


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: June 24, 2022

SUBJECT: Fiscal Impact Statement – Joint Property Protection Amendment Act of 2022

REFERENCE: Bill 24-169, Committee Print as provided to the Office of Revenue Analysis on June 13, 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 bill clarifies¹ that property conveyed to a trustee of a joint or separate revocable or irrevocable trust that was held by spouses or domestic partners as tenants by the entirety has the same immunity from separate creditor claims as property that is held by spouses or domestic partners as tenants by the entirety. The immunity from the claims of separate creditors may be waived by the trustee acting under the express provision of a trust instrument or with the written consent of both spouses or domestic partners. Upon the death of the first spouse or domestic partner, property held in a trust that was immune from the creditor claims must continue to have the same immunity that would exist if the property were still held by the spouses or domestic partners as tenants by the entirety.

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. Expanding immunity from claims by separate

¹ By amending Section 1031 of An Act To establish a code of law for the District of Columbia, approved March 3, 1901 (31 Stat. 1352; D.C. Official Code § 42-516).

The Honorable Phil Mendelson

FIS: Bill 24-169, "Joint Property Protection Amendment Act of 2022," Committee Print as provided to the Office of Revenue Analysis on June 13, 2022.

creditors to property conveyed to a trustee of a joint or separate revocable or irrevocable trust does not have an impact on the District finances.