient in the fiscal year 2025 through fiscal year 2028 budget and financial plan to implement the bill. The bill's implementation will cost \$496,000 in fiscal year 2025 and \$613,000 over the four-year financial plan period.

Background

The Department of Public Works (DPW) ensures that private residential buildings provide adequate waste and recycling collection services for their residents as required by law.¹ DPW does this through both education and enforcement efforts. The bill establishes a minimum capacity for adequate waste collection of the equivalent of thirty-two gallons of space for each residential unit. The bill also requires that private residential buildings maintain equal amounts of capacity for trash and recycling. The bill encourages buildings to provide dumpsters rather than individual containers when feasible.² The bill requires all private collection properties to provide for collections from private services at least two times per week.

¹ Sustainable Solid Waste Management Amendment Act of 2014, effective February 26, 2015 (D.C. Law 20-154; D.C. Official Code § 8-1031.04).

² When individual containers are the only feasible method, a building owner must ensure they are properly secured.

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FIS: Bill 25-131, "Containing Litter and Ensuring Adequate Neighborhood Collections Amendment Act of 2024," Draft Committee Print as provided to the Office of Revenue Analysis on November 25, 2024

The bill requires DPW to install litter cans on residential streets if they receive a request to do so and confirm the location is within one block of a non-residential zone, on a block already serviced by DPW for solid waste collection. DPW should provide 30-day public notice of the installation of a litter can and give great weight to any Advisory Neighborhood Commission comments.

The bill mandates that DPW undertakes a commercial waste zone study within one year of the bill's effective date. The study should include an assessment of commercial solid waste hauling in the District, the impact of commercial hauling on vehicle traffic and efficiency for consumers, a proposal to create commercial waste zones in the District, proposals to limit the saturation of commercial haulers in similar areas, and plans for implementing the study's recommendations. The bill authorizes the DPW Director to request to access data, documents, or other information from a commercial hauler or require certain information be included in reporting to DPW to conduct the study.

Current owners of a condominium or cooperative unit in a building with more than three units cannot receive public waste collection, but can receive a property tax credit to help offset the cost of private waste collection. The current tax credit is approximately \$129. The bill requires the Chief Financial Officer (CFO) to include, in its periodic tax expenditure review which covers public works tax credits, an analysis of the share of private waste collection service costs covered by the property tax credit. The evaluation should include the median cost of commercial trash collection services as reported to the Office of Tax and Revenue on income and expense filings.

Financial Plan Impact

Funds are not sufficient in the fiscal year 2025 through fiscal year 2028 budget and financial plan to implement the bill. The bill's implementation will cost \$496,000 in fiscal year 2025 and \$613,000 over the four-year financial plan period.

The bill's provisions around adequate waste collection at private residential buildings will be part of DPW's education and enforcement efforts. DPW can absorb the cost of these changes within the agency's existing budgeted resources.

The bill requires DPW to install public litter cans, upon request, on residential and non-residential streets that are on or within one block of a commercially zoned area. While the number of potential requests is unknown, there are at least twenty-eight commercial areas as reflected in the District's Main Streets program.³ If DPW were to receive requests for at least five public litter cans on residential streets abutting these zones in fiscal year 2025 and one annually thereafter, it would cost \$196,000 and \$39,000 annually thereafter. DPW requires this additional funding to implement this provision. DPW currently has a shortage of crews to collect the District's public litter cans and while this bill does not create that problem, it could potentially exacerbate the concern if requests are significantly higher than expected.

DPW will need additional resources to undertake a study to establish commercial waste zones in the District. DPW needs \$300,000 to commission the study. The bill requires the study to be completed within one year of the bill's effective date.

³ <https://dslbd.dc.gov/service/DCMS>

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The CFO will continue to include information related to the public waste collection tax credit for certain condominium owners in its periodic tax expenditure review and will work with the Office of Tax and Revenue to obtain information around the cost of private collection services. The CFO can absorb the cost of this effort within the agency's existing budgeted resources.

Containing Litter and Ensuring Adequate Neighborhood Collections Amendment Act of 2024					
Implementation Costs					
Fiscal Year 2025 - Fiscal Year 2028					
(\$ thousands)					
	FY 2025	FY 2026	FY 2027	FY 2028	Total
Public Litter Cans	\$196	\$39	\$39	\$39	\$313
Commercial Waste Zone Study	\$300	\$0	\$0	\$0	\$300
Total Cost	\$496	\$39	\$39	\$39	\$613