## COUNCIL OF THE DISTRICT OF COLUMBIA COMMITTEE OF THE WHOLE COMMITTEE REPORT

1350 Pennsylvania Avenue, NW, Washington, DC 20004

**TO:** All Councilmembers

**FROM:** Chairman Phil Mendelson

Committee of the Whole

DATE: November 15, 2022

**SUBJECT:** Report on Bill 24-301, "Business and Entrepreneurship Support to Thrive

Amendment Act of 2022"

The Committee of the Whole, to which Bill 24-301, the "Business and Entrepreneurship Support to Thrive Amendment Act of 2022" was referred, reports favorably thereon with amendments, and recommends approval by the Council.<sup>1</sup>

#### **CONTENTS**

I.	Background And Need	1
II.	Legislative Chronology	10
III.	Position Of The Executive	10
IV.	Comments Of Advisory Neighborhood Commissions	11
V.	Summary Of Testimony	11
VI.	Impact On Existing Law	12
VII.	Fiscal Impact	
VIII.	Racial Equity Impact Assessment	13
IX.	Section-By-Section Analysis	13
X.	Committee Action	
XI.	Attachments	15

#### I. BACKGROUND AND NEED

On June 10, 2021, Bill 24-301, the "Business and Entrepreneurship Support to Thrive Amendment Act of 2021" was introduced by Councilmembers Brooke Pinto, Brianne Nadeau, Kenyan McDuffie, and Chairman Phil Mendelson. As introduced, the bill would reduce the number of business license categories from more than 100 to 10, lower initial basic business license fees to \$99, exempt from fees businesses with under \$10,000 in revenue, establish a progressive fee structure for renewals based on annual revenue, and transfer portions of Title 47 not relevant to the basic business licensing process to more appropriate Titles and Chapters of the D.C. Code.

<sup>&</sup>lt;sup>1</sup> The title has been updated to reflect the current year.

#### History of Business Licensing Laws in the District

Prior to the 1900s, certain trades and businesses in the District were regulated and required a license, but there was no comprehensive business licensing law to guide the process.<sup>2</sup> This changed in 1902 when Congress approved Public Law 57-218.<sup>3</sup> Public Law 57-218 required anyone engaging in certain businesses or trades, such as apothecaries, auctioneers, insurance companies, hotels, laundries, and restaurants, to obtain a license. To obtain licenses, individuals had to pay a "license tax" levied by the Assessor of the District of Columbia. License taxes varied from \$6, which would be around \$200 today, to as much as \$100, which would be more than \$3,300 today.<sup>4</sup> At the time, the Assessor issued roughly 4,000 licenses and collected nearly \$330,000 in license taxes.<sup>5</sup>

Congress revised the licensing law via Public Law 72-237 in 1932.<sup>6</sup> Public 72-237 revised license taxes, added several new license categories, and amended penalties for violating the law. For instance, the license tax for an apothecary or druggist increased from \$6 to \$12 a year, while the license tax for hotels decreased from at least \$35 to \$18 a year.<sup>7</sup> Additional license categories provided by Public 72-237 included swimming pools, mattress manufacturers, storage facilities for explosives and volatile chemicals, and private detective agencies. This increased the number of license categories to over 50. Finally, penalties were amended to include potential imprisonment. Under the prior law, violations were subject to a civil penalty of up to \$500. Under Public Law 72-237, violations could result in a civil penalty of up to \$300 or imprisonment for up to 90 days.<sup>8</sup>

Congress would add additional business license categories on a piecemeal basis until the passage of the District of Columbia Home Rule Act in December of 1973. In the first Council Period under home rule, the Council approved D.C. Law 1-82. But the law did not repeal any business license categories or substantively amend the language from Public Laws 57-218 and 72-237. Rather, it significantly increased license fees and added more business license categories. For instance, the license fee for employment agencies was increased from \$100 to \$500 a year, and the fee for a laundry business was increased from \$5 to \$50 a year.

The Council would not revisit the District's licensing law until the early-to-mid 1990s when the District's financial situation became precarious due to ballooning budget deficits<sup>11</sup> and anemic economic growth. Some of this was attributed to the business regulations that were

<sup>&</sup>lt;sup>2</sup> See, for instance, Chapter XVIII of the Code of Law for the District of Columbia, Enacted March 3, 1901.

<sup>&</sup>lt;sup>3</sup> Pub. L. No. 57-218, 32 Stat. 623, ch. 1352, § 7.

<sup>&</sup>lt;sup>4</sup> Costs in today's dollars were calculated using the Annual Average Index provided online by the Minneapolis Federal Reserve.

<sup>&</sup>lt;sup>5</sup> Report of the Commissioners of the District of Columbia, 1902.

<sup>&</sup>lt;sup>6</sup> Pub. L. No. 72-237, 47 Stat. 550, ch. 366.

<sup>&</sup>lt;sup>7</sup> *Id.*, Paragraphs 8 and 28.

<sup>&</sup>lt;sup>8</sup> *Id.*, Paragraph 48.

<sup>&</sup>lt;sup>9</sup> See, for instance, Pub. L. No. 84-982, 70 Stat. 1036, ch. 970.

<sup>&</sup>lt;sup>10</sup> D.C. Law 1-82, Sec. 104(a) and (h).

<sup>&</sup>lt;sup>11</sup> See, for instance, Nell Henderson and R.H. Melton, "D.C. Deficit Could Hit \$40 Million," *The Washington Post*, Sept. 27, 1994.

outdated and convoluted.<sup>12</sup> To address these outdated and complicated laws and regulations, then-Mayor Sharon Pratt Kelly and the D.C. Council established the 19-member Business Regulatory Reform Commission in late 1994.<sup>13</sup> The Commission was charged with conducting a comprehensive study of the District's business regulations and making recommendations to the Mayor and Council that would "restore efficiency... economic competitiveness... and fairness..."<sup>14</sup> After roughly two years of work, the Commission released a report that included more than 120 recommendations.<sup>15</sup> The Commission's recommendations for business licensing included creating a master license system based on the system in Washington State, consolidating 129 individual license categories into 11 overarching categories, and making business licenses biannual.<sup>16</sup>

As a result of these recommendations and the directives of the District of Columbia Financial Control Board, the Council approved two laws in Council Period 12 that overhauled the District's business licensing law: D.C. Law 12-86, the "Omnibus Regulatory Reform Amendment Act of 1998," and D.C. Law 12-261, the "Second Omnibus Regulatory Reform Amendment Act of 1998." D.C. Law 12-86 created a master license that every business in the District had to obtain to legally operate and established endorsement categories for specific types of businesses. An initial master license cost \$25, and endorsements cost \$5 each. The law also established a dedicated Master License Fund, where all business fees would be deposited, to maintain and upgrade the master licensing system. Finally, the law categorized licenses under two classes, Class A and Class B, based on whether the businesses had to be inspected prior to opening. D.C. Law 12-261 eliminated a significant number of individual license categories and consolidated them into 26 specific endorsement categories. For example, separate license categories were eliminated for education and cultural institutions, institutions of learning, medical and dental colleges, postsecondary institutions, and veterans training. These categories were consolidated under an "educational services" license endorsement. 17 The law also eliminated outdated license categories such as coal dealer, livery, street photographer, and bottling establishment. 18

While Public Laws 12-86 and 12-261 were passed to streamline and modernize the business licensing process, the smooth process envisioned by the drafters did not come to fruition. It was not until the summer of 2002 that the District launched the master licensing system, and almost immediately, District residents complained that the registration process was confusing and tedious. Additionally, thousands of residents were unaware of the new registration requirements because their businesses did not require a business license in the past and so were operating

<sup>&</sup>lt;sup>12</sup> See, for instance, Martha Hamilton and Richard Morin, "Local Executives See District in Peril," *The Washington Post*, June 21, 1993, pg. A1; Liz Spayd, "Open for Business? D.C. Isn't—and its Driving Employers to the Suburbs," *The Washington Post*, December 4, 1994, pg. C1.

<sup>&</sup>lt;sup>13</sup> D.C. Law 10-212, the Business Regulatory Reform Commission Act of 1994.

<sup>&</sup>lt;sup>14</sup> *Id.*, Section 2(3).

<sup>&</sup>lt;sup>15</sup> Business Regulatory Reform Commission Report, August 1997.

<sup>&</sup>lt;sup>16</sup> *Id.*, pg. 20.

<sup>&</sup>lt;sup>17</sup> D.C. Law 12-261, Section 2022(f).

<sup>18</sup> Id

<sup>&</sup>lt;sup>19</sup> See, for instance, Avram Goldstein and Spencer Hsu, "New License Requirement for Even Smallest Businesses Stirs Confusion, Unease," *The Washington Post*, July 25, 2002, pg. DE2; David Nakamura, "D.C. Debates Its Method of Licensing Businesses," *The Washington Post*, April 28, 2003, pg. B1.

illegally, which exposed them to a potential penalty of \$500.<sup>20</sup> As a result of the pushback from District residents, the Council repealed the master licensing system in 2003 through D.C. Law 15-38, the "Streamlining Regulation Act of 2003." In place of the master license, D.C. Law 15-38 created a basic business license that is similar in nature but does not include the two classes of licenses (Class A and Class B).

Since the passage of D.C. Law 15-38, the Council has approved minor changes to the business licensing law but has not taken a comprehensive look at the statute to determine what updates and revisions should be made.<sup>22</sup> As a result, Subchapter I-A Chapter 28 of Title 47—which contains most of the business licensing requirements in our laws—is a patchwork of definitions and license types that can be difficult for anyone to navigate given the over 120 license categories that currently exist. For instance, the activities covered by the delicatessen and mobile delicatessen licenses are identical,<sup>23</sup> and there are five different types of beauty shop licenses.<sup>24</sup> Current business license fees are often nonsensical as well. As an example, the fee for a hotel with 1-29 units is \$313, while the fee for an inn or motel with the same number of units is \$154. Why is the fee for a hotel of that size more than double the fee for an inn or motel of the same size? No logical justification could be found.

Given the archaic and complex nature of the District's current business licensing law, the Committee believes Bill 24-301 is necessary to streamline and modernize our regulatory environment.

#### Bill 24-301

As introduced, Bill 24-301 would reduce the number of business license categories from more than 100 to 10, lower initial basic business license fees to \$99, exempt from fees businesses with under \$10,000 in revenue, establish a progressive fee structure for renewals based on annual revenue, and transfer portions of Title 47 not relevant to the basic business licensing process to more appropriate Titles and Chapters of the D.C. Code. The Print retains several changes made by the introduced version of the bill, including:

- Adding notice language for the licensing of theaters, cinemas, skating rinks, etc., to § 1–309.10:
- Shifting language on the collection, storage, and processing of waste tires from § 47-2832.02 to § 8-1031.03;
- Shifting language on the suspension or revocation of licenses for illegal criminal activity from § 47–2844 to § 42-3115;
- Repealing numerous sections of Chapter 28 of Title 47;

<sup>&</sup>lt;sup>20</sup> David Nakamura, "Kill Business License Law, Evans Urges," *The Washington Post*, March 13, 2003, pg. DE3.

<sup>&</sup>lt;sup>21</sup> David Nakamura, "D.C. Council Repeals Business License Law," *The Washington Post*, June 4, 2033, pg. B8.

<sup>&</sup>lt;sup>22</sup> For instance, Subtitle C in Title II of the "Fiscal Year 2009 Budget Support Act of 2008" increased fees from \$35 to \$70 for a basic business license and increased the cost of endorsements from \$15 each to \$25 each.

<sup>&</sup>lt;sup>23</sup> A mobile delicatessen license applies to "businesses where food, drinks, or refreshments are cooked, prepared and sold for consumption off the premises." A delicatessen license covers the exact same activities.

<sup>&</sup>lt;sup>24</sup> These include a generic beauty shop license as well as beauty shop licenses for braiding, electrology, esthetics, and nails.

- Shifting definitions and language on body art and body art establishments from § 47–2809.01 to § 47-2853.76 and § 47-2853.76(b); and
- Shifting and slightly amending language on for-hire vehicle operator requirements from § 47–2829 to § 50–301.

The Committee Print makes several substantive changes to the introduced version, however, based on discussions held by a working group that included Council staff, agency staff, and external stakeholders. First, the Print increases the number of business license categories from 10 to 11 and provides a statutory definition for each of the 11 categories. The introduced version only provided definitions for 3 of the 10 license categories. The categories and the proposed statutory definitions are shown in Table 1 below. The District's current code and regulations contain over 100 license categories, so this represents a significant reduction of license categories. Additionally, the Print includes a provision that would allow the Department of Licensing and Consumer Protection (DLCP) to create additional categories through rulemaking but caps the number of total license categories at 15. This ensures that the Department has some flexibility to create additional business license categories as new types of businesses emerge but also ensures that the District does not recreate the mistakes of the past by capping the number of total license categories at a much more manageable threshold.

Table 1. Business License Categories and Definitions in the Committee Print

License Category	Definition
Beauty and Grooming Services	Any business that provides personal services related to hairstyling, nail care, and cosmetics, including haircuts, color treatments, manicures, pedicures, chemical exfoliation, waxing, makeup application, electrolysis hair removal, and other similar services.
Charitable services	Any service whose actual or purported purpose is benevolent, philanthropic, patriotic, educational (except religious education), scientific, environmental conservation, civic, or other eleemosynary purpose.
Contractor and construction services	Any service that involves the planning, acquiring, building, equipping, altering, repairing, improving, or demolishing of any structure or appurtenance thereto
Entertainment services	A performance, recreational activity, spectacle, show, or similar event or service, including amusement parks, bowling alleys, skating rinks, and theaters.
Environmental services	Any service meant to store, transport, or distribute fuels or solvents, remediate pests or environmental contaminants, and store, transport, or collect solid waste.

Food services	Any handling of food or food products regulated under title 25 of the D.C. Municipal Regulations.
General sales and services	Any service or business that is not covered by other business license categories in this subchapter.
Health services	A swimming pool regulated under title 25C of the D.C. Municipal Regulations, or a pet shop regulated under title 25J of the D.C. Municipal Regulations.
Housing and lodging services	The provision of short-and-long-term housing or lodging for residents and visitors in the District, including one-family rentals, two-family rentals, apartments, short-term rentals, hotels, bed and breakfasts, and other similar services.
Public safety services	Any service whose primary purpose is to protect the safety, health, or property of residents of the District, including security systems, alarms, and personnel.
Vehicular services	The repair, servicing, alteration, restoration, towing, painting, cleaning, finishing, or parking of automobiles, trucks, recreational vehicles, boats, and other vehicles, boats and other vehicles as a primary use, including the incidental wholesale and retail sale of vehicle parts as an accessory use

Second, the Print would allow DLCP to create and revise business license endorsement categories through rulemaking but prohibits the agency from charging an additional fee for an endorsement. The introduced version of the bill repealed any provisions related to endorsement categories, but the Department uses these endorsement categories to track licenses at a micro-level for regulatory purposes. As such, the Committee believes the Department should still have the authority to create and revise endorsement categories but removes its authority to charge an additional fee for endorsement categories. Currently, endorsement fees range from as little as \$25 to as much as \$3,107.<sup>25</sup> The variation in endorsement fees does not seem to stem from differences in DLCP's application process, as each applicant must supply the same basic information to the Department: a certificate of occupancy, a corporate registration (where applicable), a certificate of clean hands, and tax registration information. Some businesses must also supply inspection reports or authorizations from agencies such as D.C. Health, D.C. Fire and Emergency Medical Services, or the Department of Motor Vehicles, but these departments charge their own fees for applicable inspections and authorizations. For instance, a business must pay \$150 to D.C. Fire and Emergency Medical Services to have the Fire Marshall inspect the premises to certify compliance with the fire code.<sup>26</sup> Given this, the Committee does not believe that there are any legitimate budgetary justifications for charging applicants an endorsement fee.

Third, the Print creates a flat fee of \$49 for 6-month licenses and renewals and \$99 for initial 2-year licenses and renewals. In the introduced version, businesses would pay 1/10 of one

<sup>&</sup>lt;sup>25</sup> 17 DCMR 500-519.

<sup>&</sup>lt;sup>26</sup> See: https://business.dc.gov/quick/1461.

percent of their taxable income for a business license fee. While many jurisdictions have a similar progressive fee structure, all of these jurisdictions administer business licensing through their Treasurers, Chief Financial Officers, or Assessors. A Treasurer, Chief Financial Officer, or Assessor has direct access to tax information on the individuals and businesses applying for a license. DLCP does not have access to tax information and could not acquire it under the law since they do not assess or collect taxes. As such, the progressive fee structure in the introduced version of the bill would be impossible to administer without transferring the responsibility of business licensing to the Office of the Chief Financial Officer (OCFO). The Committee considered the use of a proxy to delineate between small businesses and larger businesses—such as the number of employees at an establishment—but the use of any proxy would be administratively difficult for the business owner and the Department. Page 19.

Table 2. Sample Basic Business License Fees – Current vs. Committee Print<sup>30</sup>

License	Current Fee	<b>Committee Print Fee</b>	Fee Reduction
Barber Shop	\$190.30	\$99	\$91.30
Bakery	\$517	\$99	\$418
Caterer	\$348.70	\$99	\$249.70
Charitable Solicitation	\$412.50	\$99	\$313.50
Delicatessen	\$599.50	\$99	\$500.50
General Contractor	\$654.50	\$99	\$555.50
One Family Rental	\$198	\$99	\$99
Restaurant (1-10 Seats)	\$599.50	\$99	\$500.50
Restaurant (11-50 Seats)	\$722.70	\$99	\$623.70
Restaurant (51-100 Seats)	\$844.80	\$99	\$745.80
Restaurant (100+ seats)	\$968	\$99	\$869
Valet Parking	\$348.70	\$99	\$249.70

Still, the flat license fee will significantly reduce costs for entrepreneurs in the District (see, for instance, examples in Table 2). Of the more than 120 license categories currently in existence, only four categories have a current basic business license fee of \$99.<sup>31</sup> And these four license categories only account for roughly 20% of the more than 57,000 active business licenses in the District.<sup>32</sup> The reduction in business license fees will also make the District far more competitive with neighboring jurisdictions and other major metropolitan areas. In the City of Baltimore, for example, business license fees currently cost anywhere from \$40 to \$520.<sup>33</sup> In other neighboring

<sup>&</sup>lt;sup>27</sup> For example, in Seattle, business licensing is administered by the City Finance Department. The City Finance Department is responsible for the financial operations of city government, including the collection of all city taxes. (https://www.seattle.gov/city-finance/about-city-finance).

<sup>&</sup>lt;sup>28</sup> Section 6103 of the IRS Tax Code, and D.C. Official Code § 47–1805.04, do not allow divulgence of tax information outside of narrow, specific circumstances.

<sup>&</sup>lt;sup>29</sup> The number of employees may change throughout the year, and be difficult to track, for instance.

<sup>&</sup>lt;sup>30</sup> The current fee includes the application fee, any endorsement fees, and a 10% technology fee.

<sup>&</sup>lt;sup>31</sup> These four categories are employer-paid personnel service, employment agency, employment counseling service, and general business.

<sup>&</sup>lt;sup>32</sup> As of October 2, 2022, there were 57,224 active business licenses, including licenses for individuals required under our business licensing laws and regulations.

<sup>&</sup>lt;sup>33</sup> See: https://finance.baltimorecity.gov/sites/default/files/business%20license%20registration%20application.pdf.

jurisdictions, such as Alexandria and Arlington, business license fees are calculated based on gross receipts. But even in these circumstances, it may be cheaper to obtain a license in those jurisdictions than in the District. For instance, let's say someone wanted to start a small bakery with no employees. A bakery license costs \$517 biennially in the District. Nonemployer accommodation and food service businesses have gross revenues of roughly \$27,000 in Arlington, which means they would only pay \$60 in two years.<sup>34</sup>

Fourth, the Print requires the Department to issue a notice of an impending license expiration to the licensee no later than 60 days prior to the expiration date and reduces late fees for lapsed or expired business licenses. The introduced version of the bill did away with <u>all</u> late fees, or penalties for a lapsed or expired license. The Committee does not agree with abolishing all late fees or penalties but does believe that current penalties are too onerous. Currently, the penalties range from \$250 penalty if the license has been expired for up to 30 days to \$500 if the license has been expired for more than 30 days but less than 6 months. If a license has been expired for more than 6 months, a licensee cannot renew their old license. The Print would revise these penalties such that a licensee would pay a penalty of \$75 if the license has been expired for up to 30 days, \$150 if the license has been expired for more than 30 days but less than 6 months, and \$350 if the license has been expired for more than 6 months but less than 9 months. Where a license has been expired for more than 6 months but less than 9 months, the Print gives the Department the authority to create additional requirements, via a reinstatement process, that an applicant must meet to have their license reinstated.

Fifth, the Print strikes provisions from the introduced version of the bill that would allow a person to avoid paying a basic business license fee if the business makes \$20,000 or less in annual receipts. While the Committee does not agree with the Department that these provisions would be ripe for fraud, the Committee believes \$20,000 in annual gross revenue is too high a threshold to waive the payment of a \$99 biennial license fee. Instead, the Print exempts businesses with expected or actual annual gross revenue of between \$2,000 and \$10,000 from paying the basic business license fees. In order to qualify, a person would have to submit an application form with a statement that certifies that the business will make between \$2,000 and \$10,000 in annual gross revenue in the next year or has made between \$2,000 and \$10,000 in the prior year. A person who submits a false certification would be subject to a fine of \$2,000 and barred from receiving a basic business license for 5 years. There is no publicly available data that could be used to determine how many businesses would potentially qualify for this exemption, but based on available data, it is likely that most businesses that will qualify are nonemployer businesses.<sup>35</sup> Nonemployer businesses make up nearly 80% of the nearly 80,000 small businesses in D.C., and less than 3,500 of these nonemployer businesses have average annual receipts near \$10,000.36 The Print also retains the de minimis license exemption for a business activity that makes \$2,000 or less.

Sixth, the Print re-inserts and slightly amends existing language in D.C. Code § 47-2851.13 regarding the establishment of the Basic Business License Fund. This section was intentionally

<sup>&</sup>lt;sup>34</sup> Nonemployer Statistics by Legal Form Form of Organization and Receipts Class Size, Arlington County, VA, 2019.

<sup>&</sup>lt;sup>35</sup> The Census Bureau defines nonemployer businesses as businesses that do not have a paid employee, have annual receipts of \$1,000 or more, and are subject to federal income taxes.

<sup>&</sup>lt;sup>36</sup> Committee analysis of 2019 Nonemployer Statistics by Legal Form of Organization and Receipts Size Class for D.C.

left out of the introduced version of the bill due to concerns about the Department increasing business license fees to make up for budget shortfalls in other programs or to fund other projects. The Committee does not share this concern for two reasons. First, any increase in fees would have to be done through the rulemaking process. If the Department revised fees through rulemaking and the Council felt that these fees were too high, the Council could disapprove of the rules. Second, the history of business license fees in D.C. suggests that rapid or unreasonable increases are rare. Most current business license fees have not been revised since 2010, and before that, most license fees had not been revised since the late 1990s.

Finally, the Print amends provisions in D.C. Code § 48-108.01 related to the closure of food establishment's due to a lapsed or expired basic business license. After the Committee's hearing on Bill 24-301, representatives of the Restaurant Association of Metropolitan Washington communicated to the Committee that several restaurants were shut down by D.C. Health for lapsed or expired business licenses, and the owners of those restaurants had not received notice about the lapsed or expired license from the Department of Consumer and Regulatory Affairs. The abrupt closure of these restaurants—without any warning or notice—had a negative financial impact on the owners and their employees. As such, the Print includes a new subsection that would require the Mayor to give the licensee of a food establishment a 5-day notice of non-compliance for a lapsed or expired basic business license. The notice will warn the licensee that if they do not renew their basic business license and provide proof of renewal within 5 days of receiving the notice, the food establishment's license may be summarily suspended or restricted without any additional warning, notice of a hearing, or hearing. The notice provision would only apply when a lapsed or expired license is the only violation. These amendments were not included in the introduced version of the bill.

In addition to these substantive changes, the Print makes minor edits throughout the bill and re-inserts provisions repealed by the bill into another subchapter to ensure that certain occupational licensing categories are retained. The introduced version of the bill repeals existing language in Subchapter I-A for security agencies and security service occupations, as well as tour guides. The Print inserts these provisions into new sections in Subchapter I-B, which regulates non-health-related occupations and professional licensure.

#### Conclusion

The District's current business licensing laws and regulations are burdensome, confusing, and outdated. Right now, a resident looking to start a business must choose between over 100 license categories with a range of fees. Many of these license categories have been in the Code since the early 1900s, and the fees for each license are often prohibitive and unrelated to the administrative burden of the Department issuing the license. To modernize and streamline our business licensing law, Bill 24-301 significantly narrows the number of license categories, reduces license fees across the board, and removes or updates outdated and unnecessary provisions. All of this will make it significantly easier for residents to start and maintain a business in the District of Columbia, benefiting families, communities, and the District as a whole. Given this, the Committee recommends Council approval of the Committee Print for Bill 24-301.

#### II. LEGISLATIVE CHRONOLOGY

July 12, 2021	Bill 24-301, the "Business and Entrepreneurship Support to Thrive Amendment Act of 2021" is introduced by Councilmembers Brooke Pinto, Brianne Nadeau, Kenyan McDuffie, and Chairman Phil Mendelson
June 15, 2021	Bill 24-301 is "read" at a legislative meeting; on this date the referral of the bill to the Committee of the Whole is official.
June 18, 2021	Notice of Intent to Act on Bill 24-301 is published in the <i>District of Columbia Register</i> .
January 14, 2022	Notice of a public hearing is published in the District of Columbia Register.
February 7, 2022	The Committee of the Whole holds a public hearing on Bill 24-301.
November 15, 2022	The Committee of the Whole marks up Bill 24-301.

#### III. POSITION OF THE EXECUTIVE

Ernest Chrappah, the Director of the Department of Consumer and Regulatory Affairs, testified at the Committee's public hearing on February 7, 2022 on behalf of the Executive. Director Chrappah explained the current business licensing process and highlighted the reductions in business license fees for general business licenses and occupational and professional licenses. Regarding the bill, Director Chrappah said that the agency supports reducing the number of business license categories but does not support eliminating endorsement categories. In addition, Director Chrappah expressed concern that:

- Lowering basic business license fees would negatively impact the finances of the Department;
- Allowing people to self-certify that they are exempt from a license fee would be ripe for abuse:
- Eliminating the Basic Business License Fund would negatively impact the Department's operations; and
- Basing license fees on annual revenue would be extremely difficult to administer.

Finally, Director Chrappah stated that the Executive supports removing outdated or duplicative requirements and transferring sections of Chapter 28 of Title 47 that do not directly relate to the business licensing process to other sections of the code.

#### IV. COMMENTS OF ADVISORY NEIGHBORHOOD COMMISSIONS

The Committee did not receive comments from any Advisory Neighborhood Commissions (ANC) regarding this Bill.

#### V. SUMMARY OF TESTIMONY

The Committee of the Whole held a public hearing on several bills, including Bill 24-301, on Monday, November 29, 2021. The testimony summarized below pertains to Bill 24-301. Copies of written testimony are attached to this report.

Alex Montgomery, City Policy Associate with the Institute for Justice, testified in support of the bill. Mr. Montgomery testified that the current business license process is complex and onerous. He noted that the bill would help small businesses by reducing fees, simplifying the licensing system, and eliminating outdated or unnecessary regulations.

Andrew J. Kline, General Counsel for the Restaurant Association of Metropolitan Washington, testified in support of the bill on behalf of RAMW. Mr. Kline requested three changes to the bill, however. First, he requested that all public halls with Alcoholic Beverage Regulation Administration licenses be exempt from the review process articulated in new subsection (q) of D.C. Code § 1-309.10, as the requirements are duplicative of the ABRA licensing process. Second, he suggested that trade name renewals occur at the same time as basic business license renewals. Finally, Mr. Kline recommended that the term "knowingly" on lines 269-274 be narrowed.

*Julia Cardona Mejia*, *Street Entrepreneurs*, testified in support of the bill. Ms. Mejia testified that Bill 24-301 would help entrepreneurs by lowering the cost of business licenses and making the process less complex. However, Ms. Mejia advocated for several reforms beyond what is contained in the bill, including issuing new street vending licenses and limiting the applicability of the requirement for a business to possess a certificate of occupancy.

**Rachel Shank, Executive Director of Georgetown Main Street**, testified in support of the bill. Ms. Shank testified that a streamlined business licensing process would benefit the District economically.

Che Ruddell-Tabisola, Co-Owner of the BBQ Bus Smokehouse, testified in support of the bill.

Evette Banfield, Vice President for Economic Development Policy at the Coalition for Nonprofit Housing and Economic Development, testified in support of the bill. Ms. Banfield made several recommendations to strengthen the legislation, including requiring small business impact statements to be filed and reviewed prior to approving proposed regulations, allowing more time to notify businesses by mail and electronically, and maintaining and updating a roster of businesses that have been issued a basic business license to share with sister agencies and stakeholders.

Aisha Bond, Interim Executive Director of the Greater Washington D.C. Black Chamber of Commerce, testified in support of the bill.

In addition to the testimony summarized above, the Committee received comments in writing, including the following:

*Dr. Yesim Sayin Taylor, Executive Director of the D.C. Policy Center*, submitted written testimony in support of the bill. Dr. Taylor's testimony also recommends that the Council consider a system where a temporary one-year basic business license is automatically issued when a business is registered and increasing the Clean Hands threshold from \$100 to a much higher level.

Angela Franco, President and CEO of the D.C. Chamber of Commerce, submitted written testimony in support of the bill.

Mrs. Mariko Bennett, President of the National Coalition of Black Women Inc., Washington, D.C. Chapter, submitted written testimony in support of the bill.

*Mark Lee, Coordinator with the D.C. Nightlife Council*, submitted written testimony in support of the bill but recommended the Committee amend the legislation in three areas. First, First, he requested that all public halls with Alcoholic Beverage Regulation Administration licenses be exempt from the review process articulated in new subsection (q) of D.C. Code § 1-309.10, as the requirements are duplicative of the ABRA licensing process. Second, he requested that the definition of "knowingly" on lines 269-274 be revised. Finally, he requested that the Committee revise language related to the police department's Reimbursable Detail Subsidy Program.

Marisela Rodela, Chief Community and Culture Officer with D.C. Brau Brewing, submitted written testimony in support of the bill.

William Bowie, Senior Counsel with the Office of Tax and Revenue at the Office of Chief Financial Officer, submitted written testimony requesting the Committee strike language on line 477 on page 22 regarding the use of a unique identifying number.

#### VI. IMPACT ON EXISTING LAW

Bill 24-301 would transfer portions of Chapter 28 of Title 47 not directly related to business licensing to more appropriate sections of the code and repeal outdated or duplicative sections of Chapter 28 of Title 47. Bill 24-301 would prescribe and define 11 categories of basic business licenses and allow the Department of Licensing and Consumer Protection to create additional license categories, with a cap of 15 total categories. The bill would prohibit the Department from charging a fee for endorsement categories and reduce basic business license fees to \$49 for a 6-month license or \$99 for a two-year license. The bill would allow individuals to self-certify that they are exempt from business license fees if their business made between \$2,001 and \$10,000. Additionally, Bill 24-301 would decrease penalties for lapsed or expired licenses, allow the Department to require bonding of certain classes or subclasses of licenses, establish a process for

cease and desist orders, and require a 5-day written notice of non-compliance to be sent to food establishment's prior to closure solely for an expired or lapsed basic business license.

#### VII. FISCAL IMPACT

#### VIII. RACIAL EQUITY IMPACT ASSESSMENT

#### IX. SECTION-BY-SECTION ANALYSIS

#### Section 2

Adds a new subsection (q) to D.C. Code § 1-309.10 that establishes certain notice requirements for licenses for a theater, cinema, skating rink, dance hall, exhibition, lecture, or other entertainment establishments.

#### Section 3

- (a) Adds a subsection (g) to D.C. Code § 8-1031.03 related to special events and recycling. This language currently exists in D.C. Official Code § 47–2826 but is repealed by Section 5(a).
- (b) Adds section 103c to D.C. Code § 8-1031.03 outlining requirements related to waste tires. This language currently exists in D.C. Official Code § 47–2832.02 but is repealed by Section 5(a).

#### Section 4

Adds section 15 (D.C. Official Code § 42-3115) to the Drug-Related Nuisance Abatement Act of 1998 on the suspension or revocation of licenses for illegal criminal activity. This language currently exists in D.C. Official Code § 47–2844 but is repealed by Section 5(a).

#### Section 5

- (a) Repeals various sections of Chapter 28 of Title 47.
- (b) Amends the Table of Contents for Chapter 28 of Title 47.
- (c) Amends and adds definitions related to business licensing and business license categories to D.C. Code § 47-2851.01.
- (d) Adds a section 47-2851.01a outlining the scope of Subchapter I-A.
- (e) Adds a section 47–2851.01b outlining the powers and duties of the Department of Licensing and Consumer Protection.
- (f) Amends D.C. Code § 47-2851.02 to strike duplicative language and add language from other sections of the code.
- (g) Amends D.C. Code § 47–2851.03, reducing the number of business license categories to 11. Also authorizes the use of endorsement categories but prohibits the Department from charging a fee for endorsements.

- (h) Amends D.C. Code § 47-2851.04 to establish new fees for a 6-month license and renewals (\$49) and a two-year license and renewals (\$99). Also provides for a de minimis license exemption of \$10,000 in gross annual revenue.
- (i) Amends D.C. Code § 47-2851.05(b)(8) and repeals (b)(3), (b)(4), (b)(5), and (b)(6). Also repeals subsections (c) and (d).
- (j) Amends D.C. Code § 47-2851.06 to simplify public information provisions.
- (k) Amends D.C. Code § 47-2851.07 to simplify provisions for issuing a basic business license.
- (l) Amends D.C. Code § 47–2851.10 to reduce late fees and penalties for lapsed or expired licenses.
- (m) Amends D.C. Code § 47–2851.13 to remove outdated or unnecessary language.
- (n) Makes a technical amendment to D.C. Code § 47-2851.15(b).
- (o) Makes technical amendments to D.C. Code § 47-2851.16(a), (b), (d), and (e).
- (p) Adds §§ 47-2851.21, 47-2851.22, 47-2851.23, and 47-2851.24 related to bonding requirements, cease and desist orders, prosecutions, and penalties. These sections previously existed in other parts of the code that are repealed in Section 5(a).
- (q) Adds a section 47-2853.76 defining terms related to body art, body artists, and body art establishments.
- (r) Amends D.C. Code § 47-2853.76b add language regulating body art and body art establishments. This language previously existed in D.C. Official Code § 47–2809.01.

#### Section 6

Adds a new subsection (c-1) to D.C. Official Code § 48-108.01 to require a 5-day written notice of non-compliance to be sent to a food establishment prior to closing the establishment solely due to a lapsed or expired basic business license.

#### Section 7

Amends D.C. Official Code § 50–301.13 to incorporate language from D.C. Official Code § 47–2829 regarding the regulation of for-hire vehicles.

Section 8 Establishes an MPD Overtime Reimbursement Fund. This language

currently exists in D.C. Official § 47–2826.

Section 9 Applicability.

Section 10 Fiscal impact.

Section 11 Effective date.

#### X. COMMITTEE ACTION

#### XI. ATTACHMENTS

- 1. Bill 24-301 as introduced.
- 2. Written Testimony.
- 3. Fiscal Impact Statement for Bill 24-301.
- 4. Legal Sufficiency Determination for Bill 24-301.
- 5. Racial Equity Impact Assessment for Bill 24-301.
- 6. Comparative Print for Bill 24-301
- 7. Committee Print for Bill 24-301.

#### COUNCIL OF THE DISTRICT OF COLUMBIA

### 1350 Pennsylvania Avenue, N.W. Washington D.C. 20004

#### Memorandum

To: Members of the Council

From: Nyasha Smith, Secretary to the Council

Date: Friday, June 11, 2021

Subject: Referral of Proposed Legislation

Notice is given that the attached proposed legislation was introduced in the Office of the Secretary on Thursday, June 10, 2021. Copies are available in Room 10, the Legislative Services Division.

TITLE: "Business and Entrepreneurship Support to Thrive Amendment Act of 2021", B24-0301

INTRODUCED BY: Councilmembers Pinto, Nadeau, McDuffie, and Chairman Mendelson

The Chairman is referring this legislation to Committee of the Whole with comments from the Committee on Business and Economic Development.

Attachment cc: General Counsel Budget Director Legislative Services



# COUNCIL OF THE DISTRICT OF COLUMBIA OFFICE OF COUNCILMEMBER BROOKE PINTO THE JOHN A. WILSON BUILDING 1350 PENNSLYVANIA AVENUE, N.W., SUITE 106 WASHINGTON, D.C. 20004

June 9, 2021

Nyasha Smith, Secretary Council of the District of Columbia 1350 Pennsylvania Avenue, N.W. Washington, DC 20004

Dear Secretary Smith,

Today, along with Chairman Mendelson and Councilmembers Brianne K. Nadeau and Kenyan R. McDuffie, I am introducing the "Business and Entrepreneurship Support to Thrive (BEST) Amendment Act of 2021." Please find attached a signed copy of the legislation.

This legislation would streamline basic business licensing processes for new and existing businesses to make it easier for residents to contribute innovative ideas, jobs, and tax dollars to our communities through the prospering of small businesses, the engine of the District's economic recovery.

Starting a business in the District is expensive, confusing, and time-consuming and due to arcane and complex licensing requirements, many entrepreneurs find it difficult or impossible to turn their business dreams into a reality. The current regulatory process is so complex that it is confusing for business owners to navigate and for agency staff to enforce. This results in lost revenue, frustration, and negative interactions between residents and government. This unfriendly business environment potentially drives entrepreneurs to explore opening up shop in neighboring states. These barriers to entry especially harm women and minority entrepreneurs who may have less access to capital or support to help navigate the process. This has been particularly true this past year, during the COVID-19 public health emergency.

Filing the paperwork to start a business in the District is too complex. Applicants for licenses or permits are often left not knowing which licenses they will need, how much everything will cost, and the time it will take to get from initial application to the final business license. Additionally, getting a business started in the District is costly, as licensing fees and endorsements quickly add up. Future entrepreneurs must spend hundreds or even thousands of dollars in fees to license their businesses, especially when businesses require multiple licenses under the District's complicated basic business license structure.

Further, future business owners typically need permission from several city departments before they can reach their opening day. Each interaction comes with its own set of costs, from getting a business license to navigating zoning, from sign-permit applications to filing articles of incorporation. Even lower-impact business models, like non-food retail stores or temporary popups, often must pay several hundreds of dollars in fees for general license requirements.

This bill addresses these problems by:

- Reducing the number of basic business license categories from 100+ to 10 and thereby greatly simplify the licensing process.
- Lowering initial license fees to \$99 for 2 years (or \$49 for 6 months), allowing for an exemption from fees for businesses with under \$10,000 in annual revenue, and establishing a progressive fee structure for renewals based on annual revenue.
- Setting up a clearer process for business licensing by removing outdated and duplicative requirements.
- Allowing DCRA flexibility to implement policies and procedures as necessary to better serve the District's burgeoning business community.
- Streamlining the law by transferring sections of the code not directly relevant to the basic business licensing process from Chapter 28 of Title 47 to more appropriate sections of the D.C. Code.

Should you have any questions about this legislation, please contact my Legislative Director, Barry Weise, at bweise@dccouncil.us.

Thank you,

**Brooke Pinto** 

Chairman Phil Mendelson

Councilmember Brooke Pinto

Councilmember Kenyan R. McDuffie

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Councilmember Brianne K. Nadeau

1 A BILL 2

#### IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

8 9 To amend the Advisory Neighborhood Commissions Act of 1975 to transfer 10 responsibility for the Mayor to provide certain notices to Advisory Neighborhood 11 Commissions, from Chapter 28 of Title 47 to the Advisory Neighborhood 12 Commissions Act of 1975; to amend the Sustainable Solid Waste Management 13 Amendment Act of 2014 to transfer responsibility for a person or entity granted a 14 basic business license for a special event to provide infrastructure onsite for the 15 separation and recycling of recyclable waste and to prohibit the issuance of 16 license shall to any waste tire generator that fails to provide the Mayor with 17 certain information concerning waste tires at the site, from Chapter 28 of Title 47 to the Sustainable Solid Waste Management Amendment Act of 2014; to amend 18 19 the Drug-Related Nuisance Abatement Act of 1998 to transfer responsibility for 20 the Mayor to suspend or revocate licenses of a licensee who knowingly has 21 permitted on the licensed premises certain offenses related to controlled 22 substances, drug paraphanalia, an act of prostitution, and consumption of 23 marijuana in public space, from Chapter 28 of Title 47 to the Drug-Related 24 Nuisance Abatement Act of 1998; to amend Chapter 28 of Title 47 to reduce the 25 number of basic business license categories and thereby simplify the licensing 26 process, to lower initial license fees, to allow for an exemption from fees for 27 businesses with under \$10,000 in annual revenue, to establish a progressive fee 28 structure based on revenue, to set-up a clearer process for business licensing by 29 removing outdated and duplicative requirements, and to allow DCRA flexibility to implement policies and procedures as necessary to serve better the District's 30 business community; to amend the Department of For-Hire Vehicles 31 32 Establishment Act of 1985 to transfer responsibility certain licensing and other 33 requirements, from Chapter 28 of Title 47 to the Department of For-Hire Vehicles 34 Establishment Act of 1985; and to transfer the establishment of the MPD Overtime Reimbursement Fund, from Chapter 28 of Title 47 to a freestanding bill. 35

36	BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this
37	act may be cited as the "Business and Entrepreneurship Support to Thrive Amendment Act of
38	2021".
39	Sec. 2. Section 13 of the Advisory Neighborhood Commissions Act of 1975, effective
40	October 10, 1975 (D.C. Law 1-21; D.C. Official Code § 1-309.10), is amended by adding a new
41	subsection (q) to read as follows:
42	"(q)(1)(A) Before granting or renewing a license for a theater, cinema, skating rink,
43	dance hall, exhibition, lecture, or other entertainment, the Mayor shall give 30-days notice by
44	mail to the affected Advisory Neighborhood Commission and by publication in the District of
45	Columbia Register.
46	"(i) The notice shall contain the name of the applicant and a
47	description, by street and number, or other plain designation, of the particular location for which
48	the license is requested.
49	"(ii) The notice shall state that any resident or owner of residential
50	property within 600 feet of the boundary lines of the lot upon which is situated the establishment
51	for which the license is requested who objects to the granting of the license is entitled to be heard
52	before the granting or renewal of the license and shall name the time and place of the hearing.
53	"(B)(i) The applicant shall post 2 notices for a period of 4 weeks in
54	conspicuous places on the outside of the premises.
55	"(ii) The notices to be posted shall state that any resident or owner
56	of residential property within 600 feet of the boundary lines of the lot upon which is situated the
57	establishment for which the license is requested who objects to the license is entitled to be heard

58	before the granting or renewal of the license and shall name the same time and place for the
59	hearing as set out in the notice mailed and published by the Mayor.

- "(C) If an objection to the granting or renewal of the license is filed, no final action shall be taken by the Mayor until the resident or owner of residential property within 600 feet of the boundary lines of the lot upon which is situated the establishment for which the license is requested who objects has an opportunity to be heard, under the rules and regulations to be issued by the Mayor.
- "(2) Upon objection, a hearing shall be held by the Mayor to determine the following:
- "(A) The effect of the establishment on the peace, order, and quiet of the neighborhood or portion of the District of Columbia; and
- "(B) The effect of the establishment on the residential parking needs and
  vehicular and pedestrian safety of the neighborhood.
- 71 "(3) The Mayor shall rule on the application within 30 days of the hearing.
- "(4) The license shall be renewed annually.

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- "(5) Any applicant who holds a valid class C or D license issued pursuant
   to Chapter 1 of Title 25 and who holds a certificate of occupancy for less than 401 persons shall
   be exempt from the provisions of subsection (q)(1) of this section."
- Sec. 3. Section 103 of the Sustainable Solid Waste Management Amendment Act of 2014, effective February 26, 2015 (D.C. Law 20-154; D.C. Official Code § 8-1031.03), is amended by adding new subsections (g) and (h) to read as follows:

79	"(g)(1) A person or entity granted a basic business license for a special event such as a
80	fair or for an event where 100 or more attendees are anticipated, shall provide infrastructure
81	onsite for the separation and recycling of recyclable waste generated at the event.
82	"(2) A license holder who violates paragraph (1) of this subsection shall be
83	subject to a fine of up to \$ 5,000 per day.
84	"(h) No license shall be issued to any waste tire generator that fails to provide the Mayor
85	with information concerning the site's location, size, and the approximate number of waste tires
86	that have been accumulated at the site, which may not exceed 500.
87	"(1)(A) The Mayor, pursuant to subchapter I of Chapter 2 of Title 5, section 2-
88	501 et seq., shall issue rules pertaining to the collection and storage of waste tires, which shall
89	include:
90	"(i) A prohibition on outdoor storage of waste tires;
91	"(ii) Methods of collection, storage, and processing of waste tires;
92	and
93	"(iii) Record-keeping procedures for waste tire generators.
94	"(B) The methods of collection, storage, and processing of waste tires
95	shall consider the general location of waste tires being stored with regard to property boundaries
96	and buildings, pest control, accessibility by firefighting equipment, and other considerations as
97	they relate to public health and safety.
98	"(C) The record-keeping procedures for waste tire generators shall include
99	the source and number or weight of tires received and the destination and number of tires or
100	weight of tires or tire pieces shipped or otherwise disposed of. The records shall be maintained

for at least 3 years following the end of the calendar year of such activity. Record keeping shall not be required for any charitable, fraternal, or other type of nonprofit organization or association that conducts programs that result in the voluntary cleanup of land, water resources, or collection for disposal of waste tires.

"(2) For the purposes of this section, the term:

- "(A) "Waste tire" means any automobile, motorcycle, heavy equipment, or truck tire stored or offered for sale by a waste tire generator or otherwise retained by a waste tire generator after having replaced a customer's tire with a new or used tire.
- "(B) "Waste tire generator" means any person who buys, sells, or stores new or used tires for use on automobiles, motorcycles, heavy equipment, or trucks and which retains any of the customer's used tires after replacement.".
- Sec. 4. The Drug-Related Nuisance Abatement Act of 1998, effective March 26, 1999

  (D.C. Law 12-194; D.C. Official Code § 42-3101 *et seq.*), is amended by adding a new section

  15 (D.C. Official Code § 42-3115) to read as follows:
- "Sec. 15. Suspension or revocation of licenses.

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- "(a)(1) In accordance with section 2-509, the Mayor shall revoke the license of any licensee who knowingly has permitted on the licensed premises:
- "(A) The illegal sale, negotiation for sale, or use of any controlled substance as that term is defined in Chapter 9 of Title 48, or the Controlled Substances Act of 120 1970, approved October 27, 1970 (84 Stat. 1243; 21 U.S.C. § 801 et seq.);
- "(B) The possession, other than for personal use, sale, or negotiation for
  sale of drug paraphernalia in violation of Chapter 11 of Title 48;

123	"(C) An act of prostitution as defined in section 22-2701.01(1), or any act
124	that violates any provision of sections 22-2701 through 22-2712 and 22-2718 through 22-2723;
125	or
126	"(D) Conduct that violates section 48-911.01(a). In addition, the Mayor
127	shall revoke any certificate of occupancy or permit associated with the specific address or unit,
128	whichever is more specific, of the holder of a certificate of occupancy or permit who knowingly
129	permits a violation of section 48-911.01(a), to occur at the specific address or unit identified in
130	the certificate of occupancy or permit.
131	"(2) The Mayor, by rule, shall establish costs and fines to cover revocation of any
132	license revoked pursuant to paragraph (1) of this subsection.
133	"(b)(1) In addition to the provisions of subsection (a) of this section and paragraph (1) of
134	this subsection, the Mayor, notwithstanding section 2-1801.04(a)(1)), may take the following
135	actions against any licensee, or agent or employee of a licensee, that, with or without the
136	appropriate license required under this chapter, engages in the purchase, sale, exchange, or any
137	other form of commercial transaction involving used goods or merchandise that are knowingly
138	stolen:
139	(A) The Mayor, for the first violation of this paragraph:
140	(i) Shall issue a fine in the amount of \$2,500; and
141	(ii) May seal the licensee's premises for up to 96 hours without a
142	prior hearing.
143	"(B) The Mayor, for the second violation of this paragraph:
144	(i) Shall issue a fine in the amount of \$5,000;

145	(ii) May seal the licensee's premises for up to 96 hours without a
146	prior hearing; and
147	"(iii)(I) Shall, within 30 days of the issuance of a fine, require the
148	licensee to submit a remediation plan approved by the Mayor, in consultation with the Chief of
149	Police, that contains the licensee's plan to prevent any future recurrence of purchasing, selling,
150	exchanging, or otherwise transacting stolen goods and acknowledgement that a subsequent
151	occurrence of engaging in prohibited activities may result in the revocation of all licenses issued
152	to the licensee pursuant to this chapter.
153	"(II) If the licensee fails to submit a remediation plan in
154	accordance with this sub-subparagraph, or if the Mayor rejects the licensee's remediation plan,
155	the Mayor shall provide written notice to the licensee of the Mayor's intent to suspend all
156	licenses issued to the licensee pursuant to this chapter for an additional 30 days.
157	(C) The Mayor, for the third violation of this paragraph:
158	"(i) Shall issue a fine in the amount of \$10,000;
159	"(ii) May seal the licensee's premises for up to 96 hours without a
160	prior hearing; and
161	"(iii) Shall provide written notice to the licensee of the Mayor's
162	intent to permanently revoke all licenses issued to the licensee pursuant to this chapter.
163	"(2) In addition to the provisions of subsection (a) of this section and paragraph
164	(1) of this subsection, the Mayor or the Chief of Police, notwithstanding section 2-1801.04(a)(1),
165	may take the following actions against, or impose the following requirements upon, any licensee,
166	or agent or employee of a licensee, that knowingly engages or attempts to engage in the

107	purchase, sale, exchange, or any other form of commercial transaction involving a symmetic
168	drug, including the possession of multiple units of a synthetic drug:
169	"(A) For the first violation of this paragraph:
170	"(i) The Mayor shall issue a fine in the amount of \$10,000;
171	"(ii) The Mayor may issue a notice to revoke all licenses issued to
172	the licensee pursuant to this chapter; and
173	"(iii)(I) The Chief of Police, after a determination by the Mayor in
174	accordance with section 2-1801.06(a), shall seal the licensee's premises, or a portion of the
175	premises, for up to 96 hours without a prior hearing;
176	"(II) Within 14 days after a licensee's premises is sealed
177	under sub-sub-subparagraph (I) of this sub-subparagraph, the Mayor shall require the licensee to
178	submit a remediation plan to the Director of the Department of Consumer and Regulatory Affairs
179	that contains the licensee's plan to prevent any future recurrence of purchasing, selling,
180	exchanging, or otherwise transacting any synthetic drug and acknowledgement that a subsequent
181	occurrence of engaging in prohibited activities may result in the revocation of all licenses issued
182	to the licensee pursuant to this chapter.
183	"(III) If the licensee fails to submit a remediation plan in
184	accordance with this sub-subparagraph, or if the Mayor, in consultation with the Chief of Police,
185	rejects the licensee's remediation plan, the Mayor shall provide written notice to the licensee of
186	the defects in any rejected remediation plan and the Mayor's intent to revoke all licenses issued
187	to the licensee pursuant to this chapter.

188	"(IV) If the licensee cures the defects in a rejected
189	remediation plan, the Mayor may suspend any action to revoke any license of the licensee issued
190	pursuant to this chapter.
191	"(V) The Mayor shall notify the Office of the Attorney
192	General upon sealing a licensee's premises, or a portion of the premises.
193	"(B) For any subsequent violation of this paragraph:
194	"(i) The Mayor shall issue a fine in the amount of \$20,000; and
195	"(ii) The Chief of Police, after a determination by the Mayor in
196	accordance with section 2-1801.06(a), shall seal the licensee's premises, or a portion of the
197	premises, for up to 30 days without a prior hearing.
198	"(C) If a licensee's premises, or a portion of the premises, is sealed under
199	subparagraph (A) or (B) of this paragraph, a licensee shall have the right to request a hearing
200	with the Office of Administrative Hearings within 3 business days after service of notice of the
201	sealing of the premises under subparagraph (E) of this paragraph.
202	"(D) If a licensee timely requests a hearing under subparagraph (C) of this
203	paragraph, the Office of Administrative Hearings shall hold a hearing before an administrative
204	law judge within 3 business days after receiving the request.
205	"(E) At the time of the sealing of the premises, or a portion of the
206	premises, under subparagraph (A) or (B) of this paragraph, the Director of the Department of
207	Consumer and Regulatory Affairs shall post at the premises and serve on the licensee a written
208	notice and order stating:
209	"(i) The specific action or actions being taken;

210	"(ii) The factual and legal bases for the action or actions;
211	"(iii) The right, within 3 business days after service of notice of the
212	sealing of the premises, to request a hearing with the Office of Administrative Hearings;
213	"(iv) The right to a hearing before an administrative law judge,
214	within 3 business days after a timely request being received by the Office of Administrative
215	Hearings; and
216	"(v) That it shall be unlawful for any person, with the exception of
217	emergency services personnel, to enter the sealed premises for any purpose without written
218	permission by the Director of the Department of Consumer and Regulatory Affairs.
219	"(F) A licensee shall pay a fine issued pursuant to subparagraph (A) or (B)
220	of this paragraph within 20 days after adjudication by the Office of Administrative Hearings. If
221	the licensee fails to pay the fine within the specified time period, the Mayor may seal the
222	premises until the fine is paid.(G) For the purposes of this paragraph, the term:
223	"(i) "Business days" means days in which the Office of
224	Administrative Hearings is open for business.
225	"(ii) "Synthetic drug" means any product possessed, provided,
226	distributed, sold, or marketed with the intent that it be used as a recreational drug, such that its
227	consumption or ingestion produces effects on the central nervous system or brain function to
228	change perception, mood, consciousness, cognition, or behavior in ways that are similar to the
229	effects of marijuana, cocaine, amphetamines, or Schedule I narcotics under § 48-902.04. The
230	term "synthetic drug" also includes any chemically synthesized product (including products that
231	contain both a chemically synthesized ingredient and herbal or plant material) possessed,

provided, distributed, sold, or marketed with the intent that the product produce effects
substantially similar to the effects created by compounds banned by District or federal synthetic
drug laws or by the U.S. Drug Enforcement Administration pursuant to its authority under the
Controlled Substances Act, approved October 27, 1970 (84 Stat. 1247; 21 U.S.C. § 812). Any of
the following factors shall be treated as indicia that a product is being marketed with the intent
that it be used as a recreational drug:
"(I) The product is not suitable for its marketed use (such
as a crystalline or powder product being marketed as "glass cleaner");
"(II) The individual or business providing, distributing,
displaying, or selling the product does not typically provide, distribute, display, or sell products
that are used for that product's marketed use (such as liquor stores, smoke shops, or gas or
convenience stores selling "plant food");
"(III) The product contains a warning label that is not
typically present on products that are used for that product's marketed use including, "Not for
human consumption", "Not for purchase by minors", "Must be 18 years or older to purchase",
"100% legal blend", or similar statements;
"(IV) The product is significantly more expensive than
other products that are used for that product's marketed use;
"(V) The product resembles an illicit street drug (such as
cocaine, methamphetamine, or Schedule I narcotic) or marijuana; or
"(VI) The licensee or any employee of the licensee has
been warned by a District government agency or has received a criminal incident report, arrest

report, or equivalent from any law enforcement agency that the product or a similarly labeled product contains a synthetic drug.

"(3)(A) A violation of this subsection shall be a civil infraction for purposes of Chapter 18 of Title 2. Civil fines, penalties, and fees may be imposed as sanctions for any infraction of the provisions of this subsection, or the rules issued under authority of this subsection, pursuant to Chapter 18 of Title 2.

"(B) Adjudication of any infraction of this subsection shall be pursuant to Chapter 18 of Title 2.

"(C) Summary action taken pursuant to this subsection shall be pursuant to subchapter 1 of Chapter 18 of Title 2.

"(4) In addition to other remedies provided by law, the Office of the Attorney General for the District of Columbia may commence an action in the Civil Branch of the Superior Court of the District of Columbia to compel compliance, abate, enjoin, or prevent violations of this subsection. Plaintiff need not prove irreparable injury or harm to obtain a preliminary or temporary injunction.

#### "(c)(1) The term "knowingly" includes:

(A) For the purposes of subsections (a) and (b) of this section, actual notice of a specific violation set forth in subsection (a) or (b) of this section to the licensee, or agent or employee of the licensee, issued by a District agency notifying the licensee, or agent or employee of the licensee, of the same or similar violation occurring on the licensee's premises; or

275	"(B) For the purposes of subsection (b) of this section, constructive notice
276	to the licensee, or agent or employee of the licensee, resulting from the failure of the licensee, or
277	agent or employee of the licensee, to ascertain the ownership of the used goods or merchandise.
278	"(2) For the purposes of this subsection, actual or constructive notice to the agent
279	or employee of the licensee constitutes notice to the licensee.
280	"(b) Notwithstanding any of the provisions of this chapter requiring an inspection as a
281	prerequisite to the issuance of a license, the Mayor is authorized to provide by regulation that
282	any such inspection shall be made either prior or subsequent to the issuance of a license, but any
283	such license, whether issued prior or subsequent to a required inspection, may be suspended or
284	revoked for failure of the licensee to comply with the laws or regulations applicable to the
285	licensed business, trade, profession, or calling.".
286	Sec. 5. Chapter 28 of Title 47 of the District of Columbia Official Code is amended as
287	follows:
288	(a) The table of contents is amended as follows:
289	(1) Section 47–2851.02 is amended to read as follows:
290	"47–2851.02. Basic business license required.".
291	(2) Section 47-2851.03 is amended to read as follows:
292	"47–2851.03. Categories of basic business licenses.".
293	(3) Section 47-2853.76b is amended to read as follows:
294	"47–2853.76b. Regulation of body artists and body art establishments.".
295	(4) New section designations are added to read as follows:
296	"47–2851.01a. Scope of chapter.

- 297 "47-2851.01b. Powers and duties of the Department.
- 298 "47-2851.21. Bonding of licensees authorized to collect moneys; exemptions.
- 299 "47-2851.22. Cease and desist orders.
- 300 "47–2851.23. Prosecutions.
- 301 "47-2851.24. Penalties.
- 302 "47-2853.76. Definitions.".
- 303 (b) Sections 47-2805.1, 47-2805.2, 47-2806, 47-2807, 47-2808, 47-2809, 47-2809.01,
- 304 47-2810, 47-2811, 47-2812, 47-2814, 47-2815, 47-2817, 47-2818, 47-2820, 47-2821, 47-2823,
- 305 47-2824, 47-2825, 47-2826, 47-2827, 47-2828, 47-2829, 47-2830, 47-2831, 47-2832,
- 306 47-2832.01, 47-2832.02, 47-2835, 47-2836, 47-2837, 47-2838, 47-2839, 47-2839.01, 47-2841,
- 307 47-2842, 47-2844, 47-2844.01, 47-2845, 47-2846, 47-2847, 47-2848, 47-2849, 47-2850,
- 308 Sections 47-2851.02a, 47-2851.03a, 47-2851.03b, 47-2851.03c, 47-2851.03d, 47-2851.08, 47-
- 309 2851.09, 47-2851.10, 47-2851.11, 47-2851.12, 47-2851.13, 2851.18, 2851.19, and 2851.20 are
- 310 repealed.
- 311 (c) Section 47-2851.01 is amended to read as follows:
- "For the purposes of this subchapter, the term:
- "(1) "Basic business license" means the single document designed for public
- display issued by the Department that certifies a business to operate from a location in the
- 315 District of Columbia.
- 316 "(2) "Beauty and grooming service" means any business where hair cutting, hair
- dressing, hair dyeing, manicuring, barbering, or other similar services are provided.

318	"(3) "Business" means a trade, profession, or activity that provides, or holds itself
319	out to provide, goods or services to the general public or to a portion of the general public, for
320	hire or compensation in the District of Columbia, provided, that a "business" shall not include
321	the activities of a government entity or employment for wages or salary.
322	"(4) "Business License Center" means the business registration and licensing
323	center established by this subchapter and located in and under the administrative control of the
324	Department of Consumer and Regulatory Affairs.
325	"(5) "Charitable service" means any service whose purpose is philanthropic,
326	social, patriotic, welfare, benevolent, or educational (except religious education), either actual or
327	purported.
328	"(6) "Cottage foods" means a food product that is not potentially hazardous or a
329	time or temperature control for safety food and that is prepared in a kitchen of a private home for
330	commercial purposes such as baked goods, candy, dried fruit, dried pasta, fruit pies, empanadas,
331	and tamales, granolas, jams, jellies, preserves, nut mixes, popcorn, and roasted nuts.
332	"(7) "Department" means the Department of Consumer and Regulatory Affairs or
333	any successor agency.
334	"(8) "Director" means the Director of the Department of Consumer and
335	Regulatory Affairs.
336	"(9) "Food services" means any handling of food or food products regulated
337	under title 25 of the D.C. Municipal Regulations.

338	"(10)"Health services" means a swimming pool regulated under title 25C of the
339	D.C. Municipal Regulations, or a pet shop regulated under title 25J of the D.C. Municipal
340	Regulations.
341	"(11) "License" means the whole or part of any agency permit, license, certificate,
342	approval, registration, charter, or any form or permission required by law, including agency rule,
343	to engage in any activity.
344	"(12) "Person" means any individual, sole proprietorship, partnership, association,
345	cooperative, corporation, nonprofit organization, and any other organization required to obtain
346	one or more licenses from the District or any of its agencies.
347	"(13) "Regulation" means any licensing or other governmental or statutory
348	requirements pertaining to business or professional activities.
349	"(14) "Regulatory agency" means any District agency, board, commission, or
350	division which regulates one or more professions, occupations, industries, businesses, or
351	activities.".
352	(d) A new section 47-2851.01a is added to read as follows:
353	"Sec. 47-2851.01a. Scope of chapter.
354	"This chapter provides for the issuance of a basic business license to a business located in
355	the District.
356	"(a) Notwithstanding whether an individual's employer maintains a basic business
357	license, an individual may be subject to professional and occupational licensure under subchapter
358	LR of this chanter

559	(b) The issuance of a basic business license does not guarantee the registration of a trade
360	name under subchapter I-C of this chapter.".
861	(e) A new section 2851.01b is added to read as follows:
362	"Sec. 47–2851.01b. Powers and duties of the Department.
363	"(a) The Department shall administer and enforce the provisions of this chapter.
864	"(b) Regulations and policies promulgated by the Department concerning this chapter
365	shall be promulgated by the Department with the goals of:
366	"(1) Protecting the health, safety, economic interests and quality of life of
367	residents, businesses, and visitors in the District;
368	"(2) Moving forward the construction projects of property owners and builders in
869	the District safely, efficiently, and effectively;
370	"(3) Promoting entrepreneurship in the District to fuel the District's economy; and
371	"(4) Communicating in a clear, concise, consistent, and timely information that is
372	beneficial to Department customers and the broader District community.
373	"(c) The Department shall promulgate such regulations as may be necessary to effectuate
374	the purposes of this chapter.
375	"(d) The Department may establish by regulation and when appropriate, revise fees for
376	the issuance, reissuance, and transfer or reinstatement of all business licenses; provided, that any
377	fee required by any law or regulation in force as of the effective date of this act shall remain in
378	effect until changed in accordance with this chapter.
379	"(1) Fees shall be submitted to the Council pursuant to subchapter I of Chapter 5
880	of Title 2. The proposed rules issued pursuant to this subsection shall be submitted to the Council

for a 30-day period of review, excluding Saturdays, Sundays, legal holidays, and days of Council recess.

- "(2) If the Council does not approve or disapprove the proposed rules fees, in whole or in part, by resolution within this 30-day review period, the proposed rules fees shall be deemed approved.
- "(e) Nothing in this subchapter shall be construed as limiting or reassigning any District agency's power to inspect for compliance as required by statute or regulation; provided that any agency finding of noncompliance that affects the inspected person's eligibility for a basic business license shall be referred to the Department for appropriate action with respect to the basic business license.
- "(f) The authority granted to the Department by this section shall not preempt the lawful authority of any other regulatory agency over any business for which a basic business license is sought, provided that all departments and agencies of the District of Columbia government are directed to fully participate and cooperate in the implementation of this chapter.
- "(g) The Department is authorized and empowered to suspend or revoke any license issued hereunder when, in the Department's judgment for the protection of lives, limbs, health, comfort, and quiet of the citizens of the District, or for any other reason, the Mayor may deem sufficient.
- "(h) All departments and agencies of the District of Columbia government are hereby directed to provide full participation and cooperation in the implementation of this chapter.".
  - (f) Section 47-2851.02 is amended to read as follows:
- 402 "Sec. 47-2851.02. Basic business license required.

403 "(a) A person doing business in the District of Columbia shall maintain a basic business 404 license in accordance with this chapter. 405 "(b) The Department shall issue or renew a basic business license to an applicant who 406 complies with all applicable District and federal laws, regulations, and Department policies. 407 "(c) A basic business license shall be required for each business location." 408 "(d) Notwithstanding subsection (a) of this section, and except as required under 409 subchapter I-A1, an individual employed by the holder of a basic business license is not required 410 to maintain a basic business license to participate in the business of the license holder. 411 "(e) Licenses granted under this subchapter may be assigned or transferred upon approval 412 by the Department and payment of the applicable fee. 413 "(f) The Department shall maintain and periodically update a roster of all businesses that 414 have been issued a basic business license, indicating the license endorsements appended to each 415 basic business license. 416 "(g) No person shall set up, operate, or conduct any business or device by or in which any 417 person, animal, or living object shall act or be exposed as a target for any ball, projectile, missile, 418 or thing thrown or projected for or in consideration of profit or gain, directly or indirectly. 419 "(h) This section shall not apply to activities conducted in connection with: 420 "(1) A bona fide regularly scheduled national annual convention of any national 421 association of a professional beauty and grooming service from which the general public is 422 excluded;

are intended for church or charitable purposes, and where no rental is charged; and

"(2) Entertainments, concerts, or performances of any kind where the proceeds

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425	"(3) Cottage foods.".
426	(g) Section 47-2851.03 is amended to read as follows:
427	"Sec. 47–2851.03. Categories of basic business licenses.
428	"(a) Basic business licenses shall be issued by the Department under the following
429	categories:
430	"(1) Charitable services;
431	"(2) Contractor and construction services;
432	"(3) Entertainment services;
433	"(4) Environmental services;
434	"(5) Food services;
435	"(6) General sales and services;
436	"(7) Health Services;
437	"(8) Housing services;
438	"(9) Public safety services; and
439	"(10) Vehicular services.".
440	(h) Section 47-2851.04 is amended to read as follows:
441	"(a) A person applying for a basic business license shall pay a license fee of:
442	"(1) \$49 for a 6-month license;
443	"(2) \$99 for an initial 2-year license.
444	"(b) For a renewal of:
445	"(1) An initial 6-month license, a person shall pay a license fee of \$49 for a
116	second 6-month license: provided that only one \$40 renewal of a 6-month license shall be

447	permitted and thereafter, the person shall pay a renewal license fee according to paragraph (2) of
448	this subsection; and
449	"(2) A 2-year license, a person shall pay a license fee of 1/10 of one percent of the
450	business's District of Columbia taxable income for the most recent taxable year.
451	"(c) (1) A business activity with a gross annual revenue of:
452	"(A) Greater than \$2,000 and less than \$10,000 shall not be required to
453	pay a fee for a basic business license; and
454	"(B) \$2,000 or less shall be exempt from the licensing requirement set
455	forth in section 47-2851.02.
456	"(2) Upon request by the Department, a person applying for the exemption
457	provided by this section shall submit a letter self-certifying that the person's business qualifies
458	for the exemption .
459	"(3) If circumstances change such that the business no longer qualifies for the
460	exemption provided by this section after the submission of a self-certification letter, the person
461	who submitted the letter shall inform the Department within 30 days of such change of
462	circumstances.
463	"(4) An applicant who knowingly makes a false statement in a self-certification
464	letter or who knowingly fails to inform the Department that a business no longer qualifies for the
465	exemption shall be:
466	"(A) Guilty of a Class 1 civil infraction and subject to fines pursuant to
467	section 16-3201 of the District of Columbia Municipal Regulations; and
468	"(B) Shall be barred from receiving a basic business license for 5 years.

469	"(d) Nothing in this section shall be construed to supersede the zoning regulations.
470	"(e)(1) The Department shall not charge a license fee to a charity.
471	"(2) The Department may accept an affidavit of religious exemption in lieu of a
472	certificate of registration.".
473	(i) Section 47-2851.05 is amended as follows:
474	(1) Subsection (b) is amended as follows:
475	(A) Paragraphs (3), (4), (5), and (6) are repealed.
476	(B) Paragraph (8) is amended to read as follows:
477	"(8) To the extent feasible, each basic business license shall have a unique
478	identifying number to be used for all official purposes, including taxation.".
479	(2) Subsections (c) and (d) are repealed.
480	(j) Section 47-2851.06 is amended to read as follows:
481	"(a) The Department shall compile information regarding the regulatory programs
482	associated with each business regulated under this chapter and shall provide the information to a
483	person requesting it.
484	"(b) Notwithstanding any other provision of District law, information submitted to the
485	Department under this subchapter shall not be made available to the public; provided, that a
486	person may be furnished with such information for one registrant based upon the submission of
487	either the name or address of the registrant; provided further, that the person shall be limited to
488	one request per day.
489	"(c) Federal Employer Identification numbers and social security numbers shall not be
490	released to the public except as requested by a law enforcement agency or directed by a court

<del>1</del> 91	order
192	(k) Section 47-2851.07 is amended to read as follows:
193	"(a) Any person applying for a basic business license shall submit, in a form the
194	Department shall prescribe, proof of the following:
195	"(1) Entity filing as required by the Business Organizations Code, title 29 of the
196	D.C. Code;
197	"(2) Tax registration as required by Chapter 18 of this title;
198	"(3) Certificate of occupancy as required by Title 11 of the Distric of Columbia
199	Municipal Regulations; and
500	"(4) Workers' Compensation insurance coverage or an exemption to the coverage
501	"(b) Licenses issued under this chapter shall be valid for a period of 6 months or two
502	years.
503	"(c) All licenses granted under this chapter must be conspicuously posted on the premise
504	of the licensee and said licenses shall be accessible for inspection by the police or the
505	Department.
506	"(d)(1) Upon receipt of the application and proper fee payment for any license for which
507	issuance is subject to regulatory agency action under section (c) of this section, the Department
508	shall promptly notify the relevant regulatory agency of the license requested by the applicant.
509	"(2) Each regulatory agency shall advise the Department within 30 days after
510	receiving the notice, or such other period as is established by law the following:
511	"(A) That the agency approves the issuance of the requested license and
512	will advise the applicant of any specific conditions required for issuing the license;

513	"(B) That the agency denies the issuance of the license and gives the
514	applicant reasons for the denial; or
515	"(C) That no action has been taken on the application and the Department
516	shall provide good and sufficient reasons for the delay and an estimate of when the action will be
517	taken.
518	"(e)(1) The Department shall advise the applicant of the status of other requested
519	licenses.
520	"(2) It is the responsibility of the applicant to contest the decision regarding
521	conditions imposed or licenses denied through the normal process established by statute or by
522	regulation.".
523	(l) Section 2851.15(b) is amended by striking the phrase "section 47-2851.09" and
524	inserting the phrase "the provisions of this chapter" in its place.
525	(m)Section 47-2851.16 is amended as follows:
526	(1) Subsection (a) is amended to read as follows:
527	"(a) The Department may when the Director determines feasible, allow a business
528	required to be inspected under this chapter the option of obtaining an inspection by an authorized
529	third-party inspector.".
530	(2) The lead-in text of subsection (b) is amended to read as follows:
531	"(b) The third-party inspector shall be qualified by virtue of a certification from a
532	nationally recognized and accredited organization; provided that the third-party inspector:".
533	(3) Subsection (d) is amended by:
534	(A) Striking the word "Center" and inserting the word "Department" in its

535	place.
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- (B) Striking the phrase "at the applicant's expense".
- 537 (4) Subsection (e) is amended by striking the phrase "master [basic] business 538 license or endorsement" and inserting the phrase "basic business license" in its place.".
- 539 (n) New sections 47-2851.21, 47-2851.22, 47-2851.23, and 47-2851.24 are added to read as follows:
  - "Sec. 47-2851.21. Bonding of licensees authorized to collect moneys; exemptions."(a) The Department may require that any class or subclass of licensees licensed under the authority of this chapter to engage in a business, trade, profession, or calling involving an express or implied agreement to collect money for others shall give bond to safeguard against financial loss those persons with whom such class or subclass of licensees may so agree.
  - "(b) The bond required by subsection (a) of this section shall be a corporate surety bond in an amount to be fixed by the Council, but not to exceed \$15,000, conditioned upon the observance by the licensee and any agent or employee of said licensee of all laws and regulations in force in the District applicable to the licensee's conduct of the business, trade, profession, or calling licensed under the authority of this chapter, for the benefit of any person who may suffer damages resulting from the violation of any such law or regulation by or on the part of such licensee, his agent, or employee.
  - "(c)(1) A person aggrieved by the violation of any law or regulation applicable to a licensee's conduct of a business, trade, profession, or calling involving the collection of money for others shall have, in addition to his right of action against such licensee, a right to bring suit against the surety on the bond authorized by this section, either alone or jointly with the principal

thereon, and to recover in an amount not exceeding the penalty of the bond any damages sustained by reason of any act, transaction, or conduct of the licensee and any agent or employee of said licensee which is in violation of law or regulation in force in the District of Columbia relating to the business, trade, profession, or calling licensed under this chapter; and

- "(2) The provisions of the 2nd, 3rd (except the last sentence thereof), and 5th paragraphs of subsection (b) of section 1-301.01 shall be applicable to such bond as if it were the bond authorized by the first paragraph of such subsection (b) of section 1-301.01; provided, that nothing in this subsection shall be construed to impose upon the surety on any such bond a greater liability than the total amount thereof or the amount remaining unextinguished after any prior recovery or recoveries.
- "(d) This subsection shall not be applicable to persons when engaged in the regular course of any of the following professions or businesses:
  - "(1) Attorneys-at-law;
- "(2) Persons regularly employed on a regular wage or salary, in the capacity of creditment or in a similar capacity, except as an independent contractor;
  - "(3) Banks and financing and lending institutions;
- 573 "(4) Common carriers;
- 574 "(5) Title insurers and abstract companies while doing an escrow business;
- 575 "(6) Licensed real estate brokers; or
- 576 "(7) Employees of any class or subclass of licensees required to give bond under
- 577 this subsection.".

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578 "Sec. 47-2851.22. Cease and desist orders.

"(a)(1) When a board, or the Mayor, after investigation but prior to a hearing, has cause to believe that a person is violating any provision of this chapter and the violation has caused or may cause immediate and irreparable harm to the public, the board or the Mayor may issue an order requiring the alleged violator to cease and desist immediately from the violation. The order shall be served by certified mail or delivery in person.

- "(2) A copy of the cease and desist order shall be served on the holder of a certificate of occupancy for the premises and on the property owner of record if each of these persons or entities are separate and distinct from the licensee.
- "(b)(1) The alleged violator may, within 15 days of the service of the order, submit a written request to the board to hold a hearing on the alleged violation.
- "(2) Upon receipt of a timely request, the board shall conduct a hearing and render a decision pursuant to section 47-2853.22.
- "(c)(1) The alleged violator may, within 10 days of the service of an order, submit a written request to the board for an expedited hearing on the alleged violation, in which case he or she shall waive his or her right to the 15-day notice required by subsection (b)(1) of this section.
- "(2) Upon receipt of a timely request for an expedited hearing, the board shall conduct a hearing within 10 days of the date of receiving the request and shall deliver to the alleged violator at his or her last known address a written notice of the hearing by any means guaranteed to be received at least 5 days before the hearing date.
- "(3) The board shall issue a decision within 30 days after an expedited hearing.

  "(d) If a request for a hearing is not made pursuant to subsections (b) and (c) of this section, the order of the board to cease and desist shall be final.

"(e) If, after a hearing, the board determines that the alleged violator is not in violation of this subchapter, the board shall vacate the order to cease and desist.

"(f) If any person fails to comply with a lawful order of a board issued pursuant to this section, the board may petition the court to issue an order compelling compliance or take any other action authorized by this chapter.".

"Sec. 47-2851.23. Prosecutions.

"Prosecutions for violations of any of the provisions of this chapter, or of any section added hereto from time to time by the Council of the District of Columbia, or of any regulation made by the Council under authority of this chapter, shall be on information in the Superior Court of the District of Columbia by the Attorney General for the District of Columbia or any of his assistants.

"Sec. 47-2851.24. Penalties.

- "(a) Any person violating any of the provisions of this chapter, or additions thereto made from time to time by the Council of the District of Columbia, where no specific penalty is fixed, or the violation of any regulation made by the Council under the authority of this chapter, shall be guilty of a misdemeanor and upon conviction be fined not more than the amount set forth in section 22-3571.01 or imprisoned for not more than 90 days.
- "(b) Any person failing to file any information required by this chapter, or by any regulation of the Council made under the provisions hereof, or who in filing any such information makes any false or misleading statement, shall upon conviction be fined not more than the amount set forth in section 22-3571.01 or imprisoned for not more than 90 days.

622	"(c) Civil fines, penalties, and fees may be imposed as alternative sanctions for any
623	infraction of the provisions of this chapter, or any rules or regulations issued under the authority
624	of this chapter, pursuant to Chapter 18 of Title 2.
625	"(d) Adjudication of any infraction of this chapter shall be pursuant to Chapter 18 of Title
626	2.".
627	(o) A new section 47-2853.76 is added to read as follows:
628	"Sec. 47-2853.76. Definitions.
629	"For the purposes of this section and Part D-i of Subchapter I-B of this chapter, the term:
630	"(1) "Board" means the Board of Barber and Cosmetology.
631	"(2) "Body art" or "body art procedure" means the process of physically
632	modifying the body for cosmetic or other non-medical purposes, including tattooing, body
633	piercing, and fixing indelible marks or figures on the skin through scarification, branding, tongue
634	bifurcation, and tissue removal.
635	"(3) "Body artist" means an individual who is licensed under this chapter to
636	perform body art procedures.
637	"(4) "Body art establishment" means any structure or venue, whether temporary
638	or permanent, where body art procedures are performed.
639	"(5) "Body piercing" means the perforation of any human body part followed by
640	the insertion of an object, such as jewelry, for cosmetic or other nonmedical purposes by using
641	any of the following instruments, methods, or processes: stud and clasp, captive ball, soft tissue,
642	cartilage, surface, surface, microdermal implantation or dermal anchoring, subdermal
643	implantation, and transdermal implantation. The term "body piercing" shall not include nail

644	piercing.
645	"(6) "Branding" means the process of applying extreme heat with a pen-like
646	instrument to create an image or pattern.
647	"(7) "Cleansing product" means any material used to apply cleansing agents to the
648	skin, such as cotton balls, tissue or paper products, paper or plastic cups, towels, gauze, or
649	sanitary coverings.
650	"(8) "Operator" means any person who owns, controls, or operates a body art
651	establishment, whether or not the person actually performs body art procedures.
652	"(9) "Sanitization" means the reduction of the population of microorganisms to
653	safe levels, as determined by the Department of Health, by a product registered with the
654	Environmental Protection Agency ("EPA") or by chemical germicides that are registered with
655	the EPA as hospital disinfectants.
656	"(10) "Scarification" means the placing of an indelible mark on the skin by the
657	process of cutting or abrading the skin to bring about permanent scarring.
658	"(11) "Sharps" means any object, sterile or contaminated, that may penetrate the
659	skin or mucosa, including presterilized single needles, scalpel blades, and razor blades.
660	"(12) "Single-use" means products or items intended for one-time use that are
661	disposed of after use on a client.
662	"(13) "Sterilization" means the process of destruction of all forms of life by
663	physical or chemical means.

other nonmedical purposes, including the process of micropigmentation or cosmetic tattooing.

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"(14) "Tattoo" means the placing of pigment into the skin dermis for cosmetic or

"(15) "Tissue removal" means placing an indelible mark or figure on the skin 667 through removal of a portion of the dermis. 668 "(16) "Tongue bifurcation" means the cutting of the tongue from tip to part of the 669 way toward the base, forking at the end.". 670 (p) Section 2853.76b is amended to read as follows: 671 "Sec. 47–2853.76b. Regulation of body artists and body art establishments." 672 "The Department of Health shall regulate: 673 "(a) Body artists to protect public health, safety, and welfare, and to ensure that persons 674 engaged in the occupation have the specialized skills, education, and training required to perform 675 the services offered by establishing and imposing occupational licensing, registration 676 requirements, and associated fee schedules. 677 "(b) Body art establishments to ensure that such establishments have adequate health, 678 sanitization, sterilization and safety methods, procedures, equipment, and supplies by 679 establishing minimum sterilization, sanitation, health, and safety standards for the operation of 680 such establishments as may be necessary to prevent infection and contamination of equipment, 681 supplies, or work surfaces with pathogenic organisms and by establishing and imposing 682 operational licensing, registration requirements, and associated fee schedules. 683 "(c)(1) All body art establishments offering tattooing procedures shall conspicuously post 684 a written disclosure that states the following: 685 ""The United States Food and Drug Administration has not approved any pigment color 686 additive for injectable use as tattoo ink. There may be a risk of carcinogenic decomposition

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associated with certain pigments when the pigments are subsequently exposed to concentrated

ultra-violet light or laser irradiation."

- "(2) All body art establishments offering tattooing procedures shall maintain documentation on the premises containing the following information and shall disclose such information to customers upon request:
  - "(A) The components of the pigments used in the body art establishment;
- "(B) The names, addresses, and telephone numbers of the suppliers and manufacturers of pigments used in the body art establishment for the past 3 years; and
- "(C) Identification of any recalled pigments used in the establishment for the past 3 years and the supplier and manufacturer of each pigment.
- "(3) All body art establishments shall maintain and use regularly calibrated autoclave equipment for the sterilization of any non-disposable body art equipment, at a frequency to be established by the Department of Health.
- "(4) Only single-use disposable sharps, pigments, gloves, and cleansing products shall be used in connection with body art procedures in body art establishments, in accordance with rules established by the Department of Health pursuant to subsection (b) of this section.
- "(5) A body art establishment that is in violation of this subsection shall be subject to license suspension or revocation and a maximum fine of \$2,500.
- "(d)(1) No person shall operate a body art establishment or perform body art procedures in a body art establishment unless that establishment has obtained a valid body art establishment license issued by the Mayor.
- "(2) No body art establishment shall employ or permit body artists to perform body art procedures in the body art establishment unless the body artist holds a valid body art

710 license issued by the Mayor.

- "(3) Any person violating paragraph (1) or (2) of this subsection shall, upon conviction, be deemed guilty of a misdemeanor and may be punished by a fine not exceeding \$2,500, imprisonment for not more than 3 months, or both."
- Sec. 6. Section 8 of the Department of For-Hire Vehicles Establishment Act of 1985, effective March 25, 1986 (D.C. Law 6-97; D.C. Official Code § 50-301.01 *et seq.*), is amended by adding a new subsections (20p), (20q), (20r), (20s), (20t), and (20u) to read as follows:
- "(20p) (1) No person shall engage in driving or operating any vehicle pursuant to this chapter without having procured from the Mayor of the District of Columbia or his or her designated agent a license which shall only be issued upon evidence satisfactory to the Mayor of the District of Columbia, that the applicant is a person of good character and is qualified to operate such vehicle, and upon payment of an annual license fee of an amount set by the Mayor.
- "(2) The license shall be carried upon the person of the licensee or in the vehicle while engaged in driving such vehicle when such vehicle is being used for hire.
- "(3) Application for the license shall be made in such form as shall be prescribed by the Mayor of the District of Columbia.
- "(4) Each annual license issued under the provisions of this subsection shall be numbered, and there shall be kept in the Office of Client Services of the Department of For-Hire Vehicles a record containing the name of each person so licensed, his annual license number and all matters affecting his qualifications to be licensed hereunder.
- "(5) No license issued under the provisions of this subsection shall be assigned or transferred.

732	"(6)The Department of For-Hire Vehicles may develop procedures to evaluate the
733	record of a taxicab operator's license under the terms of this subsection and the owners of
734	taxicabs licensed under the terms of this section.
735	"(A) The record maintained by the Office of Client Services of the
736	Department of For-Hire Vehicles for each licensee shall contain any violations associated with
737	the license upon the final determination of liability by any governmental body charged with
738	adjudicating violations.
739	"(B) Any procedure shall clearly state the grounds for suspension or
740	revocation of a license. If the license of a person licensed pursuant to this subsection is revoked,
741	the person must complete the requirements contained in this subsection before the person may
742	receive a new license.
743	"(C) If the license of a person licensed pursuant to this subsection is
744	suspended, the licensee must complete the requirements contained in this subsection and present
745	to the Department of For-Hire Vehicles the certificate of completion of the required course
746	before reinstatement.
747	"(20q) The Department of For-Hire Vehicles shall make the following information
748	available for public inspection:
749	"(1) The name of each person licensed under the terms of this section;
750	"(2) The licensee's annual license number; the name of the association,
751	corporation, or organization that maintains the lease or membership agreement with the licensee;
752	"(3) Any monetary fine, suspension, or revocation action taken against the
753	licensee;

"(4) Where applicable, a certificate of completion by the licensee of the training course established pursuant to this section;

- "(5) A record of any criminal conviction of the licensee within the last 3 years; and
  - "(6) Any points assessed against the licensee's District of Columbia operators permit. The records shall be cross-referenced to the association, corporation, or organization.
- "(20r) (1)The Department of For-Hire Vehicles shall, by regular mail and within 5 days that Department of For-Hire Vehicles is open of a final decision of suspension, revocation, or non-renewal of a taxicab operator license, notify the association, corporation, organization, or person that maintains a taxicab lease or taxicab association or company membership agreement with the operator that the operator's privilege to operate a taxicab in the District of Columbia has been suspended, revoked, or not renewed.
- "(2) The association, corporation, organization, or person that maintains a lease with the operator shall upon receipt of the notice terminate any lease agreement, written or otherwise, with the operator, and shall take reasonable steps to assure the return to the owner of any vehicle leased to the operator.
- "(3) The Department of For-Hire Vehicles shall promulgate regulations to carry out the purposes of this subsection.
- "(20s) All vehicles licensed under this section shall bear such identification tags as the Council of the District of Columbia may from time to time direct; and nothing herein contained shall exempt such vehicles from compliance with the traffic and motor vehicle regulations of the District of Columbia.

"(20t) Nothing in this subsection shall be construed to require the procuring of a license, or the payment of a tax, with respect to a vehicle owned or operated by a state or local government or a subdivision or instrumentality thereof which is being used to transport school children, their teachers, or escorts to the District of Columbia from the state in which their school is located."

"(20u) The following additional licensing requirements shall apply to all persons who apply for a license to operate any public vehicle-for-hire licensed for an owner of a motor vehicles for hire used for any purpose, including owners of a taxicab, an ambulance for hire, an owner of passenger vehicles which, when used for hire, are used exclusively for funeral purposes, owners of passenger vehicles used exclusively for contract livery services for which the rate is fixed solely by the hour, and owners of passenger vehicles for hire used for sightseeing purposes:

"(1) Completion of the primary public passenger vehicle-for-hire license training course as established by the Department of For-Hire Vehicles for a fee of no less than \$100 per person.

"(A) Upon completion of the course, the applicant shall be issued a certificate of completion that shall include the date of completion and shall be presented to the Office of Client Services of the Department of For-Hire Vehicles with the application for a license.

"(B) Before issuing the certificate, each person shall have passed an examination consisting of the subject matters taught in the course and an evaluation of the person's English communication skills.

798	"(C) At a minimum, the training course and any refresher course provided
799	by the Department of For-Hire Vehicles shall be designed to develop the applicant's knowledge
800	of the following:
801	"(i) The geography of the District, with particular emphasis on
802	major streets throughout the District, significant government buildings, attractions, and tourist
803	sites, and historical knowledge of the District;
804	"(ii) District laws and regulations governing the taxicab industry
805	and the penalties for violating these laws and regulations;
806	"(iii) District traffic laws and regulations and the penalties for
807	violating these laws and regulations, including:
808	"(I) The rights and duties of motorists, which include not
809	blocking the crosswalk or intersection, and not driving or stopping in a bicycle lane;
810	"(II) The rights and duties of pedestrians; and
811	"(III) The rights and duties of bicyclists.
812	"(iv) Public relations skills, including cultural awareness and
813	sensitivity training, appropriate social customs and courtesies that should be extended to the
814	public, conflict resolution, and knowledge of the hospitality industry;
815	"(v) Small business practices, including methods of accounting and
816	manifest maintenance, fare computations for intra-District trips and interstate trips, and general
817	management principles;
818	"(vi) Driving skills and knowledge of the rules of the road; and

819	"(vii) The legal requirements that apply to transportation of
820	persons with disabilities, including providing equal access to transportation and complying with
821	the Americans with Disabilities Act of 1990, approved July 26, 1990 (104 Stat. 328; 42 U.S.C. §
822	12101 et seq.) ("ADA").
823	"(2) All courses for operators of wheelchair-accessible taxicabs shall provide
824	training as to:
825	"(A) The legal requirements that apply to transportation of persons
826	with disabilities, including providing equal access to transportation and complying with the
827	ADA;
828	"(B) Passenger assistance techniques, including a review of
829	various disabilities, hands-on demonstrations of how to assist those with disabilities, mobility
830	equipment training (including familiarity with lift and ramp operations and various types of
831	wheelchairs and personal mobility devices), and safety procedures;
832	"(C) Training with an actual person using a wheelchair or personal
833	mobility device;
834	"(D) Sensitivity training, including customer service and conflict
835	resolution techniques; and
836	"(E) Overall training in passenger relations and courtesy.
837	"(3) Completion of an examination which shall consist of a minimum of 60
838	questions, the passing grade of which shall be 70% answered correctly, which shall, at a
839	minimum, test:

"(A) The applicant's fitness for licensure based upon knowledge of the
location of addresses, significant government buildings, and tourist sites, and an understanding
of the Capital City Plan;

- "(B) The applicant's fitness for licensure based upon the areas covered in the hacker's license training course, exclusive of geography;
- "(C) The applicant's knowledge of the District, through a minimum of 5 written questions, which shall require the applicant to state the route to arrive at a destination from a particular location; and
- "(D) Selected areas, through a minimum of 5 oral questions, covered in the hacker's license training course, exclusive of geography, and the applicant's ability to communicate in English.
- "(4) Each applicant may repeat the examination no more than 3 times. Upon the third failure, an applicant must repeat the hacker's license training course and present a new certificate of completion before being allowed to take the examination again. The Office of Client Services of the Department of For-Hire Vehicles, shall construct a pool of no fewer than 300 questions from which questions shall be drawn for each examination that is administered. This pool shall be prohibited from public dissemination and shall be substantially revised at a minimum of every 2 years to protect the integrity of the examination.
- "(5) Upon passage of the examination, each applicant has 90 days in which to complete the application process for licensure. After 90 days, the passing score from the prior examination is no longer valid for licensure, and the applicant must repeat the license training course, present a new certificate of completion, and retake the examination.".

362	Sec. 7. Short title.	
863	This section may be cited as the "MPD Overtime Reimbursement Fund Establishment	
864	Act of 2021".	
365	There is established as a special fund the MPD Overtime Reimbursement Fund ("Fund")	
866	which shall be administered by the Metropolitan Police Department ("MPD") in accordance w	
367	subsection (b) of this subsection.	
868	(a) Except as provided in section 1-325.81, revenue from the following sources shall be	
869	deposited in the Fund:	
370	(1) Fees paid pursuant to this section related to police services; and	
871	(2) Fees paid pursuant to section 5-129.71.	
872	(b) Money in the Fund shall be used for the purpose of reimbursing MPD for the cost of	
873	overtime needed to:	
874	(1) Staff special events such as parades, carnivals, and movie productions; and	
875	(2) Provide security details to establishments, such as bars, nightclubs, and sports	
876	teams, that pay for extra police coverage.	
877	Sec. 8. Rulemaking.	
878	Within 180 days of the effective date of this act, the Department of Consumer and	
879	Regulatory Affairs shall promulgate rules to implement this act.	
880	Sec. 9. Fiscal impact statement.	
881	The Council adopts the fiscal impact statement in the committee report as the	
382	fiscal impact statement required by section 602(c)(3) of the District of Columbia Home	
283	Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code & 1-	

Sec. 10. Effective date.

This act shall take effect following approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto), a 30-day period of

Congressional review as provided in section 602(c)(1) of the District of Columbia Home

Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1
206.02(c)(1)), and publication in the District of Columbia Register.

## COUNCIL OF THE DISTRICT OF COLUMBIA COMMITTEE OF THE WHOLE NOTICE OF PUBLIC HEARING

1350 Pennsylvania Avenue, NW, Washington, DC 20004

#### CHAIRMAN PHIL MENDELSON COMMITTEE OF THE WHOLE ANNOUNCES A PUBLIC HEARING

on

Bill 24-301, the Business and Entrepreneurship Support to Thrive Amendment Act of 2021

on

Monday, February 7, 2022 at 1:00 p.m.

Live via Zoom Video Conference Broadcast Chairman's Website (www.chairmanmendelson.com/live)

Council Chairman Phil Mendelson announces a public hearing before the Committee of the Whole on Bill 24-301, the "Business and Entrepreneurship Support to Thrive Amendment Act of 2021." The hearing will be held on Monday, February 7, 2022 at 1:00 p.m. via Zoom Video Broadcast.

The purpose of <u>Bill 24-301</u> is to reduce the number of business license categories from over 100 to 10, lower initial business license fees to \$99 for two years, allow for an exemption from fees for businesses with under \$10,000 in annual revenue, establish a progressive fee structure for business licensing, and remove outdated and duplicative business licensing requirements.

Those who wish to testify must register at <a href="http://www.ChairmanMendelson.com/testify">http://www.ChairmanMendelson.com/testify</a> by 5:00 p.m. on Thursday, February 3, 2022. Testimony is limited to four minutes. Witnesses who anticipate needing spoken language interpretation, or require sign language interpretation, are requested to inform the Committee office of the need as soon as possible but no later than five business days before the proceeding. We will make every effort to fulfill timely requests, although alternatives may be offered. Requests received in less than five business days may not be fulfilled. If you have additional questions, please contact Destiny Riley, Committee Assistant, at (202) 724-8196.

The hearing will be conducted virtually on the Internet utilizing Zoom video conference technology. Testimony should be submitted in writing to <a href="mailto:cow@dccouncil.us">cow@dccouncil.us</a> in advance of the hearing. Written testimony will be posted publicly to <a href="http://www.chairmanmendelson.com/testimony">http://www.chairmanmendelson.com/testimony</a>. If you are unable to testify at the hearing, written statements are encouraged and will be made a part of the official record. Statements for the record should be submitted to <a href="cow@dccouncil.us">cow@dccouncil.us</a> or left by voicemail by calling (202) 430-6948 (up to 3 minutes which will be transcribed). The record will close at 5:00pm on Monday, February 21, 2022.

### COUNCIL OF THE DISTRICT OF COLUMBIA COMMITTEE OF THE WHOLE WITNESS LIST

1350 Pennsylvania Avenue, NW, Washington, DC 20004

#### CHAIRMAN PHIL MENDELSON COMMITTEE OF THE WHOLE ANNOUNCES A PUBLIC HEARING

on

#### Bill 24-301, the Business and Entrepreneurship Support to Thrive Amendment Act of 2021

on

#### Monday, February 7, 2022 at 1:00 p.m.

Live via Zoom Video Conference Broadcast
DC Council Website (www.dccouncil.us)
Council Channel 13 (Cable Television Providers)
Office of Cable Television Website (entertainment.dc.gov)
Chairman's Website (www.ChairmanMendelson.com/live)

#### PUBLIC WITNESSES

1.	Salim Adofo	Chairperson, Advisory Neighborhood Commission 8C
2.	Alex Montgomery	City Policy Associate, Institute for Justice
3.	Andrew Kline	General Counsel, Rest Association of Metropolitan Washington
4.	Andrew Shapiro	K&B Sodas
5.	Carolyn Papetti	Owner and CEO, I'm Eddie Cano (Italian Restaurant)
6.	Juliana Cardona Mejia	Founder and CEO, Street Entrepreneurs
7.	Kristina Svensson	Founder, Yuduyu, Inc.
8.	Claudia Barragan	Owner, Communities in Practice, LLC
9.	Rachel Shank	Georgetown Main Street
10.	Che Ruddell-Tabisola	BBQ Bus

11. Evette Banfield CNHED

12. Corey Griffin Greater Washington DC Black Chamber of

Commerce

#### **GOVERNMENT WITNESSES**

1. Ernest Chrappah Director, Department of Consumer and

Regulatory Affairs

# <u>Committee of the Whole</u> <u>Testimony in Support of the Business and Entrepreneurship Support to</u> <u>Thrive (BEST) Amendment Act</u>

Alex Montgomery City Policy Associate Institute for Justice amontgomery@ij.org February 7, 2022

In the District, entrepreneurs looking to start small mom-and-pops and micro enterprises have for years struggled with the same three barriers when navigating DC government regulations: Starting a business is already a risky endeavor, but local requirements for getting up and running impose **steep costs**, **frustrating delays**, and **complex red tape** on those making an honest effort to comply with rules on the books. These rules affect entrepreneurs from vulnerable communities the most—aspiring small business owners with big dreams but little capital, who in many cases do not have the funds to hire lawyers or expediters to speed them through the process.

This must—and can—change. DC residents should not need a law degree to start the small businesses of their dreams.

By passing the Business and Entrepreneurship Support to Thrive (BEST) Act, DC Council can ensure that Washingtonians from *all* neighborhoods, including Wards 7 and 8, have the opportunity to create jobs and contribute to their communities.

The BEST Act targets regulatory headaches experienced by entrepreneurs across the District. The legislation:

- **Reduces fees for small businesses** by cutting the cost to get a business license to \$99 for a two-year license—and \$49 for a six-month license—for all new businesses.
- Simplifies the basic business licensing (BBL) system, which previously forced entrepreneurs to navigate over a hundred different categories of licensure. Under the BEST Act, there would be a simpler set of 10 license types.
- Streamlines licensing rules and regulations that are outdated and unnecessary, eliminating restrictions in the DC Code that confuse both small businesses and agency officials tasked with enforcing the rules on the books.

This testimony will focus on the cost and complexity of starting a business in DC, and demonstrate how the policies that inform the BEST Act not only help existing businesses in addition to new start-ups, but also create a simpler regulatory system that District agencies will be able to enforce more easily and consistently. These policies will bring DC in line with cities across the country, as well as with our neighbors in Virginia and Maryland, by modernizing the city's business licensing regime.

#### Cost

Starting a business in DC is already an expensive endeavor, with the city's high cost of living and steep rents for commercial space. But fees for licenses and permits can often make an already difficult task altogether prohibitive for those with tighter access to capital.

These fees, which can reach into the hundreds or even thousands of dollars, handicap those from communities that are most in need of support: returning citizens, veterans, immigrants, and minority entrepreneurs.

#### Facts about the cost of starting up in DC:

- BBL fees are tied to business type, and typically impose a financial burden of several hundred dollars, but can range wildly seemingly with little rationale. A caterer must pay \$348.70, while a mobile delicatessen pays \$485.10 and an ice cream manufacturer pays \$3,107.50. Because a single business can fit into several different categories, entrepreneurs starting certain ventures can be stuck with massive licensing bills: For example, recent research from the Institute for Justice suggests an entrepreneur starting a neighborhood grocery store could end up paying \$2,392.50 in BBL costs.<sup>2</sup>
- Costs for licenses and permits in the District are steeper than in many cities of comparable size. Take Seattle and DC's own neighbor, Arlington County. Both have fee structures that are tailored to a business's size: Seattle's system, which has six brackets of increasing amounts, provides an easier entry for new and small businesses, such that businesses with a taxable revenue of less than \$20,000 would only have to pay \$59 for a license.<sup>3</sup> Arlington County, meanwhile, does not charge a license tax for businesses with less than \$10,000 in gross receipts<sup>4</sup>—something the BEST Act seeks to implement here in the District.
- According to a recent Bankrate study, more than half of Americans cannot cover an unexpected \$1,000 emergency expense.<sup>5</sup> For many Washingtonians, licensing fees that divert hundreds or even thousands of dollars from their micro ventures could represent a serious hurdle for their business plans.

The BEST Act addresses this need by reducing BBL fees across the board. Under the legislation:

- All new businesses would pay a flat rate of \$99 for a two-year BBL or \$49 for a sixmonth BBL.
- Businesses with less than \$10,000 in annual revenue would be exempt from BBL fees, while those with less than \$2,000 in revenue would be exempt from business licensure requirements altogether.

<sup>&</sup>lt;sup>1</sup> https://dcra.dc.gov/node/1429586.

<sup>&</sup>lt;sup>2</sup> https://ij.org/wp-content/uploads/2021/06/DC-Policy-Report-June-10-2021-opt.pdf. Pg. 9.

<sup>&</sup>lt;sup>3</sup> https://www.seattle.gov/license-and-tax-administration/business-license-tax-certificates#2017present.

<sup>&</sup>lt;sup>4</sup> https://ij.org/wp-content/uploads/2021/06/DC-Policy-Report-June-10-2021-opt.pdf. Pg. 23.

<sup>&</sup>lt;sup>5</sup> <u>https://www.cnbc.com/2022/01/19/56percent-of-americans-cant-cover-a-1000-emergency-expense-with-savings.html.</u>

• For BBL renewals, businesses would pay according to a progressive fee structure that calculates fees based on a business's annual revenue. For example, a business that earned \$250,000 in taxable income for the most recent tax year would pay \$250 to renew its BBL.

#### Complexity

Under the current BBL system, entrepreneurs must navigate dozens and dozens of categories of business licensure. While DCRA has streamlined these requirements in recent years, license applicants must still wade through lists of licenses, often with little clarity as to which apply to the applicant's business. Each license has its own fee.

But business licensing is not the only step an entrepreneur has to complete to get their business up and running. In fact, in many cases, a BBL is just the beginning: Applicants must typically register as a corporation or LLC, set up accounts for taxes, obtain any necessary building or zoning permits along with a certificate of occupancy, and complete occupational licensing requirements if their profession is regulated by a licensing board.

For under-resourced entrepreneurs, this maze of rules and compliance tasks creates a kind of death by a thousand cuts: It may be the no one requirement derails an applicant's business plans, but rather that the entirety of the process creates confusion and frustration and threatens to keep entrepreneurs from getting up and running.

#### Facts about the complexity of starting up in DC:

- With over 100 BBL categories on the books, DC has heavier business licensing requirements than in many large and mid-sized cities—for example, in Detroit, Indianapolis, and Phoenix, which only license 69, 30, and 15 business types, respectively, and do not have a general business license required of all businesses opening up shop. Meanwhile, cities such as Boston and Jacksonville have general license forms or tax certificates that apply to everyone, rather than separating out requirements between dozens of license categories.
- Business licensing is just the beginning. A flowchart of steps to start a business in the District reveals that entrepreneurs must complete dozens of steps to reach opening day, from registering as a corporation to zoning and permits to taxes.<sup>11</sup>

<sup>&</sup>lt;sup>6</sup> https://detroitmi.gov/departments/buildings-safety-engineering-and-environmental-department/bseed-divisions/licensing-and-permits/business-license-guides.

<sup>&</sup>lt;sup>7</sup> https://www.indy.gov/activity/business-licenses.

<sup>&</sup>lt;sup>8</sup> https://www.phoenix.gov/cityclerk/services/licensing.

<sup>&</sup>lt;sup>9</sup> https://www.boston.gov/departments/city-clerk/how-apply-business-certificate.

<sup>&</sup>lt;sup>10</sup> https://taxcollector.coj.net/taxes/local-business-tax.aspx.

<sup>&</sup>lt;sup>11</sup> https://district.works/starting-a-business-in-dc/.

The BEST Act addresses this need by streamlining BBL license requirements so that entrepreneurs can invest more time opening up shop and less in back-and-forth with District agency officials. Under the legislation:

- The number of BBL categories would be reduced from over 100 on the books to 10 clear categories.
- Outdated and duplicative license requirements in the DC Code would be removed or combined, setting up a clearer process for businesses and making it easier for District officials to consistently enforce the rules.

## <u>Committee of the Whole</u> <u>Post-Hearing Written Comments in Support of the Business and</u> Entrepreneurship Support to Thrive (BEST) Amendment Act

Alex Montgomery City Policy Associate Institute for Justice amontgomery@ij.org February 21, 2022

For years, entrepreneurs in DC have struggled with the cost, delays, and complexity of navigating District rules for starting a business. In my supportive written testimony, I explained how the BEST Act addresses these roadblocks by streamlining business licensing regulations and reducing fees: the bill not only simplifies the basic business licensing (BBL) system by cutting the number of licenses to ten, but also reduces start-up fees for *all* businesses to \$99 for a two-year license.

During a public hearing, DCRA Director Ernest Chapprah raised a number of objections to this legislation. DCRA agrees with the BEST Act's overall mission—for example, that the bill would make it easier to start a business in DC—but notably pushed back against the fiscal impact of fee reduction, among other key points.

I will address and respond to several of DCRA's reservations about the BEST Act in the following post-hearing written comments:

How would the BEST Act affect BBL fee reductions included in the Mayor's budget last summer?

In her budget last summer, Mayor Bowser proposed a number of license fee reductions to reduce costs for small businesses. Now implemented, these efforts permanently reduced the fee to obtain a general business license—and a few additional BBL license types, such as employment services licenses—to \$99.1

The Institute for Justice testified in favor of these changes, which also temporarily lowered fees for obtaining occupational and professional licenses in the District. But Council should pass the BEST Act because it goes even further, building on the Mayor's efforts by reducing *all* BBL fees to a straightforward \$99 for a two-year license. This ensures that the kinds of small businesses who were not covered by the Mayor's proposal—such as caterers or mobile delis, which must

<sup>&</sup>lt;sup>1</sup> https://www.congressheightsontherise.com/blog/an-update-to-the-dcra-business-licensing-fee-reductions.

pay \$348.70 and \$485.10, respectively, for their BBLs<sup>2</sup>—will not have to pay hundreds or even thousands of dollars in start-up fees.

#### What to do with the BBL endorsements written into the Code?

A major source of DCRA's pushback against the BEST Act has to do with the way the legislation restructures BBL categories: The bill gets rid of endorsements, and reorganizes license types into ten categories—based, in part, on the categories DCRA itself identified when the agency reorganized the categories on its revamped website.<sup>3</sup>

Director Chapprah expressed concern that the new categories remain undefined in the legislation. On this point, the Director's reservations are valid. For the purposes of clarity, we encourage Council to add a description to each license category in the legislation to better define the new licensing structure. The Director also mentioned that the agency opposes getting rid of the endorsements full-stop—a reform we view as necessary in order to truly simplify the District's business licensing system.

While the Director views the endorsements as essential, it is unclear what purpose they actually serve. DCRA should clarify how adding a set of license categories on top of another set of license categories aids the agency in its mission to protect the health and safety of the public. It makes more sense for an applicant to apply for a single business license with a single set of requirements; if the applicant's business requires sign-off from other agencies, those sign-offs should be included as part of the documentation and process the applicant undergoes when obtaining a BBL. Adding an additional layer of red tape—ambiguously called "endorsements"—merely serves to further confuse and frustrate Washingtonians.

In a recent survey of 20 cities' business licensing requirements, the Institute for Justice did not find a single example of a city with an endorsement structure like DC's. 4 Council should rest assured that, once definitions for the ten new categories are added into the bill, the BEST Act would bring DC in line with how other cities go about the business licensing process.

#### Should DC base license renewal fees on a business's taxable income or gross revenue?

Another DCRA point of concern is the BEST Act's restructuring of BBL renewal fees. Under the bill, applicants seeking to *renew* a BBL would pay a fee that is tied to the business's taxable income for the previous year. To renew, a business would pay one-tenth of one percent of its taxable income—for example, a business with a previous year's income of \$100,000 would pay \$100 to renew its BBL. This change would ensure that fees remain low for small businesses and micro enterprises, while minimizing the fiscal impact of passing the BEST Act's wholesale reduction of BBL start-up fees.

<sup>&</sup>lt;sup>2</sup> https://dcra.dc.gov/node/1429586.

<sup>&</sup>lt;sup>3</sup> https://dcra.dc.gov/node/1411971.

<sup>&</sup>lt;sup>4</sup> https://ij.org/report/barriers-to-business/.

While Director Chapprah seemed open to the idea of creating a new basis for calculating renewal fees, he questioned using taxable income rather than gross revenue as that basis. The Director cited complications involved with checking a business's taxable income—as well as the potential for businesses to hide their taxable income to avoid paying more in fees—as reasons for skepticism. We believe that in this instance the Director's reservations are misplaced.

For one, basing renewal fees on taxable income is simply good policy. It is fairer than basing fees on gross receipts, as different business types and models have different profit margins. For example, one bakery may use more expensive ingredients to sell a wedding cake for \$500, with a profit of \$100, while a second bakery may use less expensive ingredients to sell batches of cookies for \$200, with a profit of \$100. The profit is the same, but basing fees on gross revenue would mean punishing the first bakery by forcing the owner to pay more because she has a different business model. It makes more sense to assess fees based on what a business takes home in revenue, rather than what it brings in before paying expenses.

In addition, Director Chapprah's claims are undermined by the fact that some cities use taxable revenue or net income to assess fees. Take Seattle, where a business with less than \$20,000 in taxable revenue pays just \$59 for a license.<sup>5</sup>

Should businesses with less than \$10,000 in gross receipts be allowed to self-certify their exemption from BBL fees?

To support entrepreneurs looking to start small, the BEST Act exempts businesses with less than \$10,000 in gross receipts from BBL fees. This provision builds on the District's *de minimis* license exemption, which makes it so that micro enterprises with fewer than \$2,000 in receipts do not have to go through an onerous business licensing process.<sup>6</sup> It also brings DC in line with our neighbors, such as Arlington County, where businesses with less than \$10,000 in gross receipts are not required to pay licensing fees.<sup>7</sup>

In his testimony, Director Chapprah pushed back against this exemption, arguing that allowing small businesses to self-certify that they qualify or expect to qualify for the exemption will make room for applicants to abuse the system. This objection ignores the fact that DCRA already uses self-certification as its basis for enforcing the *de minimis* license exemption mentioned above: Micro enterprises, upon DCRA request, submit a self-certification letter to show that they qualify for the exemption. DCRA also relies or seems to have relied on self-certification to enforce the District's Clean Hands requirement, which forces applicants for permits and licenses to show they do not owe more than \$100 in fines and fees to District government.<sup>8</sup>

There is no reason to believe that DCRA could not enforce a \$10,000 exemption in the same way that it enforces a \$2,000 exemption: namely, by soliciting a self-certification letter from BBL

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<sup>&</sup>lt;sup>5</sup> https://www.seattle.gov/license-and-tax-administration/business-license-tax-certificates#2017present.

 $<sup>\</sup>frac{6 \text{ https://code.dccouncil.us/us/dc/council/code/sections/47-2851.02a.html\#:}{\sim: text=47\%E2\%80\%932851.02a.-}{\text{License}\%20 \text{exemption}\%20 \text{for}\%20 \text{de}\%20 \text{minimis}\%20 \text{business}\%20 \text{activity.,} \text{days}\%20 \text{in}\%20 \text{a}\%20 \text{calendar}\%20 \text{year.}$ 

<sup>&</sup>lt;sup>7</sup> https://www.arlingtonva.us/Government/Programs/Taxes/Business/Business-License-Tax.

<sup>8</sup> https://code.dccouncil.us/us/dc/council/code/sections/47-2863.

applicants who believe they qualify or will qualify for the exemption, as the BEST Act provides. If circumstances change, applicants would then be required to notify DCRA that they no longer qualify for the exemption—ensuring that the policy serves its purpose of protecting the micro enterprises most in need of BBL fee flexibility.

Reinstating the basic business licensing fund.

Director Chapprah lamented the bill's repeal of the basic business licensing fund, which would mean that BBL fee revenue would automatically be channeled into the general fund. The Director's claims about how this change would affect internal agency operations are valid. As a healthy compromise in light of the changes that will already be brought about by the BEST Act's overhaul, we recommend reinstating the BBL fund.

Bringing back into the Code provisions related to late fees and fees for expedited service.

Another useful point Director Chapprah raised in his testimony is that the BEST Act does not provide for late renewal fees or fees for expedited service. While the bill's drafters may have intended for DCRA to set those fees by rulemaking, the Director's point is a fair one: Council should consider adding those fee provisions back into the legislation to ensure that there is no confusion as to which fees DCRA would assess if the bill passes.

Yes, the BEST Act's reforms would require investment in staff training and public outreach.

Finally, Director Chapprah noted that the BEST Act's reforms—particularly the new basis for assessing BBL renewal fees—would require significant agency investment in retraining staff and educating the business community on the new rules. He is certainly correct: Regulatory reform, if it is meaningful, will always involve some degree of changing the status quo.

The BEST Act would indeed be meaningful for thousands of small business owners and entrepreneurs across the District who for years have dealt with an outdated and costly regulatory playing field. In the same spirit of simplifying rules to support our small business community, Director Chapprah has in the past championed modernizing the agency's processes through his Vision 2020 plan. We see no reason to stop now. By passing the BEST Act, DC Council would take a critical step forward, investing not only in the District's existing brick-and-mortars, but also in its next generation of job-creating start-ups and mom-and-pops.

<sup>&</sup>lt;sup>9</sup> https://www.dcravision2020.com/.

### Monday, February 7, 2022, 1:00 PM Remote Hearing via a Virtual Platform Broadcast live on DC Council Channel 13

Streamed live at www.dccouncil.us and entertainment.dc.gov
John A. Wilson Building
1350 Pennsylvania Avenue, NW
Washington, DC 20004

### **Committee of the Whole**

Bill 24-301, the Business and Entrepreneurship Support to Thrive Amendment Act of 2021

Testimony of Andrew J. Kline, General Counsel Restaurant Association of Metropolitan Washington

Andrew J. Kline, Esq. Veritas Law Firm 1225 19th Street NW, Suite 320 Washington, DC 20036 202.686.7600 akline@theveritaslawfirm.com Good afternoon, Chairman Mendelson, Council Members and Council Staff. I am Andrew Kline, General Counsel to the Restaurant Association Metropolitan Washington (RAMW). Thank you, Chairman for holding this hearing and allowing us to testify.

RAMW has over one thousand three hundred members, most of which are independent hospitality establishments located within the District of Columbia and represent an industry that, prior to the pandemic, brought in over \$4.4 billion in revenues, collected over \$400 million dollars in sales taxes and employed over 65,000 people.

RAMW applauds Councilmember Pinto, Chairman Mendelson along with Councilmembers Mcduffie and Nadeau for introducing this legislation. The Bill has several provisions that will simplify matters for DC businesses, while not undermining legitimate regulatory objectives. RAMW is fully supportive but has a few suggestions to address other to reduce duplicative requirements.

#### **Public Hall Licensing.**

The public hall licensing requirements as set forth in lines 39-75, as applied to those with ABC licenses, is utterly duplicative of the ABC licensing requirements for new licenses and for renewing licenses. The standard of review is exactly the same as contained in the ABC law: the effect of the establishment on peace, order and quiet, and on vehicular and pedestrian safety.

Those ABC licensees with capacities of 400 or less are exempt from review. Those over 400 are not and are thus potentially subject to two reviews of the same factors, one by the ABC Board and the other by the Office of the Mayor, presumably delegated to DCRA or a successor agency. Of course, the ABC Board is well equipped to conduct the review and has a long track record of a contested case procedure in place to hear and decide these matters. It is unknown how many hearings have been held by DCRA related to larger public halls, but there would seem to

be no public policy purpose for the duplicative review, which can easily be abused to harass and drive up the costs for a new larger venue or one simply seeking to renew its public hall license. Further, although the ABC law limits who can object, the public hall licensing law allows an objection by a single resident or owner within 600 feet, thus increasing the possibility of a frivolous objection.

RAMW recommends that ALL Public Hall licenses with ABC licenses be exempt from the review process, not just those with capacities over 400. There is ample opportunity in the ABC new and renewal processes for residents and owners to voice objection and be heard.

#### Trade Name registration and Renewal.

Currently, trade name renewal is a separate process from BBL renewal causing businesses to sometimes have their trade name registration inadvertently lapse and creating additional work of the administering agency. Trade name renewal should be combined with BBL renewal to eliminate one process for businesses and minimize the chances the trade name will expire.

#### **Drug Related Nuisance Abatement Act.**

RAMW has concerns with the breadth of the definition of "knowingly" (lines 269-274), for purposes of finding a violation on the part of the licensee. That definition includes knowledge by any employee or agent of the licensee. That means a restaurant with several hundred employees risks actions against its business license because of the knowledge of a single employee. Management or ownership may be completely unaware of the situation, but if one employee knows, for example, that there was a drug deal on the premises, the license is imperiled.

We recommend that "knowingly" be narrowed to situations where ownership knew, or should have known, of the activity.

Thank you for giving us the opportunity to testify. I am happy to answer any questions.

#### Testimony of Juliana Cardona Mejia in support of the Business & Entrepreneurship Support to Thrive (BEST) Amendment Act and Further Reforms

#### Honorable Council:

The testimony I bring you today is based on my experience working with countless entrepreneurs who are all too often excluded from the system. Yet the concerns I raise today, impact us all.

Over the past seven years, I have worked with thousands of small businesses in Washington, DC, via the nonprofit I founded, Street Entrepreneurs.

Our organization connects problem-solvers with education, mentorship, and capital. Above all else, we are committed to equity, and to this end, we provide wrap-around services, such as childcare, WIFI stipends, and income-scaled program fees.

Yet despite our work, business licensing cost and complexity, the lack of new licenses for street vendors, and strict occupancy permit requirements continue to be insurmountable barriers for far too many DC-based entrepreneurs.

Today, I urge you to take four critical steps to support DC entrepreneurs.

- First, to pass the Business and Entrepreneurship Support to Thrive (BEST) Amendment Act,
- Second, reinstate street vending licenses,
- Third, get rid of occupancy permit requirements for businesses that do not pose a health and safety risk to their communities,
- Fourth, waive business license fees for low-income entrepreneurs.

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Our first task is to pass the BEST Act to help DC residents start businesses. I'll highlight three main challenges demonstrating why passing this Act is vital.

#### First, starting a business in DC can be cost-prohibitive.

Most entrepreneurs dip into their savings to pay for business licenses, but the costs of starting a business often exceed what most Americans have saved. According to the Federal Reserve, 46% of Americans do not have enough cash on hand to cover a \$400 emergency expense. While licensing costs vary by type, startup costs routinely exceed \$670.

Compared to other major cities, licensing fees in Washington, DC are more expensive than average, especially for food-based entrepreneurs.

The BEST Act lowers the initial license fee to \$99 for two years for all license types.

#### Second, starting a business in DC is complicated and inaccessible.

While DCRA's Small Business Resources Center does a phenomenal job in supporting entrepreneurs, the mere fact that such a center is needed to help founders decipher which of the 100+ business license types is right for them, is proof that the process is far too complicated. Moreover, the licenses themselves are outdated. It's 2022, yet there is still a license type for horse-drawn carriages.

Allow me to contextualize by sharing the testimony of an entrepreneur from Ward 8: "I have multiple degrees and access to powerful networks. Yet even with these privileges, I have spent numerous hours on the phone, scheduling appointments with the business center, and asking colleagues questions about the process. Thankfully I have the privilege of time, but this is not how I want to spend it. I would rather spend that energy building my business versus worrying that I might lose it because of a technicality I didn't even know about. I also want to note that the online systems do not meet accessibility standards. For instance, the dcra.dc.gov site scored 56/100 and is not in compliance."

The BEST Act addresses complexity by reducing business license categories from 100+ to 10.

#### Third, businesses looking to renew their licenses in DC face a regressive flat fee.

Why does a multimillion-dollar company like Clark Construction pay the same dollar amount in business license renewal fees as a handyman solopreneur?

The BEST Act establishes a progressive fee structure based on annual revenue for license renewals. Furthermore, it waves the renewal fee for businesses with \$10,000 or less in revenue, providing startups with a chance to grow.

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I believe the BEST Act is a good start; it will begin to deconstruct laws that keep poor people from accessing the economic opportunities that come with business creation. Yet more needs to be done. Complex and expensive business license fees are but one obstacle that entrepreneurs throughout the city face.

No new street vending licenses are being issued. This represents a significant hurdle for residents seeking economic self-reliance.

People who operate without a license risk a \$2,000 fine, police harassment, and confiscation of goods. This can be a devastating loss for entrepreneurs motivated by unemployment and other economic necessities.

Imagine: you've just lost your job and are trying to make ends meet by selling t-shirts, yet you end up poorer due to the restriction on street vending licenses.

What message does this send? Why is the city punishing grit?

I urge DC to reinstate the issuing of street vending licenses and stop giving police motives to harass street vendors, most of whom are African Americans, Latinos, and other people of color.

Reinstating street vending licenses will kickstart the elimination of statutes that punish grit and ensure an underpaid labor force, thus beginning to provide meaningful opportunities for income mobility.

Now that we have covered the importance of passing the BEST Act and reinstating street vending licenses, I want to share additional reforms that I believe will truly make DC a leader in equitable entrepreneurship.

The third reform: get rid of occupancy permit requirements for businesses that don't pose a health and safety risk.

Occupancy permits are a prerequisite for business licensing. Depending on the type of business, home occupancy permits may be available for those who cannot afford an office or commercial space. Yet, unhoused entrepreneurs cannot obtain home occupancy permits (HOP), and renters looking to operate home-based businesses are at the mercy of their landlords or lease agreements.

Alexandra Boycheck, Regional Program Manager for Empowered Women, and International Programs at the Latino Economic Development Center, explains this challenge simply:

"It's high time for the removal of occupancy permit requirements for businesses that do not pose a health and safety risk to their community. Washington, DC has been notorious for the lack of affordable housing coupled with gentrification over the past few years. Entrepreneurs lacking a home occupancy permit have been forced to rent commercial spaces in order to have their business licenses granted – it goes without saying that the cost of commercial real estate in Washington, DC is out-of-reach to many aspiring entrepreneurs, thus leaving them without a viable option."

This is an equity issue, and its outcome is the economic exclusion of people of low wealth. If you are poor, you may not even get past the first page of the business license application.

I urge the DC Council to remove occupancy permit requirements for businesses that do not pose a health and safety risk to their community.

Finally, I urge DC to bet on small business entrepreneurs. By waiving business license fees for low-income entrepreneurs, you lower the barrier to entry and widen the business opportunities for all residents.

Put your money where your rhetoric is. If you genuinely believe in entrepreneurs and income mobility, waive license fees for low-income founders. This would allow them to test out their business model before investing hundreds of dollars into licensing, occupancy permits, and incorporation fees.

It is in the city's best interest that these entrepreneurs make it. They will return on the city's investment through taxes, increased employment opportunities, and innovation, as well as a general improvement in income generation opportunities for these self-starters, their families, and communities.

I urge you to bet on small businesses. The consequence of keeping the status quo is dire. I've heard from many entrepreneurs choosing to leave the city because it is too hard to get started in DC. Others are simply choosing to operate illegally.

As an entrepreneur from Ward 3 said to me: "I am trapped in poverty. I am 50+; I am not getting hired. The only way I can get out of welfare is through micro-entrepreneurship. Not only can't I afford the fees, but I also can't vend on the street. I am asking the city to help me make it. Waving the licensing fees would be cheaper than housing assistance and food stamps."

Thank you for hearing my testimony.

For the record, I have also submitted the letters I received from entrepreneurs in support of our petition for change, which was signed by over 100 people in a matter of days.

## Letters in support of the Business & Entrepreneurship Support to Thrive (BEST) Amendment Act and Further Reforms

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Justin Franks, Ward 6: "I'll throw in my short personal story - My license renewal came last September and I couldn't reapply until Sep 1st. Not until the same month it expired could I go through the payment process to find out that it was also asking me for a D30 (huge packet of paperwork) before I could even pay to renew it. I called DCRA and was told they were no longer accepting dropoffs and that it would have to be mailed in. The problem was, if it was not all done perfectly, received, and approved by Sep 30th, I'd get a \$250 late fee. 31 days late? a \$500 penalty. If you make 1 mistake or the mail is delayed, it could cost \$750 to just \*continue\* operating your business. Turns out I didn't even need those forms, but a lot of other biz do."

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Mary Kingston, Ward 4: "Currently there are regulations in D.C. that prevent people of low wealth from being able to obtain business licenses to create and pursue their businesses-and this is unacceptable!"

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The Ventas Group: "We're a small business and all of our clients are small businesses. Supporting entrepreneurs who may not have the same advantages we do is important to our continued economic well-being."

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Cherie Latson, Ward 8: "People with lower incomes deserve to have access to success from being an entrepreneur, as well as people who have a lot of start-up capital."

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Alexandra Boycheck, Regional Program Manager of Empowered Women International Programs, Latino Economic Development Center: "My decade-long experience in working with small businesses women entrepreneurs calls for full support of the approval and ratification of the Business & Entrepreneurship Support to Thrive (BEST) Amendment Act.

BEST is aligned on supporting women entrepreneurs, particularly the ones from underserved communities in the DMV area, and in turn, contributing towards the buildup of an entrepreneurial-friendly ecosystem for small and micro-businesses owners in the region. I support the reduction of entry-level barriers for new businesses and in making business creation accessible and opportunities equitable for all.

In parallel, support is also grounded in the following set of evidence:

Recent research indicates that entrepreneurs will have to spend approximately \$400 on average to pay the required fees for incorporating, registering, and licensing small businesses (across several industries) in Washington, DC, before even initial revenues are secured since these are up-front costs.

However, the average initial cost of \$400 can be highly prohibitive for low-income women entrepreneurs (with historically low-level savings available) and discouraging as well towards business-registration compliance in DC. The financial burden of business creation must be relieved for small and micro-entrepreneurs.

In addition, it's high time for the removal of occupancy permit requirements for businesses that do not pose a health and safety risk to their community. Washington, DC has been notorious for the lack of affordable housing coupled with gentrification over the past few years. Entrepreneurs lacking a home occupancy permit would be forced to rent commercial spaces to have their business licenses granted – it goes without saying that the cost of commercial real estate in Washington, DC is out-of-reach to many aspiring entrepreneurs, thus leaving them without a viable option.

Lastly, I support the issuing of street vending licenses in the city. Washington-DC local economy and internal market rely heavily on the tourist trade and office space, coupled with small businesses and street vendors serving these sectors' customers. As society moves forward towards better managing pandemic-related issues, a return to "normalcy" would be expected. And this includes the vibrant participation and seasonable contribution of new street-based vendors towards enriching Washington, DC's economic and social fabric. Without an operating license, street-based vendors are fragile and vulnerable to heavy fines that potentially could disrupt income-generation schemes for many around the city and heavily jeopardize economic mobility."

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Anonymous Business Owner in Ward 5, "To whom it may concern, I'm a local entrepreneur, who is based in DC. In the past, I thought that DC was a good place to open a business and that the initiatives actually created opportunity for all people. Sadly, now my view has changed. There are too many sneaky laws being passed in DC that don't make the American dream accessible to all; and when I mention accessibility I mean people of color and people from underserved communities. Therefore, when deciding where to incorporate I decided to open shop elsewhere. I was actually warned by other colleagues not to start a business in the district. So, I haven't been through the licensing problems, due to the warnings I received from other small businesses who are suffering. I hope that this petition can shed light and curate change for small businesses within DC."

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Mercedes Teasley, Founder & CEO, TEASE Public Relations, "To DCRA: Lowering fees and relaxing exemptions helps promote inclusivity and rewards success of creativity at all levels. Removing fee barriers and location restrictions for all entrepreneurs offers a more equitable business opportunities not just for those creatives to conduct business, earn a living and support themselves but it also helps companies like mine find new talent to share with the world and expands access my community has to such talents, increasing the District's tax revenues and domestic trade. I support the Street Entrepreneur's proposed measure; it is a win win for all of us, the entire DMV main street ecosystem and beyond."

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Jazmine, "I have found the process to obtain a business license to be complex and difficult to navigate. Out of frustration and financial limitations as a business we have not finalized our licensing. We need direct resources that make obtaining a licensing more accessible, affordable, and navigable."

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Anonymous Business Owner in Ward 8, "As a member of the DC community I have appreciated the support the Department of Small and Local Business Development has provided. I also appreciate the partnerships with DC gov agencies such as the Health Benefit Exchange for providing small business owners access to quality health insurance. However, I have also experienced and witnessed other entrepreneurs struggle to obtain business licenses due to the overly complex and expensive system. I have even spoken to the entrepreneurs that would rather run their business without a license while they earn enough money to obtain one. I recognize that I have privileges that many other individuals in my community do not have. I have access to financial resources. I have access to a network that can help support with understanding the process. I have multiple degrees that also provide me access to networks that many of my fellow community members and business owners do not have. If I am being honest, even with those privileges, I have spent numerous hours on the phone, scheduling appointments with the business center, and spending time asking colleagues and friends questions about the process- getting a license and how to maintain it. I note that I have the privilege of time but this is also not how I want to be spending my time. I would like to spend that energy and those resources building my business vs worrying that I might lose it because of a technicality, I didn't even know about.

I do want to also note that the online systems are not accessible. The website ratings do not meet standards and the web developers hired need to ensure they are ensuring these standards are met. From my quick search the The rating on the https://dslbd.dc.gov/ scored at 60/100 and is out of compliance. the https://www.dcbusinesstoolkit.com/ site has a score of 71/100 https://dcra.dc.gov/page/registration-and-licensing-services-businesses has a score of 56/100.

I speak for myself in this testimony, but I also speak for the countless number of DC residents that I have spoken to about wanting to start a business but not knowing where to start, how to access the services or have the funds to pay for it. I know DC can do better."

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Alexandra Suchman, Ward 1, "When I started my first business in the spring of 2017, I set out to do everything by the book: all the registrations, licenses, certifications, etc. Having worked in the fields of public policy and government contracting for nearly 15 years by that point, I was used to navigating complex processes in deep bureaucracies. Still, I found the experience of navigating the requirements for small businesses in the District of Columbia to be particularly frustrating. At the time, there was no central web page to learn about all the different requirements. I had to sleuth my way across many different websites for different agencies, often having to create different usernames and passwords, just to try to wrap my head around 1) what I needed to do and 2) in what order I needed to do it. Since my business wasn't one of the common types of businesses, it was very difficult to figure out exactly what kind of license(s) I needed. I found the language on the site to be overly technical and complicated. I also found it frustrating that there were so many separate fees to pay at every step. I wish the process was

more streamlined and coordinate, because the current system is daunting. It was especially scary to pay to pay so many fees upfront, not knowing if my business idea was actually going to take off. I strongly support these proposed changes."

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Anonymous Entrepreneur from Ward 3, "I have worked with scientists and tech industry executives for years to replace the 538-year-old resume with data visualizations of job seekers' untapped potential, connecting them to employers faster and fairer than ever imagined.

Previously I spent 30 years working for senior executives at some of the world's most high-profile companies. I am a college dropout but speak five languages fluently, which I learned living in eight countries. I am also a domestic abuse survivor and single mother of two neurodiverse daughters. We have received Medicaid, TANF and EBT for three years and we are profoundly grateful for the STAY DC program and the Pandemic Unemployment Assistance. You saved our lives.

However, I don't actually want your financial support. I want to use my three decades of professional experience to become financially independent and better this world. I want to show my daughters that we can survive adversity and single mothers aren't doomed to a life of poverty.

Despite scientists having validated the innovation of my startup, I have not yet received financial support from a government, organization or investor. I have applied for over one hundred jobs in the last year but have had less than five interviews. I have not been able to obtain employment related to my career path, nor at grocery stores or restaurants. I thought I could use the skills that I acquired working at the world's largest luxury fashion house to start a micro-business in the design field, but I can't afford the small business fees, a lease of any kind, nor can I sell my goods as a street vendor.

At the same time:

- 46% of small business owners are 41-57 years old and 41% are 58-65 years old.1
- In 2019, 89% of new businesses were created by women of color2.
- Since 2007, Hispanic women-owned businesses have grown by 172%3.
- Women often start businesses to accommodate work to their family needs. 4

The District of Colombia is shooting itself in the foot by unreasonably restricting entrepreneurship, particularly micro- entrepreneurship by low-income groups. I am certain that the funds raised by these policies are insignificant in comparison to the impact of opening up entrepreneurship to those that are most dependent on government support. Micro-entrepreneurship is not only a path to economic empowerment, but a path to self-confidence, resilience, pride, and hope for parents and their children alike. The real question is, do you want us to succeed or remain reliant on you?"



Good afternoon, Chair Mendelson, Councilmember Pinto, and community members,

My name is Rachel Shank, I am the Executive Director of Georgetown Main Street, one of 28 DC Urban Main Streets funded in part by the DC Department of Small and Local Business Development. Our mission is to strengthen the vitality of Georgetown's small businesses by representing, promoting, and supporting the Wisconsin Avenue commercial corridor and engaging residents, businesses, community organizations, and visitors to build a vibrant Georgetown. Today I would like to speak from my experience working in this community.

Uncertainty and waiting periods are devastating for small businesses. Making the business licensing process more simplified and accessible for an entrepreneur to complete on their own would reduce the limbo period between being closed and being open. A simplified process will more quickly create new job opportunities, reduce commercial vacancies, and result in more vibrant corridors.

With a vacancy rate of 14.8%, the pandemic increased an already high vacancy rate in Georgetown. Currently, it takes 18 months on average to open a new business in Georgetown between applying for standard DC licenses and permits plus the added historic preservation regulations. Reducing the cost and confusion around licenses would be one less hurdle for a business to jump through to assume an available space in our neighborhood. Having personally assisted businesses with license applications and renewals, and I can attest that the number of licenses and associated costs are unnecessarily confusing, requiring extra time from DCRA staff to answer questions, which adds to the waiting period.

It is also useful to keep in mind that pre-existing businesses would benefit from a similar streamlining process. As our independent businesses continue to face economic hardship as a result of the COVID-19 Health Emergency, any opportunity to reduce costs and streamline processes for current businesses would be beneficial. Within the Georgetown Main Street corridor, we have over 50 legacy businesses that have been serving the DC community for 15 years or more and nearly 50 minority- and immigrant-owned businesses. Often these businesses have trouble navigating complicated systems.

We should not lose track of the businesses who have been held to the current licensing standard, and consider a period of amnesty or forgiveness for those subject to penalties and fees. In September 2021, the DCRA corporations division hosted a Biennial Report Forgiveness/Reinstatement period to allow businesses who were delinquent on their corporate filings to take the month to get caught up. A similar period within the licensing department to waive fees and other penalties to encourage current businesses to get back up to date would be welcome. I know of some micro businesses who have been



unable to apply to the multitude of grants offered by the DC Government because financial hardship and missing deadlines have prevented them from staying on top of their paperwork.

A streamlined licensing process and a wholistic look at how the entire licensing process can be improved would be beneficial for businesses as we continue into an economic recovery period, especially for our small businesses. Thank you for time. I'm happy to answer questions.



#### CRAFTED WITH LOVE

DC Council Chairman Phil Mendelson 1350 Pennsylvania Ave. NW Suite 504 Washington, DC 20004

To the Honorable Council Chairman Mendelson:

I am proud to submit this letter in support of the Business and Entrepreneurship Support to Thrive (BEST) Amendment Act of 2021.

The challenges of starting a small business in the District are well known: Our current regulatory regime is confusing and too complex, making it difficult for businesses to comply with the rules and for agencies to consistently enforce them. The costs of doing business in our community are also unnecessarily higher than in our neighboring municipalities.

The BEST Act streamlines licensing and makes it easier for DC residents to start and grow their small businesses. It makes commonsense improvements to our current system, including consolidating redundant and out of date business license categories, reducing fees, and taking other steps to streamline the licensing process.

Supporting and encouraging entrepreneurship, innovation, and empowered communities is important now more than ever. As an individual who has advocated for and supported aspiring and new mobile entrepreneurs and other small business owners for more than 10 years, I can confidently say that the BEST Act takes important steps to accomplish that.

Sincerely,

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Che Ruddell-Tabisola Co-Owner



# Testimony of Evette Banfield, Coalition for Nonprofit Housing & Economic Development Before the Committee of the Whole Public Hearing on B24-301, "Business and Entrepreneurship Support to Thrive (BEST) Amendment Act of 2021" Monday, February 7, 2022 Live via Zoom Video Conference Broadcast

Good afternoon Chairman Mendelson and members of the Committee of the Whole. My name is Evette Banfield. I am the Vice President for Economic Development Policy at the Coalition for Nonprofit Housing and Economic Development (CNHED). The Coalition's 140-member organizations fund, finance, produce, preserve, and provide affordable housing and neighborhood-based economic development in the District of Columbia.

The DC Policy Center recently reported in the 2021 State of Business Report: Building Back that "while many businesses closed, the total number of establishments in the District increased throughout the pandemic, suggesting new business formation has been strong." While this finding is comforting, we still much embrace the reality highlighted in the District's Fiscal Year 2021 Annual Comprehensive Financial Report (ACFR). The "negative impact of the pandemic on business activity persists primarily in the hospitality sector," which includes restaurants and retail establishments. Other industry sectors in contracting and procurement have likely been affected. In the next several years, as the District continue navigate the ups and downs of the pandemic it is essential that we help "boost business dynamism by reducing barriers to entry" to strengthen the District's economy. According to the National Federation of Independent Business (NFIB) 2020 survey "regulations often harm startups in three ways: disproportional cost burdens, economies of scale in compliance, and entry barriers." Typically, small business startups operate on lean budgets and they earn little in early phase of their operation. It is widely known that roughly half of all new businesses fail by their fifth year, which means they are in survival mode from day one. Any government inefficiencies or cumbersome processes will only impede small businesses from running their business.

It has been nearly a decade since the convening of the Business Regulatory Reform Task Force to "solicit comments from the public regarding simplifying and streamlining the regulatory requirements for doing business in the District of Columbia." Interestingly, the topic areas guiding the Task Force's effort are still relevant in 2022. The goal of the Task Force was to provide critical insight into District business owners' experiences navigating the regulatory system. The topic areas were as follows:

- For either construction permitting or business licensing, are there areas with significant overlap and/or inconsistency between agencies involved in the review and approval process?
- Are there specific District statutes or regulations that are obsolete, inconsistent or duplicative relevant to the business licensing or construction permitting processes?
- Would fee reduction or financial incentives make the District more competitive and attractive to businesses?
- What technological changes or developments would be beneficial to customers seeking to obtain or renew business licenses or construction permits?

CNHED supports the Business and Entrepreneurship Support to Thrive (BEST) Amendment Act of 2021 to streamline basic business licensing processes for new and existing businesses as stated in the legislation.

- Reducing the number of business licensing categories from over 100 to 10;
- Lowering of initial license fees to \$99 for two-years (or \$49 for 6 months), and allowing exemptions from fees for businesses under \$10,000 in annual revenue;
- Establishing a progressive fee structure for renewal based on annual revenue;
- Setting up a clearer process for business licensing by removing outdated and duplicative requirements;
- Allowing DCRA flexibility to implement policies and procedures as necessary to better serve the District's business community; and
- Streamlining the law by transferring sections of the code not directly relevant to the basic business licensing process

To further strengthen the BEST legislation, CNHED recommends that the Council consider the following enhancement:

- Require small business impact statements to be filed and reviewed prior to approving proposed regulations to minimize the burdens that new regulations impose on small businesses. (e.g. estimate of the number of small businesses subject to the proposed regulation; projected reporting, recordkeeping and other administrative costs required for compliance with the proposed regulation; identification of regulations which may duplicate or conflict with the proposed regulation; and an analysis of whether the proposed regulation is likely to deter or encourage the formation of new businesses).
- Allow ample time to notify the businesses by mail and electronically (i.e. via email) 60,
   45 and 30 days before renewing their business license.
- Provide a period of public comment on substantive policies and procedures, conducting outreach to the business community.
- Maintain, periodically update and share a roster of all businesses that have been issued a basic businesses license and share with relevant agencies and stakeholder partners.

In closing, this is an opportune time to ensure is a business-friendly environment for new and existing businesses in the District.

Thank you for this opportunity to testify.

#### Testimony By

#### GREATER WASHINGTON DC BLACK CHAMBER OF COMMERCE

#### Before The

D.C. Council Committee of the Whole Public Oversight Hearing on Bill 24-0301, the "Business and Entrepreneurship Support to Thrive" (BEST) Amendment Act of 2021 February 21, 2022

My name is Aisha Bond and I am the Interim Executive Director of The Greater Washington D.C. Black Chamber of Commerce, a not-for-profit organization aimed at advancing policy that promotes Black business growth in the District of Columbia through the facilitation of business opportunities and education.

It is our position that Bill 24-0301 would provide much needed reform to streamline the basic business licensing processes for new and existing businesses and greatly simplify the steps necessary to operate a business in the District of Columbia. By simplifying the licensing process, and reducing the costs of license applications, Bill 24-301 will go a long way to remove barriers to business formation in D.C.

The District's Department of Consumer and Regulatory Affairs currently has a complicated licensing process that includes over 100 categories and subcategories of licenses even though there are ultimately fewer than 20 licenses available. Future entrepreneurs must spend hundreds or even thousands of dollars in fees to license their businesses, especially when their business requires multiple licenses under the District's complicated structure. This results in a cumbersome and confusing process which detrimentally impacts the amount of business applications that result in actual businesses being opened. It must also be noted that these barriers to entry disproportionately impact women and minority business owners who have less capital and less support navigating the process, particularly in the post-COVID -19 climate.

For the District of Columbia to harness innovative ideas, jobs and tax dollars through the prosperity of small businesses, the current regulatory process needs to be made less confusing, less costly and less time-consuming. Already reputed to be unfriendly and frustrating, the current regulatory process is driving entrepreneurs to explore neighboring states for their business location while still attracting the District residents as patrons. Data from the U.S. Census Bureau shows that while business applications in D.C. have grown through the pandemic, only about 4.4 percent of these applications turn into actual, wage-paying businesses within four quarters. By contrast, Virginia has over 7 percent of business applicants that turn into real businesses within a year, and over 5 percent in Maryland. Recognizing other contributing factors to these low rates, inability to figure out the system, and inability to pay for the costs are key factors impacting one's ability to start a business.

Bill 24-0301 targets these challenges and provides practical solutions that allow DCRA flexibility to implement policies and procedures as necessary, to better serve the District's expanding business community. Reducing the number of licensing categories greatly simplifies the process. Lowering initial fees and establishing progressive fee structures for renewals based upon revenue, makes the District competitive with neighboring states. Setting up a clearer process for business licensing by removing outdated and duplicative requirements, as well as streamlining the law by modifying sections of the Code, all result in prosperity for the District's commercial landscape and directly support the wave of entrepreneurial and small business growth which shape the economic vibrancy and diversity within the District's business ecosystem.

Thank you for your time.

#### GOVERNMENT OF THE DISTRICT OF COLUMBIA

Department of Consumer and Regulatory Affairs



#### **Public Hearing on**

#### Bill 24-301, the Business and Entrepreneurship Support to Thrive Amendment Act of 2021

Testimony of
Ernest Chrappah
Director
Department of Consumer and Regulatory Affairs

Before the Committee of the Whole Chairman Phil Mendelson Council of the District of Columbia

February 7, 2022 1:00 p.m.

Good afternoon, Chairman Mendelson, members, and staff of the Committee of the Whole. I am Ernest Chrappah, the Director of the Department of Consumer and Regulatory Affairs (DCRA). My testimony today is about Bill 24-301, the "Business and Entrepreneurship Support to Thrive Amendment Act of 2021," otherwise known as the BEST Act. I appreciate this opportunity to discuss this bill with the committee.

Mayor Bowser and DCRA support the overall mission of making it as easy as possible to do business in the District. As you know, DCRA is responsible for issuing and renewing basic business licenses in the District. As of February 3, 2022, there are 62,041 active business licenses in the District. Our agency has made progress in streamlining the basic business licensing process and reducing fees for certain applicants, and there are major initiatives underway at DCRA to improve the process even more. While we applaud the goals of the BEST Act and agree with many of the organizational improvements it makes, there are several elements of the bill that would be problematic for the agency. In my testimony, I will provide an overview of the basic business licensing process; highlight the reforms that Mayor Bowser and DCRA have made to make the process cheaper and easier for entrepreneurs; and go through each element of the bill to elaborate on the parts we agree with and the parts which we oppose, as well as address items that are missing from the legislation that the agency believes should be included.

#### Overview of DCRA's Basic Business Licensing (BBL) Process

I would like to begin by explaining how to get a license to do business in the District.

There are four basic steps to getting a basic business license. First, if a person's business is operating as a corporate entity (such as a corporation, limited liability company, or partnership), they must register with DCRA's Corporations Division. Second, a person must register with the

Internal Revenue Service (IRS) and the D.C. Office of Tax and Revenue (OTR) to get an Employer Identification Number (EIN) and a Clean Hands certification. Third, a person must obtain either a Home Occupation Permit (HOP) if the business will be located in a person's primary residence (unless it is a short-term rental business) or a Certificate of Occupancy if the business will be operating out of an office location in the District. The final step is to visit DCRA's office or utilize the "My DC Business Center" webpage at mybusiness.dc.gov to submit a basic business license application, the required supporting documentation, and payment. In addition to obtaining a basic business license, a person will need to get an endorsement to the basic business license. The type of endorsement and the supporting documents that are required for an endorsement will depend on the business's activities and may require documentation from other agencies. For example, an applicant who wants to open a restaurant will require a basic business license with an endorsement of "Food Services" and must provide a D.C. Health Inspection Report in addition to the other required documents. I am happy to report that the turnaround time for receiving a basic business license is quite fast. For example, in Quarter 1 of FY22, 1,662 of the 1,836 businesses that applied online received their license from DCRA within one business day from the date that the required documents were submitted to DCRA which is a rate of 91 percent.

#### **DCRA's Progress on Basic Business Licensing Reform**

Next, I will turn to the progress that DCRA has already made on reforming the basic business licensing process. Recognizing the financial hardships many District residents and businesses have endured during the COVID-19 pandemic, Mayor Muriel Bowser is committed to keeping District licenses affordable. With that in mind, the Mayor included a number of major

fee reductions in the FY22 Budget Support Act for residents and businesses seeking to obtain or renew a basic business license.

First, DCRA reduced the fee to obtain or renew a general business license from \$342 to \$99. DCRA also reduced the licensing fee to start or renew an employment agency, employer paid personal service, and employment counseling business from \$2,034 to \$99. We received lots of positive feedback from the business community about these changes, with one company reaching out to tell us, "I think it is a wonderful thing that DCRA reduced the General Business License fee from \$324.50 to \$99. I am a small business owner and that will make a big difference in what we need to pay out to run our business. That is a big savings for my company and I really appreciate that DCRA is looking out for small businesses." Another small business owner told us, "I was just about to apply for a new license when I heard about the new fee change being implemented. I think this is a wonderful idea during this pandemic, when so many people are looking at entrepreneurship for additional streams of income to combat the loss of jobs and select services due to COVID. I praise this department for making a small change that will result in a huge impact to residents and small business owners alike. Thank you for this!" DCRA is proud to hear these kinds of sentiments from residents and businesses which show their appreciation for our efforts.

Another license fee reduction relates to fees for occupational and professional licenses. Through the end of FY22, DCRA will not be charging application and examination fees for occupational and professional licenses. During this time, all occupational and professional license and renewal fees are reduced to \$99, unless fees are lower already. And finally, DCRA instituted a corporate filing forgiveness program last summer that ran through the end of FY21, during which businesses with 50 employees or fewer whose corporate registration was revoked

due to a failure to file a biennial report were eligible to be reinstated without having to pay hundreds of dollars or more of filing fees or late fees for past due reports. All of these fee reductions demonstrate DCRA's commitment to cutting fees for entrepreneurs, and we are proud of the fact that we have already made great strides in reducing costs for businesses.

DCRA also is in the process of proposing a six-month license period as an alternative to a two-year license for businesses who want the flexibility to operate during a shorter term without the financial burden of having to pay for a full two-year license. The goal is to help seasonal business owners and entrepreneurs who may be trying out a new business idea by allowing them to pay for a six-month license at a prorated amount that would be equal to 25% of the cost of a two-year license. We have heard from our customers that out-of-pocket expenses are a priority that needs to be addressed, and we have acted on this. Another initiative that is in the works is a project that DCRA is partnering with OCTO on to make the licensing process simpler and more intuitive, ultimately creating a one-stop destination for all license needs without having to navigate the websites of different agencies. I highlight these items to show that DCRA is well aware of the need to make it easier and cheaper for new and existing businesses to operate in the District, and our actions are a reflection of this fact.

#### **Reducing the Number of BBL Categories**

Turning now to the bill itself, I will start with the reduction of the number of basic business license categories. As part of DCRA's successful Vision 2020 plan, the agency reorganized 128 business license types into 13 "primary" categories. The goal was to help BBL applicants navigate complex rules, which groups like the Institute for Justice have advocated for. This bill largely codifies the work DCRA has already accomplished, but there are a few technical concerns I want to share. For example, the 10 new categories in the bill (lines 430-439) are not

all defined in the amended Definitions section, § 47-2851.01 (lines 311-351). In fact, only 3 of the 10 categories are defined, which is confusing to the reader. DCRA cannot fully review these 10 categories to know whether they cover all of the previous categories, and thus, would recommend that the Council define the remaining categories or clarify that they should be defined in regulations.

Additionally, it appears that "endorsements" to a basic business license have been eliminated through the creation of these 10 categories. DCRA would like to confirm if this interpretation is correct, and if so, we want to note that endorsements are critical to DCRA and other DC government operations. Endorsements help in identifying license categories that require review and approval from sister agencies, such as DC Health or FEMS, before we issue or renew a license. Another reason why endorsements are important is because under the current scheme, a person only has to obtain one basic business license and then they can receive multiple endorsements to that license. For example, a movie theatre that serves food currently would need to obtain a basic business license with an Entertainment endorsement and a Food Services endorsement. But under this Act, a movie theatre that serves food would need to get two basic business licenses (one for Entertainment services and one for Food services). We would like to confirm whether this analysis is correct, and also request clarification as to whether the Council expects endorsements to be spelled out in regulations, or if the concept is being abolished entirely.

#### **Reducing Initial License Fees**

Next, I would like to discuss the reduction of initial license fees in the Act. Setting the basic business license fee at \$49 for a 6-month license and \$99 for a 2-year license (lines 440-443) would have a huge negative fiscal impact on agency operations. It appears that the \$49 and

\$99 amounts are inclusive of everything, whereas under the current scheme, there are separate fees for the application, the endorsement, and the license itself. It is not clear whether the Council is fully aware of the extraordinary effect that these drastically lower amounts will have on the agency. I would also like to note that currently there are some basic business licenses that are less than \$99 such as combat sport referees who currently pay just \$50. It is unclear if Council intended to increase the amount for these types of licenses.

Regarding the language in the Act that states that businesses with a gross annual revenue of greater than \$2,000 and less than \$10,000 do not have to pay a fee for a basic business license (lines 451-453), this would also have a considerable fiscal impact. Additionally, we have concerns about the fact that the Act allows people to self-certify that they qualify for this exemption (lines 456-458). Allowing people to self-certify that their business activity has a gross annual revenue of greater than \$2,000 but less than \$10,000 is ripe for abuse. It is unclear how a new business knows what their gross annual revenue will be ahead of time, and a significant number of businesses may think they fall under this category erroneously, resulting in a substantial loss of revenue for the agency.

Finally, regarding the amended § 47-2851.04 ("License application and fees") in the Act (lines 440-472), this section is missing <u>critical language</u> which is in the current § 47-2851.04; namely, that license fees shall be deposited into the Basic Business License Fund established by § 47-2851.13. Moreover, it appears the Basic Business License Fund is repealed by the Act. By repealing § 47-2851.13 ("Establishment of Basic Business License Fund; disposition of license fees, penalties, and fines") without putting this language elsewhere in Subchapter I-A of Chapter 28, the Council has essentially eliminated this special purpose revenue fund which we use to fund our licensing operations. The Basic Business License Fund generates approximately \$12.5

million in revenue for the agency each fiscal year and, among other things, funds the salaries of 116 full-time employees. Eliminating this fund would have a huge impact on DCRA's operations and this omission must be rectified should this bill move forward.

#### **Calculating License Renewals**

Moving on to license renewals, this bill creates a problematic structure for calculating license renewals by using a progressive fee structure based on annual revenue. Specifically, the Act states that renewal of an initial six-month license is \$49 for a second six-month license; and after that, a person pays a renewal license fee of 1/10 of one percent of the business's D.C. taxable income for the most recent taxable year. For a renewal of a two-year license, the Act sets the fee at 1/10 of one percent of the business's D.C. taxable income for the most recent taxable year (lines 444-450).

Using taxable income to calculate license renewal fees is fraught with problems and is not a feasible way to issue license renewals, for the following reasons. First, the IRS and OTR have strict rules on the sharing of tax information, so it would be incumbent upon the applicant to provide this information to DCRA, which raises obvious verification and enforcement issues. Second, businesses regularly amend or adjust their tax returns for many reasons, including through an audit by the IRS or OTR, and businesses are permitted to make changes to their returns going back three years or more. This means that a business might be able to renew their license at a certain amount right now, but next year they might revise their taxes for previous years and not be eligible for the lower fee they were charged. Third, using taxable income is simply a bad metric given that large companies often have small taxable income. Fourth, the IRS filing deadlines likely will not align with basic business license renewal dates, which means that people would be eligible for a renewal rate that may not accurately reflect their earnings.

Lastly, the entire concept of using a percentage of a business's taxable income to calculate a renewal amount will slow down the renewal process considerably given the extra amount of time staff will need to spend on these calculations and will require costly system enhancements.

Finally, I would like to point out that the Act fails to acknowledge or account for late renewal fees and expedited renewal fees, and how those would be calculated. It is not clear if the Council intended for late fees and expedited fees to be eliminated, or if this is simply an oversight in the Act.

#### **Removing Outdated and Duplicative Requirements**

Moving now to the elimination of outdated and duplicative requirements, DCRA agrees with how the bill repeals Subchapter I ("Specific Licensing Provisions") of Chapter 28 of Title 47 of the D.C. Code, given that this subchapter currently has over 50 separate provisions, many of which are outdated or repealed. Cleaning up the outdated and duplicative requirements, will make Subchapter I-A ("General Provisions") easier to understand. For example, we are in agreement with the way that § 47-2851.07 ("Issuance of licenses") is amended in the Act, as it lines up almost exactly with the "The Steps to Obtaining a Basic Business License" page on DCRA's website.

#### **Powers and Duties of DCRA**

Next, I will turn to the new language in amended § 47-2851.01b ("Powers and duties of the Department") which says that regulations and policies promulgated by DCRA should have the goals of protecting the health, safety, economic interests and quality of life for everyone in the District; moving forward construction projects of property owners/builders safely, efficiently, and effectively; promoting entrepreneurship; and communicating clear, concise, consistent, and timely information that benefits customers and the community. These have always been the

goals of any regulation or policy that DCRA puts forth, and we see no issue with having it codified in the law.

#### Transferring Sections Not Related to the Licensing Process to Other Parts of the Code

Finally, I would like to address the great progress this bill makes in transferring sections of the code not directly related to the basic business licensing process from Chapter 28 of Title 47 to more appropriate sections of the D.C. Code. This is a long-overdue cleanup of Chapter 28, and we applaud the Council for embarking on this endeavor.

In closing, I want to emphasize the care and attention that went into DCRA's analysis of this bill. While we agree with major components of the Act and applaud its laudable goals, I hope you will take into serious consideration several of its key elements which would be highly problematic for the agency. I hope my testimony has given insight into the rationale for each of our concerns, and I thank you for the opportunity to present this testimony. I am available for any questions that the committee may have.

#### Business and Entrepreneurship Support to Thrive Amendment Act of 2021, Bill 24-301

# Before the Committee of the Whole Council of the District of Columbia

The Honorable Phil Mendelson, Chairman

February 7, 2022 at 1:00 p.m.



Comments of
William Bowie, Senior Counsel
Office of Tax and Revenue
Office of the Chief Financial Officer

Fitzroy Lee Acting Chief Financial Officer Government of the District of Columbia Thank you for the opportunity to provide comments on behalf of the Office of the Chief Financial Officer on Bill 24-301, the Business and Entrepreneurship Support to Thrive Amendment Act of 2021 (Bill). The Bill seeks to amend D.C. Official Code § 47-2851.05 by adding a new paragraph to read: "To the extent feasible, each basic business license shall have a unique identifying number to be used for all official purposes, including taxation." See Page 22, Line 477.

The Office of Tax and Revenue (OTR) uses either a Federal Employer

Identification Number or a Social Security Number as a unique identifier for
processing tax returns. This is consistent with the processing of Federal Tax

Information and the basis of the Memorandum of Understanding that OTR has
with the Internal Revenue Service.

Thus, the use of any other type of identifier, such as proposed by the Bill, would not be feasible for OTR to administer. We ask that this language be stricken. If you have any questions about these comments, please contact me at (202) 442-6512 or <a href="https://www.wie.administer.">William.Bowie@dc.gov</a>.



#### PUBLIC HEARING ON

# BILL 24-301, "THE BUSINESS AND ENTREPRENEURSHIP SUPPORT TO THRIVE AMENDMENT ACT OF 2021"

Before the Committee of the Whole Chairman Phil Mendelson

Monday February 7, 2022, 1 PM Virtual Hearing via Zoom

Written testimony of Dr. Yesim Sayin Taylor
Executive Director
D.C. Policy Center

My name is Yesim Sayin Taylor, and I am the Executive Director of the D.C. Policy Center—an independent non-partisan think tank advancing policies for a strong, competitive, and vibrant economy in the District of Columbia.

Bill 24-301 will greatly simplify the steps businesses will need to take in order to obtain the licenses necessary to operate a business in the District of Columbia. This reform is much needed. According to the District's Department of Consumer and Regulatory Affairs, there are 11 broad categories of business licenses with 65 different subcategories of business licenses, in addition to a separate category of regulated businesses. But this picture does not reflect all the requirements embedded in the D.C. Official Code or the city's municipal regulations. There are many other categories still on the books, with fewer than 20 licensees, which could be brought back into the mix at any time.<sup>2</sup>

There are costs to this complicated system without any discernable public benefits.

## Compared to surrounding jurisdictions, a small share of business applications turn into actual businesses within a year.

Data from the U.S. Census Bureau show that while business applications in D.C. have grown through the pandemic, only about 4.4 percent of these applications turn into actual, wage-paying businesses within four quarters. This share is much higher in surrounding jurisdictions: for example, in Virginia, over 7 percent of business applicants can turn into real businesses within a year, and in Maryland, this share is over 5 percent (see Appendix Figure)

Importantly, in Virginia and Maryland, even more entrepreneurs are able to turn their applications into real businesses within two years: 10 percent of all applications turn into real businesses within two years in Virginia, and 8 percent in Maryland—in both cases, higher than the one-year share. In contrast, business formation rate relative to applications in two years is lower than the one-year rate in D.C. (2.5 percent), suggesting that a significant number of new businesses close within a few quarters of opening.<sup>3</sup>

<sup>&</sup>lt;sup>1</sup> Information gleaned from DCRA's website, available at <a href="https://dcra.dc.gov/service/get-business-license">https://dcra.dc.gov/service/get-business-license</a>.

<sup>&</sup>lt;sup>2</sup> Testimony of Brook Fallon, Institute of Justice, presented at the DCRA oversight hearing held by the Committee of the Whole on February 6, 2019. Available at <a href="http://district.works/wp-content/uploads/2019/02/IJ-Testimony-Appendices-for-COW-DCRA-Hearing-2.6.19-Final.pdf">http://district.works/wp-content/uploads/2019/02/IJ-Testimony-Appendices-for-COW-DCRA-Hearing-2.6.19-Final.pdf</a>.

<sup>&</sup>lt;sup>3</sup> The numbers here compare business formation to businesses applications from eight quarters earlier, presented as a 12-month moving average.

#### Businesses thrive in the absence of regulatory thicket.

While there are many reasons why business applications do not turn into actual wage-paying businesses, inability to figure out the system, and inability to pay for the costs are certainly among the important factors that impact entrepreneurs' ability to start a business. Research shows that business formation is stronger in places where the administrative process for starting a business is simplest.<sup>4</sup> By simplifying the licensing process, and reducing the costs of license applications, Bill 24-301 will go a long way to remove barriers to business formation in D.C.

#### There are other barriers to business formation that the Council can remove.

In addition to enacting the provisions of Bill 24-301, the Council should consider other reforms that can further simplify the business application process and remove barriers.

First, the Council could consider a system where a temporary one-year basic business license is automatically issued when someone registers a business. This will allow the applicant to begin implementing their business plan without having to tangle with burdensome licensing requirements.

Second, the Council should consider increasing the limit for the Clean Hands test from \$100 to a much higher level. The city requires that business license applicants must sign an affidavit (known as Clean Hands) stating that they do not own more than \$100 in fines, fees, or back taxes to the city. In practice, the city does not check applications against amounts owed to the city (other than taxes). But the requirement to sign such a statement could dissuade residents who own more than \$100 in traffic fines, court fees, environmental fines, or other fees. Such burdens more heavily impact low-income residents and residents of color, and the threat of clean hands is more likely to dissuade enterprises of color from applying for a business license. There is already legislation under Council review that would increase the Clean Hands threshold to \$5,000.6 We encourage the Council to adopt this legislative proposal.

<sup>&</sup>lt;sup>4</sup> See, for example, Simeon Djankov and Eva (Yiwen) Zhang, Startups boom in the United States during COVID-19, Peterson Institute for International Economics, retrieved on February 7, 2021. Available at https://www.piie.com/blogs/realtime-economic-issues-watch/startups-boom-united-states-during-covid-19.

<sup>&</sup>lt;sup>5</sup> Zickuhr, Kathryn (2019). Applying a racial equity lens to fines and fees in the District of Columbia, D.C. Policy Center. Available at <a href="https://www.dcpolicycenter.org/publications/racial-equity-fines-fees/">https://www.dcpolicycenter.org/publications/racial-equity-fines-fees/</a>

<sup>&</sup>lt;sup>6</sup> B24-0237 - Clean Hands Certification Equity Amendment Act of 2021, introduced by Councilmember McDuffie on May 3, 2021.

Third, the city should double down on its information infrastructure investments across the entire city. By far, online retail has been the fastest growing component of new businesses and new business applications. On this front, the pandemic has operated as a leveler, as it has reduced the dependence of retail on access to high-value storefronts. The success of such remote businesses depends on access to reliable and high-capacity internet access, as we have observed how the digital divide amplified racial inequities when schools switched to online learning in the spring of 2020.7 Making high quality high-capacity internet available free or at low cost to every District resident who would otherwise not be able to pay for such access can greatly help business startups especially in less resourced parts of the city.

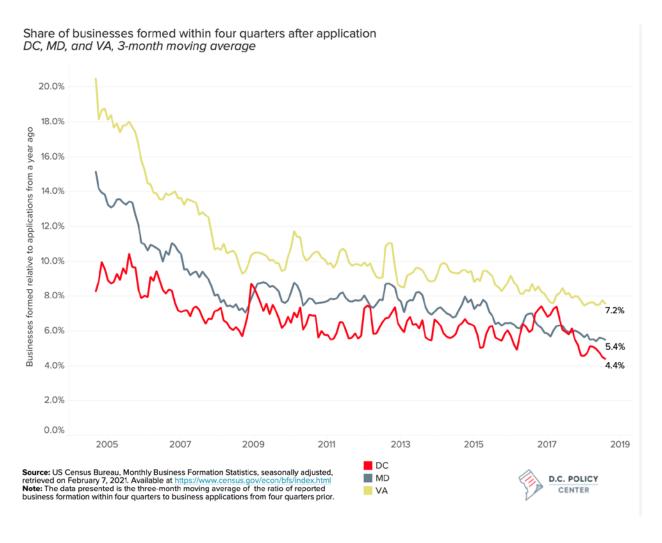
Fourth, the city should find other means of support for turning online businesses into brick-and-mortar businesses. With increased vacancies in the city's key employment centers, there is an opportunity to provide cheaper office and retail space for a more diversified set of businesses. The District could offer incentives for new businesses to take space in vacant office buildings or encourage landlords to provide such space. This could be done in the form of rent subsidies, tax incentives, or even a program whereby the city chips in for a portion of the rent for startups that have a commitment to stay in the city.

The economic future of the District of Columbia depends upon the return of a strong demand for urban amenities. The increased entrepreneurial activity combined with the need to fill empty office buildings offer the District a unique opportunity to create economic vibrancy with a more diversified business base. The District can either ride this current entrepreneurial wave by doing away with its burdensome regulatory regimes, or it could watch it crush with more residents finding it harder to survive in the city.

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<sup>&</sup>lt;sup>7</sup> D.C. Policy Center (2021) State of D.C. Schools 2019-20, available at https://www.dcpolicycenter.org/publications/state-of-dc-schools-19-20/

### Appendix Figure



#### Testimony By

#### GREATER WASHINGTON DC BLACK CHAMBER OF COMMERCE

#### Before The

D.C. Council Committee of the Whole Public Oversight Hearing on Bill 24-0301, the "Business and Entrepreneurship Support to Thrive" (BEST) Amendment Act of 2021 February 21, 2022

My name is Aisha Bond and I am the Interim Executive Director of The Greater Washington D.C. Black Chamber of Commerce, a not-for-profit organization aimed at advancing policy that promotes Black business growth in the District of Columbia through the facilitation of business opportunities and education.

It is our position that Bill 24-0301 would provide much needed reform to streamline the basic business licensing processes for new and existing businesses and greatly simplify the steps necessary to operate a business in the District of Columbia. By simplifying the licensing process, and reducing the costs of license applications, Bill 24-301 will go a long way to remove barriers to business formation in D.C.

The District's Department of Consumer and Regulatory Affairs currently has a complicated licensing process that includes over 100 categories and subcategories of licenses even though there are ultimately fewer than 20 licenses available. Future entrepreneurs must spend hundreds or even thousands of dollars in fees to license their businesses, especially when their business requires multiple licenses under the District's complicated structure. This results in a cumbersome and confusing process which detrimentally impacts the amount of business applications that result in actual businesses being opened. It must also be noted that these barriers to entry disproportionately impact women and minority business owners who have less capital and less support navigating the process, particularly in the post-COVID -19 climate.

For the District of Columbia to harness innovative ideas, jobs and tax dollars through the prosperity of small businesses, the current regulatory process needs to be made less confusing, less costly and less time-consuming. Already reputed to be unfriendly and frustrating, the current regulatory process is driving entrepreneurs to explore neighboring states for their business location while still attracting the District residents as patrons. Data from the U.S. Census Bureau shows that while business applications in D.C. have grown through the pandemic, only about 4.4 percent of these applications turn into actual, wage-paying businesses within four quarters. By contrast, Virginia has over 7 percent of business applicants that turn into real businesses within a year, and over 5 percent in Maryland. Recognizing other contributing factors to these low rates, inability to figure out the system, and inability to pay for the costs are key factors impacting one's ability to start a business.

Bill 24-0301 targets these challenges and provides practical solutions that allow DCRA flexibility to implement policies and procedures as necessary, to better serve the District's expanding business community. Reducing the number of licensing categories greatly simplifies the process. Lowering initial fees and establishing progressive fee structures for renewals based upon revenue, makes the District competitive with neighboring states. Setting up a clearer process for business licensing by removing outdated and duplicative requirements, as well as streamlining the law by modifying sections of the Code, all result in prosperity for the District's commercial landscape and directly support the wave of entrepreneurial and small business growth which shape the economic vibrancy and diversity within the District's business ecosystem.

Thank you for your time.



February 22, 2022

The Honorable Phil Mendelson Chairperson of the Committee of the Whole Council of the District of Columbia 1350 Pennsylvania Avenue, N.W. Washington, D.C. 20004

Re: DC Chamber Support for B24-301, "Business and Entrepreneurship Support to Thrive Amendment Act of 2021" (the BEST Act)

#### Dear Chairman Mendelson:

For over 70 years the DC Chamber of Commerce has helped DC businesses both large and small. As the leading business organization in the Washington Metro Region, the Chamber serves a diverse membership of over 2,000 individuals. Our mission has always been to be the most valuable resource and leading advocate for businesses throughout the District of Columbia and our vision is to create a vibrant, thriving economy that improves the quality of life for all in the District, establishing mutually beneficial partnerships between business, government, and the community.

Please be advised that the DC Chamber supports the advancement and passage of this important legislation.

For several years now, local small businesses have faced the confusing, time-consuming and costly process of licensing their DC-based businesses in the District. At a time when so many of our local businesses are struggling to survive, from restaurants and storefront retail establishments to micro- and start-up businesses that are virtual or home-based, we need to prioritize eliminating unnecessary regulatory obstacles that have presented major impediments to new business formation and entrepreneurial pursuits that can help our residents create opportunities for themselves, their families and their workers. The BEST Act represents a positive step in the right direction.

In the following paragraphs, we offer specific reasons for our support of the Act.

The Issue: It is important for the Committee to understand that the current process and requirements associated with obtaining a DC Basic Business License ("BBL"), a requirement for doing business in the District, is typically slower, more complicated, and in many cases, far more expensive than it needs to be. We have heard from those starting up or in the initial stages of their business ventures who are often left not knowing which licenses or permits they will need, how much everything will cost, and the time it will take to complete the process. We have repeatedly heard these and related concerns from small business owners and entrepreneurs from across the city, most notably from new entrepreneurs starting businesses in the District's underserved neighborhoods. This results in lost revenue due to non-compliance, frustration, and negative interactions between residents and the DC government. Licensing process costs and barriers pose special harms to female, black and brown entrepreneurs who may have less access to capital or the support to help navigate the process.

We have been advised that some aspiring start-up businessowners have had to hire processing agents or facilitators to navigate the process to fulfil all the current DCRA licensing requirements. And the process of obtaining mandated license endorsements requires that a significant amount of additional fees be paid by applicants, including lower-income residents who, for example, may only be seeking to start a part-time, home-based business.

Furthermore, the current requirement that applicants in certain circumstances obtain multiple licenses and/or endorsements can result in future entrepreneurs spending hundreds or even thousands of dollars in fees to complete the process. Even non-food retail stores or temporary "pop-up" ventures can be assessed hundreds of dollars in total licensing fees.

The bottom line is that the current licensing system remains too expensive and too complicated for many ambitious but cash-strapped residents seeking to start their own businesses.

<u>The BEST Act</u>: The Act is a comprehensive initiative designed to improve on the current licensing system by making it faster, cheaper, and easier for prospective businessowners to complete.

Here are just a few of the fee reductions it would bring about:

• It would reduce many of the existing licensing fees to a total of \$99.

- It would allow an exemption from the BBL fee for business ventures generating less than \$10,000 in annual revenue, creating a safe harbor for more modest start-up and part-time businesses.
- Finally, it would create a new progressive fee structure that would allow for fees to be set for licensing renewals based on a business's annual revenue. This would eliminate the costly one-size-fits-all fee structure that charges the smallest, most fledging start-up businesses the exact same fees that are assessed to established and very profitable companies.

Here are the ways the Best Act would simplify the licensing process:

- It would reduce the number of BBL categories from a needlessly large 128 down to just 10.
- The Act would establish a clearer, simpler licensing process by removing outdated and/or duplicative requirements. These are urgently needed updates that have not been made carried out for decades.
- Finally, it would streamline DCRA licensing by transferring requirements not directly pertinent to the BBL process to more appropriate sections of the DC Code.

The Chamber believes that it is long past time for the District to reform its business licensing process – as cities and states across the country have done -- by streamlining it and reducing associated fees. We look forward to continuing to work with this Committee to make these reforms a reality.

Thank you very much for the opportunity to offer comments. Please do not hesitate to contact me or Brett Allen, our Director of Government Relations and Public Policy, if you have questions or concerns.

Sincerely,

Angela Franco President & CEO

DC Chamber of Commerce

### National Coalition of 100 Black Women Inc.



Metropolitan Washington D.C. Chapter

#### STATEMENT FOR THE RECORD

Council of the District of Columbia Committee of the Whole Public Hearing Monday, February 07, 2022

Re: The Business and Entrepreneurship Support to Thrive Amendment Act of 2021 (Bill 24-301)

The National Coalition of 100 Black Women Inc. Metropolitan Washington D.C. (NCBWDC) Chapter advocates on behalf of Black women and girls to promote leadership development and gender equity in the areas of health, education, and economic empowerment. Our core values are gender equity, inclusion, respect, racial and social justice, integrity and accountability, economic empowerment, and collaboration. We strive to see Black women and girls live in a world where socio-economic inequity does not exist.

In accordance with our national priority to advance economic empowerment, NCBWDC is engaged in ongoing work to advocate for entrepreneurship and economic mobilization. We are centered on investing in Black women-led businesses and getting entrepreneurs ready to build scalable, growth aggressive companies through an annual Sisternomics Empowerment Summit in addition to our yearly Sisternomic Empowerment Grants. Our grants seek to invest in and promote Black women-owned businesses in Washington, D.C. that are forging positive change in our communities.

Understanding that small business is essential to our community's economic growth, NCBWDC can point to many examples of why it is important to enterprise Black women entrepreneurs to start and grow their businesses. Recent studies reported by <u>Business Insider</u>, <u>Wells Fargo</u>, and <u>Black Enterprise</u> show Black women have been at the forefront of creating new businesses. For this reason, we support *the Business and Entrepreneurship Support to Thrive Amendment Act of 2021 (Bill 24-301)*. This bill allows for the reduction in the number of business categories from 100 to 10, lowers initial business license fees to \$99 for two years, allows for an exemption from fees for businesses under \$10K in annual revenue, and removes outdared duplicative business license requirements. It will help erase barriers that many entrepreneurs – particularly Black women business owners – exceedingly contend with when starting a business. Black womenowned businesses should have the opportunity to thrive, to have reduced administrative barriers, and to be provided with the technical assistance that is provided in this legislation.

Additionally, we hope the Council will further engage in strategies to best engage with local and regional organizations or non-profits serving communities of color to provide valuable information about starting a business, types of legal entities, understanding capital, competing for government and corporate set-aside contracts, developing a business plan, and entrepreneurial training.

### PUBLIC HEARING TESTIMONY

## COUNCIL OF THE DISTRICT OF COLUMBIA COMMITTEE OF THE WHOLE

Council Chair Phil Mendelson, Committee Chair Councilmember Charles Allen, Committee Member Councilmember Anita Bonds, Committee Member Councilmember Mary Cheh, Committee Member Councilmember Vincent C. Gray, Committee Member Councilmember Christina Henderson, Committee Member Councilmember Janeese Lewis George, Committee Member Councilmember Kenyan R. McDuffie, Committee Member Councilmember Brianne K. Nadeau, Committee Member Councilmember Brooke Pinto, Committee Member Councilmember Elissa Silverman, Committee Member Councilmember Robert C. White Jr., Committee Member

# BILL 24-301 BUSINESS AND ENTREPRENEURSHIP SUPPORT TO THRIVE AMENDMENT ACT OF 2021

## MARK LEE, COORDINATOR D.C. NIGHTLIFE COUNCIL (DCNC)

Testimony Statement Submitted for Inclusion in the Official Record of the Public Hearing Conducted via Virtual Platform on February 7, 2022

Filed February 21, 2022



D.C. Nightlife Council (DCNC)

is a District nonprofit and 501(c)6 trade association and business membership organization representing and promoting hometown independent local small business bar, restaurant, nightclub, and entertainment establishments contributing to a vibrant community nightlife and dynamic nighttime economy – continuing a legacy of advocacy leadership spanning more than two decades



The **D.C. Nightlife Council** (**DCNC**) commends the co-introducers of Bill 24-301, the "Business and Entrepreneurship Support to Thrive Amendment Act of 2021" (*D.C. Council Chair Phil Mendelson and D.C. Councilmembers Kenyan R. McDuffie, Brianne K. Nadeau, and Brooke Pinto*).

DCNC enthusiastically supports the primary purpose of this legislation, which is to reduce the number of business license categories obtained through the currently established D.C. Department of Consumer and Regulatory Affairs (DCRA), or future successor agency or division, from more than one-hundred (100+) to ten (10), lower business licensing fees, and simplify the overall business licensing process and provide local enterprise with clearer identification and simpler acquisition of the multiple licenses and regulatory requirements that businesses must obtain and fulfill.

DCNC, however, strongly urges the Committee to revise this legislation in three significant and specific areas regarding additional and secondary components.

The primary purpose of this legislation, as stated by Councilmember Pinto in the Council Letter of Introduction filed on June 9, 2021, is to "streamline basic business licensing processes for new and existing businesses to make it easier for residents to contribute innovative ideas, jobs, and tax dollars to our communities through the prospering of small businesses, the engine of the District's economic recovery."

We wholeheartedly concur with the observations of Councilmember Pinto that "starting a business in the District is expensive, confusing, and time-consuming and due to arcane and complex licensing requirements, many entrepreneurs find it difficult or impossible to turn their business dreams into reality." Further, "the current regulatory process is so complex that it is confusing for business owners to navigate and for agency staff to enforce. This results in lost revenue, frustration, and negative interactions between residents and government."

The nightlife hospitality enterprise community knows better than most sectors that "this unfriendly business environment potentially drives entrepreneurs to explore opening up shop in neighboring states." For local operators, it's a growing option.

While the primary bureaucratic simplification and obstacle reduction objectives of this legislation will largely serve to benefit emerging and existing micro-businesses, the goal of also additionally easing a myriad of byzantine and multi-agency licensing requirements for moderate-sized local small businesses is a critical imperative. This legislation paves an initial pathway for what will by necessity be a lengthy road of reform the District government and the D.C. Council must undertake and achieve if our city hopes to improve the local business environment and transition to becoming a jurisdiction in which enterprise is encouraged to open and operate with a greater opportunity to, and reasonable expectation of, being able to survive and thrive.

This initiative is an important first step in what we hope will be a continued journey of progress toward improving local marketplace conditions for the full complement of small business enterprise. It is for these reasons that DCNC supports the top-line components of this legislative proposal.

DCNC emphatically requests that the Committee revise this legislation by making the following three critical modifications:

- Eliminate the creation of a duplicative regulatory licensing procedure, including a parallel public comment and third-party license protest system, by exempting alcohol-licensed business establishments seeking to acquire or renew a public hall license for a "dance hall" or "other entertainment" venue, as the D.C. Alcoholic Beverage Regulation Administration (ABRA) and D.C. Alcoholic Beverage Control (ABC) Board already provide and conduct a long-established licensing regimen and process with a robust public notification and input procedure in regard to applications for an "entertainment endorsement" that already serves the intended purpose of this provision and without adding an additional and unnecessary duality of licensing requirements, burdens, and costs. [SEE Lines 39 through 75]
- Revise the proposed compliance definitional standard regarding a business operator "knowingly" permitting the sale or use of drugs or paraphernalia, acts of prostitution, or other illegal activities on the business premises by an employee or agent of the licensee to a more reasonable and fair legal and adjudication standard of "knew or should have known" of the activity or violation; nor create a new right of private legal action for third-parties by subjecting ABC-licensed establishments to lawsuits based on only the claim of a solitary person with no evidentiary case standard, while duplicating existing ABC and Office of the Attorney General (OAG) intervention powers.

[SEE Lines 112 through 285; Reference: Lines 269 through 273]

• Eliminate the apparent transfer of a current ABRA funding allocation and funding financial management and fiscal administration for ABC-licensed establishments of the long-existing Metropolitan Police Department (MPD) Reimbursable Detail Subsidy Program (RDO) through the establishment of an "MPD Overtime Reimbursement Fund Establishment Act" "which shall be administered by MPD" including for the purpose of "provid[ing] security details to establishments, such as bars, [restaurants and] nightclubs" "that pay for extra police coverage" despite this program already being ably managed by the agency and to the benefit of alcohol-licensed venues and related events that participate in the program. [SEE Lines 863 through 876]

The existing RDO Program assists licensed establishments by helping to finance the cost of retaining off-duty MPD officers to patrol the exterior surrounding area of an establishment, or an outdoor special event or pub crawl event, to promote public safety and ensure the peace, order, and quiet of the neighborhood.

It appears, but is unclear, that the intention of this section is to expand eligibility through a newly created program to be funded and solely administered by MPD and to now also include additional categories of activities to include the staffing of "special events such as parades, carnivals, and movie productions" while also shifting ABC-licensed establishments to a new program management schematic.

We strongly urge that the funding and administration of this program for ABC-licensed establishments remain under the existing purview of ABRA, to the clear benefit of the many participating nightlife hospitality venues.

ABRA administration of the current program for liquor-licensed establishments and certain agency-licensed events functions extremely well for the relatively large number of participating businesses while allowing for the most accurate projected funding needs specific to such businesses and events by the agency.

Transferring responsibility for interface requirements and existing administrative expertise of fiscally managing the program for alcohol licensees would result in a deterioration of program efficiencies and planning abilities, would unnecessarily burden MPD, and would require alcohol-licensed establishments to seek program participation outside of an existing standard and primary agency relationship.

Simply put, current RDO program participants well know that ABRA provides the participating alcohol-licensed venues, who will continue to be the main source of service provision and represent a high volume of continuous scheduling requests, with a standard performance ability unlikely to be conveyed by alternate source.

continued

Our enthusiasm for, and embrace of, this legislation and its laudable primary goal of reducing barriers of entry for new small businesses, lowering obstacles to success for existing small businesses, and allowing for ease of regulatorily compliant operation by local community small business enterprise, is significantly dampened by inclusion of the substantially negative provisions and resulting harmful implications identified in our testimony to the Committee herein.

We hope that the Committee, in further developing and revising this legislation, will fully consider the observations we have offered and include the recommendations we have provided as the bill moves forward.

We remain available to discuss our specific concerns in greater detail, or answer any questions you may have, as the Committee undertakes to refine and improve the bill.

On behalf of the D.C. Nightlife Council (DCNC) member establishments, comprised of local bars, restaurants, nightclubs, and entertainment venues of all types and sizes located throughout the city, and the association's 15-member Board of Directors collectively representing nearly three centuries of combined service and dedicated commitment to the District's nationally recognized and uniquely independent small business nightlife amenities, thank you for your consideration.

Mark Lee, Coordinator D.C. Nightlife Council (DCNC)

DCNightlifeCouncil(at)gmail.com DCNightlifeCouncil(dot)org



D.C. Nightlife Council (DCNC)

is a District nonprofit and 501(c)6 trade association and business membership organization representing and promoting hometown independent local small business bar, restaurant, nightclub, and entertainment establishments contributing to a vibrant community nightlife and dynamic nighttime economy – continuing a legacy of advocacy leadership spanning more than two decades



### DC BRAU BREWING

3178-B BLADENSBURG RD. NE WASHINGTON, DC 20018 (202) 621-8890

### February 15th, 2022

To: Chairman Mendelson and Members of the Committee of the Whole

From: Marisela Rodela, Chief Community & Culture Officer, DC Brau Brewing LLC

Re: Bill 24-301, Testimony for the Business and Entrepreneurship Support to Thrive (BEST) Amendment Act of 2021

Chairman Mendelson and Members of the Committee, thank you for the opportunity to submit testimony on this proposed legislation. We would like to communicate our support for the **Business and Entrepreneurship Support to Thrive (BEST) Amendment Act of 2021** with a suggestion regarding the proposed business license categories.

DC Brau Brewing LLC was the first production brewery to operate in the District since 1956. We are a Washington-based craft brewery that is located in Ward 5. The city has been fortunate to see multiple breweries, distilleries, and wineries open since our launch in 2011. DC's recent boom in beverage production businesses has created a new manufacturing industry the city had been without for over a half century, and we are all proud to claim our products are MADE IN DC!

DC Brau Brewing applauds and supports the BEST Amendment Act. We believe the effort of this committee to streamline the process of obtaining business licenses for entrepreneurs in Washington, DC and to streamline the legislation itself will have a positive impact on the DC business community. These steps will make the process of obtaining a basic business license in DC easier and will make a basic business license more accessible to new and small businesses. All these changes will no doubt strengthen the DC business community.

Specifically we applaud the proposal to streamline the law by reducing the number of business license categories from over 100 to 10, lowering the initial business license fees to \$99 for two years, allowing for an exemption from fees for businesses with under \$10,000 in annual revenue, establishing a progressive fee structure for business licensing, removing outdated and duplicative business licensing requirements, and transferring sections of the code not relevant to the basic business licensing process from Chapter 28 of Title 47 to more appropriate sections

of the DC code. We believe all these actions will lead to a more equitable and sustainable program for the City.

We have one suggestion regarding the 10 categories created for the Basic Business Licenses. We support this concept and believe it will very much streamline the system as a whole. Over the past several decades DC has seen growth in the category of manufacturing and makers. These manufacturing companies are breweries, distilleries, wineries, coffee roasters, and crafts people who make goods in the city that are not food or beverage related such as clothing, jewelry, prints and other artwork, etc.

I am glad to use my company, DC Brau Brewing, as an example. I can see that DC Brau Brewing would potentially fit into the "Food Services" category, although we really are more than "Food Services," or perhaps we'd fit in the catch-all "General Sales and Services" category, although we really don't fit so neatly into that category either. We believe it would be useful to create a category to be inclusive of all the manufacturers and makers that call Washington, DC their home. Perhaps an 11<sup>th</sup> category or the reworking of one of the other categories to be sure that all the manufacturers of things in the DC community have a categorical home.

Thank you again for the opportunity to provide input on this important and exciting piece of legislation. We believe that the **BEST Amendment Act of 2021** will help better position DC's local business community for the growth of our city.

## D.C. OFFICIAL CODE § 1–309.10. ADVISORY NEIGHBORHOOD COMMISSIONS — DUTIES AND RESPONSIBILITIES; NOTICE; GREAT WEIGHT; ACCESS TO DOCUMENTS; REPORTS; CONTRIBUTIONS.

- (a) Each Advisory Neighborhood Commission ("Commission") may advise the Council of the District of Columbia, the Mayor and each executive agency, and all independent agencies, boards and commissions of the government of the District of Columbia with respect to all proposed matters of District government policy including, but not limited to, decisions regarding planning, streets, recreation, social services programs, education, health, safety, budget, and sanitation which affect that Commission area.
- (b) The executive branch and any independent agency, board, or commission shall give 30-days written notice, excluding Saturdays, Sundays and legal holidays, of:
- (1) the intent to acquire an interest in real property, either through purchase or lease; or
- (2) the intent to change the use of property owned or leased by or on behalf of the government; to the OANC, each affected Commission, the Commissioner representing a single-member district affected by said actions, and to each affected Ward Councilmember, except where shorter notice on good cause made and published with the notice may be provided, or in the case of an emergency, and the notice shall be published in the District of Columbia Register. In cases in which the 30-day written notice requirement is not satisfied, notification of such proposed government action or actions to the Commissioner representing the affected single-member district shall be made by mail. The Register shall be made available, without cost, to each Commission. A central record of all such notices shall be held by the Office of Advisory Neighborhood Commissions.
- (c)(1)(A) In addition to those notices required in subsection (b) of this section, each agency, board, and commission shall provide to each affected Commission notice of the proposed action as required by subsection (b) of this section before:
  - (i) The award of any grant funds to a citizen organization or group;
- (ii) The transmission to the Council of a proposed revenue bond issuance, comprehensive plan, amendment to a comprehensive plan, or element of a comprehensive plan; or
- (iii) The formulation of any final policy decision or guideline with respect to grant applications, requested or proposed zoning changes, variances, public improvements, licenses, or permits affecting the Commission area, the District budget and city goals and priorities, proposed changes in District government service delivery, and the opening of any proposed facility systems.
- (B) Each District of Columbia government entity shall maintain a record of the notices sent to each Commission pursuant to subsection (b) of this section.

- (1A) All notices transmitted pursuant to this section may be by electronic mail, unless otherwise provided by law, or unless the party to be noticed requests in writing to receive first-class mail notifications. Requests for first-class mail notification under this subsection shall be sent to the OANC, which shall forward the requests to all Advisory Neighborhood Commission Liaisons.
- (2)(A) The Alcoholic Beverage Control Board ("ABC Board") or its designee shall give notice to Advisory Neighborhood Commissions, the Office of Advisory Neighborhood Commissions, the Commission or Commissions representing the area within 600 feet of where the applicant's establishment is located, and the Commissioner representing an affected single-member district at least 45 calendar days prior to a hearing on applications for issuance or renewal of retailer's licenses, class A, B, C/R, C/T, C/N, C/H, C/X, D/R, D/T, D/N, D/H, D/X, and consumption licenses for clubs, or for transfer of a license of any of these classes to a different location. The ABC Board or its designee party shall give notice by electronic mail, subject to paragraph (1A) of this subsection, posted not less than 5 calendar days prior to the first day of the 45-calendar-day notice period, and addressed to:
- (i) The Commission office, with sufficient copies of the notice for distribution to each Commissioner;
- (ii) The Chairperson of the Commission at his or her home address of record; and
- (iii) The Commissioner in whose single-member district the establishment is located at his or her home address of record.
- (B) In addition, the ABC Board shall provide to each Commission office, on a quarterly basis, a printed list of all Alcohol Beverage Control licenses due to expire in the ensuing 6 months. An Advisory Neighborhood Commission may object to the application in the manner set forth in § 25-115(c) and (e).
- (3) The Department of Consumer and Regulatory Affairs shall ensure that each affected Commission, the Commissioner representing the affected single member district, the affected ward Councilmember, and the Office of Advisory Neighborhood Commissions is provided a current list at least twice a month of applications for construction, demolition, raze, and public space permits. The list may be provided by electronic mail, subject to paragraph (1A) of this subsection.
- (4) The Office of Zoning shall ensure that each affected Commission, the Commissioner representing the affected single member district, the affected ward Councilmember, and the Office of Advisory Neighborhood Commissions is provided notice of applications, public hearings, proposed actions, and actions on all zoning cases. The notice may be provided by electronic mail, subject to paragraph (1A) of this subsection.
- (d)(1) Each Commission so notified pursuant to subsections (b) and (c) of this section of the proposed District government action or actions shall consider each such action or actions in a meeting with notice given in accordance with § 1-309.11(c) which is open to the public in accordance with § 1-309.11(g). The recommendations of the Commission, if any, shall be in writing and articulate the basis for its decision.

- (2) At the close of business of the day after which the notice period concludes as provided in subsection (b) or (c) of this section, the affected District government entity may proceed to make its decision.
- (3)(A) The issues and concerns raised in the recommendations of the Commission shall be given great weight during the deliberations by the government entity. Great weight requires acknowledgement of the Commission as the source of the recommendations and explicit reference to each of the Commission's issues and concerns.
- (B) In all cases the government entity is required to articulate its decision in writing. The written rationale of the decision shall articulate with particularity and precision the reasons why the Commission does or does not offer persuasive advice under the circumstances. In so doing, the government entity must articulate specific findings and conclusions with respect to each issue and concern raised by the Commission. Further, the government entity is required to support its position on the record.
- (C) The government entity shall promptly send to the Commission and the respective ward Councilmember a copy of its written decision.
- (4) Oral testimony shall be followed as if provided in advance in writing as required by paragraph (1) of this subsection when accompanied within 7 days by written documentation approved by the respective Commission, which supports the testimony.
  - (e) Reserved.
  - (f) Each Commission may present its views to any federal or District agency.
- (g) The Commission shall not have the power to initiate a legal action in the courts of the District of Columbia or in the federal courts, provided that this limitation does not apply to or prohibit any Commissioner from bringing suit as a citizen.
- (h)(1) Each Commission may initiate its own proposal for District government action. The District government entity to which the proposal is made shall acknowledge the proposal in writing to the initiating Commission within 10 days of receipt of the proposal and shall issue a status report to the initiating Commission within 60 days of receipt.
- (2) Any Commission may hold public hearings on requested or proposed government actions. Commissions may invite public witnesses from any executive or independent entity to testify before the Commission. Within 45 days of the close of the public hearing, the Commission may submit to the Council a report detailing the Commission's findings and recommendations to be included in any public record of the proposed government action.
- (i)(1) Each Commission shall have access to District government officials and to all District government official documents and public data pursuant to § 2-531 et seq. that are material to the exercise of its development of recommendations to the District government.
- (2) The Mayor shall provide to all Commissions, at no cost, current zoning and alcohol beverage control regulations, and any other regulations requested in writing by the respective Commission not available electronically, in order for Commissioners to adequately perform their responsibilities.
- (j)(1) On or before November 30 of each year, each Commission may file an annual report with the Council and the Mayor for the preceding fiscal year. Such report shall include, but shall not be limited to:

- (A) Summaries of important problems perceived by the Commission in order of their priority;
  - (B) Recommendations for actions to be taken by the District government;
  - (C) Recommendations for improvements on the operation of the

### Commissions;

- (D) Financial report; and
- (E) A Summary of Commission activities.
- (2) Minority reports may be filed.
- (k) Reserved.
- (l) No Commission may solicit or receive funds unless specifically authorized to do so by the Council, except that receipt of individual contributions of \$1,000 or less need not be approved by the Council. No person shall make any contribution, nor shall a Commission receive any contribution from any person which, when aggregated with all other contributions received from that person, exceeds \$1,000 per calendar year. Each Commission shall file with its quarterly reports to the OANC required pursuant to § 1-309.13(j) details of all contributions received during the relevant period of time.
- (m) Each Commission shall monitor complaints of Commission area residents with respect to the delivery of District government services and file comments on same with the appropriate District government entity and the Council.
- (n) Each Commission shall develop an annual fiscal year spending plan budget for the upcoming fiscal year within 60 days of notification of the amount of the Commission's annual allotment. Prior to adoption of the budget at a public meeting, the Commission shall present the budget at a public meeting of the Commission to elicit comments from the residents of the Commission area.
- (n-1) By December 1 of each year, each Commission shall publish an annual report or newsletter that summarizes the activities of the Commission in service to the community over the preceding 12 months, including a highlighting of key issues voted upon, comments submitted to District agencies, and issuance of community grants.
- (o) Each Commission may, where appropriate, constitute the citizen advisory mechanism required by any federal statute (unless specifically prohibited by federal statute).
- (p) Each Commission that adopts recommendations regarding legislation pending before the Council shall forward a copy of the recommendations to the Office of Advisory Neighborhood Commissions ("Office") and to the Secretary to the Council within 14 days after adoption. The Office shall keep a publicly accessible file of all Commission recommendations submitted pursuant to this subsection.
- (q)(1)(A) Before granting a license or a license renewal for a theater, cinema, skating rink, dance hall, exhibition, lecture, or other entertainment, the Mayor shall give notice by mail 30 days before a hearing to the Advisory Neighborhood Commission in which the theater, cinema, skating rink, dance hall, exhibition, lecture, or other entertainment licensee proposes to be located. The notice shall:
- (i) Contain the name of the applicant and a description, by street and number, or other plain designation, of the particular location for which the license is requested; and

(ii) State that any resident or owner of residential property within 600 feet of the boundary lines of the lot upon which is situated the establishment for which the license is requested who objects to the granting of the license or the license renewal is entitled to be heard before the granting of the license and the notice shall name the time and place of the hearing.

(B) The applicant shall post 2 notices for a period of 4 weeks in conspicuous places on the outside of the premises. The notices shall:

(i) State that any resident or owner of residential property within 600 feet of the boundary lines of the lot upon which is situated the establishment for which the license is requested who objects to the license or the license renewal is entitled to be heard before the granting of the license or the license renewal; and

(ii) State the same time and place for the hearing as set out in the notice mailed and published by the Mayor.

(C) If an objection to the granting of the license is filed with the Department of Licensing and Consumer Protection by a resident or owner of a residential property within 600 feet of the boundary lines of the lot upon which is situated the establishment for which the license or license renewal is requested, no final action shall be taken by the Mayor until the resident or owner has an opportunity to be heard, under the rules and regulations to be issued by the Mayor.

(2) Upon objection, a hearing shall be held by the Mayor to determine the following:

(A) The effect of the establishment on the peace, order, and quiet of the neighborhood or portion of the District of Columbia; and

(B) The effect of the establishment on the residential parking needs and vehicular and pedestrian safety of the neighborhood.

(3) The Mayor shall rule on the application within 30 days of the hearing.

(4) Any applicant who holds a valid class C or D license issued pursuant to Chapter 1 of Title 25 of the D.C. Official Code shall be exempt from the provisions of paragraph (1) of this section.

\* \* \*

### D.C. OFFICIAL CODE § 8-1031.03. MANDATORY SOURCE SEPARATION.

(a)(1) Solid waste in the District shall be separated at the point of discard into the following categories:

- (A) Recyclable materials;
- (B) Compostable materials; and
- (C) Trash.

(2) Paragraph (1)(B) of this subsection shall apply upon the Mayor's implementation of a compost collection program; provided, that the Mayor may require that private collection properties or subcategories of private collection properties separate compostable materials before the implementation of a compost collection program.

- (b) The Mayor shall make public a list of recyclable materials, and, upon the implementation of a compost collection program established by the Mayor, compostable materials. The Mayor shall review the list on a biannual basis to determine whether additional materials should be added or removed.
- (c)(1) By January 1, 2016, the Mayor shall submit a report to the Secretary of the Council regarding the feasibility of and progress made toward implementing a compost collection program.
- (2) By January 1, 2023, the Mayor shall submit to the Council a comprehensive Organics Management Plan that describes how the District will manage residential and commercial compostable materials. Before submitting the Plan to the Council, the Mayor shall provide an opportunity for public review and comment on the proposed Plan. The Organics Management Plan shall include:
- (A) A list of locations where the District's compostable materials will be processed, comprising regional organic waste processing facilities and on-site organic waste processing systems distributed throughout the District, and any policy changes that need to be implemented to support the identified processing capacity;
- (B) Plans for rolling out a compost collection program, including specific timelines and associated costs;
- (C) Plans for meeting the source separation requirements for compostable materials at private collection properties, upon the implementation of a compost collection program, as described in subsection (a)(2) of this section;
- (D) Goals for organics waste diversion over the first 10 years of the Organics Management Plan, and an explanation of how these goals will be met; and
- (E) A description of the public education, outreach, and technical assistance associated with implementing the Organics Management Plan.
  - (d) Not Funded.
- (e)(1) By January 1, 2023, the Mayor shall submit to the Council a plan for how to provide recycling infrastructure in the public space. The plan shall make recycling available as appropriate with public litter containers, and require businesses providing public litter containers to provide recycling containers, unless justified to the Mayor as physically infeasible. The plan shall include a uniform color, design, and labeling scheme for waste containers in the public space.
- (2) In preparing the plan required by this subsection, the Mayor shall analyze the District's existing public space recycling infrastructure, using waste and recycling sorts to determine contamination rates, research best practices from the District and other jurisdictions, and provide an opportunity for public review and comment.
- (f)(1) By January 1, 2022, the Mayor shall develop a training and outreach program on proper source separation and waste reduction for janitorial staff and property managers at private collection properties, including District facilities and agencies, multifamily properties, and commercial properties.
- (2) The training and outreach program shall be updated at least every 5 years and upon the addition of a new source separation requirement.

- (3) In creating, updating, and disseminating the training and outreach program, the Mayor shall, at least 4 times a year, consult with waste collectors, waste management brokers, and property managers.
- (g)(1) A person or entity granted a basic business license for a special event for which 100 or more attendees are anticipated, shall provide infrastructure onsite for the separation and recycling of recyclable waste generated at the event.
- (2) A license holder who violates paragraph (1) of this subsection shall be subject to a fine of up to \$5,000 per day.

\* \* \*

### D.C. OFFICIAL CODE § 8-1031.03C. COLLECTION, STORAGE, AND PROCESSING OF WASTE TIRES.

- (a) No license shall be issued to any waste tire generator that fails to provide the Mayor with information concerning the site's location, size, and the approximate number of waste tires that have been accumulated at the site, which may not exceed 500.
- (b)(1) The Mayor, pursuant to subchapter I of Chapter 2 of Title 5, section 2-501 et seq., shall issue rules pertaining to the collection and storage of waste tires, which shall include:
  - (A) A prohibition on outdoor storage of waste tires;
  - (B) Methods of collection, storage, and processing of waste tires; and
  - (C) Record-keeping procedures for waste tire generators.
- (2) The methods of collection, storage, and processing of waste tires shall consider the general location of waste tires being stored with regard to property boundaries and buildings, pest control, accessibility by firefighting equipment, and other considerations as they relate to public health and safety.
- (3) The record-keeping procedures for waste tire generators shall include the source and number or weight of tires received and the destination and number of tires or weight of tires or tire pieces shipped or otherwise disposed of. The records shall be maintained for at least 3 years following the end of the calendar year of such activity. Record keeping shall not be required for any charitable, fraternal, or other type of nonprofit organization or association that conducts programs that result in the voluntary cleanup of land or water resources, or collection for disposal of waste tires.
  - (c) For the purposes of this section, the term:
- (1) "Waste tire" means any automobile, motorcycle, heavy equipment, or truck tire stored or offered for sale by a waste tire generator or otherwise retained by a waste tire generator after having replaced a customer's tire with a new or used tire.
- (2) "Waste tire generator" means any person who buys, sells, or stores new or used tires for use on automobiles, motorcycles, heavy equipment, or trucks and which retains any of the customer's used tires after replacement.

\* \* \*

### D.C. OFFICIAL CODE § 42-3114a. SUSPENSION OR REVOCATION OF LICENSES.

(a)(1) In accordance with section 109 of the District of Columbia Administrative Procedure Act, approved October 21, 1968 (82 Stat. 1208; D.C. Official § 2-509), the Mayor shall revoke the license of any licensee who knowingly has permitted on the licensed premises:

(A) The illegal sale, negotiation for sale, or use of any controlled substance as that term is defined in the District of Columbia Uniform Controlled Substances Act of 1981, effective August 5, 1981 (D.C. Law 4-29; D.C. Official Code § 48-901.01 et seq.), or the Controlled Substances Act of 1970, approved October 27, 1970 (84 Stat. 1243; 21 U.S.C. § 801 et seq.);

(B) The possession, other than for personal use, sale, or negotiation for the sale of drug paraphernalia in violation of the Drug Paraphernalia Act of 1982, effective September 17, 1982 (D.C. Law 4-149; D.C. Official Code § 48-1101 et seq.);

(C) An act of prostitution as defined in section 2(3) of the Control of Prostitution and Sale of Controlled Substances in Public Places Criminal Control Act of 1981, effective December 10, 1981 (D.C. Law 4-57; D.C. Official Code § 22-2701.01(3)), or any act that violates any provision of sections 1 through 12 of An Act For the Suppression of prostitution in the District of Columbia, approved August 15, 1935 (49 Stat. 651; D.C. Official Code §§ 22-2701 through 22-2712); or

(D) Conduct that violates section 301(a) of the Marijuana Possession Decriminalization Amendment Act of 2014, effective July 17, 2014 (D.C. Law 20-126; D.C. Official Code §48-911.01(a)). In addition, the Mayor shall revoke any certificate of occupancy or permit associated with the specific address or unit, whichever is more specific, of the holder of a certificate of occupancy or permit who knowingly permits a violation of section 301(a) of the Marijuana Possession Decriminalization Amendment Act of 2014, effective July 17, 2014 (D.C. Law 20-126; D.C. Official Code § 48-911.01(a)), to occur at the specific address or unit identified in the certificate of occupancy or permit.

(2) The Mayor, by rule, shall establish costs and fines to cover revocation of any license revoked pursuant to paragraph (1) of this subsection.

(b)(1) In addition to the provisions of subsection (a) of this section and paragraph (2) of this subsection, the Mayor, notwithstanding section 104(a)(1) of the Department of Consumer and Regulatory Affairs Civil Infractions Act of 1985, effective October 5, 1985 (D.C. Law 6-42; D.C. Official Code § 2-1801.04(a)(1)), may take the following actions against any licensee, or agent or employee of a licensee, that, with or without the appropriate license required under this chapter, engages in the purchase, sale, exchange, or any other form of commercial transaction involving used goods or merchandise that are knowingly stolen:

(A) The Mayor, for the first violation of this paragraph:

(i) Shall issue a fine in the amount of \$2,500; and

(ii) May seal the licensee's premises for up to 96 hours without

a prior hearing.

(B) The Mayor, for the second violation of this paragraph: (i) Shall issue a fine in the amount of \$5,000;

(ii) May seal the licensee's premises for up to 96 hours without

### a prior hearing; and

(iii)(I) Shall, within 30 days of the issuance of a fine, require the licensee to submit a remediation plan approved by the Mayor, in consultation with the Chief of Police, that contains the licensee's plan to prevent any future recurrence of purchasing, selling, exchanging, or otherwise transacting stolen goods and acknowledgment that a subsequent occurrence of engaging in prohibited activities may result in the revocation of all licenses issued to the licensee pursuant to Chapter 28 of Title 47 of the District of Columbia Official Code.

(II) If the licensee fails to submit a remediation plan in accordance with this sub-subparagraph, or if the Mayor rejects the licensee's remediation plan, the Mayor shall provide written notice to the licensee of the Mayor's intent to suspend all licenses issued to the licensee pursuant to Chapter 28 of Title 47 of the District of Columbia Official Code for an additional 30 days.

(C) The Mayor, for the third violation of this paragraph:

(i) Shall issue a fine in the amount of \$10,000;

(ii) May seal the licensee's premises for up to 96 hours without

#### a prior hearing; and

(iii) Shall provide written notice to the licensee of the Mayor's intent to permanently revoke all licenses issued to the licensee pursuant to Chapter 28 of Title 47 of the District of Columbia Official Code.

(2) In addition to the provisions of subsection (a) of this section and paragraph (1) of this subsection, the Mayor or the Chief of Police, notwithstanding section 104(a)(1) of the Department of Consumer and Regulatory Affairs Civil Infractions Act of 1985, effective October 5, 1985 (D.C. Law 6-42; D.C. Official Code § 2-1801.04(a)(1)), may take the following actions against, or impose the following requirements upon, any licensee, or agent or employee of a licensee, that knowingly engages or attempts to engage in the purchase, sale, exchange, or any other form of commercial transaction involving a synthetic drug, including the possession of multiple units of a synthetic drug:

(A) For the first violation of this paragraph:

(i) The Mayor shall issue a fine in the amount of \$10,000;

(ii) The Mayor may issue a notice to revoke all licenses issued

to the licensee pursuant to Chapter 28 of Title 47 of the District of Columbia Official Code; and

(iii)(I) The Chief of Police, after a determination by the Mayor in accordance with section 106(a) of the Department of Consumer and Regulatory Affairs Civil Infractions Act of 1985, effective March 8, 1991 (D.C. Law 8-237; D.C. Official Code § 2-1801.06(a)), shall seal the licensee's premises, or a portion of the premises, for up to 96 hours without a prior hearing;

(II) Within 14 days after a licensee's premises is sealed under sub-sub-subparagraph (I) of this sub-subparagraph, the Mayor shall require the licensee to submit a remediation plan to the Director of the Department of Licensing and Consumer Protection that contains the licensee's plan to prevent any future recurrence of

purchasing, selling, exchanging, or otherwise transacting any synthetic drug and acknowledgment that a subsequent occurrence of engaging in prohibited activities may result in the revocation of all licenses issued to the licensee pursuant to Chapter 28 of Title 47 of the District of Columbia Official Code.

(III) If the licensee fails to submit a remediation plan in accordance with this sub-subparagraph, or if the Mayor, in consultation with the Chief of Police, rejects the licensee's remediation plan, the Mayor shall provide written notice to the licensee of the defects in any rejected remediation plan and the Mayor's intent to revoke all licenses issued to the licensee pursuant to Chapter 28 of Title 47 of the District of Columbia Official Code.

(IV) If the licensee cures the defects in a rejected remediation plan, the Mayor may suspend any action to revoke any license of the licensee issued pursuant to Chapter 28 of Title 47 of the District of Columbia Official Code.

(V) The Mayor shall notify the Office of the Attorney

General upon sealing a licensee's premises or a portion of the premises.

(B) For any subsequent violation of this paragraph:

(i) The Mayor shall issue a fine in the amount of \$20,000; and

(ii) The Chief of Police, after a determination by the Mayor in

accordance with section 106(a) of the Department of Consumer and Regulatory Affairs Civil Infractions Act of 1985, effective March 8, 1991 (D.C. Law 8-237; D.C. Official Code § 2-1801.06(a)), shall seal the licensee's premises, or a portion of the premises, for up to 30 days without a prior hearing.

(C) If a licensee's premises, or a portion of the premises, is sealed under subparagraph (A) or (B) of this paragraph, a licensee shall have the right to request a hearing with the Office of Administrative Hearings within 3 business days after service of notice of the sealing of the premises under subparagraph (E) of this paragraph.

(D) If a licensee timely requests a hearing under subparagraph (C) of this paragraph, the Office of Administrative Hearings shall hold a hearing before an administrative law judge within 3 business days after receiving the request.

(E) At the time of the sealing of the premises, or a portion of the premises, under subparagraph (A) or (B) of this paragraph, the Director of the Department of Licensing and Consumer Protection shall post at the premises and serve on the licensee a written notice and order stating:

- (i) The specific action or actions being taken;
- (ii) The factual and legal bases for the action or actions;
- (iii) The right, within 3 business days after service of notice of

the sealing of the premises, to request a hearing with the Office of Administrative Hearings;

(iv) The right to a hearing before an administrative law judge within 3 business days after a timely request is received by the Office of Administrative Hearings; and

(v) That it shall be unlawful for any person, with the exception of emergency services personnel, to enter the sealed premises for any purpose without

written permission by the Director of the Department of Licensing and Consumer Protection.

(F) A licensee shall pay a fine issued pursuant to subparagraph (A) or (B) of this paragraph within 20 days after adjudication by the Office of Administrative Hearings. If the licensee fails to pay the fine within the specified time period, the Mayor may seal the premises until the fine is paid.

(G) For the purposes of this paragraph, the term:

(i) "Business days" means days in which the Office of Administrative Hearings is open for business.

(ii) "Synthetic drug" means any product possessed, provided, distributed, sold, or marketed with the intent that it be used as a recreational drug, such that its consumption or ingestion produces effects on the central nervous system or brain function to change perception, mood, consciousness, cognition, or behavior in ways that are similar to the effects of marijuana, cocaine, amphetamines, or Schedule I narcotics under section 204 of the District of Columbia Uniform Controlled Substances Act of 1981, effective August 5, 1981 (D.C. Law 4-29; D.C. Official Code § 48-902.04). The term "synthetic drug" also includes any chemically synthesized product (including products that contain both a chemically synthesized ingredient and herbal or plant material) possessed, provided, distributed, sold, or marketed with the intent that the product produces effects substantially similar to the effects created by compounds banned by District or federal synthetic drug laws or by the U.S. Drug Enforcement Administration pursuant to its authority under the Controlled Substances Act, approved October 27, 1970 (84 Stat. 1247; 21 U.S.C. § 801 et seq.). Any of the following factors shall be treated as indicia that a product is being marketed with the intent that it be used as a recreational drug:

(I) The product is not suitable for its marketed use (such as a crystalline or powder product being marketed as "glass cleaner");

(II) The individual or business providing, distributing, displaying, or selling the product does not typically provide, distribute, display, or sell products that are used for that product's marketed use (such as liquor stores, smoke shops, or gas or convenience stores selling "plant food");

(III) The product contains a warning label that is not typically present on products that are used for that product's marketed use, including "Not for human consumption," "Not for purchase by minors," "Must be 18 years or older to purchase," "100% legal blend," or similar statements;

(IV) The product is significantly more expensive than other products that are used for that product's marketed use;

(V) The product resembles an illicit street drug (such as cocaine, methamphetamine, or Schedule I narcotic) or marijuana; or

(VI) The licensee or any employee of the licensee has been warned by a District government agency or has received a criminal incident report, arrest report, or equivalent from any law enforcement agency that the product or a similarly labeled product contains a synthetic drug.

(3)(A) A violation of this subsection shall be a civil infraction for purposes of the Department of Consumer and Regulatory Affairs Civil Infractions Act of 1985, effective March 8, 1991 (D.C. Law 8-237; D.C. Official Code § 2-1801.01 et seq.). Civil fines, penalties, and fees may be imposed as sanctions for any infraction of the provisions of this subsection or the rules issued under the authority of this subsection, pursuant to the Department of Consumer and Regulatory Affairs Civil Infractions Act of 1985, effective March 8, 1991 (D.C. Law 8-237; D.C. Official Code § 2-1801.01 et seq.).

(B) Adjudication of any infraction of this subsection shall be pursuant to the Department of Consumer and Regulatory Affairs Civil Infractions Act of 1985, effective March 8, 1991 (D.C. Law 8-237; D.C. Official Code § 2-1801.01 et seq.).

(C) Summary action taken pursuant to this subsection shall be pursuant to Title I of the Department of Consumer and Regulatory Affairs Civil Infractions Act of 1985, effective March 8, 1991 (D.C. Law 8-237; D.C. Official Code § 2-1801.01 et seq.).

(4) In addition to other remedies provided by law, the Office of the Attorney General for the District of Columbia may commence an action in the Civil Branch of the Superior Court of the District of Columbia to compel compliance, abate, enjoin, or prevent violations of this subsection. The plaintiff need not prove irreparable injury or harm to obtain a preliminary or temporary injunction.

### (c)(1) The term "knowingly" includes:

(A) For the purposes of subsections (a) and (b) of this section, actual notice of a specific violation set forth in subsection (a) or (b) of this section to the licensee or authorized agent of the licensee, issued by a District agency notifying the licensee, or authorized agent, of the same or similar violation occurring on the licensee's premises; or

(B) For the purposes of subsection (b) of this section, constructive notice to the licensee, or authorized agent of the licensee, resulting from the failure of the licensee, or authorized agent, to ascertain the ownership of the used goods or merchandise.

(2) For the purposes of this subsection, actual or constructive notice to the authorized agent of the licensee constitutes notice to the licensee.

(b) Notwithstanding any of the provisions of Chapter 28 of Title 47 of the District of Columbia Official Code requiring an inspection as a prerequisite to the issuance of a license, the Mayor is authorized to provide by regulation that any such inspection shall be made either prior or subsequent to the issuance of a license, but any such license, whether issued prior or subsequent to a required inspection, may be suspended or revoked for failure of the licensee to comply with the laws or regulations applicable to the licensed business, trade, profession, or calling.

\* \* \*

D.C. OFFICIAL CODE § 47–2805.01. ESTABLISHMENT OF LICENSING PERIODS BY MAYOR; PRORATING FOR LATE APPLICATION.
[Repealed]

The Mayor of the District of Columbia shall fix the period for which any license authorized under this subchapter may be issued in a manner consistent with the uniform master [basic] business licensing expiration date provisions as set forth in § 47-2851.09. Licenses issued at any time after the beginning of the license period as set forth in § 47-2851.09 shall date from the first day of the month in which the license was issued and end on the last day of the license period above prescribed, and payment shall be made of the proportionate amount of the bi-annual license fee or tax; provided that where the license fee is \$3 or less the fee shall not be prorated; and provided further, that no fee or tax shall be prorated to an amount less than \$3.

\* \* \*

### D.C. OFFICIAL CODE § 47–2805.02. REQUIREMENT FOR SOCIAL SECURITY NUMBER.

### [Repealed]

The social security number of each applicant for a license issued pursuant to this chapter, for membership in the bar of the District of Columbia Court of Appeals pursuant to § 11-2501, and for any recreational license issued in the District of Columbia shall be recorded on the application. If a number other than the social security number is used on the face of the license or membership document, the issuing agency or entity shall keep the applicant's social security number on file and the applicant shall be so advised.

\* \* \*

### D.C. OFFICIAL CODE § 47–2806. LICENSES TO BE POSTED ON PREMISES; EXHIBITION TO POLICE.

#### [Repealed]

All licenses granted under the terms of this chapter must be conspicuously posted on the premises of the licensee and said licenses shall be accessible at all times for inspection by the police or other officers duly authorized to make such inspections. Licensees having no located place of business shall exhibit their licenses when requested to do so by any of the officers above named.

\* \* \*

### D.C. OFFICIAL CODE § 47–2807. CONSTRUCTION AND DEFINITION OF TERMS. [Repealed]

For the purposes of this chapter, the term "person" shall signify and include firms, corporations, companies, associations, executives, administrators, guardians, or trustees; the term "agent" shall signify and include every person acting for another; the term

"merchandise" shall signify and include every article of commerce whether sold in bulk or otherwise; the term "dealers" shall signify and include every person engaged in selling or offering for sale any description of merchandise or property. Words of 1 number shall signify and include words of both numbers, respectively, and words of 1 gender shall signify and include words of every gender, respectively; provided, that nothing in this chapter shall be interpreted as repealing any specific act of Congress or any of the police or building regulations of the District of Columbia regarding the establishment or conduct of the businesses, trades, professions, or callings named in this chapter and not inconsistent with the provisions of this chapter.

\* \* \*

### D.C. OFFICIAL CODE § 47–2808. AUCTIONEERS; TEMPORARY LICENSES; PENALTY FOR FAILURE TO ACCOUNT.

### [Repealed]

- (a) Auctioneers shall pay a license fee of \$222 per annum.
- (b) The Mayor may issue a temporary auctioneer license to a person, firm, partnership, association, organization, or corporation engaged in or existing for charitable, benevolent, eleemosynary, humane, religious, philanthropic, recreational, social, educational, civic, fraternal, or other nonprofit purpose and to a citizen-service program established pursuant to [§ 1-1163.38]. The fee for a temporary auctioneer license shall be \$50. A temporary auctioneer license shall be valid for a period of not more than 7 calendar days as specified on the face of the license. The Mayor may amend the fee to be charged for a temporary auctioneer license to an amount not to exceed the reasonably estimated cost of performing administrative duties pertaining to the issuance of this license in accordance with the provisions of subchapter I of Chapter 5 of Title 2.
- (c) No license shall issue hereunder without the approval of the Chief of Police. If any licensed auctioneer or any holder of a temporary auctioneer license, his agent or employee, shall convert to his own use in the District of Columbia any goods, wares, merchandise, or personal property of any description, or the proceeds of the same, and shall fail to pay over the avails or proceeds from the sale thereof, less his proper charges, within 5 days after receiving the money or its equivalent from the purchaser or purchasers of said goods, wares, merchandise, or personal property of any description, and after demand made therefor by the person entitled to receive the same, or his or her duly authorized agent, he shall be deemed guilty of a misdemeanor, and upon information and conviction in the Superior Court of the District of Columbia shall be fined not more than the amount set forth in [§ 22-3571.01] or be imprisoned not exceeding 6 months, or both, in the discretion of the court. Civil fines, penalties, and fees may be imposed as alternative sanctions for any infraction of the provisions of this section, or any rules or regulations issued under the authority of this section, pursuant to Chapter 18 of Title 2. Adjudication of any infraction of this chapter shall be pursuant to Chapter 18 of Title 2. Nothing herein contained shall be construed to repeal or alter the provisions of subchapter I of Chapter 27 of this title.

(d) Any permit issued pursuant to this section shall be issued as an Inspected Sales and Services endorsement to a basic business license under the basic business license system as set forth in subchapter I-A of this chapter.

\* \* \*

### D.C. OFFICIAL CODE § 47-2809.01. BODY ART ESTABLISHMENTS. [Repealed]

- (a) For the purposes of this section and Part D-i of Subchapter I-B of this chapter, the term:
  - (1) "Board" means the Board of Barber and Cosmetology.
- (2) "Body art" or "body art procedure" means the process of physically modifying the body for cosmetic or other non-medical purposes, including tattooing, body piercing, and fixing indelible marks or figures on the skin through scarification, branding, tongue bifurcation, and tissue removal.
- (3) "Body artist" means an individual who is licensed under this chapter to perform body art procedures.
- (4) "Body art establishment" means any structure or venue, whether temporary or permanent, where body art procedures are performed.
- (5) "Body piercing" means the perforation of any human body part followed by the insertion of an object, such as jewelry, for cosmetic or other nonmedical purposes by using any of the following instruments, methods, or processes: stud and clasp, captive ball, soft tissue, cartilage, surface, surface-to-surface, microdermal implantation or dermal anchoring, subdermal implantation, and transdermal implantation. The term "body piercing" shall not include nail piercing.
- (6) "Branding" means the process of applying extreme heat with a pen-like instrument to create an image or pattern.
- (7) "Cleansing product" means any material used to apply cleansing agents to the skin, such as cotton balls, tissue or paper products, paper or plastic cups, towels, gauze, or sanitary coverings.
- (8) "Operator" means any person who owns, controls, or operates a body art establishment, whether or not the person actually performs body art procedures.
- (9) "Sanitization" means the reduction of the population of microorganisms to safe levels, as determined by the Department of Health, by a product registered with the Environmental Protection Agency ("EPA") or by chemical germicides that are registered with the EPA as hospital disinfectants.
- (10) "Scarification" means the placing of an indelible mark on the skin by the process of cutting or abrading the skin to bring about permanent scarring.
- (11) "Sharps" means any object, sterile or contaminated, that may penetrate the skin or mucosa, including presterilized single needles, scalpel blades, and razor blades.
- (12) "Single-use" means products or items intended for one-time use that are disposed of after use on a client.

- (13) "Sterilization" means the process of destruction of all forms of life by physical or chemical means.
- (14) "Tattoo" means the placing of pigment into the skin dermis for cosmetic or other nonmedical purposes, including the process of micropigmentation or cosmetic tattooing.
- (15) "Tissue removal" means placing an indelible mark or figure on the skin through removal of a portion of the dermis.
- (16) "Tongue bifurcation" means the cutting of the tongue from tip to part of the way toward the base, forking at the end.
- (b)(1) The Department of Health shall regulate body art establishments to ensure that such establishments have adequate health, sanitization, sterilization and safety methods, procedures, equipment, and supplies by:
- (A) Establishing minimum sterilization, sanitation, health, and safety standards for the operation of such establishments as may be necessary to prevent infection and contamination of equipment, supplies, or work surfaces with pathogenic organisms; and
- (B) Establishing and imposing operational licensing, registration requirements, and associated fee schedules.
- (2) Within 180 days of [October 23, 2012], the Department of Health shall issue rules to implement the provisions of paragraph (1) of this subsection.
- (c)(1) All body art establishments offering tattooing procedures shall conspicuously post a written disclosure that states the following:

The United States Food and Drug Administration has not approved any pigment color additive for injectable use as tattoo ink. There may be a risk of carcinogenic decomposition associated with certain pigments when the pigments are subsequently exposed to concentrated ultra-violet light or laser irradiation."

- (2) All body art establishments offering tattooing procedures shall maintain documentation on the premises containing the following information and shall disclose such information to customers upon request:
- (A) The components of the pigments used in the body art establishment:
- (B) The names, addresses, and telephone numbers of the suppliers and manufacturers of pigments used in the body art establishment for the past 3 years; and (C) Identification of any recalled pigments used in the establishment
- for the past 3 years and the supplier and manufacturer of each pigment.
- (3) All body art establishments shall maintain and use regularly calibrated autoclave equipment for the sterilization of any non-disposable body art equipment, at a frequency to be established by the Department of Health.
- (4) Only single-use disposable sharps, pigments, gloves, and cleansing products shall be used in connection with body art procedures in body art establishments, in accordance with rules established by the Department of Health pursuant to subsection (b) of this section.

- (5) A body art establishment that is in violation of this subsection shall be subject to license suspension or revocation and a maximum fine of \$2,500.
- (d)(1) No person shall operate a body art establishment or perform body art procedures in a body art establishment unless that establishment has obtained a valid body art establishment license issued by the Mayor.
- (2) No body art establishment shall employ or permit body artists to perform body art procedures in the body art establishment unless the body artist holds a valid body art license issued by the Mayor.
- (3) Any person violating paragraph (1) or (2) of this subsection shall, upon conviction, be deemed guilty of a misdemeanor and may be punished by a fine not exceeding \$2,500, imprisonment for not more than 3 months, or both.

\* \* \*

## D.C. OFFICIAL CODE § 47–2810. CONVENTIONS OF NATIONAL ASSOCIATIONS OF HAIRDRESSERS OR COSMETOLOGISTS EXEMPTED. [Repealed]

The provisions of Chapter 20 [repealed] of Title 3 and of § 47-2809 shall not be applicable to activities conducted in connection with any bona fide regularly scheduled national annual convention of any national association of professional hairdressers or cosmetologists, from which the general public is excluded.

\* \* \*

### D.C. OFFICIAL CODE § 47–2812. PUBLIC BATHS.

#### [Repealed]

Owners or managers of establishments where public baths are supplied to transients shall pay a license fee of \$152 per annum.

\* \* \*

### D.C. OFFICIAL CODE § 47–2814. GASOLINE, KEROSENE, OILS, FIREWORKS, AND EXPLOSIVES.

### [Repealed]

- (a) Owners or managers of establishments where gasoline or oils of like grade are sold shall pay a license fee of \$17 per annum for each pump used in dispensing said gasoline or oils.
- (b) Owners or managers of establishments where kerosene, oils, or gasoline of like grade are stored underground shall pay a license fee of \$80 per annum, and where such like grade kerosene, oils, or gasoline are stored in above-ground tanks the license fee shall be \$94 per annum.
- (c) Owners or managers of establishments where kerosene or like grade is kept for sale shall pay a license fee of \$19 per annum, and where oil or grease of like grade is kept

for sale, the license fee shall be \$30 per annum, and where coal is kept for sale, the license fee shall be \$94 per annum, and where kerosene, gasoline, or oil is sold through a metering device, the license fee shall be \$64 per annum.

- (d) Owners or managers of establishments where fireworks are stored or are kept for sale at wholesale or at both wholesale and retail shall pay a license fee of \$760. Owners or managers of establishments where fireworks are kept for sale at retail shall pay a license fee of \$100.
- (e) Owners or managers of establishments where explosives of any kind, including ammunition but excluding fireworks, are stored or are kept for sale at wholesale or at both wholesale and retail shall pay a license fee of \$760. Owners or managers of establishments where explosives of any kind, including ammunition but excluding fireworks, are kept for sale at retail shall pay a license fee of \$47.
- (f) No license shall be issued under this section without the approval of the Fire Marshal of the District of Columbia.
- (g) Any license issued pursuant to this section shall be issued as an Environmental Materials endorsement to a basic business license under the basic business license system as set forth in subchapter I-A of this chapter.

\* \* \*

### D.C. OFFICIAL CODE § 47–2815. PYROXYLIN.

### [Repealed]

- (a) Owners or managers of establishments where pyroxylin is kept or stored for painting or spraying shall pay a license fee of \$50 per annum. No license shall issue hereunder without the approval of the Fire Marshal of the District of Columbia.
- (b) Any license issued pursuant to this section shall be issued as an Environmental Materials endorsement to a basic business license under the basic business license system as set forth in subchapter I-A of this chapter.

\* \* \*

### D.C. OFFICIAL CODE § 47–2817. LAUNDRIES; DRY CLEANING AND DYEING ESTABLISHMENTS.

### [Repealed]

- (a) Owners or managers of laundries operated other than by hand power shall pay a license fee of \$188 biennially.
  - (b) Repealed.
- (c)(1) Owners or managers of dry cleaning or dyeing establishments shall pay a license fee of \$222 biennially.
- (2) Any license issued pursuant to this subsection shall be issued as an Environmental Materials endorsement to a basic business license under the basic business license system as set forth in subchapter I-A of this chapter.

(d) Any license issued pursuant to this section, shall be in addition to those required under subsection (c)(2) of this section, if any, and shall be issued as a General Services and Repair endorsement to a basic business license under the basic business license system as set forth in subchapter I-A of this chapter.

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## D.C. OFFICIAL CODE § 47–2818. MATTRESS MANUFACTURE, RENOVATION, STORAGE, OR SALE; "MATTRESS" DEFINED. [Repealed]

- (a)(1) Persons engaged in the business of manufacturing or renovating mattresses shall pay a license fee of \$476 biennially.
- (2) Any license issued pursuant to this subsection shall be issued as a Manufacturing endorsement to a basic business license under the basic business license system as set forth in subchapter I-A of this chapter.
- (b)(1) Owners or managers of establishments where mattresses are stored, sold, or kept for sale shall pay a license fee of \$34 biennially.
- (2) Any license issued pursuant to this subsection shall be issued as a General Sales endorsement to a basic business license under the basic business license system as set forth in subchapter I-A of this chapter.
- (c) Within the meaning of this section, the term "mattress" shall be deemed to include any quilt, comforter, pad, pillow, cushion, or bag stuffed with hair, down, feathers, wool, cotton, excelsior, jute, or any other soft material and designed for use for sleeping or reclining purposes.

\* \* \*

D.C. OFFICIAL CODE § 47–2820. THEATERS, MOVING PICTURES, SKATING RINKS, DANCES, EXHIBITIONS, LECTURES, ENTERTAINMENTS; ASSIGNMENT OF POLICE AND FIREMEN AND ADDITIONAL FEES BASED THEREON; HOURS MINORS ARE PROHIBITED ON PREMISES.

[Repealed]

- (a) Owners or managers of theaters in which moving pictures are displayed, for profit or gain, shall pay a license fee of \$830 biennially.
- (b) Owners or managers of buildings in which skating rinks, fairs, carnivals, balls, dances, exhibitions, lectures, or entertainments of any description including theatrical or dramatic performances of any kind are conducted, for profit or gain, shall pay a license fee of \$500 per annum; provided, that for entertainments, concerts, or performances of any kind where the proceeds are intended for church or charitable purposes, and where no rental is charged, no license shall be required; provided further, that when, in the opinion of the Chief of Police and the Fire Chief of the District of Columbia, or either of them, it is necessary to post policemen or firemen, or both, at, on, and about the licensed premises for the protection of the public safety, in addition to the license fee provided for above, such

owners or managers shall pay a further monthly permit fee, to be determined monthly by the said Chief of Police and Fire Chief, or either of them, based upon a reasonable estimate of the number of hours to be spent by policemen and firemen at, on, and about the licensed premises, this fee to be payable in advance on the first day of the month for which the permit is sought. Policemen and firemen so assigned shall be charged for by the hour at the basic daily wage rate of policemen and firemen so assigned in effect the first day of the month for which the permit is sought.

(b-1)(1)(A) Before granting or renewing a license under subsection (b) of this section, the Mayor shall give 30-days notice by mail to the affected Advisory Neighborhood Commission and by publication in the District of Columbia Register. The notice shall contain the name of the applicant and a description, by street and number, or other plain designation, of the particular location for which the license is requested. The notice shall state that any resident or owner of residential property within 600 feet of the boundary lines of the lot upon which is situated the establishment for which the license is requested who objects to the granting of the license is entitled to be heard before the granting or renewal of the license and shall name the time and place of the hearing.

(B) The applicant shall post 2 notices for a period of 4 weeks in conspicuous places on the outside of the premises. The notices to be posted shall state that any resident or owner of residential property within 600 feet of the boundary lines of the lot upon which is situated the establishment for which the license is requested who objects to the license is entitled to be heard before the granting or renewal of the license and shall name the same time and place for the hearing as set out in the notice mailed and published by the Mayor.

(C) If an objection to the granting or renewal of the license is filed, no final action shall be taken by the Mayor until the resident or owner of residential property within 600 feet of the boundary lines of the lot upon which is situated the establishment for which the license is requested who objects has an opportunity to be heard, under the rules and regulations to be issued by the Mayor.

(2) Upon objection, a hearing shall be held by the Mayor to determine the following:

(A) The effect of the establishment on the peace, order, and quiet of the neighborhood or portion of the District of Columbia; and

(B) The effect of the establishment on the residential parking needs and vehicular and pedestrian safety of the neighborhood.

- (3) The Mayor shall rule on the application within 30 days of the hearing.
- (4) The license shall be renewed annually.

(b-2) Any applicant who holds a valid class C or D license issued pursuant to Chapter 1 of Title 25 and who holds a certificate of occupancy for less than 401 persons shall be exempt from the provisions of subsection (b)(1) of this section.

- (c) [Repealed].
- (d) [Repealed].

(e) Any license issued pursuant to this section shall be issued as an Entertainment endorsement to a basic business license under the basic business license system as set forth in subchapter I-A of this chapter.

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### D.C. OFFICIAL CODE § 47–2821. BOWLING ALLEYS; BILLIARD AND POOL TABLES; GAMES.

#### [Repealed]

(a) Owners or managers of establishments where bowling alleys, billiard or pool tables, or any table, alley, or board upon which legitimate games are played, shall, when they are operated or conducted for public use, or for profit or gain, pay a license tax of \$39 per annum for each such alley, board, or table. No license shall issue under this section without the approval of the Chief of Police; provided, that in case of refusal of said Chief of Police to approve said license, or upon written protest of a majority or more of the property owners or residents of the block in which it is proposed to grant such license, an appeal may be taken to the Mayor of the District of Columbia, whose decision shall be final.

(b) Any license issued pursuant to this section shall be issued as an Entertainment endorsement to a basic business license under the basic business license system as set forth in subchapter I-A of this chapter.

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## D.C. OFFICIAL CODE § 47–2823. BASEBALL, FOOTBALL, AND ATHLETIC EXHIBITIONS; ASSIGNMENT OF POLICE AND FIREMEN; AMUSEMENT PARKS. [Repealed]

(a)(1) Owners or managers of grounds used for baseball, football, or other athletic exhibitions to which an admission fee is charged, directly or indirectly, shall pay a license fee of \$17 per annum.

(2) When, in the opinion of the Chief of Police and Fire Chief of the District of Columbia, or either of them, it is necessary to post policemen or firemen, or both, at, on, and about the licensed premises for the protection of the public safety, in addition to the license fee provided for above, such owners or managers shall pay a further monthly permit fee, to be determined monthly by the said Chief of Police and Fire Chief, or either of them, based upon a reasonable estimate of the number of hours to be spent by policemen and firemen, or either of them, at, on, and about the licensed premises, such fee to be payable in advance on the first day of the month for which the permit is sought. Policemen and firemen so assigned shall be charged for by the hour at the basic hourly wage rate of the policemen and firemen so assigned in effect on the first day of the month for which the permit is sought.

(b) Owners or managers of grounds used for amusement parks, to which an admission is charged, directly or indirectly, other than those used for athletic exhibitions,

shall pay a license fee of \$208 per annum. Annual licenses issued under this section shall date from April 1st in each year.

(c) Any license issued pursuant to this section shall be issued as an Entertainment endorsement to a basic business license under the basic business license system as set forth in subchapter I-A of this chapter.

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### D.C. OFFICIAL CODE § 47–2824. SWIMMING POOLS.

### [Repealed]

- (a) Owners or managers of swimming pools, indoor or outdoor, shall pay a license fee of \$319 per annum.
- (b) Any license issued pursuant to this section shall be issued as a Public Health: Public Accommodations endorsement to a basic business license under the basic business license system as set forth in subchapter I-A of this chapter.

\* \* \*

### D.C. OFFICIAL CODE § 47–2825. CIRCUSES.

### [Repealed]

- (a) Proprietors or owners of a circus transported by railroad into the District of Columbia shall pay a license fee of \$19 per day for each carload of circus equipment, and proprietors or owners of any circus transported by wagons or motor trucks into the District of Columbia shall pay a license tax of \$14 per day for each motortruck load or wagon load of circus equipment, but not to exceed \$875 per day.
- (b) Any license issued pursuant to this section shall be issued as an Entertainment endorsement to a basic business license under the basic business license system as set forth in subchapter I-A of this chapter.

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### D.C. OFFICIAL CODE § 47–2826. SPECIAL EVENTS.

### [Repealed]

- (a) Owners, managers, or promoters of carnivals or fairs, by whatsoever name called, conducted for profit or gain, and not held in any building or structure licensed under this chapter, shall pay a license fee of \$158 per day.
- (b) The Mayor may adjust the license fee set in subsection (a) of this section to cover the costs to the District of providing police, fire, and other public services that are necessary to protect public health and safety.
- (c) Any license issued pursuant to this section shall be issued as an Entertainment endorsement to a basic business license under the basic business license system as set forth in subchapter I-A of this chapter.

- (d)(1) A person or entity granted a license in accordance with this section for an event where 100 or more attendees are anticipated shall provide infrastructure onsite for the separation and recycling of recyclable waste generated at the event.
- (2) A license holder who violates paragraph (1) of this subsection shall be subject to a fine of up to \$ 5,000 per day.
- (3) The Mayor, pursuant to [Chapter 5 of Title 2 (§ 2-501 et seq.)], may issue rules to implement the provisions of this subsection, including a fee to offset the cost of implementation.
- (e)(1) There is established as a special fund the MPD Overtime Reimbursement Fund ("Fund"), which shall be administered by the Metropolitan Police Department ("MPD") in accordance with paragraph (3) of this subsection.
- (2) Except as provided in § 1-325.81, revenue from the following sources shall be deposited in the Fund:
  - (A) Fees paid pursuant to this section related to police services; and
  - (B) Fees paid pursuant to [§ 5-129.71].
- (3) Money in the Fund shall be used for the purpose of reimbursing MPD for the cost of overtime needed to:
- (A) Staff special events such as parades, carnivals, and movie productions; and
- (B) Provide security details to establishments, such as bars, nightclubs, and sports teams, that pay for extra police coverage.

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D.C. OFFICIAL CODE § 47–2827. COMMISSION MERCHANTS IN FOOD; BAKERIES; BOTTLING, CANDY-MANUFACTURING, AND ICE CREAM MANUFACTURERS; GROCERIES; MARKETS; DELICATESSENS; RESTAURANTS; PRIVATE CLUBS; WHOLESALE FISH DEALERS; DAIRIES. [Repealed]

- (a) Commission merchants dealing in food or food products shall pay a license fee of \$645 per annum.
- (b)(1) Owners or managers of bakeries, candy-manufacturing establishments, grocery stores, marine products or fish sold at retail, meat shops and market stands handling food or food products shall pay a license fee of \$222 biennially.
- (2) If any licensee under this section shall conduct upon the same premises more than one calling listed in paragraph (1) of this subsection, no additional fee shall be required.
- (3)(A) Subject to the provisions of subparagraph (B) of this paragraph, a grocery store that is a development of a qualified supermarket as defined in § 47-3801, shall be exempt from the license fee imposed by this subsection for the first 10 years beginning after the date of issuance of the final certificate of occupancy for the supermarket.

(B) The license fee exemption granted by subparagraph (A) of this paragraph shall apply only:

(i) During the time that the real property is used as a

 $\textcolor{red}{\textbf{supermarket;}}$ 

- (ii) In the case of the development of a qualified supermarket on real property not owned by the supermarket, if the owner of the real property leases the land or structure to the supermarket at a fair market rent reduced by the amount of the real property tax exemption provided by § 47-1002(23); and
- (iii) During the time that the supermarket development is in compliance with the requirements of subchapter X of Chapter 2 of Title 2.
- (c) Owners or managers of delicatessens, ice cream parlors, soda fountains, or soft drink establishments shall pay a license fee of \$133 per annum; provided, that if any licensee hereunder shall conduct upon the same premises more than 1 of the callings herein listed, or listed in subsection (b) of this section, no additional fee shall be required.
- (d) Owners or managers of ice cream manufacturing establishments shall pay a license fee of \$1,050 per annum; provided, that if any licensee hereunder shall conduct upon the same premises more than 1 of the callings listed in subsections (b) and (c) of this section, no additional fee shall be required.
- (e)(1) Owners or managers of restaurants or private clubs shall pay a license fee based upon seating capacity as follows:

0-10 seats \$133 per annum;

11-50 seats \$166 per annum;

51-100 seats \$199 per annum; and

101 seats and over \$232 per annum.

- (2) Within the meaning of this subsection a restaurant shall be any place where food or refreshments are served to transient customers to be eaten on the premises where sold.
- (3) Licenses to operate restaurants or cafeterias in the District of Columbia public schools shall be issued at no charge to the Board of Education.
- (4) If any licensee hereunder shall conduct upon the same premises more than 1 of the callings listed in subsections (b) and (c) of this section, no additional fee shall be required.
- (f) Wholesale dealers in fish or other marine products shall pay a license fee of \$429 per annum.
  - (g) Owners or managers of dairies shall pay a license fee of \$3,300 per annum.
- (h) All dealers in food or food products not listed herein, or elsewhere in this chapter shall pay a license fee of \$111 per annum.
- (i) Licenses for Candy Manufacturers, Commercial Merchant Food, Ice Cream Manufacturers, Marine Product suppliers, and other wholesale food establishments shall be issued under the master business license system as a Food Establishments: Wholesale endorsement to a basic business license under the basic business license system as set forth in subchapter I-A of this chapter.

- (j) Licenses for Bakeries, Delicatessens, Food Product suppliers, Groceries, Supermarkets, and other retail food establishments shall be issued under the master business license system as a Food Establishments: Retail endorsement to a basic business license under the basic business license system as set forth in subchapter I-A of this chapter.
  - (k) The Mayor may adjust, by rule, the fees established by this section.

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D.C. OFFICIAL CODE § 47–2828. CLASSIFICATION OF BUILDINGS CONTAINING LIVING QUARTERS FOR LICENSES; FEES; BUILDINGS EXEMPT FROM LICENSE REQUIREMENT.

### [Repealed]

- (a) The Council of the District of Columbia is authorized and empowered to classify, according to use, method of operation, and size, buildings containing living or lodging quarters of every description, to require licenses for the business operated in each such building as in its judgment requires inspection, supervision or regulation by any municipal agency or agencies, and the Mayor of the District of Columbia is authorized and empowered to fix a schedule of license fees therefor in such amount as, in his judgment, will be commensurate with the cost to the District of Columbia of such inspection, supervision or regulation: owners of residential buildings in which one or more dwelling units or rooming units are offered for rent or lease shall obtain from the Mayor a license to operate such business.
- (a-1)(1) An owner of a residential building in which one or more dwelling units or rooming units are offered for rent or lease shall provide to the Mayor a 24-hour accessible telephone number and publicly post the telephone number in the residential building.
- (2) The telephone number required pursuant to this subsection shall be continuously and conspicuously posted for residents to view. Any change in a posted telephone number shall be provided to the Mayor and the correct number posted in the building as required by this subsection within a reasonable amount of time, as determined by the Mayor or as set forth in rules issued pursuant to this subsection.
- (3) The failure to post and maintain a telephone number as required by this subsection shall be a civil infraction for the purposes of [[Chapter 18 of Title 2]], and an owner found in violation may be subject to suspension or revocation of the owner's basic business license.
- (b) Licenses for hotels, inns and motels, boarding houses and rooming houses, bed and breakfasts, and other transient Housing businesses shall be issued under the basic business license system as a Housing: Transient endorsement on a basic business license.
- (c)(1) Licenses for apartment houses, all community based residential facilities, and other residential Housing businesses shall be issued under the basic business license system as a Housing: Residential endorsement on a basic business license.

- (2) As a condition of licensure, apartment houses, all community-based residential facilities, and other residential housing businesses shall post and provide to the Mayor a telephone number as required by subsection (a-1) of this section.
- (c-1)(1) Licenses for short term rentals in dwellings shall be issued under the basic business license system as a "Short Term Rental" endorsement on a basic business license.
- (2) Licenses for vacation rentals, defined as short-term rentals that operate within a host's residential property wherein a transient guest has exclusive use of the host's property during the transient guest's stay and the host is not present on the premises, shall be issued under the basic business license system as a "Short Term Rental: Vacation Rental" endorsement on a basic business license.
- (d) Licenses for businesses engaged in home improvement services issued under this section shall be issued as a General Services and Repair endorsement to a basic business license under the basic business license system as set forth in subchapter I-A of this chapter.

D.C. OFFICIAL CODE § 47–2829. VEHICLES FOR HIRE; IDENTIFICATION TAGS ON VEHICLES; VEHICLES FOR SCHOOL CHILDREN; AMBULANCES, PRIVATE VEHICLES FOR FUNERAL PURPOSES; ISSUANCE OF LICENSES; PAYMENT OF FEES.

- (a) Notwithstanding any other provision of law, the District government shall not issue or reissue a license or permit to any applicant for a license or permit if the applicant:
- (1) Owes the District more than \$100 in outstanding fines, penalties, or interest assessed pursuant to the following acts or any regulations promulgated under the authority of the following acts, the:
- (A) Litter Control Administrative Act of 1985, effective March 25, 1986 (D.C. Law 6-100; D.C. Official Code § 8-801 et seq.);
- (B) Illegal Dumping Enforcement Act of 1994, effective May 20, 1994 (D. C. Law 10-117; D.C. Official Code § 8-901 et seq.);
- (C) District of Columbia Traffic Adjudication Act of 1978, effective September 12, 1978 (D.C. Law 2-104; D.C. Official Code § 50-2301.01 et seq.);
- (D) Department of Consumer and Regulatory Affairs Civil Infractions Act of 1985, effective October 5, 1985 (D.C. Law 6-42; D.C. Official Code § 2-1801.01 et seq.);
- (E) Department of For-Hire Vehicles Establishment Act of 1985, effective March 25, 1986 (D.C. Law 6-97; D.C. Official Code § 50-301.01 et seq.); or (F) The Compulsory/No-Fault Motor Vehicle Insurance Act of 1982, effective September 18, 1982 (D.C. Law 4-155; D.C. Official Code § 31-2401 et seq.)

  (2) Owes the District more than \$100 in past due taxes;

- (3) Owes fines assessed to car dealers pursuant to section 2(i) of the District of Columbia Revenue Act of 1937, approved August 17, 1937 (50 Stat. 680; D.C. Official Code § 50-1501.02(i));
- (4) Owes parking fines or penalties assessed by another jurisdiction; provided, that a reciprocity agreement is in effect between the jurisdiction and the District; or
- (5) Owes past due District of Columbia Water and Sewer Authority service charges or fees.
- (b) Any person, partnership, association, trust, or corporation operating or proposing to operate any vehicle or vehicles not confined to rails or tracks for the transportation of passengers for hire over all or any portion of any defined route or routes in the District of Columbia, shall, on or before the first day of October in each year, or before commencing such operation, submit to the Mayor, in triplicate, an application for license, stating therein the name of such person, partnership, association, trust, or corporation, the number and kind of each type of vehicle to be used in such operation, the schedule or schedules and the total number of vehicle miles to be operated with such vehicles within the District of Columbia during the 12-month period beginning with the first day of November in the same year; provided, that the provisions of this subsection shall not apply to companies operating both street railroad and bus services in the District of Columbia which pay taxes to the District of Columbia on their gross receipts; provided, that the provisions of this subsection shall not apply to the Washington Metropolitan Area Transit Authority. The Mayor shall thereupon verify and approve, or return to the applicant for correction and resubmission, each such statement. Upon receipt of the approved copy, and prior to the first day of November in the same year, or before commencing such operation, each such applicant shall pay to the Collector of Taxes, in lieu of any other personal or license tax, in connection with such operation, the sum of \$.01 for each vehicle mile proposed to be operated in the District of Columbia in accordance with the application as approved. Upon presentation of the receipt for such payment, the Mayor of the District of Columbia or his designated agent shall issue a license authorizing the applicant to carry on the operations embodied in the approved application. No increase of operations shall be commenced or continued unless and until an application similar to the original and covering such increase in operation shall have been approved and forwarded in the same manner and the corresponding additional payment made and license issued. No license shall be issued under the terms of this subsection without the approval of the Mayor.
  - (c) Repealed.
- (d) Owners of taxicabs shall pay an annual license tax of an amount set by the Department of For-Hire Vehicles for each taxicab which is to be operated in the District. The Department of For-Hire Vehicles is authorized to make all reasonable and usual regulations for the control of taxicabs, and the Mayor shall make and enforce all reasonable and usual regulations he or she may consider necessary for vehicles licensed under the preceding subsections and § 47-2831.

(e)(1) No person shall engage in driving or operating any vehicle licensed under the terms of subsection (d) of this section without having procured from the Mayor of the District of Columbia a license which shall not be issued except upon evidence satisfactory to the Mayor of the District of Columbia that the applicant is a person of good moral character and is qualified to operate the vehicle, and upon payment of an annual license fee of an amount set by the Mayor. The license shall be displayed within the vehicle at all times while the licensee is engaged in driving any vehicle licensed under the terms of subsection (d) of this section. Application for the license shall be made in the form as shall be prescribed by the Mayor of the District of Columbia. No license issued under the provisions of this subsection shall be assigned or transferred. All operators of taxicabs shall first procure from the Department of For-Hire Vehicles a license to operate a taxicab, which license shall be personal and nontransferable, upon payment of an annual license fee of an amount set by the Mayor. The Department of For-Hire Vehicles may issue a license of less than 1 year to operate a taxicab.

(2) Upon March 15, 1985, the following additional licensing requirements shall apply to all persons who apply for a license to operate any public vehicle-for-hire licensed under the terms of subsections (d) and (h) of this section:

(A) Completion of the primary public passenger vehicle-for-hire license training course as established by the Department of For-Hire Vehicles for a fee of no less than \$100 per person. Upon completion of the course, the applicant shall be issued a certificate of completion that shall include the date of completion and shall be presented to the Office of Client Services of the Department of For-Hire Vehicles with the application for a license. Before issuing the certificate, each person shall have passed an examination consisting of the subject matters taught in the course and an evaluation of the person's English communication skills. At a minimum, the training course and any refresher course provided by the Department of For-Hire Vehicles shall be designed to develop the applicant's knowledge of the following:

(i) The geography of the District, with particular emphasis on major streets throughout the District, significant government buildings, attractions, and tourist sites, and historical knowledge of the District;

(ii) District laws and regulations governing the taxicab industry and the penalties for violating these laws and regulations;

(iii) District traffic laws and regulations and the penalties for violating these laws and regulations, including:

(I) The rights and duties of motorists, which include not blocking the crosswalk or intersection, and not driving or stopping in a bicycle lane;

(II) The rights and duties of pedestrians; and

(III) The rights and duties of bicyclists.

(iv) Public relations skills, including cultural awareness and sensitivity training, appropriate social customs and courtesies that should be extended to the public, conflict resolution, and knowledge of the hospitality industry;

(v) Small business practices, including methods of accounting and manifest maintenance, fare computations for intra-District trips and interstate trips, and general management principles;

(vi) Driving skills and knowledge of the rules of the road; and

(vii) The legal requirements that apply to transportation of persons with disabilities, including providing equal access to transportation and complying with the Americans with Disabilities Act of 1990, approved July 26, 1990 (104 Stat. 328; 42 U.S.C. § 12101 et seq.) ("ADA").

(A-i) All courses for operators of wheelchair-accessible taxicabs shall provide training as to:

(i) The legal requirements that apply to transportation of persons with disabilities, including providing equal access to transportation and complying with the ADA;

(ii) Passenger assistance techniques, including a review of various disabilities, hands-on demonstrations of how to assist those with disabilities, mobility equipment training (including familiarity with lift and ramp operations and various types of wheelchairs and personal mobility devices), and safety procedures;

(iii) Training with an actual person using a wheelchair or

personal mobility device;

(iv) Sensitivity training, including customer service and conflict

resolution techniques; and

(v) Overall training in passenger relations and courtesy.

(B) Completion of an examination which shall consist of a minimum of 60 questions, the passing grade of which shall be 70% answered correctly, which shall, at a minimum, test:

(i) The applicant's fitness for licensure based upon knowledge of the location of addresses, significant government buildings, and tourist sites, and an understanding of the Capital City Plan;

(ii) The applicant's fitness for licensure based upon the areas covered in the hacker's license training course, exclusive of geography;

(iii) The applicant's knowledge of the District, through a minimum of 5 written questions, which shall require the applicant to state the route to arrive at a destination from a particular location; and

(iv) Selected areas, through a minimum of 5 oral questions, covered in the hacker's license training course, exclusive of geography, and the applicant's ability to communicate in English.

(C) Each applicant may repeat the examination no more than 3 times. Upon the third failure, an applicant must repeat the hacker's license training course and present a new certificate of completion before being allowed to take the examination again. The Office of Client Services of the Department of For-Hire Vehicles, shall construct a pool of no fewer than 300 questions from which questions shall be drawn for each examination that is administered. This pool shall be prohibited from public dissemination and shall be

substantially revised at a minimum of every 2 years to protect the integrity of the examination.

(D) Upon passage of the examination, each applicant has 90 days in which to complete the application process for licensure. After 90 days, the passing score from the prior examination is no longer valid for licensure, and the applicant must repeat the license training course, present a new certificate of completion, and retake the examination.

(e-1) The Department of For-Hire Vehicles may develop procedures to evaluate the record of a taxicab operator's license under the terms of subsection (e) of this section, and the owners of taxicabs licensed under the terms of this subsection. The record maintained by the Office of Client Services of the Department of For-Hire Vehicles for each licensee shall contain any violations associated with the license upon the final determination of liability by any governmental body charged with adjudicating violations. Any procedure shall clearly state the grounds for suspension or revocation of a license. If the license of a person licensed pursuant to subsection (e) of this section is revoked, the person must complete the requirements contained in subsections (e)(2)(A) and (B) of this section before the person may receive a new license. If the license of a person licensed pursuant to subsection (e) of this section is suspended, the licensee must complete the requirements contained in subsection (e)(2)(A) of this section and present to the Department of For-Hire Vehicles the certificate of completion of the required course before reinstatement.

(e-2) The Department of For-Hire Vehicles shall make the following information available for public inspection: The name of each person licensed under the terms of subsections (c) and (d) of this section; the licensee's annual license number; the name of the association, corporation, or organization that maintains the lease or membership agreement with the licensee; any monetary fine, suspension, or revocation action taken against the licensee; where applicable, a certificate of completion by the licensee of the training course established pursuant to subsection (e-1) of this section; a record of any criminal conviction of the licensee within the last 3 years; and, any points assessed against the licensee's District of Columbia operators permit. The records shall be cross-referenced to the association, corporation, or organization.

(e-3) The Department of For-Hire Vehicles may issue rules to implement the provisions of subsections (e) through (e-2) of this section pursuant to subchapter I of Chapter 5 of Title 2.

(e-4) The Department of For-Hire Vehicles shall, by regular mail and within 5 business days of a final decision of suspension, revocation, or non-renewal of a taxicab operator license, notify the association, corporation, organization, or person that maintains a taxicab lease or taxicab association or company membership agreement with the operator that the operator's privilege to operate a taxicab in the District of Columbia has been suspended, revoked, or not renewed. The association, corporation, organization, or person that maintains a lease with the operator shall upon receipt of the notice terminate any lease agreement, written or otherwise, with the operator, and shall take reasonable steps to assure the return to the owner of any vehicle leased to the operator. The Department of For-Hire Vehicles shall promulgate regulations to carry out the purposes of this subsection.

- (f) All vehicles licensed under this section shall bear such identification tags as the Council of the District of Columbia may from time to time direct; and nothing herein contained shall exempt such vehicles from compliance with the traffic and motor vehicle regulations of the District of Columbia.
- (g) Nothing in this subsection shall be construed to require the procuring of a license, or the payment of a tax, with respect to a vehicle owned or operated by a state or local government or a subdivision or instrumentality thereof which is being used to transport school children, their teachers, or escorts to the District of Columbia from the state in which their school is located.
- (h) Except as otherwise provided in subsections (d) and (e) of this section, owners of motor vehicles for hire used for any purpose, including, but not limited to, owners of ambulances for hire, and owners of passenger vehicles which, when used for hire, are used exclusively for funeral purposes, and, owners of passenger vehicles used exclusively for contract livery services for which the rate is fixed solely by the hour, and owners of passenger vehicles for hire used for sightseeing purposes shall pay a license tax of an amount set by the Mayor for each vehicle having a seating capacity of 12 or less passengers exclusive of the driver used in the conduct of their business. License endorsements requested by this subsection, excluding that of ambulances, shall be issued by the Department of Public Works. Licenses requested by this subchapter for ambulances shall be issued by the Department of Health as an Inspected Sales and Services endorsement to a basic business license under the basic business license system as set forth in subchapter I-A of this chapter.
- (i) No person shall engage in driving or operating any vehicle licensed under the terms of subsection (h) of this section without having procured from the Mayor of the District of Columbia or his designated agent a license which shall only be issued upon evidence satisfactory to the Mayor of the District of Columbia, that the applicant is a person of good moral character and is qualified to operate such vehicle, and upon payment of an annual license fee of an amount set by the Mayor. Such license shall be carried upon the person of the licensee or in the vehicle while engaged in driving such vehicle when such vehicle is being used for hire. Application for such license shall be made in such form as shall be prescribed by the Mayor of the District of Columbia. Each annual license issued under the provisions of this paragraph shall be numbered, and there shall be kept in the Office of Client Services of the Department of For-Hire Vehicles a record containing the name of each person so licensed, his annual license number and all matters affecting his qualifications to be licensed hereunder. No license issued under the provisions of this subsection shall be assigned or transferred.
- (j)(1) The Department of For-Hire Vehicles may establish, by rulemaking, limits on the number of operator's licenses or vehicle licenses that the agency issues; provided, that the Department of For-Hire Vehicles shall not establish limits without first making a determination that the limits are in the public interest and do not unduly and significantly harm the taxicab industry in the District.
- (2) Proposed rules under paragraph (1) of this subsection shall be submitted to the Council for a 60-day review period, excluding Saturdays, Sundays, legal holidays,

and days of Council recess. If the Council does not approve or disapprove the proposed rules by resolution within this 60-day review period, the proposed rules shall be deemed approved.

### (3) [Repealed].

- (4) The Department of For-Hire Vehicles shall create a single public vehicle-for-hire driver's license that entitles the holder to operate any public vehicle-for-hire, including a taxicab, limousine, sedan-class vehicle, and other classes of public vehicles for hire. This license shall be granted by the Department of For-Hire Vehicles through a single course, examination, and licensure application process.
- (5) The Department of For-Hire Vehicles shall seek to actively license public vehicle-for hire drivers and vehicles.
- (k) A person who resides in the District of Columbia, the State of Maryland, or the Commonwealth of Virginia shall be eligible to apply for an operator and vehicle license to operate a public vehicle-for-hire.
- (1) This section shall not apply to a private vehicle-for-hire operator affiliated with a private vehicle-for-hire company pursuant to [subchapter I of Chapter 3 of Title 50 [§ 50-531 et seq.].

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# D.C. OFFICIAL CODE § 47–2830. RENTAL OR LEASING OF MOTOR VEHICLE WITHOUT DRIVER.

### [Repealed]

- (a) The owners or managers of establishments where automobiles or other motor vehicles are kept for rent or lease without a driver shall pay a license fee of \$600 biennially for each such establishment; provided, that nothing in this section shall be so construed as to exempt such owners or managers from paying additional license taxes required by this chapter.
- (b) Any license issued pursuant to this section shall be issued as a Motor Vehicles Sales, Services and Repair endorsement to a basic business license under the basic business license system as set forth in subchapter I-A of this chapter.

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# D.C. OFFICIAL CODE § 47–2831. VEHICLES HAULING GOODS FROM PUBLIC SPACE.

Owners of vehicles for hire, used in hauling goods, wares, or merchandise, and operating from public space, shall pay a license tax of \$25 per annum for each vehicle. Stands for such vehicles upon public space may be established in the manner provided in \$50-2201.03. Licenses issued under this section shall date from April 1st of each year, but may be issued on or after March 15th of such year; provided, however, that all licenses issued for a period prior to April 1, 1940, shall expire on March 31, 1940, and the license fee therefor shall be prorated accordingly.

# D.C. OFFICIAL CODE § 47–2832. REPAIRING OF MOTOR VEHICLES. [Repealed]

- (a) Owners or managers of establishments where motor vehicles of any description are washed, cleaned, greased, oiled, or repaired, for profit or gain, shall pay a license fee of \$30 per annum.
- (b) Any license issued pursuant to this section shall be issued as [a] Motor Vehicles Sales, Services and Repair endorsement to a basic business license under the basic business license system as set forth in subchapter I-A of this chapter.

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# D.C. OFFICIAL CODE § 47–2832.01. PARKING ESTABLISHMENTS. [Repealed]

Any license or permit for a parking establishment issued under this chapter shall be issued as a General Services and Repair endorsement to a basic business license under the basic business license system as set forth in subchapter I-A of this chapter.

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# D.C. OFFICIAL CODE § 47–2832.02. TIRE DEALERS. [Repealed]

- (a) The owners or managers of establishments where waste tires are generated shall pay a license fee as established by the Mayor.
- (b) Any license for a waste tire generator issued under this chapter shall be issued as a General Services and Repair endorsement to a basic business license under the basic business license system as set forth in subchapter I-A of this chapter.
- (c) No license shall be issued to any waste tire generator that fails to provide the Mayor with information concerning the site's location, size, and the approximate number of waste tires that have been accumulated at the site, which may not exceed 500.
- (d)(1) The Mayor, pursuant to [subchapter I of Chapter 2 of Title 5, \$ 2-501 et seq.], shall issue rules pertaining to the collection and storage of waste tires, which shall include:
  - (A) A prohibition on outdoor storage of waste tires;
  - (B) Methods of collection, storage, and processing of waste tires; and
  - (C) Record-keeping procedures for waste tire generators.
- (2) The methods of collection, storage, and processing of waste tires shall consider the general location of waste tires being stored with regard to property boundaries and buildings, pest control, accessibility by firefighting equipment, and other considerations as they relate to public health and safety.
- (3) The record-keeping procedures for waste tire generators shall include the source and number or weight of tires received and the destination and number of tires or weight of tires or tire pieces shipped or otherwise disposed of. The records shall be

maintained for at least 3 years following the end of the calendar year of such activity. Record keeping shall not be required for any charitable, fraternal, or other type of nonprofit organization or association that conducts programs that result in the voluntary cleanup of land, water resources, or collection for disposal of waste tires.

- (e) For the purposes of this section, the term:
- (1) "Waste tire" means any automobile, motorcycle, heavy equipment, or truck tire stored or offered for sale by a waste tire generator or otherwise retained by a waste tire generator after having replaced a customer's tire with a new or used tire.
- (2) "Waste tire generator" means any person who buys, sells, or stores new or used tires for use on automobiles, motorcycles, heavy equipment, or trucks and which retains any of the customer's used tires after replacement.

\* \* \*

# D.C. OFFICIAL CODE § 47–2835. SOLICITORS. [Repealed]

(a) Solicitors shall pay a license fee of \$316 biennially. Any person who goes from house to house, or place to place, within the District of Columbia, selling or taking orders for or offering to sell or take orders for goods, wares, merchandise, or any article or thing of value for future delivery, or for services to be performed in the future or for the making, manufacturing, or repairing of any article or thing whatsoever for future delivery, and requiring or accepting a deposit for such future delivery or service, shall be deemed to be a "solicitor," within the meaning of this section; provided, however, that this definition shall not apply to persons selling goods, wares, merchandise, or any article or thing of value for resale to retailers in that commodity. Any person desiring a solicitor's license shall make application to the Mayor of the District of Columbia or his designated agent on forms to be provided for that purpose, stating the name of the applicant, the name and address of the person whom he represents, the class and kind of goods offered for sale, or the kind of service to be performed. Such application shall be accompanied by a bond in the penal sum of \$500, running to the District of Columbia, conditioned upon the making of final delivery of the goods ordered, or services to be performed, in accordance with the terms of such order, or failing therein, that the advance payment on such order be refunded. Any person aggrieved by the action of any such solicitor shall have the right of action on the bond for the recovery of money, or damages, or both. All orders taken by licensed solicitors shall be in writing in duplicate, stating the terms thereof and the amount paid in advance, and 1 copy shall be given to the purchaser.

(b) Any license issued pursuant to this section shall be issued as a General Services and Repair endorsement to a basic business license under the basic business license system as set forth in subchapter I-A of this chapter.

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### D.C. OFFICIAL CODE § 47–2836. GUIDES.

### [Repealed]

- (a) No person shall, for hire, guide or escort any person through or about the District of Columbia, or any part thereof, unless he shall have first secured a license so to do. The fee for each such license shall be \$28 per annum. No license shall be issued hereunder without the approval of the Chief of Police. The Council of the District of Columbia is authorized and empowered to make reasonable regulations for the examination of all applicants for such licenses and for the government and conduct of persons licensed hereunder, including the power to require said persons to wear a badge while engaged in their calling.
- (b) Any license issued pursuant to this section shall be issued as a General Services and Repair endorsement to a basic business license under the basic business license system as set forth in subchapter I-A of this chapter.

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# D.C. OFFICIAL CODE § 47–2837. SECONDHAND DEALERS; CLASSIFICATION; LICENSING; STOLEN PROPERTY.

- (a) The Council of the District of Columbia is authorized and empowered to classify dealers in secondhand personal property (referred to in this section as "dealers") and the Mayor of the District of Columbia is authorized and empowered to fix and collect a license fee for each such class of dealer, which fee, in the judgment of the Mayor, will be commensurate with the cost to the District of Columbia of inspection, supervision, and regulation of such class of dealer.
- (b) In classifying dealers the Council may take into consideration the kind of property dealt in, whether the property is retained by the dealer for sale at retail, whether the property is disposed of by the dealer out of the District of Columbia, whether the property is disposed of by the dealer as junk or otherwise, and such other criteria as the Council may deem appropriate.
- (c) Any person engaging in the business of buying, selling, trading, exchanging, or dealing in secondhand personal property of any description, including the return of unused portion of any ticket, order, or token purporting to evidence the right of the holder or possessor thereof to be transported by any railroad or other common carrier, however operated, from one state or territory of the United States, or from the District of Columbia, to any other state or territory of the United States or to the District of Columbia, shall be regarded as a dealer, and shall obtain the appropriate license and pay the fee therefor fixed by the Mayor. For the purposes of this section, the term "secondhand personal property" shall not include any item of personal property:
- (1) Which the possessor thereof has acquired as part payment or allowance on the sale by such possessor of a new or rebuilt item of personal property;

- (2) Which the possessor thereof has acquired by reason of its return to him for credit, refund, or exchange by a person having purchased such item from such possessor; or
- (3) Which is offered for sale, trade, or exchange by the person who repossesses the same.
  - (d) [Repealed].
- (e) Any license issued pursuant to this section for Class A and Class C shall be issued as an Inspected Sales and Services endorsement to a basic business license under the basic business license system as set forth in subchapter I-A of this chapter. Any other license issued pursuant to this section shall be issued as a General Sales endorsement to a basic business license.

# D.C. OFFICIAL CODE § 47–2838. DEALERS IN DANGEROUS WEAPONS. [Repealed]

- (a) Dealers in dangerous or deadly weapons shall pay a license tax of \$300 per annum. No license shall issue hereunder without the approval of the Chief of Police, and the Council of the District of Columbia is authorized and empowered to make and promulgate regulations for the conduct of the business of persons licensed hereunder, including the power to require a record to be kept of all sales of deadly or dangerous weapons, to prescribe a form therefor, and to require reports of all such sales to the Chief of Police at such time as the Council may deem advisable.
- (b) Any license issued pursuant to this section shall be issued by the Metropolitan Police Department as a Public Safety endorsement to a basic business license under the basic business license system as set forth in subchapter I-A of this chapter.

\* \* \*

# D.C. OFFICIAL CODE § 47–2839.01. SECURITY AGENCIES. [Repealed]

- (a) For the purpose of this section, the term:
- (1) "Campus police officer" means an individual appointed under § 5-129.02, and subject to the requirements of Chapter 12 of Title 6A of the District of Columbia Municipal Regulations [Regulations].
- (2) "Security agency" means a person who conducts a business that provides security services.
- (3) "Security officer" means an individual appointed under § 5-129.02, and shall have the same meaning as provided in section 2100 of Title 17 of the District of Columbia Municipal Regulations.
- (4) "Security services" means any activity that is performed for compensation by a security officer or special police officer to protect an individual or property.

- (5) "Special police officer" means an individual appointed under § 5-129.02, and subject to the requirements of Chapter 11 of Title 6A of the District of Columbia Municipal Regulations.
- (b) It shall be unlawful for any person to engage in the business of operating, managing, or conducting a security agency, for profit or gain, or to advertise or represent his or her business to be that of a security agency, or that of conducting, managing, or operating a security agency, without first obtaining a license to do so.
- (c) A person who violates any provision of this section, or the provisions of Chapter 21 of Title 17 of the District of Columbia Municipal Regulations pertaining to security agencies, shall be guilty of a misdemeanor and, upon conviction, shall be subject to a fine of not more than the amount set forth in [§ 22-3571.01] or imprisonment of not more than one year, or both.
- (d)(1) The Mayor, pursuant to subchapter I of Chapter 5 of Title 2, may issue rules to implement the provisions of this section.
- (2) The proposed rules shall be submitted to the Council for a 45-day period of review, excluding Saturdays, Sundays, legal holidays, and days of Council recess. If the Council does not approve or disapprove the proposed rules, in whole or in part, by resolution, within this 45-day review period, the proposed rules shall be deemed approved.
- (e) Any license issued pursuant to this section shall be issued as a Public Safety endorsement to a basic business license under the basic business license system as set forth in subchapter I-A of this chapter.
- (f) All license fees collected pursuant to this section shall be deposited into the Occupations and Professions Licensing Special Account established pursuant to § 47-2853.11.

# D.C. OFFICIAL CODE § 47–2841. EXPOSING PERSONS OR ANIMALS AS TARGETS PROHIBITED.

### [Repealed]

No person shall set up, operate, or conduct any business or device by or in which any person, animal, or living object shall act or be exposed as a target for any ball, projectile, missile, or thing thrown or projected for or in consideration of profit or gain, directly or indirectly.

\* \* \*

# D.C. OFFICIAL CODE § 47–2842. COUNCIL OF THE DISTRICT OF COLUMBIA MAY REGULATE, MODIFY, OR ELIMINATE LICENSE REQUIREMENTS. [Repealed]

(a) The Council of the District of Columbia is authorized and empowered, when in its discretion such is deemed advisable, to require a license of other businesses or callings not listed in this chapter or Chapter 30 [repealed] of this title and which, in its judgment,

require inspection, supervision, regulation, or any other activity or expenditure by any municipal agencies; and the Council of the District of Columbia is further authorized and empowered to fix the license fee therefor in such amount as, in its judgment, will be not less than the cost to the District of Columbia of such inspection, supervision, regulation, or other activity or expenditure. The Council is further authorized and empowered in its discretion to modify any of the provisions of this chapter or Chapter 30 [repealed] of this title so far as eliminating therefrom any business or calling in this chapter or Chapter 30 [repealed] of this title required to be licensed, and the Council is further authorized and empowered in its discretion to raise or lower the amount of the license fee provided in this chapter or Chapter 30 [repealed] of this title, when in its judgment such increase or decrease is warranted.

- (b) The fee for an original or renewal license for motor vehicle driving instructors shall be \$78.
  - (c) Repealed.
- (d) The Council shall make such regulations, modifications, or eliminations of licensing requirements consistent with the basic business license system as set forth in subchapter I-A of this chapter.

\* \* \*

D.C. OFFICIAL CODE § 47–2844. REGULATIONS; SUSPENSION OR REVOCATION OF LICENSES; BONDING OF LICENSEES AUTHORIZED TO COLLECT MONEYS; EXEMPTIONS.

- (a) The Council of the District of Columbia and Mayor are further authorized and empowered to make any regulations that may be necessary in furtherance of the purpose of this chapter and the Mayor is further authorized and empowered to suspend or revoke any license issued hereunder when, in the Mayor's judgment, such is deemed desirable in the interest of public decency or the protection of lives, limbs, health, comfort, and quiet of the eitizens of the District of Columbia, or for any other reason the Mayor may deem sufficient.
- (a-1)(1) In accordance with § 2-509, the Mayor shall revoke the license of any licensee who knowingly has permitted on the licensed premises:
- (A) The illegal sale, negotiation for sale, or use of any controlled substance as that term is defined in Chapter 9 of Title 48, or the Controlled Substances Act of 1970, approved October 27, 1970 (84 Stat. 1243; 21 U.S.C. § 801 et seq.);
- (B) The possession, other than for personal use, sale, or negotiation for sale of drug paraphernalia in violation of Chapter 11 of Title 48;
- (C) An act of prostitution as defined in [ $\S$  22-2701.01(1)], or any act that violates any provision of [ $\S\S$  22-2701 through 22-2712 and 22-2718 through 22-2723]; or
- (D) Conduct that violates [§ 48-911.01(a)]. In addition, the Mayor shall revoke any certificate of occupancy or permit associated with the specific address or

unit, whichever is more specific, of the holder of a certificate of occupancy or permit who knowingly permits a violation of [§ 48-911.01(a)], to occur at the specific address or unit identified in the certificate of occupancy or permit.

(2) The Mayor, by rule, shall establish costs and fines to cover revocation of any license revoked pursuant to paragraph (1) of this subsection.

(a-2)(1) In addition to the provisions of subsection (a-1) of this section and paragraph (1A) of this subsection, the Mayor, notwithstanding § 2-1801.04(a)(1)), may take the following actions against any licensee, or agent or employee of a licensee, that, with or without the appropriate license required under this chapter, engages in the purchase, sale, exchange, or any other form of commercial transaction involving used goods or merchandise that are knowingly stolen:

- (A) The Mayor, for the first violation of this paragraph:
  - (i) Shall issue a fine in the amount of \$2,500; and
  - (ii) May seal the licensee's premises for up to 96 hours without

a prior hearing.

- (B) The Mayor, for the second violation of this paragraph:
  - (i) Shall issue a fine in the amount of \$5,000;
  - (ii) May seal the licensee's premises for up to 96 hours without

a prior hearing; and

(iii)(I) Shall, within 30 days of the issuance of a fine, require the licensee to submit a remediation plan approved by the Mayor, in consultation with the Chief of Police, that contains the licensee's plan to prevent any future recurrence of purchasing, selling, exchanging, or otherwise transacting stolen goods and acknowledgement that a subsequent occurrence of engaging in prohibited activities may result in the revocation of all licenses issued to the licensee pursuant to this chapter.

(II) If the licensee fails to submit a remediation plan in accordance with this sub-subparagraph, or if the Mayor rejects the licensee's remediation plan, the Mayor shall provide written notice to the licensee of the Mayor's intent to suspend all licenses issued to the licensee pursuant to this chapter for an additional 30 days.

- (C) The Mayor, for the third violation of this paragraph:
  - (i) Shall issue a fine in the amount of \$10,000;
  - (ii) May seal the licensee's premises for up to 96 hours without

a prior hearing; and

(iii) Shall provide written notice to the licensee of the Mayor's intent to permanently revoke all licenses issued to the licensee pursuant to this chapter.

(A) For the first violation of this paragraph:

- (i) The Mayor shall issue a fine in the amount of \$10,000;
- (ii) The Mayor may issue a notice to revoke all licenses issued to the licensee pursuant to this chapter; and

(iii)(I) The Chief of Police, after a determination by the Mayor in accordance with [§ 2-1801.06(a)], shall seal the licensee's premises, or a portion of the premises, for up to 96 hours without a prior hearing;

(II) Within 14 days after a licensee's premises is sealed under sub-sub-subparagraph (I) of this sub-subparagraph, the Mayor shall require the licensee to submit a remediation plan to the Director of the Department of Licensing and Consumer Protection that contains the licensee's plan to prevent any future recurrence of purchasing, selling, exchanging, or otherwise transacting any synthetic drug and acknowledgement that a subsequent occurrence of engaging in prohibited activities may result in the revocation of all licenses issued to the licensee pursuant to this chapter.

(III) If the licensee fails to submit a remediation plan in accordance with this sub-subparagraph, or if the Mayor, in consultation with the Chief of Police, rejects the licensee's remediation plan, the Mayor shall provide written notice to the licensee of the defects in any rejected remediation plan and the Mayor's intent to revoke all licenses issued to the licensee pursuant to this chapter.

(IV) If the licensee cures the defects in a rejected remediation plan, the Mayor may suspend any action to revoke any license of the licensee issued pursuant to this chapter.

(V) The Mayor shall notify the Office of the Attorney General upon sealing a licensee's premises, or a portion of the premises.

- (B) For any subsequent violation of this paragraph:
  - (i) The Mayor shall issue a fine in the amount of \$20,000; and
  - (ii) The Chief of Police, after a determination by the Mayor in

accordance with [§ 2-1801.06(a)], shall seal the licensee's premises, or a portion of the premises, for up to 30 days without a prior hearing.

- (C) If a licensee's premises, or a portion of the premises, is sealed under subparagraph (A) or (B) of this paragraph, a licensee shall have the right to request a hearing with the Office of Administrative Hearings within 3 business days after service of notice of the sealing of the premises under subparagraph (E) of this paragraph.
- (D) If a licensee timely requests a hearing under subparagraph (C) of this paragraph, the Office of Administrative Hearings shall hold a hearing before an administrative law judge within 3 business days after receiving the request.
- (E) At the time of the sealing of the premises, or a portion of the premises, under subparagraph (A) or (B) of this paragraph, the Director of the Department of Licensing and Consumer Protection shall post at the premises and serve on the licensee a written notice and order stating:
  - (i) The specific action or actions being taken;
  - (ii) The factual and legal bases for the action or actions;

(iii) The right, within 3 business days after service of notice of the sealing of the premises, to request a hearing with the Office of Administrative Hearings;

(iv) The right to a hearing before an administrative law judge, within 3 business days after a timely request being received by the Office of Administrative Hearings; and

(v) That it shall be unlawful for any person, with the exception of emergency services personnel, to enter the sealed premises for any purpose without written permission by the Director of the Department of Licensing and Consumer Protection.

(F) A licensee shall pay a fine issued pursuant to subparagraph (A) or (B) of this paragraph within 20 days after adjudication by the Office of Administrative Hearings. If the licensee fails to pay the fine within the specified time period, the Mayor may seal the premises until the fine is paid.

(G) For the purposes of this paragraph, the term:

(i) "Business days" means days in which the Office of Administrative Hearings is open for business.

(ii) "Synthetic drug" means any product possessed, provided, distributed, sold, or marketed with the intent that it be used as a recreational drug, such that its consumption or ingestion produces effects on the central nervous system or brain function to change perception, mood, consciousness, cognition, or behavior in ways that are similar to the effects of marijuana, cocaine, amphetamines, or Schedule I narcotics under § 48-902.04. The term "synthetic drug" also includes any chemically synthesized product (including products that contain both a chemically synthesized ingredient and herbal or plant material) possessed, provided, distributed, sold, or marketed with the intent that the product produce effects substantially similar to the effects created by compounds banned by District or federal synthetic drug laws or by the U.S. Drug Enforcement Administration pursuant to its authority under the Controlled Substances Act, approved October 27, 1970 (84 Stat. 1247; 21 U.S.C. § 812). Any of the following factors shall be treated as indicia that a product is being marketed with the intent that it be used as a recreational drug:

(I) The product is not suitable for its marketed use (such as a crystalline or powder product being marketed as "glass cleaner");

(II) The individual or business providing, distributing, displaying, or selling the product does not typically provide, distribute, display, or sell products that are used for that product's marketed use (such as liquor stores, smoke shops, or gas or convenience stores selling "plant food");

(III) The product contains a warning label that is not typically present on products that are used for that product's marketed use including, "Not for human consumption", "Not for purchase by minors", "Must be 18 years or older to purchase", "100% legal blend", or similar statements;

(IV) The product is significantly more expensive than other products that are used for that product's marketed use;

(V) The product resembles an illicit street drug (such as cocaine, methamphetamine, or Schedule I narcotic) or marijuana; or

(VI) The licensee or any employee of the licensee has been warned by a District government agency or has received a criminal incident report, arrest report, or equivalent from any law enforcement agency that the product or a similarly labeled product contains a synthetic drug.

- (2)(A) A violation of this subsection shall be a civil infraction for purposes of Chapter 18 of Title 2. Civil fines, penalties, and fees may be imposed as sanctions for any infraction of the provisions of this subsection, or the rules issued under authority of this subsection, pursuant to Chapter 18 of Title 2.
- (B) Adjudication of any infraction of this subsection shall be pursuant to Chapter 18 of Title 2.
- (C) Summary action taken pursuant to this subsection shall be pursuant to subchapter 1 of Chapter 18 of Title 2.
- (3) In addition to other remedies provided by law, the Office of the Attorney General for the District of Columbia may commence an action in the Civil Branch of the Superior Court of the District of Columbia to compel compliance, abate, enjoin, or prevent violations of this subsection. Plaintiff need not prove irreparable injury or harm to obtain a preliminary or temporary injunction.

### (a-3)(1) The term "knowingly" includes:

- (A) For the purposes of subsections (a-1) and (a-2) of this section, actual notice of a specific violation set forth in subsection (a-1) or (a-2) of this section to the licensee, or agent or employee of the licensee, issued by a District agency notifying the licensee, or agent or employee of the licensee, of the same or similar violation occurring on the licensee's premises; or
- (B) For the purposes of subsection (a-2) of this section, constructive notice to the licensee, or agent or employee of the licensee, resulting from the failure of the licensee, or agent or employee of the licensee, to ascertain the ownership of the used goods or merchandise.
- (2) For the purposes of this subsection, actual or constructive notice to the agent or employee of the licensee constitutes notice to the licensee.
- (b) Notwithstanding any of the provisions of this chapter requiring an inspection as a prerequisite to the issuance of a license, the Mayor is authorized to provide by regulation that any such inspection shall be made either prior or subsequent to the issuance of a license, but any such license, whether issued prior or subsequent to a required inspection, may be suspended or revoked for failure of the licensee to comply with the laws or regulations applicable to the licensed business, trade, profession, or calling.
- (c)(1) The Council may in its discretion require that any class or subclass of licensees licensed under the authority of this chapter to engage in a business, trade, profession or calling involving an express or implied agreement to collect money for others shall give bond to safeguard against financial loss those persons with whom such class or subclass of licensees may so agree.

- (2) The bond which may be required by the Council under the authority of this subsection shall be a corporate surety bond in an amount to be fixed by the Council, but not to exceed \$15,000, conditioned upon the observance by the licensee and any agent or employee of said licensee of all laws and regulations in force in the District of Columbia applicable to the licensee's conduct of the business, trade, profession, or calling licensed under the authority of this chapter, for the benefit of any person who may suffer damages resulting from the violation of any such law or regulation by or on the part of such licensee, his agent, or employee.
- (3) Any person aggrieved by the violation of any law or regulation applicable to a licensee's conduct of a business, trade, profession, or calling involving the collection of money for others shall have, in addition to his right of action against such licensee, a right to bring suit against the surety on the bond authorized by this subsection, either alone or jointly with the principal thereon, and to recover in an amount not exceeding the penalty of the bond any damages sustained by reason of any act, transaction, or conduct of the licensee and any agent or employee of said licensee which is in violation of law or regulation in force in the District of Columbia relating to the business, trade, profession, or calling licensed under this chapter; and the provisions of the 2nd, 3rd (except the last sentence thereof), and 5th paragraphs of subsection (b) of § 1-301.01 shall be applicable to such bond as if it were the bond authorized by the first paragraph of such subsection (b) of § 1-301.01; provided, that nothing in this subsection shall be construed to impose upon the surety on any such bond a greater liability than the total amount thereof or the amount remaining unextinguished after any prior recovery or recoveries.
- (4) This subsection shall not be applicable to persons when engaged in the regular course of any of the following professions or businesses:
  - (A) Attornevs-at-law;
- (B) Persons regularly employed on a regular wage or salary, in the capacity of creditment or in a similar capacity, except as an independent contractor;
  - (C) Banks and financing and lending institutions;
  - (D) Common carriers:
  - (E) Title insurers and abstract companies while doing an escrow

business;

- (F) Licensed real estate brokers; or
- (G) Employees of any class or subclass of licensees required to give bond under this subsection.

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# D.C. OFFICIAL CODE § 47–2844.01. CEASE AND DESIST ORDERS. [Repealed]

(a)(1) When a board, or the Mayor, after investigation but prior to a hearing, has cause to believe that a person is violating any provision of this chapter and the violation has caused or may cause immediate and irreparable harm to the public, the board or the

Mayor may issue an order requiring the alleged violator to cease and desist immediately from the violation. The order shall be served by certified mail or delivery in person.

- (2) A copy of the cease and desist order shall be served on the holder of a certificate of occupancy for the premises and on the property owner of record if each of these persons or entities are separate and distinct from the licensee.
- (b)(1) The alleged violator may, within 15 days of the service of the order, submit a written request to the board to hold a hearing on the alleged violation.
- (2) Upon receipt of a timely request, the board shall conduct a hearing and render a decision pursuant to § 47-2853.22.
- (c)(1) The alleged violator may, within 10 days of the service of an order, submit a written request to the board for an expedited hearing on the alleged violation, in which case he or she shall waive his or her right to the 15-day notice required by subsection (b)(1) of this section.
- (2) Upon receipt of a timely request for an expedited hearing, the board shall conduct a hearing within 10 days of the date of receiving the request and shall deliver to the alleged violator at his or her last known address a written notice of the hearing by any means guaranteed to be received at least 5 days before the hearing date.
- (3) The board shall issue a decision within 30 days after an expedited hearing.
- (d) If a request for a hearing is not made pursuant to subsections (b) and (c) of this section, the order of the board to cease and desist shall be final.
- (e) If, after a hearing, the board determines that the alleged violator is not in violation of this subchapter, the board shall vacate the order to cease and desist.
- (f) If any person fails to comply with a lawful order of a board issued pursuant to this section, the board may petition the court to issue an order compelling compliance or take any other action authorized by this chapter.

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### D.C. OFFICIAL CODE § 47–2845. PROSECUTIONS.

#### [Repealed]

Prosecutions for violations of any of the provisions of this chapter, or of any section added hereto from time to time by the Council of the District of Columbia, or of any regulation made by the Council under authority of this chapter, shall be on information in the Superior Court of the District of Columbia by the Attorney General for the District of Columbia or any of his assistants.

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### D.C. OFFICIAL CODE § 47–2846. PENALTIES.

#### [Repealed]

Any person violating any of the provisions of this chapter, or additions thereto made from time to time by the Council of the District of Columbia, where no specific penalty is

fixed, or the violation of any regulation made by the Council under the authority of this chapter, shall upon conviction be fined not more than the amount set forth in [§ 22-3571.01] or imprisoned for not more than 90 days. Any person failing to file any information required by this chapter, or by any regulation of the Council made under the provisions hereof, or who in filing any such information makes any false or misleading statement, shall upon conviction be fined not more than the amount set forth in [§ 22-3571.01] or imprisoned for not more than 90 days. Civil fines, penalties, and fees may be imposed as alternative sanctions for any infraction of the provisions of this chapter, or any rules or regulations issued under the authority of this chapter, pursuant to Chapter 18 of Title 2. Adjudication of any infraction of this chapter shall be pursuant to Chapter 18 of Title 2.

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# D.C. OFFICIAL CODE § 47–2847. SAVING CLAUSE. [Repealed]

Any violation of any provision of law or regulation issued hereunder which is repealed by this chapter and any liability arising under such provisions or regulations may, if the violation occurred or the liability arose prior to such repeal, be prosecuted to the same extent as if this chapter had not been enacted.

\* \* \*

# D.C. OFFICIAL CODE § 47–2848. SEVERABILITY. [Repealed]

If any provision of this chapter is declared unconstitutional or the applicability thereof to any person or circumstance is held invalid, the validity of the remainder of the chapter and the applicability of such provision to other persons and circumstances shall not be affected thereby.

\* \* \*

# D.C. OFFICIAL CODE § 47–2849. REFUND OF ERRONEOUSLY-PAID FEES. [Repealed]

The Mayor of the District of Columbia is authorized to refund any license fee or tax, or portion thereof, erroneously paid or collected under this chapter.

\* \* \*

D.C. OFFICIAL CODE § 47–2850. RULES GOVERNING THE BUSINESS OF FURNISHING TOWING SERVICES FOR MOTOR VEHICLES.
[Repealed]

- (a) The Mayor is authorized, in accordance with [subchapter I of Chapter 5 of Title 2], to:
- (1) Promulgate rules to govern the business of furnishing towing services for motor vehicles; and
- (2) Amend or repeal any provision of chapter 4 of Title 16 of the District of Columbia Municipal Regulations governing the business of furnishing towing services for motor vehicles.
- (b) Rules proposed pursuant to this section shall be submitted to the Council for a 45-day period of review, excluding Saturdays, Sundays, legal holidays, and days of Council recess. If the Council does not approve or disapprove the proposed regulations, in whole or in part, by resolution, within this 45-day review period, the proposed regulations shall be deemed disapproved.
- (c)(1) Any person who violates any of the rules promulgated pursuant to this section shall be guilty of a misdemeanor and upon conviction, shall be subject to a fine of not more than the amount set forth in [§ 22-3571.01] per violation, imprisonment for not more that [than] 90 days, or both.
- (2) All prosecutions for violations of any rule or regulation issued pursuant to this section shall be in the Criminal Division of the Superior Court of the District of Columbia in the name of the District of Columbia by information signed by the Attorney General or one of his or her assistants.
- (3) Civil fines, penalties, and fees may be imposed as alternative sanctions for any infraction of the rules issued pursuant to this section, pursuant to Chapter 18 of Title 2. Adjudication of any infractions shall be pursuant Chapter 18 of Title 2.

# CHAPTER 28, TITLE 47. TABLE OF CONTENTS FOR SUBCHAPTER I. SPECIFIC LICENSING PROVISIONS.

- § 47–2801. Licenses for business or profession; application; transfer of license; signing and sealing. [Repealed]
- § 47–2802. Compliance with fire escape laws and regulations required for license. [Repealed]
- § 47–2803. Revocation of theater license for failure to comply with public decency regulations. [Repealed]
- § 47–2804. Separate license for each business, trade, or profession by same person; place of business restricted to that designated in license; operation under license by others prohibited. [Repealed]
- § 47–2805. Establishment of licensing periods by Mayor; prorating for late application. [Repealed]
- § 47–2805.01. Establishment of licensing periods by Mayor; prorating for late application.

- § 47–2805.02. Requirement for social security number. [Repealed]
- § 47–2806. Licenses to be posted on premises; exhibition to police. [Repealed]
- § 47–2807. Construction and definition of terms. [**Repealed**]

- § 47–2808. Auctioneers; temporary licenses; penalty for failure to account. [Repealed]
- § 47–2809. Barbershops and beauty parlors. [Repealed]
- § 47–2809.01. Body art establishments. [Repealed]
- § 47–2810. Conventions of national associations of hairdressers or cosmetologists exempted.

### [Repealed]

- § 47–2811. Massage establishments; Turkish, Russian, or medicated baths. [Repealed]
- § 47–2812. Public baths. [**Repealed**]
- § 47–2813. Keeping or storing of moving picture films. [Repealed]
- § 47–2814. Gasoline, kerosene, oils, fireworks, and explosives. [Repealed]
- § 47–2815. Pyroxylin. [Repealed]
- § 47–2816. Abattoirs or slaughterhouses. [Repealed]
- § 47–2817. Laundries; dry cleaning and dyeing establishments. [Repealed]
- § 47–2818. Mattress manufacture, renovation, storage, or sale; "mattress" defined. [Repealed]
- § 47–2819. Slot machines. [Repealed]
- § 47–2820. Theaters, moving pictures, skating rinks, dances, exhibitions, lectures, entertainments; assignment of police and firemen and additional fees based thereon; hours minors are prohibited on premises. [Repealed]
- § 47–2821. Bowling alleys; billiard and pool tables; games. [Repealed]
- § 47–2822. Shooting galleries. [Repealed]
- § 47–2823. Baseball, football, and athletic exhibitions; assignment of police and firemen; amusement parks. [Repealed]
- § 47–2824. Swimming pools. [Repealed]
- § 47–2825. Circuses. [Repealed]
- § 47–2826. Special events. [Repealed]
- § 47–2827. Commission merchants in food; bakeries; bottling, candy-manufacturing, and ice cream manufacturers; groceries; markets; delicatessens; restaurants; private clubs; wholesale fish dealers; dairies. [Repealed]
- § 47–2828. Classification of buildings containing living quarters for licenses; fees; buildings exempt from license requirement. **[Repealed]**
- § 47–2829. Vehicles for hire; identification tags on vehicles; vehicles for school children; ambulances, private vehicles for funeral purposes; issuance of licenses; payment of fees.

- § 47–2830. Rental or leasing of motor vehicle without driver. [Repealed]
- § 47–2831. Vehicles hauling goods from public space.
- § 47–2832. Repairing of motor vehicles. [Repealed]
- § 47–2832.01. Parking establishments. [**Repealed**]
- § 47–2832.02. Tire dealers. [**Repealed**]
- § 47–2833. Livery stables. [Repealed]
- § 47–2834. Sales on streets or public places. [Repealed]
- § 47–2835. Solicitors. [Repealed]
- § 47–2836. Guides. [Repealed]
- § 47–2837. Secondhand dealers; classification; licensing; stolen property. [Repealed]
- § 47–2838. Dealers in dangerous weapons. [Repealed]

- § 47–2839. Private detectives; "detective" defined; regulations. [Repealed]
- § 47–2839.01. Security agencies. [Repealed]
- § 47–2840. Fortune-telling [Repealed]
- § 47–2841. Exposing persons or animals as targets prohibited. [Repealed]
- § 47–2842. Council of the District of Columbia may regulate, modify, or eliminate license requirements. [Repealed]
- § 47–2843. Undertakers' licenses; qualifications; examination; license without examination; authority of Mayor and Council; appropriations; definitions. [Repealed]
- § 47–2844. Regulations; suspension or revocation of licenses; bonding of licensees authorized to collect moneys; exemptions. **[Repealed]**
- § 47–2844.01. Cease and desist orders. [Repealed]
- § 47–2845. Prosecutions. [Repealed]
- § 47–2846. Penalties. [Repealed]
- § 47–2847. Saving clause. [Repealed]
- § 47–2848. Severability. [Repealed]
- § 47–2849. Refund of erroneously-paid fees. [Repealed]
- § 47–2850. Rules governing the business of furnishing towing services for motor vehicles.

### [Repealed]

# CHAPTER 28, TITLE 47. TABLE OF CONTENTS FOR SUBCHAPTER I-A. GENERAL PROVISIONS.

- § 47–2851.01. Definitions.
- § 47–2851.01a. Scope of chapter.
- § 47-2851.01b. Powers and duties of the Department.
- § 47–2851.02. License required. Basic Business License Required.
- § 47–2851.02a. License exemption for de minimis business activity. [Repealed]
- § 47–2851.03. Endorsement categories; exemptions. Categories of basic business licenses;

### endorsements.

- § 47–2851.03a. Existing licenses eliminated. [Repealed]
- § 47–2851.03b. Unique identifying number. [Repealed]
- § 47–2851.03c. Agencies' power to inspect and revoke licensure. [Repealed]
- § 47–2851.03d. General Business License and General Contractor/Construction Manager

### License. [Repealed]

- § 47–2851.04. License application and fees.
- § 47–2851.05. Business license center.
- § 47–2851.06. Public information.
- § 47–2851.07. Issuance of licenses.
- § 47–2851.08. Basic business license application fees; renewal fees. [Repealed]
- § 47–2851.09. License expiration date. [Repealed]
- § 47–2851.10. Lapsed and reinstated licenses.
- § 47–2851.11. Denial of master [basic]. [Repealed]
- § 47–2851.12. Additional licenses. [Repealed]

- § 47–2851.13. Establishment of Basic Business License Fund; disposition of license fees, penalties, and fines. Establishment of Basic Business License Fund.
- § 47–2851.14. Certain professional licenses exempt. [Repealed]
- § 47–2851.15. Existing licenses or permits.
- § 47–2851.16. Third party inspections for license endorsements.
- § 47–2851.17. Performance audit. [Repealed]
- § 47–2851.18. Participation of District agencies. [Repealed]
- § 47–2851.19. Amnesty period. [Repealed]
- § 47–2851.20. Authorization of Director to promulgate regulations.
- § 47-2851.21. Bonding of licensees authorized to collect monies; exemptions.
- § 47-2851.22. Cease and desist orders.
- § 47–2851.23. Prosecutions.
- § 47-2851.24. Penalties.

### D.C. OFFICIAL CODE § 47–2851.01. DEFINITIONS.

For the purposes of this subchapter, the term:

(1) "Basic business license" means the single document designed for public display issued by the <u>Department that certifies a business to operate from a location in the District of Columbia.</u> business license center that certifies District agency license approval and that incorporates the endorsements for individual licenses included in the basic business license system that the District requires for any person subject to this subchapter. The term "basic business license" shall include a master business license issued prior to the effective date of the Streamlining Regulation Emergency Act of 2003, passed on an emergency basis on July 8, 2003 (Enrolled version of Bill 15-317) [August 11, 2003].

(1A) "Basic business license application" means a document incorporating pertinent data from existing applications for licenses covered under this subchapter.

(1B)(A) "Business" means any trade, profession, or activity which provides, or holds itself out to provide, goods or services to the general public or to any portion of the general public, for hire or compensation in the District of Columbia[.]

(B) "Business" shall not include the following:

(i) The activities of any political subdivision, or of any authority created and organized under and pursuant to law of the District;

 ${\bf (ii)\ The\ activities\ of\ any\ compact\ entered\ into\ by\ the\ District\ with\ any\ state\ or\ political\ subdivision\ of\ a\ state;\ or}$ 

(iii) Any employment for wages or salary.

- (2) "Business License Center" means the business registration and licensing center established by this subchapter and located in and under the administrative control of the Department of Licensing and Consumer Protection.
- (3) "Department" means the Department of Licensing and Consumer Protection.

- (4) "Director" means the Director of the Department of Licensing and Consumer Protection.
- (5) "License" means the whole or part of any agency permit, license, certificate, approval, registration, charter, or any form or permission required by law, including agency rule, to engage in any activity.
- (5A) "License information packet" means a collection of information about licensing requirements and application procedures custom-assembled for each request.
  - (6) Repealed.
  - (7) Repealed.
- (8) "Person" means any individual, sole proprietorship, partnership, association, cooperative, corporation, nonprofit organization, and any other organization required to obtain one or more licenses from the District or any of its agencies.
- (9) "Regulation" means any licensing or other governmental or statutory requirements pertaining to business or professional activities.
- (10) "Regulatory agency" means any District agency, board, commission, or division which regulates one or more professions, occupations, industries, businesses, or activities.
- (11) "Renewal application" means a document used to collect pertinent data for renewal of licenses covered under this subchapter.
- (12) "System" means the mechanism by which basic business licenses are issued and renewed, license and regulatory information is disseminated, and account data is exchanged by the agencies.
- (2) "Beauty and grooming services" means any personal services related to hairstyling, nail care, and cosmetics, including haircuts, color treatments, manicures, pedicures, chemical exfoliation, waxing, makeup application, electrolysis hair removal and other similar services.
- (3) "Business" means a trade, profession, or activity that provides, or holds itself out to provide, goods or services to the general public or to a portion of the general public for hire or compensation in the District of Columbia, provided, that a "business" shall not include the activities of a government entity or employment for wages or salary.
- (4) "Business License Center" means the business registration and licensing center established by this subchapter and located in and under the administrative control of the Department of Licensing and Consumer Protection.
- (5) "Charitable services" means any services whose actual or purported purpose is benevolent, philanthropic, patriotic, educational (except religious education), scientific, environmental conservation, civic, or otherwise eleemosynary.
- (6) "Contractor and construction services" means any services that involve the planning, acquiring, building, equipping, altering, repairing, improving, or demolishing of any structure or appurtenance thereto.
- (7) "Cottage food products" means any non-potentially hazardous food, as specified in regulations adopted by the Department of Health, that is sold to consumers, including through direct, retail, and online sales, within the District of Columbia in accordance with § 7-742.02 and regulations adopted by the Department of Health.

- (8) "Department" means the Department of Licensing and Consumer Protection or any successor agency.
- (9) "Director" means the Director of the Department of Licensing and Consumer Protection or any successor agency.
- (10) "Entertainment services" means a performance, recreational activity, spectacle, show, or similar event or services, including events or services occurring at amusement parks, bowling alleys, skating rinks, and theaters.
- (11) "Environmental services" means any services meant to store, transport, or distribute fuels or solvents, remediate pests or environmental contaminants, and store, transport, or collect solid waste.
- (12) "Food services" means any handling of food or food products regulated under title 25 of the D.C. Municipal Regulations.
- (13) "General sales and services" means any services that are not covered by other business license categories in this subchapter.
- (14) "Health services" means the operation of a swimming pool regulated under title 25C of the D.C. Municipal Regulations or a pet shop regulated under title 25J of the D.C. Municipal Regulations.
- (15) "Housing and lodging services" means the provision of short-and-long-term housing or lodging for residents and visitors in the District, including one-family rentals, two-family rentals, apartments, short-term rentals, hotels, bed and breakfasts, and other similar services.
- (16) "License" means the whole or part of any agency permit, license, certificate, approval, registration, charter, or any form or permission required by law, including agency rule, to engage in any activity.
- (17) "Person" means any individual, sole proprietorship, partnership, association, cooperative, corporation, nonprofit organization, and any other organization required to obtain one or more licenses from the District or any of its agencies.
- (18) "Public safety services" means any services whose primary purpose is to protect the safety, health, or property of residents of the District, including furnishing security systems, alarms, and personnel.
- (19) "Regulation" means any licensing or other governmental or statutory requirement pertaining to business or professional activities.
- (20) "Regulatory agency" means any District agency, board, commission, or division that regulates one or more professions, occupations, industries, businesses, or activities.
- (21) "Vehicular services" means the repair, servicing, alteration, restoration, towing, painting, cleaning, finishing, or parking of automobiles, trucks, recreational vehicles, boats, and other vehicles, boats and other vehicles as a primary use, which may include the incidental wholesale and retail sale of vehicle parts as an accessory use.

- (a) This subchapter provides for the issuance of a basic business license to a business located in the District.
- (b) Notwithstanding whether an individual's employer maintains a basic business license, an individual may be subject to professional and occupational licensure under subchapter I-B of this chapter.
- (c) The issuance of a basic business license does not guarantee the registration of a trade name under subchapter I-C of this chapter.

# D.C. OFFICIAL CODE § 47–2851.01B. POWERS AND DUTIES OF THE DEPARTMENT.

- (a) The Department shall administer and enforce the provisions of this subchapter.
- (b) The Director, pursuant to subchapter I of Chapter 5 of Title 2, shall issue rules to implement the provisions of this subchapter. The proposed rules shall be submitted to the Council for a 45-day review period, excluding Saturdays, Sundays, legal holidays, and days of Council recess. If the Council does not approve or disapprove the proposed rules, in whole or in part, by resolution within this 45-day review period, the proposed rules shall be deemed approved.
- (c) The Department is authorized and empowered to suspend or revoke any license issued pursuant to this subchapter when, in the Director's judgment, such is deemed desirable in the interest of public decency or the protection of lives, limbs, health, comfort, and quiet of the citizens of the District of Columbia, or for any other reason the Director may deem sufficient.
- (d) All departments and agencies in the District of Columbia government are hereby directed to provide full participation and cooperation in the implementation of this subchapter.
- (e) Nothing in this subchapter shall be construed as limiting or reassigning any District agency's power to inspect for compliance as required by statute or regulation; provided that any agency finding of noncompliance that affects the inspected person's eligibility for a basic business license shall be referred to the Department for appropriate action with respect to the basic business license.

\* \* \*

### D.C. OFFICIAL CODE § 47–2851.02. LICENSE REQUIRED.

(a) A person doing business in the District shall maintain a basic business license in accordance with this subchapter. which is required under law to obtain a license issued in the form of an endorsement to engage in a business in the District of Columbia shall not engage in such business in the District of Columbia without having first obtained a basic business license and any necessary endorsements in accordance with this subchapter.

- (b) A license shall be required for each business location.
- (c) A person issued a license under this subchapter shall not willfully allow any other person required to obtain a separate license to operate under his or her license.
- (b) The Department shall issue or renew a basic business license to an applicant who complies with all applicable District and federal laws and regulations.
  - (c) A basic business license shall be required for each business location.
- (d) Notwithstanding subsection (a) of this section, and except as required under subchapter I-A1, an individual employed by the holder of a basic business license is not required to maintain a basic business license to participate in the business of the license holder.
- (d) (e) Licenses granted under this subchapter may be assigned or transferred upon approval by the Department and payment of the applicable fee.
- (f) The Department shall maintain and periodically update a roster of all businesses that have been issued a basic business license, indicating the license endorsements appended to each basic business license.
- (g) No person shall set up, operate, or conduct any business or device by or in which any person, animal, or living object shall act or be exposed as a target for any ball, projectile, missile, or thing thrown or projected for or in consideration of profit or gain, directly or indirectly.
  - (h) This section shall not apply to activities conducted in connection with:
- (1) A bona fide regularly scheduled national annual convention of any national association of a professional beauty and grooming service from which the general public is excluded;
- (2) A business activity that has a gross annual revenue of \$2,000 or less. Upon request by the Department, a person applying for the exemption provided by this paragraph shall submit a letter self-certifying that the gross annual revenue of the business activity for which the exemption is sought does not exceed \$2,000;
- (3) Entertainments, concerts, or performances of any kind where the proceeds are intended for church or charitable purposes and where no rental is charged; and
  - (4) Cottage food products.
- (i) An applicant who makes a false statement in a self-certification letter under subsection (h)(2) of this section shall be guilty of a Class 1 civil infraction and subject to fines pursuant to section 3201 of Title 16 of the District of Columbia Municipal Regulations.

D.C. OFFICIAL CODE § 47–2851.02A. LICENSE EXEMPTION FOR DE MINIMIS BUSINESS ACTIVITY.

- (a) Business activity shall be exempt from the licensing requirement set forth in § 47-2851.02; provided, that the business activity has a gross annual revenue of \$2,000 or less and does not occur more than 30 days in a calendar year.
- (b)(1) Upon request by the Department of Licensing and Consumer Protection, a person applying for the exemption provided by this section ("applicant") shall submit a letter self-certifying that the gross annual revenue of the business activity for which the exemption is sought does not exceed \$2,000 and does not occur more than 30 days in a calendar year ("self-certification letter").
- (2) An applicant who knowingly makes a false statement in a self-certification letter shall be guilty of a Class 1 civil infraction and subject to fines pursuant to section 16-3201 of the District of Columbia Municipal Regulations.
- (c)(1) If, after the submission of a self-certification letter, the revenue of the business activity described in the self-certification letter exceeds \$2,000 or the business activity occurs more than 30 days in a calendar year, the applicant shall inform the Department of Licensing and Consumer Protection within 30 days of the increase in revenue or days of business activity from that stated in the self-certification letter.
- (2) An applicant who fails to inform the Department of Licensing and Consumer Protection as required by this subsection shall be guilty of a Class 1 civil infraction and subject to fines pursuant to section 16-3201 of the District of Columbia Municipal Regulations.
  - (d) Nothing in this section shall be construed to supersede the zoning regulations.

# D.C. OFFICIAL CODE § 47–2851.03. CATEGORIES OF BASIC BUSINESS LICENSES; ENDORSEMENTS.

- (a) Endorsements to a basic business license shall be issued in the following license endorsement categories:
  - (1) Repealed.
  - (2) Educational Services;
  - (3) Entertainment;
  - (4) Environmental Materials;
  - (5) Financial Services;
  - (6)(A) Housing: Transient;
    - (B) Housing: Residential;
    - (C) Short-Term Rental; and
    - (D) Short-Term Rental: Vacation Rental[;]
  - (7) Inspected Sales and Services;
  - (8) Manufacturing;
  - (9) Motor Vehicle Sales, Service, and Repair;
  - (10)(A) Public Health: Health Care Facility:
    - (B) Public Health: Human Services Facility;
    - (C) Public Health: Child Health and Welfare;

- (D) Public Health: Public Accommodations;
- (E) Public Health: Pharmacy and Pharmacology;
- (F) Public Health: Funeral Establishment;
- (G) Public Health: Radioactive Materials;
- (H) Public Health: Biohazard;
- (I) Public Health: Food Establishment Wholesale; and
- (J) Public Health: Food Establishment Retail;
- (11) Public Safety:
- (11A) Stun Gun;
- (12) Employment Services;
- (13) General Sales:
- (14) General Services and Repair; and
- (15) General Business.
- (b) All Class A or Class B license endorsements to master business licenses issued by the Department prior to the effective date of the Streamlining Regulation Emergency Act of 2003, passed on an emergency basis on July 8, 2003 (Enrolled version of Bill 15-317) [August 11, 2003], are hereby redesignated as license endorsements, without designation of class, to a basic business license. Nothing in the foregoing shall be read as eliminating the criteria, established either by rule or statute, that govern the awarding of any license endorsement affected by this section.
- (c) The Department shall maintain and periodically update a roster of all businesses which have been issued a basic business license, indicating the license endorsements appended to each basic business license.
- (d) The following licenses shall not be a part of the basic business license system and shall be regulated by the Department of Health:
  - (1) Dog-Spayed; and
  - (2) Dog-Unspayed.
- (e) A vendor who sells more than 5 stun guns in a 12-month period shall obtain a stun gun endorsement under subsection (a)(11A) of this section on its basic business license from the Department on a form provided by the Department. No additional information shall be required for the issuance of a stun gun endorsement.
- (a) Basic business licenses shall be issued by the Department under the following categories:
  - (1) Beauty and grooming services;
  - (2) Charitable services;
  - (3) Contractor and construction services;
  - (4) Entertainment services;
  - (5) Environmental services;
  - (6) Food services;
  - (7) General sales and services;
  - (8) Health services:
  - (9) Housing and lodging services;
  - (10) Public safety services; and

### (11) Vehicular services.

- (b) Owners, managers, or promoters of carnivals or fairs, by whatsoever name called, conducted for profit or gain, and not held in any building or structure licensed under this chapter shall obtain a temporary special event license from the Department.
- (c) The Department may, through the promulgation of rules pursuant to subchapter 1 of Chapter 5 of Title 2:
- (1) Create additional basic business license categories beyond those in subsection (a) of this section; provided, that the total number of categories may not exceed 15.
- (2) Create and revise basic business license endorsement categories for specific business activities within each business license category of subsection (a) of this section and any additional business license categories created through rulemaking; provided, that such endorsements shall not have a cost to the licensee.

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# D.C. OFFICIAL CODE § 47–2851.03A. EXISTING LICENSES ELIMINATED. [Repealed]

- (a) Repealed.
- (b)(1) The following licenses are eliminated as separate license categories:
  - (A) Educational and Cultural Institutions;
  - (B) Institutions of Learning:
  - (C) Medical and Dental Colleges;
  - (D) Post-Secondary Institutions; and
  - (E) Veterans Training.
- (2) Businesses meeting the criteria established by law or regulation for the establishments listed in paragraph (1) of this subsection shall receive an Educational Services license endorsement.
  - (c)(1) The following licenses are climinated as separate license categories:
    - (A) Athletic Exhibition;
    - (B) Billiard Parlor;
    - (C) Bowling Alley;
    - (D) Carnival (including street festivals);
    - (E) Circus;
    - (F) Mechanical Amusement;
    - (G) Moving Picture Theater;
    - (H) Public Hall;
    - (I) Business Street Photographer;
    - (J) Skating Rinks;
    - (K) Special Events; and
    - (L) Theater (live).

- (2) Businesses meeting the criteria established by law or regulation for the establishments listed in paragraph (1) of this subsection shall receive an Entertainment license endorsement.
- (d)(1) The following licenses are eliminated as separate license categories, except that where special endorsements or permits are required for hazardous waste treatment or asbestos waste abatement, these special endorsements or permits shall be obtained separately:
  - (A) Asbestos Abatement Business;
  - (B) Bulk Fuel Metering;
  - (C) Bulk Fuel Storage Plant;
  - (D) Bulk Fuel Above Ground Tank;
  - (E) Dry Cleaner;
  - (F) Explosives;
  - (G) Fireworks Sales;
  - (H) Gasoline Dealer;
  - (I) Hazardous Waste Management;
  - (J) Kerosene;
  - (K) Pesticide Applicator;
  - (L) Pesticide Operator;
  - (M) Pyroxylin;
  - (N) Restricted Use Pesticide Dealer;
  - (O) Solid Waste Collectors;
  - (P) Solid Waste Handling Facilities;
  - (O) Solid Waste Vehicles;
  - (R) Solvent Sales; and
  - (S) Varsol Sales.
- (2) Businesses meeting the criteria established by law or regulation for the establishments listed in paragraph (1) of this subsection shall receive an Environmental Materials license endorsement.
  - (e)(1) The following licenses are eliminated as separate license categories:
    - (A) Check Sellers;
    - (B) Consumer Credit Service Organization;
    - (C) Fraternal Benefit Associations;
    - (D) Insurance Companies;
    - (E) Insurance Premium Finance Companies;
    - (F) Insurance Rating Organizations;
    - (G) Life and Fire Insurance Companies;
    - (H) Marine Insurance;
    - (I) Money Lender:
    - (J) Mortgage Lenders and Brokers;
    - (K) Reinsurance Intermediary:
    - (L) Risk Retention Group; and
    - (M) Sales/Finance Company.

- (2) Businesses meeting the criteria established by law or regulation for the establishments listed in paragraph (1) of this subsection shall receive a Financial Services license endorsement.
  - (f)(1)(A) The following licenses are eliminated as separate license categories:
    - (i) Candy Manufacturing;
    - (ii) Commercial Merchant Food;
    - (iii) Ice Cream Manufacturing; and
    - (iv) Marine Product.
- (B) Businesses meeting the criteria established by law or regulation for the establishments listed in subparagraph (A) of this paragraph shall receive a Public Health: Food Establishment Retail license endorsement.
  - (2)(A) The following licenses are eliminated as separate license categories:
    - (i) Bakery;
    - (ii) Caterers;
    - (iii) Delicatessen;
    - (iv) Food Product;
    - (v) Food Vending Machines;
    - (vi) Grocery;
    - (vii) Restaurant; and
    - (viii) Vendor (A).
- (B) Businesses meeting the criteria established by law or regulation for the establishments listed in subparagraph (A) of this paragraph shall receive a Public Health: Food Establishment Retail license endorsement.
  - (g)(1)(A) The following licenses are eliminated as separate license categories:
    - (i) Boarding House;
    - (ii) Hotel;
    - (iii) Inn and Motel: and
    - (iv) Rooming House.
- (B) Businesses meeting the criteria established by law or regulation for the establishments listed in subparagraph (A) of this paragraph shall receive a Housing: Transient license endorsement.
  - (2)(A) The following licenses are climinated as separate license categories:
    - (i) Apartment House; and
    - (ii) Cooperative Association.
- (B) Businesses meeting the criteria established by law or regulation for the establishments listed in subparagraph (A) of this paragraph shall receive a Housing: Residential License endorsement.
  - (h)(1) The following licenses are eliminated as separate license categories:
    - (A) Ambulance;
    - (B) Auctioneer;
    - (C) Auctioning;
    - (D) Elevators;
    - (E) Hearing-aid dealer;

(F) Horse Drawn Carriage Trade: (G) Pawnbrokers; (H) Pet shops; (I) Secondhand Dealers (A); (J) Secondhand Dealers (C); (K) Security Alarm Dealers; and (L) Taxicab. (2) Businesses meeting the criteria established by law or regulation for the establishments listed in paragraph (1) of this subsection shall receive an Inspected Sales and Services license endorsement. (i)(1) Mattress manufacturing license is eliminated as a separate license category. (2) Businesses meeting the criteria established by law or regulation for the establishment listed in paragraph (1) of this subsection shall receive a Manufacturing license endorsement. (j)(1) The following licenses are eliminated as separate license categories: (A) Auto Repossessor; (B) Auto Rental; (C) Auto Wash; (D) Consumer Goods (Auto Repair): (E) Driving School; (F) Motor Vehicle Dealer: (G) Motor Vehicle Sales: and (H) Tow Truck. (2) Businesses meeting the criteria established by law or regulation for the establishments listed in paragraph (1) of this subsection shall receive a Motor Vehicle Sales, Service, and Repair license endorsement. (k)(1)(A) The following licenses are eliminated as separate license categories: (i) Ambulatory Surgical Treatment Center; (ii) Health Provider Plans: (iii) Home Health Agency; (iv) Hospital-Medical/surgical; (v) Hospital-ICU/Coronary; (vi) Hospital-OB/GYN; (vii) Hospital-Nursery; (viii) Hospital-Intermediate Neonatal and Neonatal Intensive (ix) Hospital-Pediatrics; (x) Hospital-Alcoholism/Chemical Dependency; (xi) Hospital-Rehabilitation; (xii) Hospital-Psychiatrie; (xiii) Maternity Center; (xiv) Non-hospital Outpatient Facility;

(xv) Nursing Home;

Care:

(xvi) Renal Dialysis Center; and

(xvii) Substance Abuse Treatment Center.

(B) Businesses meeting the criteria established by law or regulation for the establishments listed in subparagraph (A) of this paragraph shall receive a Public Health: Health Care Facility license endorsement. For any Hospital-Psychiatric, both this endorsement and the master business license shall be issued by the Department of Mental Health.

(2)(A) The following licenses are eliminated as separate license categories:

- (i) Community Residence Facility; and
- (ii) Group Homes for Mentally Retarded People.
- (B) Businesses meeting the criteria established by law or regulation for the establishments listed in subparagraph (A) of this paragraph shall receive a Public Health: Human Services Facility license endorsement.

(3)(A) The following licenses are eliminated as separate license categories:

- (i) Child Development Centers;
- (ii) Child Development Homes;
- (iii) Child-Placing Agencies; and
- (iv) Youth Residential Facilities.
- (B) Businesses meeting the criteria established by law or regulation for the establishments listed in subparagraph (A) of this paragraph shall receive a Public Health: Child health and Welfare license endorsement. For Youth Residential Facilities that are Foster Homes or Group Homes, and for Child-Placing Agencies, both this endorsement and the master business license shall be issued by the Child and Family Services Agency.
  - (4)(A) The following licenses are eliminated as separate license categories:
    - (i) Barber Shop;
    - (ii) Beauty Shop;
    - (iii) Health Spa;
    - (iv) Massage Establishment; and
    - (v) Swimming Pool.
- (B) Businesses meeting the criteria established by law or regulation for the establishments listed in subparagraph (A) of this paragraph shall receive a Public Health: Public Accommodations license endorsement.
  - (5)(A) The following licenses are eliminated as separate license categories:
    - (i) Drug Distributor;
    - (ii) Drug Manufacturer;
    - (iii) Patent Medicine; and
    - (iv) Pharmacy.
- (B) Businesses meeting the criteria established by law or regulation for the establishments listed in subparagraph (A) of this paragraph shall receive a Public Health: Pharmacy and Pharmaceuticals license endorsement.
- (6)(A) The funeral services establishment license is eliminated as a separate license category.

- (B) Businesses meeting the criteria established by law or regulation for the establishment listed in subparagraph (A) of this paragraph shall receive a Public Health: Funeral Establishments license endorsement.
  - (7)(A) The following licenses are eliminated as separate license categories:
    - (i) Installer of Radioactive Equipment;
    - (ii) Low Level Radioactive Waste Generator;
    - (iii) Repairer of Radioactive Equipment; and
    - (iv) Supplier of Radioactive Equipment.
- (B) Businesses meeting the criteria established by law or regulation for the establishments listed in subparagraph (A) of this paragraph shall receive a Public Health: Radioactive Equipment license endorsement.
  - (8)(A) The following licenses are eliminated as separate license categories:
    - (i) Clinical Laboratory; and
    - (ii) Physician Office Laboratory.
- (B) Businesses meeting the criteria established by law or regulation for the establishments listed in subparagraph (A) of this paragraph shall receive a Public Health: Laboratory license endorsement.
  - (1)(1) The following licenses are eliminated as separate license categories:
    - (A) Dealers in Dangerous Weapons;
    - (B) Firearms Dealer;
    - (C) Private Detective Agencies; and
    - (D) Retail Weapons Dealer.
- (2) Businesses meeting the criteria established by law or regulation for the establishments listed in paragraph (1) of this subsection shall receive a Public Safety license endorsement.
  - (m)(1) The following licenses are climinated as separate license categories:
    - (A) Employment Agency;
    - (B) Employer Paid Personnel Service; and
    - (C) Employment Counseling.
- (2) Businesses meeting the criteria established by law or regulation for the following establishments shall receive an Employment Services license endorsement.
  - (n)(1) The following licenses are eliminated as separate license categories:
    - (A) Barber Chair;
    - (B) Beauty Booth;
    - (C) Bingo Suppliers;
    - (D) Cigarette Sales Retail;
    - (E) Cigarette Sales Wholesale;
    - (F) Mattress Sales;
    - (G) Second Hand Dealers (B);
    - (H) Solicitor;
    - (I) Vendor (B); and
    - (J) Vendor (D).

- (2) Businesses meeting the criteria established by law or regulation for the establishments listed in paragraph (1) of this subsection shall receive a General Sales license endorsement.
  - (o)(1) The following licenses are eliminated as separate license categories:
    - (A) Consumer Goods (Electronic Repair);
    - (B) Dry Cleaner;
    - (C) Home Improvement;
    - (D) Moving of Household Goods;
    - (E) Outdoor Signs;
    - (F) Parking Establishment;
    - (G) Power Laundry:
    - (H) Tour Guide (A); and
    - (I) Tour Guide (B).
- (2) Businesses meeting the criteria established by law or regulation for the establishments listed in paragraph (1) of this subsection shall receive a General Services and Repair license endorsement.
  - (p)(1) The following licenses are eliminated as separate license categories:
    - (A) Charitable Solicitation; and
    - (B) Cooperative Associations (Non-residential).
- (2) Businesses meeting the criteria established by law or regulation for these establishments shall receive a General Business license endorsement.
  - (q) The following licenses are hereby eliminated:
    - (1) Bottling Establishment;
    - (2) Close Out Sale;
    - (3) Coal Dealer;
    - (4) Elevator Operator;
    - (5) Job Listing;
    - (6) Food Handlers;
    - (7) Cigarette Vending Machine;
    - (8) Laundry (Hand/Ironing);
    - (9) Livery;
    - (10) Medium;
    - (11) Moving Pictures, Film Storage;
    - (12) Public Scale;
    - (13) Shooting Gallery;
    - (14) Slot Weight Machine;
    - (15) Street Photographer;
    - (16) Rental Housing Locator;
    - (17) Abattoirs or Slaughterhouse; and
    - (18) Money Lender (B).

# D.C. OFFICIAL CODE § 47–2851.03B. UNIQUE IDENTIFYING NUMBER. [Repealed]

To the extent feasible, and dependent on the available technology needed for implementation, each business licensed pursuant to this subchapter shall have a unique identifying number that shall be used for all official purposes, including taxation.

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### D.C. OFFICIAL CODE § 47–2851.03C. AGENCIES' POWER TO INSPECT AND REVOKE LICENSURE.

#### [Repealed]

Nothing in this subchapter shall be construed as limiting or reassigning any District agency's power to inspect for compliance or to revoke licensure. Agencies of the District government responsible for the issuance of license endorsements shall revoke, deny, or suspend any license endorsements and issue fines as required by statute or regulation.

\* \* \*

# D.C. OFFICIAL CODE § 47–2851.03D. GENERAL BUSINESS LICENSE AND GENERAL CONTRACTOR/CONSTRUCTION MANAGER LICENSE. [Repealed]

- (a) A General Business License shall be required for all businesses engaging in any business transaction in the District that have a business tax identification number and who are not otherwise required to obtain an endorsement under a license endorsement category under this chapter. If a business entity is comprised of principals who are required to maintain licenses granted or regulated by a local, state, or national certification board or body, the entity and its licensed principals shall not be required to obtain a General Business License. A biennial fee of \$200 shall be charged for the General Business License.
- (b) A General Contractor/Construction Manager License shall be required for individuals or businesses engaged in general contracting or construction management. A biennial fee of \$500 shall be charged for the license. The Mayor may establish, by rule, bond requirements for general contractors and construction managers as a condition for issuance of the General Contractor/Construction Manager License.
- (c) The Mayor may adjust, by rule, the license fees established in subsections (a) and (b) of this section.
- (d) A license issued pursuant to this section shall be issued as a General Business endorsement to a basic business license.

\* \* \*

- (a) Any person requiring a license in accordance with this subchapter shall file an application for a basic business license with the business license center, as provided in this section, and shall pay the required fee or fees. As part of his or her application, he or she shall provide a valid electronic mail address which may be used for the electronic service of process of notices related to the license.
- (b) Printed license application forms shall be made available by the business license center as well as electronic forms, which may be downloaded by computer.
- (c)(1)(A) Except for such fees as are established by this subchapter, the Director shall by regulation establish fees for the issuance, reissuance, and transfer or reinstatement of all business licenses and endorsements, provided, however, that any fee required by any law or regulation in force as of the effective date of this subchapter shall remain in effect until changed in accordance with this section.
- (B) The Director, pursuant to subchapter I of Chapter 5 of Title 2, may revise such fees as are established by this subchapter. The proposed rules issued pursuant to this subparagraph shall be submitted to the Council for a 30-day period of review, excluding Saturdays, Sundays, legal holidays, and days of Council recess. If the Council does not approve or disapprove the proposed rules, in whole or in part, by resolution within this 30-day review period, the proposed rules shall be deemed approved.
- (2) The fees established pursuant to paragraph (1) of this subsection may vary according to the class of license and the particular kind of business being licensed and shall be reasonably related to the cost to the District of investigating, inspecting, and issuing the licenses.
- (d)(1) All fees collected pursuant to this section shall be deposited in a special account and used only to defray the costs of licensing and license enforcement, including salaries, staff training, equipment, records, and computers.
- (2) The Department shall not spend more for issuing and enforcing the provisions of this subchapter than has been collected through license fees, except that surplus funds or deficits occurring in any fiscal year may be carried forward for not more than 3 fiscal years.
  - (a) A person applying for an initial basic business license shall pay a license fee of:
    - (1) \$49 for a 6-month license;
    - (2) \$99 for a 2-year license.
  - (b) For the renewal of:
- (1) An initial 6-month license, a person shall pay a license fee of \$49 for a second 6-month license; provided, that only one \$49 renewal of a 6-month license shall be permitted, and thereafter, the person shall pay a renewal license fee according to paragraph (2) of this subsection; and
  - (2) A 2-year license, a person shall pay a license fee of \$99.
- (c) Notwithstanding subsections (a) or (b) of this section, a business with expected or actual gross annual revenue of between \$2,000 and \$10,000 shall be exempt from the payment of basic business licensing fees.
- (2)(A) When applying for an initial basic business license or to renew a basic business license, a person claiming an exemption pursuant to subparagraph (1) of this

subsection shall submit a statement certifying that the annual gross revenue for the person's business will not or does not exceed \$10,000.

- (B) The statement submitted pursuant to subparagraph (A) of this paragraph shall be submitted on a form published by the Department. The form shall include a space for the person to enter his or her expected annual gross revenue for the next year or the gross annual revenue for the previous year.
- (3) If circumstances change such that the business no longer qualifies for the exemptions provided by this subsection after the submission of a self-certification letter, the person who submitted the letter shall inform the Department within 30 days of such change of circumstances.
- (4) An applicant who knowingly makes a false statement in a selfcertification letter or who knowingly fails to inform the Department that a business no longer qualifies for the exemption shall be:
- (A) Guilty of a Class 1 civil infraction and subject to fines pursuant to section 3201 of Title 16 of the District of Columbia Municipal Regulations; and
  - (B) Shall be barred from receiving a basic business license for 5 years.
- (d)(1) A person applying for temporary special event license pursuant to § Sec. 47–2851.03(b) shall pay a license fee of \$158 per day.
- (2) The Mayor may adjust the license fee set forth in paragraph (1) of this subsection to cover the costs to the District of providing police, fire, and other public services that are necessary to protect public health and safety.
- (e) The Department may revise such fees as are established in this section through the promulgation of rules pursuant subchapter I of Chapter 5 of Title 2.
  - (f) Nothing in this section shall be construed to supersede the zoning regulations. (g)(1) The Department shall not charge a license fee to a charity.
- (2) The Department may accept an affidavit of religious exemption in lieu of a certificate of registration.

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#### D.C. OFFICIAL CODE § 47–2851.05. BUSINESS LICENSE CENTER.

- (a) There is created the Business License Center ("Center") within the Department of Licensing and Consumer Protection.
  - (b) The duties of the Center shall include the following:
- (1) Developing and administering a computerized "one-stop" basic business license system capable of storing, retrieving, and exchanging license information with due regard to privacy statutes, as well as issuing and renewing basic business licenses in an efficient manner;
- (2) Creating a license information service that shall provide to any member of the public, upon request, printed or electronic information detailing requirements to establish or engage in business in the District, including a list of all information, approvals, documents, and payments required for each and every license issued by the District government;

- (3) [Repealed]Providing for staggered basic business license renewal, as set forth in § 47-2851.09;
- (4) [Repealed] Identifying types of licenses appropriate for inclusion in the basic business license system;
- (5) [Repealed] Recommending, in reports to the Mayor and the Council, the elimination, consolidation, or other modification of duplicative, ineffective, or inefficient licensing or inspection requirements;
  - (6) [Repealed] Incorporating licenses into the basic business license system;
- (7) Providing a license information service to prepare and distribute license information packets that detail requirements for establishing or engaging in business in the District of Columbia; and
- (8) Maintaining a registry of fictitious names or trade names as defined in § 47-2852.02, indicating the party or parties doing business under those names. To the extent feasible, each basic business license shall have a unique identifying number to be used for all official purposes, including taxation
- (c) [Repealed] The Director shall establish the position of Deputy Director of the Department who shall be responsible for the operation of the Center.
- (d) [Repealed] The Director shall promulgate such regulations as may be necessary to effectuate the purposes of this subchapter.

#### D.C. OFFICIAL CODE § 47–2851.06. PUBLIC INFORMATION.

- (a)(1) The Center shall compile information regarding the regulatory programs associated with each of the licenses obtainable under the basic business license system.
- (2) This information shall include a listing of all laws and administrative rules that require the issuance of licenses.
- (b)(1) The Center shall provide the information required by this section to any person requesting it.
- (2) Materials used by the Center to describe the services provided by the Center shall indicate that this information is available upon request.
- (c) Notwithstanding any other provision of District law, information submitted to the Center under this subchapter shall not be made available to the public; provided, that a person may be furnished with such information for one registrant based upon the submission of either the name or address of the registrant; provided further, that the person shall be limited to one request per day.
- (d) Federal Employer Identification numbers and social security numbers shall not be released to the public, except if:
  - (1) Requested by a law enforcement agency; or
  - (2) Directed by a court order.
- (a) The Department shall compile information regarding the regulatory programs associated with each business regulated under this subchapter and shall provide the information to a person requesting it.

- (b) Notwithstanding any other provision of District law, information submitted to the Department under this subchapter shall not be made available to the public; provided, that a person may be furnished with such information for one registrant based upon the submission of either the name or address of the registrant; provided further, that the person shall be limited to one request per day.
- (c) Federal Employer Identification numbers and social security numbers shall not be released to the public except as requested by a law enforcement agency or directed by a court order.

#### D.C. OFFICIAL CODE § 47–2851.07. ISSUANCE OF LICENSES.

- (a) Any person who is required to obtain a license that has been incorporated into the system shall submit a basic business license application, along with proof of Workers' Compensation insurance coverage, or an exemption therefrom, to the Center requesting the issuance of the license. The basic business license application form shall contain, in consolidated form, all information necessary for the issuance of licenses.
- (b) The applicant shall include with the application the sum of all fees and deposits required for the basic business license and any necessary or requested individual license endorsements.
- (c)(1) Irrespective of any authority delegated to the Center to implement the provisions of this subchapter, the authority for determining eligibility and fitness for the issuance and renewal of any requested license that requires a pre-licensing or renewal investigation, inspection, testing, or other judgmental review by the regulatory agency legally authorized to make such determination shall remain with that agency.
  - (2) Repealed.
- (d)(1) Upon receipt of the application and proper fee payment for any license for which issuance is subject to regulatory agency action under subsection (c) of this section, the Center shall immediately notify the relevant regulatory agency of the license requested by the applicant.
- (2) Each regulatory agency shall advise the Center within 30 days after receiving the notice, or such other period as is established by law the following:
- (A) That the agency approves the issuance of the requested license and will advise the applicant of any specific conditions required for issuing the license;
- (B) That the agency denies the issuance of the license and gives the applicant reasons for the denial; or
- (C) That no action has been taken on the application and the Department shall provide good and sufficient reasons for the delay and an estimate of when the action will be taken.
- (e)(1) The Center shall issue a basic business license endorsed for all the approved licenses to the applicant and advise the applicant of the status of other requested licenses.

- (2) It is the responsibility of the applicant to contest the decision regarding conditions imposed or licenses denied through the normal process established by statute or by regulation.
- (f) Regulatory agencies shall be provided information from the basic business license application for their licensing and regulatory functions.
- (a) Any person applying for a basic business license shall submit, in a form published by the Department, proof of the following:
  - (1) Entity filing as required by the Business Organizations Code, Title 29;
  - (2) Tax registration as required by Chapter 18 of this title;
- (3) Certificate of occupancy as required by Title 11 of the District of Columbia Municipal Regulations;
- (4) Workers' Compensation insurance coverage or an exemption to the coverage; and
- (5) Any other information or documentation deemed necessary by the Department.
- (b) The social security number of each applicant for a license issued pursuant to this chapter, for membership in the bar of the District of Columbia Court of Appeals pursuant to § 11-2501, and for any recreational license issued in the District of Columbia shall be recorded on the application. If a number other than the social security number is used on the face of the license or membership document, the issuing agency or entity shall keep the applicant's social security number on file and the applicant shall be so advised.
- (c) Licenses issued under this subchapter shall be valid for a period of 6 months or two years.
- (d) All licenses granted under this subchapter must be conspicuously posted on the premises of the licensee, and said licenses shall be accessible at all times for inspection by the police or the Department.
- (e)(1) Irrespective of any authority delegated to the Department to implement the provisions of this subchapter, the authority for determining eligibility and fitness for the issuance and renewal of any requested license that requires a pre-licensing or renewal investigation, inspection, testing, or other judgmental review by the regulatory agency legally authorized to make such determination shall remain with that agency.
- (2) Upon receipt of the application and proper fee payment for any license for which issuance is subject to regulatory agency action under paragraph (1) of this subsection, the Department shall promptly notify the relevant regulatory agency of the license requested by the applicant.
- (3) Each regulatory agency shall advise the Department within 30 days after receiving the notice, or such other period as is established by law the following:
- (A) That the agency approves the issuance of the requested license and will advise the applicant of any specific conditions required for issuing the license;
- (B) That the agency denies the issuance of the license and gives the applicant reasons for the denial; or

- (C) That no action has been taken on the application, and the Department shall provide good and sufficient reasons for the delay and an estimate of when the action will be taken.
- $\underline{(f)(1)}$  The Department shall advise the applicant of the status of other requested licenses.
- (2) It is the responsibility of the applicant to contest the decision regarding conditions imposed or licenses denied through the normal process established by statute or by regulation.

# D.C. OFFICIAL CODE § 47–2851.08. BASIC BUSINESS LICENSE APPLICATION FEES; RENEWAL FEES.

#### [Repealed]

- (a)(1) Except as provided in paragraph (1A) of this subsection, the Center shall collect the following fees for the issuance and endorsement of an initial license:
- (A) \$70 for each initial 2-year basic business license it issues, plus \$25 for each endorsement added to an initial 2-year basic business license;
- (B) \$140 for each initial 4-year basic business license it issues, plus \$25 for each endorsement added to an initial 4-year basic business license; and
- (C) \$35 for each initial 6-month basic business license it issues, plus \$12.50 for each endorsement added to an initial 6-month basic business license.
- (1A) No issuance or endorsement fee shall be charged by the Center for an initial General Business license and endorsement under 17 DCMR § 516.1(c) or an initial Employment Services license and endorsement under 17 DCMR § 513.1(a), (b), and (c).
- (2) The entire basic business license application fee shall be deposited in the Basic Business License Fund established by § 47-2851.13.
- (b)(1) Except as provided in paragraph (1A) of this subsection, the Center shall collect the following fees for the issuance and endorsement of a renewal license:
- (A) \$70 for each 2-year basic business renewal license it issues, plus \$25 for each endorsement added to a 2-year basic business renewal license;
- (B) \$140 for each 4-year basic business renewal license it issues, plus \$25 for each endorsement added to a 4-year basic business renewal license; and
- (C) \$35 for each 6-month basic business renewal license it issues, plus \$12.50 for each endorsement added to a 6-month basic business renewal license.
- (1A) No issuance or endorsement fee shall be charged by the Center for a General Business renewal license and endorsement under 17 DCMR § 516.1(c) or an Employment Services renewal license and endorsement under 17 DCMR § 513.1(a), (b), and (c).
- (2) The entire application renewal fee shall be deposited in the Basic Business License Fund established by § 47-2851.13.
- (c) The fees assessed pursuant to this section shall be in addition to any fees required by law or by statute for the issuance of license endorsements.

(d) Nothing in this section shall be read as reassigning license endorsement fees to the General Fund of the District of Columbia where the Mayor has determined or where the law requires that those fees should go to a dedicated fund to benefit a particular agency or department of the District government.

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# D.C. OFFICIAL CODE § 47–2851.09. LICENSE EXPIRATION DATE. [Repealed]

(a)(1) The Center shall assign an expiration date for each basic business license. All renewable licenses endorsed on that basic business license shall expire on that date.

- (2) Notwithstanding any other provision of law, every license issued in accordance with this subchapter shall be valid for either 2 or 4 years from the date of issue, depending on which license term the applicant selects, unless earlier revoked or voluntarily relinquished, and licenses shall be issued on a staggered basis, using as the renewal date the date of incorporation if the business is incorporated, the date of organization if the business is unincorporated, or the birth date of the principal if the business is a sole proprietorship. Except as otherwise provided in § 47-2851.08, the fee charged for a 4-year license renewal shall be twice that of a 2-year license renewal.
- (2A) In addition to the 2-year and 4-year licenses authorized by paragraph (2) of this subsection, the Center also may issue licenses that are valid for 6 months from the date of issue, unless earlier revoked or voluntarily relinquished.
- (3) Valid licenses that for any reason expire on a date other than a date determined in accordance with paragraph (2) of this subsection shall be extended automatically until the next anniversary of the date determined in accordance with paragraph (2) of this subsection.
- (b) All renewable licenses endorsed on a basic business license shall be renewed by the Center under conditions originally imposed unless a regulatory agency advises the Center of conditions or denials to be imposed before the endorsement is renewed.

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#### D.C. OFFICIAL CODE § 47–2851.10. LAPSED AND REINSTATED LICENSES.

- (a) The Department <u>shall</u> <u>may</u>, by electronic mail or other methods of communication, send notice of impending license expiration, an application for renewal, and a statement of the applicable renewal fee to each licensee <u>no later than</u> within 60 days prior to the expiration date at the mailing address or electronic mail address shown on the Department's records for the licensee. It shall be the responsibility of the licensee to update the address information maintained by the Department.
- (b)(1) A license that has not been revoked, suspended, or voluntarily relinquished and that has not been renewed by its expiration date shall be deemed to be lapsed. A licensee may apply for renewal of the license at any time within 30 days after the lapsing of the license, and

the license shall be reinstated upon the payment of a penalty of \$75\$ \$250, plus all other applicable fees or penalties provided by law.

- (2) A license that is lapsed for more than 30 days shall be deemed to be expired. A licensee whose license is lapsed for more than 30 days, but less than 6 months, after the lapsing of the license may apply for renewal of the license, and the license shall be reinstated upon the payment of a penalty of \$150 \\$500, plus all other applicable fees and penalties provided by law.
- (3) A license that is lapsed for more than 6 months shall be deemed to be expired. A licensee whose license is lapsed for more than 6 months, but less than 9 months, may apply for renewal of the license, and the license shall be reinstated upon payment of a penalty of \$350, plus all other applicable fees and penalties provided by law, and the completion of any reinstatement requirements deemed necessary by the Department.
- (c)(1) Repealed.

  (2) A licensee whose license has been expired for at least 6 months shall be treated as a new applicant and not as an applicant for renewal, unless otherwise provided by applicable law. If the new applicant conducted business during the 6 months after the expiration date of the license without complying with the renewal procedures pursuant to this section, the
- date of the license without complying with the renewal procedures pursuant to this section, the applicant shall be deemed to have conducted business without a license and shall be liable for any and all fees and fines applicable to conducting business without a license. A new application for a license shall not be processed until all applicable fines and fees have been paid.
- (d) Any person who has obtained a license or renewed a license under false pretenses, including paying fees with a bad check, stating falsely that corporate status is current, or stating falsely that all taxes owed the District have been paid, shall be notified immediately of the problem and given 30 days from the date of notice to provide proof of having cured the problem. If the problem has not been corrected 30 days from the date of notification, the license shall be revoked and may only be reinstated upon proof of correction and payment of a \$500 fine in addition to any other fees and fines required by this subchapter and all other relevant District laws and regulations.
- (c) The Department may, pursuant to subchapter I of Chapter 5 of Title 2, issue rules to implement the provisions of this section.

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# D.C. OFFICIAL CODE § 47–2851.11. DENIAL OF MASTER [BASIC] [Repealed]

- (a) The Center shall not issue or renew a basic business license to any person or business entity if:
- (1) The person or business does not have a valid tax registration or Certificate of Occupancy, if required;
- (2) The person or business is delinquent in taxes, periodic report fees, or penalties owing to the District, is delinquent in service fees owed to the Water and Sewer Authority, or is not validly registered in accordance with District law. The Office of Tax

and Revenue and the Water and Sewer Authority shall cooperate with the business license center to determine if taxes, fees, penalties or service fees are owing.

- (3) The person or business has been denied any of the necessary endorsements for the type of business for which licensing is sought; or
- (4) The person or business has not submitted the sum of all fees and deposits required for the requested individual license endorsements, any outstanding basic business license delinquency fee, or other fees and penalties to be collected through the system.
- (b) Nothing in this section shall prevent registration by the District of an employer for the purpose of paying an employee workers' compensation insurance or unemployment insurance benefits.

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### D.C. OFFICIAL CODE § 47–2851.12. ADDITIONAL LICENSES. [Repealed]

In addition to the licenses processed under the basic business license system that were required prior to the effective date of this subchapter, use of the basic business license system shall be expanded as needed for the processing of additional licenses as provided by District law.

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# D.C. OFFICIAL CODE § 47–2851.13. ESTABLISHMENT OF BASIC BUSINESS LICENSE FUND; DISPOSITION OF LICENSE FEES, PENALTIES, AND FINES.

- (a) There is established the Basic Business License Fund ("Fund") which shall be classified as a proprietary fund and a type of enterprise fund for the purposes of § 47-373(1) The Fund shall be credited with all fees that are identified in subsection (b) of this section.
- (b) All fees collected for the issuance of a basic business license and endorsements, including renewals, late renewal penalties, other penalties, and fines, shall be deposited in the Fund. Half of the total amount of penalties and fines collected as a result of notices of infractions issued for basic business license violations shall also be deposited in the Fund. The entire cost of the basic business licensing system shall be paid from the Fund and no other appropriated funds shall be used for that purpose.
- (c) Revenue credited to the Fund shall be expended by the Department as designated by an appropriations act of Congress, for the purposes of maintaining and upgrading the basic business licensing system, including copying fees, automation upgrades, personnel costs, and supplies.
- (d)(1) A portion of the increased fees under § 47-2851.03d shall be used to reform and streamline the application and renewal process for licensing under this chapter.
- (2) Within 6 months of [August 16, 2008], the Department shall report to the Chairperson of the Council committee with oversight of the Department on the specific steps taken to implement these new processes.
  - (c) Revenue credited to the Fund shall be for the following:

- (1) Maintaining and improving the basic business licensing system;
- (2) Personnel and supply costs;
- (3) Educational and outreach activities on the requirements of this subchapter; and
  - (4) Any other costs associated with administering this subchapter.

#### D.C. OFFICIAL CODE § 47–2851.15. EXISTING LICENSES OR PERMITS.

- (a) A license or permit issued by the District which is valid on the effective date of this subchapter need not be registered under the basic business license system until the renewal or expiration date of that license or permit under the law in effect prior to the effective date of this subchapter, unless it has been otherwise revoked or suspended.
- (b) Upon the renewal date of the above-referenced license or permit, the applicant shall receive a renewal date in accordance with **the provisions of this subchapter** § 47-2851.09.

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### D.C. OFFICIAL CODE § 47–2851.16. THIRD PARTY INSPECTIONS FOR LICENSE ENDORSEMENTS.

- (a) The Director shall determine the feasibility of allowing certain businesses the option of obtaining inspections at the applicant's expense by authorized third party inspectors. The Department may, if the Director determines it is feasible, allow a business required to be inspected under this subchapter the option of obtaining an inspection by an authorized third-party inspector.
- (b) The Director shall, whenever feasible, allow businesses required to be inspected pursuant to this subchapter the option of obtaining a third party inspector qualified for such activities by virtue of a certification from a nationally recognized and accredited organization; provided that the third party inspector: The third-party inspector shall be qualified by virtue of a certification from a nationally recognized and accredited organization; provided that the third-party inspector:
  - (1) Is hired at the applicant's own expense;
- (2) Has obtained a valid District of Columbia license in the relevant area of expertise for which inspection authorization is sought; and
- (3) Submits a sworn statement that no conflict of interest will arise with regard to the inspection of the applicant's business.
- (c) After conducting an appropriate review, the Director may from time to time authorize, or revoke the authorization of, organizations and individuals to conduct inspections for purposes of obtaining a basic business license or its endorsements under this chapter.
- (d) The **Center Department** shall make known to any applicant or re-applicant for a basic business license the option of choosing inspection by the District or inspection **at the**

**applicant's expense** by an approved organization or individual and shall provide, upon request, the names of approved inspectors relevant to the particular basic business license application.

- (e) The Department shall accept the findings of the third party inspector, and shall consider third party inspections permitted under this section as proper inspections for the purpose of issuance of a **master [basic] business license or endorsement basic business license** issued pursuant to this chapter.
- (f) Persons who avail themselves of the third party inspection option are not entitled to a refund of any portion of the license fee.

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# D.C. OFFICIAL CODE § 47–2851.18. PARTICIPATION OF DISTRICT AGENCIES. [Repealed]

All departments and agencies of the District of Columbia government are hereby directed to provide full participation and cooperation in the implementation of this subchapter.

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## D.C. OFFICIAL CODE § 47–2851.19. AMNESTY PERIOD. [Repealed]

Notwithstanding any provision of this subchapter, any business which was not required under law to obtain a license issued in the form of an endorsement to engage in a business in the District of Columbia and which did not obtain a basic business license prior to July 1, 2003, shall not be subject to any penalty or fine for failure to obtain a basic business license.

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# D.C. OFFICIAL CODE § 47–2851.20. AUTHORIZATION OF DIRECTOR TO PROMULGATE REGULATIONS.

#### [Repealed]

The Director shall have the authority to implement the basic business license system outlined in this subchapter by appropriate regulation.

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# <u>D.C. OFFICIAL CODE</u> § 47-2851.21. BONDING OF LICENSEES AUTHORIZED TO COLLECT MONIES; EXEMPTIONS.

(a) The Department may require that any class or subclass of licensees licensed under the authority of this subchapter to engage in a business, trade, profession, or calling involving an express or implied agreement to collect money for others shall give bond to

safeguard against financial loss those persons with whom such class or subclass of licensees may so agree.

- (b) The bond required by subsection (a) of this section shall be a corporate surety bond in an amount to be fixed by the Council, but not to exceed \$15,000, conditioned upon the observance by the licensee and any agent or employee of said licensee of all laws and regulations in force in the District applicable to the licensee's conduct of the business, trade, profession, or calling licensed under the authority of this subchapter, for the benefit of any person who may suffer damages resulting from the violation of any such law or regulation by or on the part of such licensee, his agent, or employee.
- (c)(1) A person aggrieved by the violation of any law or regulation applicable to a licensee's conduct of a business, trade, profession, or calling involving the collection of money for others shall have, in addition to his right of action against such licensee, a right to bring suit against the surety on the bond authorized by this section, either alone or jointly with the principal thereon, and to recover in an amount not exceeding the penalty of the bond any damages sustained by reason of any act, transaction, or conduct of the licensee and any agent or employee of said licensee which is in violation of law or regulation in force in the District of Columbia relating to the business, trade, profession, or calling licensed under this subchapter; and
- (2) The provisions of the § 1-301.01(b)(2), (3), and (5), except for the last sentence of § 1-301.01(b)(3) shall be applicable to such bond as if it were the bond authorized by § 1-301.01(b)(1); provided, that nothing in this subsection shall be construed to impose upon the surety on any such bond a greater liability than the total amount thereof or the amount remaining unextinguished after any prior recovery or recoveries.
- (d) This subsection shall not be applicable to persons when engaged in the regular course of any of the following professions or businesses:
  - (1) Attornevs-at-law;
- (2) Persons regularly employed on a regular wage or salary, in the capacity of creditment or in a similar capacity, except as an independent contractor;
  - (3) Banks and financing and lending institutions;
  - (4) Common carriers;
  - (5) Title insurers and abstract companies while doing an escrow business;
  - (6) Licensed real estate brokers; or
- (7) Employees of any class or subclass of licensees required to give bond under this subsection.

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#### D.C. OFFICIAL CODE § 47-2851.22. CEASE AND DESIST ORDERS.

(a)(1) When a board, or the Mayor, after investigation but prior to a hearing, has cause to believe that a person is violating any provision of this subchapter and the violation has caused or may cause immediate and irreparable harm to the public, the board or the Mayor may issue an order requiring the alleged violator to cease and desist immediately from the violation. The order shall be served by certified mail or delivered in person.

- (2) A copy of the cease and desist order shall be served on the holder of a certificate of occupancy for the premises and on the property owner of record if each of these persons or entities is separate and distinct from the licensee.
- (b)(1) The alleged violator may, within 15 days of the service of the order, submit a written request to the board to hold a hearing on the alleged violation.
- (2) Upon receipt of a timely request, the board shall conduct a hearing and render a decision pursuant to § 47-2853.22.
- (c)(1) The alleged violator may, within 10 days of the service of an order, submit a written request to the board for an expedited hearing on the alleged violation, in which case he or she shall waive his or her right to the 15-day notice required by subsection (b)(1) of this section.
- (2) Upon receipt of a timely request for an expedited hearing, the board shall conduct a hearing within 10 days of the date of receiving the request and shall deliver to the alleged violator at his or her last known address a written notice of the hearing by any means guaranteed to be received at least 5 days before the hearing date.
- (3) The board shall issue a decision within 30 days after an expedited hearing.
- (d) If a request for a hearing is not made pursuant to subsections (b) and (c) of this section, the order of the board to cease and desist shall be final.
- (e) If, after a hearing, the board determines that the alleged violator is not in violation of this subchapter, the board shall vacate the order to cease and desist.
- (f) If any person fails to comply with a lawful order of a board issued pursuant to this section, the board may petition the court to issue an order compelling compliance or take any other action authorized by this subchapter.

#### D.C. OFFICIAL CODE § 47-2851.23. PROSECUTIONS.

Prosecutions for violations of any of the provisions of this subchapter, or of any section added hereto from time to time by the Council of the District of Columbia, or of any regulation made by the Council under the authority of this chapter, shall be on information in the Superior Court of the District of Columbia by the Attorney General for the District of Columbia or any of the Attorney General's assistants.

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#### D.C. OFFICIAL CODE § 47-2851.24. PENALTIES.

(a) Any person violating any of the provisions of this subchapter, or additions thereto made from time to time by the Council of the District of Columbia, where no specific penalty is fixed, or the violation of any regulation made by the Council under the authority of this chapter, shall be guilty of a misdemeanor and upon conviction be fined not more than the amount set forth in § 22-3571.01 or imprisoned for not more than 90 days.

- (b) Any person failing to file any information required by this subchapter, or by any regulation of the Council made under the provisions hereof, or who in filing any such information makes any false or misleading statement, shall upon conviction be fined not more than the amount set forth in § 22-3571.01 or imprisoned for not more than 90 days.
- (c) Civil fines, penalties, and fees may be imposed as alternative sanctions for any infraction of the provisions of this subchapter or any rules or regulations issued under the authority of this chapter, pursuant to Chapter 18 of Title 2.
- (d) Adjudication of any infraction of this subchapter shall be pursuant to Chapter 18 of Title 2.

#### TITLE 47, CHAPTER 28, SUBSCHAPTER 1-B, TABLE OF CONTENTS.

Part Q. Refrigeration and Air Conditioning Mechanics.

§§ 47-2853.201 – 47-2853.203

#### Part Q-i. Security Services Occupations.

#### §§ 47-2853.207 - 47-2853.208

Part R. Steam and Other Operating Engineers.

§§ 47-2853.211 – 47-2853.213

#### Part R-i. Tour Guides.

#### §§ 47-2853.217 – 47-2853.218.

Part S. Transitional Provisions.

§§ 47-2853.221 - 47-2853.224

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# TITLE 47, CHAPTER 28, SUBCHAPTER I-B, PART D-I. BODY ARTISTS. § 47-2853.76. Definitions.

§ 47–2853.76a. Scope of practice for body artists.

§ 47–2853.76b. Regulation of body artists and body art establishments.

§ 47–2853.76c. Eligibility requirements.

§ 47–2853.76d. Duties and responsibilities of body artists.

§ 47–2853.76e. Prohibitions and penalties.

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# D.C. OFFICIAL CODE § 47-2853.04. REGULATED NON-HEALTH RELATED OCCUPATIONS AND PROFESSIONS.

- (a) The following non-health related occupations and professions have been determined to require regulation in order to protect public health, safety or welfare, or to assure the public that persons engaged in such occupations or professions have the specialized skills or training required to perform the services offered:
  - (1) Architect;
  - (2) Asbestos Worker;
  - (3) Attorney;
  - (4) Barber;

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(4A)(5) Body Artist;
(5)(6) Boxer/Wrestler;
(7) Campus police officer;
(6)(8) Certified Public Accountant;
(7)(9) Clinical Laboratory Director;
(8)(10) Clinical Laboratory Technician;
(9)(11) Cosmetologist;
(10)(12) Commercial Driver;
(11)(13) Commercial Bicycle Operator;
(12)(14) Electrician;
(12A)(15) Elevator Mechanic;
(12B)(16) Elevator Contractor;
(12C)(17) Elevator Inspector.
(13)(18) Funeral Director;
(14)(19) Insurance Agent;
(15)(20) Insurance Broker;
(16)(21) Interior Designer;
(17)(22) Investment Advisor;
(18)(23) Land Surveyor;
(18A)(24) Landscape Architect;
(19)(25) Notary Public;
(20)(26) Operating Engineer;
(21)(27) Plumber/Gasfitter;
(22)(28) Principal (public school);
(23)(29) Private Correctional Officer;
(30) Private Detective;
(24)(31) Professional Engineer;
(25)(32) Property Manager;
(26)(33) Real Estate Appraiser;
(27)(34) Real Estate Broker;
(28)(35) Real Estate Salesperson;
(29)(36) Refrigeration and Air Conditioning Mechanic;
(30)(37) Securities Agent;
(31)(38) Securities Broker-Dealer;
(32)(39) Security Alarm Agent;
(40) Security officer;
(33)(41) Special Police Officer;
(34)(42) Steam Engineer;
(35)(43) Taxicab/Limousine Operator;
(36)(44) Teacher and Other Instructional Personnel (public schools only); and
(45) Tour guide; and
(37)(46) Veterinarian.
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#### D.C. OFFICIAL CODE § 47-2853.76. DEFINITIONS.

For the purposes of this part, the term:

- (1) "Board" means the Board of Barber and Cosmetology.
- (2) "Body art" or "body art procedure" means the process of physically modifying the body for cosmetic or other non-medical purposes, including tattooing, body piercing, and fixing indelible marks or figures on the skin through scarification, branding, tongue bifurcation, and tissue removal.
- (3) "Body artist" means an individual who is licensed under this chapter to perform body art procedures.
- (4) "Body art establishment" means any structure or venue, whether temporary or permanent, where body art procedures are performed.
- (5) "Body piercing" means the perforation of any human body part followed by the insertion of an object, such as jewelry, for cosmetic or other non-medical purposes by using any of the following instruments, methods, or processes: stud and clasp, captive ball, soft tissue, cartilage, surface, surface-to-surface, microdermal implantation or dermal anchoring, subdermal implantation, and transdermal implantation. The term "body piercing" shall not include nail piercing.
- (6) "Branding" means the process of applying extreme heat with a pen-like instrument to create an image or pattern.
- (7) "Cleansing product" means any material used to apply cleansing agents to the skin, such as cotton balls, tissue or paper products, paper or plastic cups, towels, gauze, or sanitary coverings.
- (8) "Operator" means any person who owns, controls, or operates a body art establishment, whether or not the person actually performs body art procedures.
- (9) "Sanitization" means the reduction of the population of microorganisms to safe levels, as determined by the Department of Health, by a product registered with the Environmental Protection Agency ("EPA") or by chemical germicides that are registered with the EPA as hospital disinfectants.
- (10) "Scarification" means the placing of an indelible mark on the skin by the process of cutting or abrading the skin to bring about permanent scarring.
- (11) "Sharps" means any object, sterile or contaminated, that may penetrate the skin or mucosa, including pre-sterilized single needles, scalpel blades, and razor blades.
- (12) "Single-use" means products or items intended for one-time use that are disposed of after use on a client.
- (13) "Sterilization" means the process of destruction of all forms of life by physical or chemical means.
- (14) "Tattoo" means the placing of pigment into the skin dermis for cosmetic or other nonmedical purposes, including the process of micro-pigmentation or cosmetic tattooing.
- (15) "Tissue removal" means placing an indelible mark or figure on the skin through the removal of a portion of the dermis.
- (16) "Tongue bifurcation" means the cutting of the tongue from tip to part of the way toward the base, forking at the end.

# D.C. OFFICIAL CODE § 47–2853.76B. REGULATION OF BODY ARTISTS <u>AND BODY</u> ART ESTABLISHMENTS.

- (a) The Department of Licensing and Consumer Protection, through the Board of Barber and Cosmetology, shall regulate body artists to protect public health, safety, and welfare, and to ensure that persons engaged in the occupation have the specialized skills, education, and training required to perform the services offered by:
- (1) Establishing and imposing occupational licensing, registration requirements, and associated fee schedules; and
  - (2) Establishing rules within 180 days of [October 23, 2012].
  - (a) The Department of Health shall regulate:
- (1) Body artists to protect public health, safety, and welfare, and to ensure that persons engaged in the occupation have the specialized skills, education, and training required to perform the services offered by establishing and imposing occupational licensing, registration requirements, and associated fee schedules.
- (2) Body art establishments to ensure that such establishments have adequate health, sanitization, sterilization, and safety methods, procedures, equipment, and supplies by establishing minimum sterilization, sanitation, health, and safety standards for the operation of such establishments as may be necessary to prevent infection and contamination of equipment, supplies, or work surfaces with pathogenic organisms and by establishing and imposing operational licensing, registration requirements, and associated fee schedules.
- (b)(1) All body art establishments offering tattooing procedures shall conspicuously post a written disclosure that states the following:
- The United States Food and Drug Administration has not approved any pigment color additive for injectable use as tattoo ink. There may be a risk of carcinogenic decomposition associated with certain pigments when the pigments are subsequently exposed to concentrated ultra-violet light or laser irradiation."
- (2) All body art establishments offering tattooing procedures shall maintain documentation on the premises containing the following information and shall disclose such information to customers upon request:
- (A) The components of the pigments used in the body art establishment;
- (B) The names, addresses, and telephone numbers of the suppliers and manufacturers of pigments used in the body art establishment for the past 3 years; and
- (C) Identification of any recalled pigments used in the establishment for the past 3 years and the supplier and manufacturer of each pigment.
- (3) All body art establishments shall maintain and use regularly calibrated autoclave equipment for the sterilization of any non-disposable body art equipment at a frequency to be established by the Department of Health.

- (4) Only single-use disposable sharps, pigments, gloves, and cleansing products shall be used in connection with body art procedures in body art establishments in accordance with rules established by the Department of Health pursuant to subsection (b) of this section.
- (5) A body art establishment that is in violation of this subsection shall be subject to license suspension or revocation and a maximum fine of \$2,500.
- (c)(1) No person shall operate a body art establishment or perform body art procedures in a body art establishment unless that establishment has obtained a valid body art establishment license issued by the Mayor.
- (2) No body art establishment shall employ or permit body artists to perform body art procedures in the body art establishment unless the body artist holds a valid body art license issued by the Mayor.
- (3) Any person violating paragraph (1) or (2) of this subsection shall, upon conviction, be deemed guilty of a misdemeanor and may be punished by a fine not exceeding \$2,500, imprisonment for not more than 3 months, or both.

## D.C. OFFICIAL CODE. CHAPTER 28, TITLE 47, PART R-I, SECURITY SERVICES OCCUPATIONS.

Sec. 47-2853.207. Definitions.

For purposes of this part, the term:

- (1) "Campus police officer" means an individual appointed under § 5-129.02, and subject to the requirements of Chapter 12 of Title 6A of the District of Columbia Municipal Regulations.
- (2) "Detective" or "detective agency" means and includes any person, firm, or corporation engaged in the business of, or advertising, or representing himself, or itself, as being engaged in the business of detecting, discovering, or revealing crime or criminals, or securing information for evidence relating thereto, or discovering or revealing the identity, whereabouts, character, or actions of any person or persons, thing or things.
- (3) "Security agency" means a person who conducts a business that provides security services.
- (4) "Security officer" means an individual appointed under § 5-129.02, and shall have the same meaning as provided in section 2100 of Title 17 of the District of Columbia Municipal Regulations.
- (5) "Security services" means any activity that is performed for compensation by a security officer or special police officer to protect an individual or property.
- (6) "Special police officer" means an individual appointed under § 5-129.02, and subject to the requirements of Chapter 11 of Title 6A of the District of Columbia Municipal Regulations.

Sec. 47-2853.208. Detective and security agencies; security services occupations.

- (a) It shall be unlawful for any person to engage in the business of operating, managing, or conducting a security agency or detective agency, for profit or gain, or to advertise or represent his or her business to that of a security agency or detective agency, or that of conducting, managing, or operating a detective agency or security agency, without first obtaining:
  - (1) A public safety services license issued pursuant to § 47–2851.03; and (2) Approval from the Chief of Police.
- (b) In addition to the requirements of subsection (a), no person shall act as a campus police officer, private detective, security officer, or special police officer in the District of Columbia without first obtaining:
- (1) An occupational license issued by the Department of Licensing and Consumer Protection; and
  - (2) Approval from the Chief of Police.
- (c) All laws which govern the Metropolitan Police force of the District of Columbia in the matters of persons, property, or money shall be applicable to all private detectives licensed hereunder, and such detectives shall make like returns and dispositions of such matters as is required by existing law and the rules of the Mayor of the District of Columbia governing the Metropolitan Police Department.
- (d) The Director of the Department of Licensing and Consumer Protection is authorized and empowered to:
- (1) Issue civil penalties to a person who violates any provision of this section, or the provisions of Chapter 21 of Title 17 of the District of Columbia Municipal Regulations pertaining to security agencies; and
- (2) Suspend or revoke the license of a private detective when such action is deemed advisable in the public interest.
- (e) Any occupational license fees collected pursuant to this section shall be deposited into the Occupations and Professions Licensing Special Account established pursuant to § 47-2853.11.
- (f) The Department may, through the promulgation of rules pursuant to subchapter 1 of Chapter 5 of Title 2, establish qualifications and fees for occupational licenses issued pursuant to this section, and establish civil penalties for violations of this section.

#### D.C. OFFICIAL CODE. CHAPTER 28, TITLE 47, PART S-I. TOUR GUIDES.

Sec. 47-2853.217. Definitions.

For purposes of this part, the term "tour guide" means any person who engages primarily in the business of guiding or directing people to any place or point of interest in the District.

Sec. 472853.218. Tour guides.

(a) No person shall, for hire, guide or escort any person through or about the District of Columbia, or any part thereof, without first obtaining:

- (1) A entertainment services license issued pursuant to § 47–2851.03;
- (2) An occupational license for a tour guide issued by the Department of

#### **Licensing and Consumer Protection; and**

- (3) Approval from the Chief of Police.
- (b) The Department may, through the promulgation of rules pursuant to subchapter 1 of Chapter 5 of Title 2, establish qualifications and fees for occupational licenses issued pursuant to this section, and establish civil penalties for violations of this section.

## D.C. OFFICIAL CODE § 48–108.01. ADMINISTRATIVE REMEDIES FOR ENFORCEMENT.

- (a) The Mayor may take action to enforce this chapter or any rule promulgated pursuant to this chapter, if any person:
  - (1) Operates a food establishment without a valid license;
  - (2) Violates any term or condition of a food establishment license;
- (3) Does not correct serious violations of this chapter or rule promulgated pursuant to this chapter within time frames established by the Mayor or repeatedly violates this chapter or its rules;
- (4) Does not comply with an order of the Mayor concerning an employee suspected of having a disease that can be transmitted by an infected person;
- (5) Does not comply with an embargo or condemnation order issued by the Mayor;
- (6) Does not comply with an order issued as a result of an administrative hearing under this chapter; or
  - (7) Does not comply with a summary suspension order by the Mayor.
- (b) The Mayor may grant a variance from food establishment license requirements if the applicant or licensee shows that compliance with the requirements of this chapter, or the rules promulgated pursuant to this chapter, would result in an unreasonable financial hardship, and that the public health and welfare would not be endangered.
- (c) The Mayor may suspend or revoke a license issued to a food establishment for violation of the provisions of this chapter or rules implementing this chapter, and may summarily suspend or restrict the license if the Mayor determines, through inspection, or examination of employees, food, records, or other means as specified in this chapter or rules implementing this chapter, that an imminent health hazard exists. The Mayor may summarily suspend a food establishment's license by providing written notice to the licensee or person in charge, without prior warning, notice of a hearing, or hearing. If the Mayor restricts the activities of an employee of the food establishment, notice shall be given to that employee, who shall have a right to a hearing after the restriction is implemented.
- (c-1)(1) Notwithstanding subsection (c) of this section, the Mayor shall not summarily close a food establishment solely for a lapsed or expired basic business license prior to sending a written notice of non-compliance to the licensee.

- (2) The written notice of non-compliance shall notify the licensee that he or she has 5 days from the date of receipt of the notice to renew the food establishment's basic business license before the establishment may be summarily closed.
- (3) If a licensee fails to renew the food establishment's basic business license and provide proof of the renewed license within 5 days of receipt of the notice, the Mayor may summarily close the establishment without additional warning, notice of a hearing, or hearing.
- (d)(1) The Mayor may, without prior notice, embargo and forbid the sale of, or cause to be destroyed, any food that:
  - (A) May be unsafe, adulterated, or not honestly presented;
- (B) Is not prepared, processed, handled, packaged, transported, or stored in compliance with the requirements of this chapter, or the rules promulgated pursuant to this chapter;
  - (C) Originated from an unapproved source;
  - (D) Is not labeled according to law or properly tagged; or
  - (E) Is otherwise not in compliance with this chapter.
- (2) The Mayor shall provide the licensee or person in charge of the food establishment with a written notice at the same time the embargo action is taken, stating the action that is being taken, the basis for the action, and the right of the licensee or person in charge to request a hearing.
- (e) The Mayor may, without prior notice, condemn and cause to be removed any equipment, utensils, or linens found in a food establishment, the use of which does not comply with this chapter or rules implementing this chapter, or that is being used in violation of this chapter or rules implementing this chapter, or that is unfit for use because of dirt, filth, extraneous matter, insects, corrosion, open seams, or chipped or cracked surfaces. The Mayor shall provide the licensee or person in charge of the food establishment with a written notice at the same time the condemnation action is taken, stating the action that is being taken, the basis for the action, and the right of the licensee or person in charge to request a hearing.
- (f) The Mayor may suspend a license issued in accordance with §§ 47-2801 [repealed] and 47-2827 if the licensee is in violation of this chapter, or of the rules promulgated pursuant to this chapter. The Mayor shall serve upon the affected party or the party's designated agent a written notice of suspension stating the action that is being taken, the basis for the action, and the right of the affected party or party's designated agent to request a hearing.
- (g) If a licensee has previously violated this chapter, or the rules promulgated pursuant to this chapter, or if the person's license has been previously suspended, the Mayor may revoke the license upon the commission of another violation. The Mayor shall provide the affected party, or the party's designated agent, with written notice of the intent to revoke the license and with an opportunity for a hearing prior to revocation. A person whose license has been revoked pursuant to this section may reapply for a food establishment license. The Mayor may grant a new license if the person is able to demonstrate an ability and willingness to comply with the license, the provisions of this chapter, and the rules implementing this chapter.
- (h) A licensee, person in charge, or employee shall have the right to request a hearing within 15 days after service of the notice of an adverse action under this section. A request for a

hearing shall not stay a summary suspension, an embargo, or a condemnation order. The Mayor shall hold a hearing within 72 hours of a timely request for a hearing following a summary suspension, an embargo, or a condemnation order, and shall issue a decision within 72 hours after the hearing.

- (i) Each hearing shall be held in accordance with the contested case provisions of § 2-509, and judicial review shall be in accordance with § 2-510.
- (j) The Mayor is authorized to conduct necessary examinations and tests to determine whether any food employee has a disease in a communicable form, or is a carrier of a communicable disease. A food employee shall submit to examinations and tests, including providing access to medical history, at the request of the Mayor when there is reason to believe that the employee has a disease in a communicable form, or is a carrier of a communicable disease.
- (k) For the purpose of enforcing this chapter or any rule issued pursuant to this chapter, the Mayor may, at any reasonable time, upon the presentation of proper credentials to the owner, operator, or agent in charge, enter into or upon any food establishment for the purpose of making inspections and tests.
- (1) The Mayor may request that the Corporation Counsel commence an appropriate civil action in the Superior Court of the District of Columbia to secure a temporary restraining order, a preliminary injunction, a permanent injunction, or other appropriate relief from the court, to enforce this chapter or rules issued pursuant to this chapter.

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### D.C. OFFICIAL CIDE § 50–301.13. REGULATION OF PUBLIC VEHICLES-FOR-HIRE.

- (a)(1) No person shall engage in driving or operating any vehicle pursuant to this chapter without having procured from the Mayor of the District of Columbia, or his or her designated agent, a license which shall only be issued upon evidence satisfactory to the Mayor of the District of Columbia, that the applicant is qualified to operate such vehicle and upon payment of an annual license fee of an amount set by the Mayor.
- (2) The license shall be carried upon the person of the licensee or in the vehicle while engaged in driving such vehicle when such vehicle is being used for hire.
- (3) Application for the license shall be made in such form as shall be prescribed by the Mayor of the District of Columbia.
- (4) Each annual license issued under the provisions of this subsection shall be numbered, and there shall be kept in the Department of For-Hire Vehicles a record containing the name of each person so licensed, his annual license number, and all matters affecting his qualifications to be licensed hereunder.
- (5) No license issued under the provisions of this subsection shall be assigned or transferred.
- (6)The Department of For-Hire Vehicles may develop procedures to evaluate the record of a taxicab operator's license under the terms of this subsection and the owners of taxicabs licensed under the terms of this section.

- (A) The record maintained by the Department of For-Hire Vehicles for each licensee shall contain any violations associated with the license upon the final determination of liability by any governmental body charged with adjudicating violations.
- (B) Any procedure shall clearly state the grounds for suspension or revocation of a license. If the license of a person licensed pursuant to this subsection is revoked, the person must complete the requirements contained in this subsection before the person may receive a new license.
- (C) If the license of a person licensed pursuant to this subsection is suspended, the licensee must complete the requirements contained in this subsection and present to the Department of For-Hire Vehicles the certificate of completion of the required course before reinstatement.
- (b) The Department of For-Hire Vehicles shall make the following information available for public inspection:
  - (1) The name of each person licensed under the terms of this section;
  - (2) The licensee's annual license number;
- (3) The name of the association, corporation, or organization that maintains the lease or membership agreement with the licensee;
- (4) Any monetary fine, suspension, or revocation action taken against the licensee;
- (5) Where applicable, a certificate of completion by the licensee of the training course established pursuant to this section;
- (6) A record of any criminal conviction of the licensee within the last 3 years; and
- (7) Any points assessed against the licensee's District of Columbia operators permit. The records shall be cross-referenced to the association, corporation, or organization.
- (c)(1) The Department of For-Hire Vehicles shall, by regular mail and within 5 days that Department of For-Hire Vehicles is open of a final decision of suspension, revocation, or non-renewal of a taxicab operator license, notify the association, corporation, organization, or person that maintains a taxicab lease or taxicab association or company membership agreement with the operator that the operator's privilege to operate a taxicab in the District of Columbia has been suspended, revoked, or not renewed.
- (2) The association, corporation, organization, or person that maintains a lease with the operator shall, upon receipt of the notice, terminate any lease agreement, written or otherwise, with the operator, and shall take reasonable steps to ensure the return to the owner of any vehicle leased to the operator.
- (3) The Department of For-Hire Vehicles shall promulgate regulations to carry out the purposes of this subsection.
- (d) All vehicles licensed under this section shall bear such identification tags as the Council of the District of Columbia may from time to time direct; and nothing herein contained shall exempt such vehicles from compliance with the traffic and motor vehicle regulations of the District of Columbia.

- (e) Nothing in this subsection shall be construed to require the procuring of a license, or the payment of a tax, with respect to a vehicle owned or operated by a state or local government or a subdivision or instrumentality thereof which is being used to transport school children, their teachers, or escorts to the District of Columbia from the state in which their school is located."
- (f) The following additional licensing requirements shall apply to all persons who apply for a license to operate any public vehicle-for-hire licensed for an owner of a motor vehicle for hire used for any purpose, including owners of a taxicab, an ambulance for hire, an owner of passenger vehicles which, when used for hire, are used exclusively for funeral purposes, owners of passenger vehicles used exclusively for contract livery services for which the rate is fixed solely by the hour, and owners of passenger vehicles for hire used for sightseeing purposes:
- (1) Completion of the primary public passenger vehicle-for-hire license training course as established by the Department of For-Hire Vehicles for a fee of no less than \$100 per person.
- (A) Upon completion of the course, the applicant shall be issued a certificate of completion that shall include the date of completion and shall be presented to the Department of For-Hire Vehicles with the application for a license.
- (B) Before issuing the certificate, each person shall have passed an examination consisting of the subject matters taught in the course and an evaluation of the person's English communication skills.
- (C) At a minimum, the training course and any refresher course provided by the Department of For-Hire Vehicles shall be designed to develop the applicant's knowledge of the following:
- (i) The geography of the District, with particular emphasis on major streets throughout the District, significant government buildings, attractions, and tourist sites, and historical knowledge of the District;
- (ii) District laws and regulations governing the taxicab industry and the penalties for violating these laws and regulations;
- (iii) District traffic laws and regulations and the penalties for violating these laws and regulations, including:
- (I) The rights and duties of motorists, which include not blocking the crosswalk or intersection, and not driving or stopping in a bicycle lane;
  - (II) The rights and duties of pedestrians; and
  - (III) The rights and duties of bicyclists.
- (iv) Public relations skills, including cultural awareness and sensitivity training, appropriate social customs and courtesies that should be extended to the public, conflict resolution, and knowledge of the hospitality industry;
- (v) Small business practices, including methods of accounting and manifest maintenance, fare computations for intra-District trips and interstate trips, and general management principles;
  - (vi) Driving skills and knowledge of the rules of the road; and

- (vii) The legal requirements that apply to the transportation of persons with disabilities, including providing equal access to transportation and complying with the Americans with Disabilities Act of 1990, approved July 26, 1990 (104 Stat. 328; 42 U.S.C. § 12101 et seq.) ("ADA").
- (2) All courses for operators of wheelchair-accessible taxicabs shall provide training as to:
- (A) The legal requirements that apply to the transportation of persons with disabilities, including providing equal access to transportation and complying with the ADA;
- (B) Passenger assistance techniques, including a review of various disabilities, hands-on demonstrations of how to assist those with disabilities, mobility equipment training (including familiarity with lift and ramp operations and various types of wheelchairs and personal mobility devices), and safety procedures;
- (C) Training with an actual person using a wheelchair or personal mobility device;
- (D) Sensitivity training, including customer service and conflict resolution techniques; and
  - (E) Overall training in passenger relations and courtesy.
- (3) Completion of an examination which shall consist of a minimum of 60 questions, the passing grade of which shall be 70% answered correctly, which shall, at a minimum, test:
- (A) The applicant's fitness for licensure based upon knowledge of the location of addresses, significant government buildings, and tourist sites, and an understanding of the Capital City Plan;
- (B) The applicant's fitness for licensure based upon the areas covered in the hacker's license training course, exclusive of geography;
- (C) The applicant's knowledge of the District, through a minimum of 5 written questions, which shall require the applicant to state the route to arrive at a destination from a particular location; and
- (D) Selected areas, through a minimum of 5 oral questions, covered in the hacker's license training course, exclusive of geography, and the applicant's ability to communicate in English.
- (4) Each applicant may repeat the examination no more than 3 times. Upon the third failure, an applicant must repeat the hacker's license training course and present a new certificate of completion before being allowed to take the examination again. The Department of For-Hire Vehicles shall construct a pool of no fewer than 300 questions from which questions shall be drawn for each examination that is administered. This pool shall be prohibited from public dissemination and shall be substantially revised at a minimum of every 2 years to protect the integrity of the examination.
- (5) Upon passage of the examination, each applicant has 90 days in which to complete the application process for licensure. After 90 days, the passing score from the prior examination is no longer valid for licensure, and the applicant must repeat the license training course, present a new certificate of completion, and retake the examination.

- (a)(g) The **Department of For-Hire Vehicles DFHV** may issue any reasonable rule relating to the supervision of public vehicles-for-hire it considers necessary for the protection of the public.
- (b)(h) The <u>Department of For-Hire Vehicles</u>DFHV may establish standards, criteria, and requirements for the licensing of the different classes of public vehicles-for-hire and the owner and operators thereof, and may establish appropriate classes of license fees for the ownership and operation of public vehicles-for-hire subject to the requirements of this section, provided that no license requirement for operating authority shall be mandated by the <u>Department of For-Hire Vehicles</u>DFHV which is duplicative of the jurisdiction of the Washington Metropolitan Area Transit Commission.
- (e)(i) No person, corporation, partnership, or association shall operate a public vehicle-for-hire in the District without first having procured all applicable licenses and meeting all requirements as mandated by the **Department of For-Hire VehiclesDFHV**. Any violation of this subsection shall subject a violator to a civil fine not to exceed \$500.

#### (c-1) Repealed.

- (d)(j) The **Department of For-Hire Vehicles DFHV** may establish reasonable civil fines and penalties for violation of any rule issued pursuant to the authority of this section.
- (e)(k) All rules and regulations applicable to public vehicles-for-hire in effect before October 22, 2012, that are consistent with this subchapter shall remain effective until amended or repealed by the **Department of For-Hire VehiclesDFHV**.

1 **Committee of the Whole** 2 Bill 24-301 3 **Draft Committee Print** 4 **November 15, 2022** 5 6 7 8 9 10 11 12 13

A BILL

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

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> To amend the Advisory Neighborhood Commissions Act of 1975 to transfer responsibility for the Mayor to provide certain notices to Advisory Neighborhood Commissions, from Chapter 28 of Title 47 to the Advisory Neighborhood Commissions Act of 1975; to amend the Sustainable Solid Waste Management Amendment Act of 2014 to transfer responsibility for a person or entity granted a basic business license for a special event to provide infrastructure onsite for the separation and recycling of recyclable waste and to prohibit the issuance of license shall to any waste tire generator that fails to provide the Mayor with certain information concerning waste tires at the site, from Chapter 28 of Title 47 to the Sustainable Solid Waste Management Amendment Act of 2014; to amend the Drug-Related Nuisance Abatement Act of 1998 to transfer responsibility for the Mayor to suspend or revoke licenses of a licensee who knowingly has permitted on the licensed premises certain offenses related to controlled substances, drug paraphernalia, an act of prostitution, and consumption of marijuana in public space, from Chapter 28 of Title 47 to the Drug-Related Nuisance Abatement Act of 1998; to amend Chapter 28 of Title 47 to reduce the number of basic business license categories and thereby simplify the licensing process, to lower initial license fees, to allow for an exemption from fees for businesses with under \$10,000 in annual revenue, to establish a progressive fee structure based on revenue, to set-up a clearer process for business licensing by removing outdated and duplicative requirements, and to allow DCRA flexibility to implement policies and procedures as necessary to serve better the District's business community; to amend the Department of For-Hire Vehicles Establishment Act of 1985 to transfer responsibility certain licensing and other requirements, from Chapter 28 of Title 47 to the Department of For-Hire Vehicles Establishment Act of 1985; and to transfer the establishment of the MPD Overtime Reimbursement Fund, from Chapter 28 of Title 47 to a freestanding bill.

17	BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this
48	act may be cited as the "Business and Entrepreneurship Support to Thrive Amendment Act of
19	2021".
50	Sec. 2. Section 13 of the Advisory Neighborhood Commissions Act of 1975, effective
51	October 10, 1975 (D.C. Law 1-21; D.C. Official Code § 1-309.10), is amended by adding a new
52	subsection (q) to read as follows:
53	"(q)(1)(A) Before granting a license or a license renewal for a theater, cinema, skating
54	rink, dance hall, exhibition, lecture, or other entertainment, the Mayor shall give notice by mail
55	30 days before a hearing to the Advisory Neighborhood Commission in which the theater,
56	cinema, skating rink, dance hall, exhibition, lecture, or other entertainment licensee proposes to
57	be located. The notice shall:
58	"(i) Contain the name of the applicant and a description, by street
59	and number, or other plain designation, of the particular location for which the license or license
50	renewal is requested; and
51	"(ii) State that any resident or owner of residential property within
52	600 feet of the boundary lines of the lot upon which is situated the establishment for which the
53	license is requested who objects to the granting of the license or license renewal is entitled to be
54	heard before the granting of the license and the notice shall name the time and place of the
55	hearing.
56	"(B) The applicant shall post 2 notices for a period of 4 weeks in
57	conspicuous places on the outside of the premises. The notices shall:

68	"(i) State that any resident or owner of residential property within
69	600 feet of the boundary lines of the lot upon which is situated the establishment for which the
70	license or license renewal is requested who objects to the license or license renewal is entitled to
71	be heard before the granting of the license or license renewal; and
72	"(ii) State the same time and place for the hearing as set out in the
73	notice mailed and published by the Mayor.
74	"(C) If an objection to the granting of the license or license renewal is
75	filed with the Department of Licensing and Consumer Protection by a resident or owner of a
76	residential property within 600 feet of the boundary lines of the lot upon which is situated the
77	establishment for which the license or license renewal is requested, no final action shall be taken
78	by the Mayor until the resident or owner has an opportunity to be heard, under the rules and
79	regulations to be issued by the Mayor.
80	"(2) Upon objection, a hearing shall be held by the Mayor to determine the
81	following:
82	"(A) The effect of the establishment on the peace, order, and quiet of the
83	neighborhood or portion of the District of Columbia; and
84	"(B) The effect of the establishment on the residential parking needs and
85	vehicular and pedestrian safety of the neighborhood.
86	"(3) The Mayor shall rule on the application within 30 days of the hearing.
87	"(4) Any applicant who holds a valid class C or D license issued pursuant
88	to Chapter 1 of Title 25 of the D.C. Official Code shall be exempt from the provisions of
89	paragraph (1) of this section.".

90	Sec. 3. The Sustainable Solid Waste Management Amendment Act of 2014, effective
91	February 26, 2015 (D.C. Law 20-154; D.C. Official Code § 8-1031.01 et seq.), is amended as
92	follows:
93	(a) Section 103 (D.C. Official Code § 8-1031.03) is amended by adding a new subsection
94	(g) to read as follows:
95	"(g)(1) A person or entity granted a basic business license for a special event for which
96	100 or more attendees are anticipated, shall provide infrastructure onsite for the separation and
97	recycling of recyclable waste generated at the event.
98	"(2) A license holder who violates paragraph (1) of this subsection shall be
99	subject to a fine of up to \$5,000 per day.
100	(b) A new section 103c is added to read as follows.
101	"Sec. 103c. Collection, storage, and processing of waste tires.
102	"(a) No license shall be issued to any waste tire generator that fails to provide the Mayor
103	with information concerning the site's location, size, and the approximate number of waste tires
104	that have been accumulated at the site, which may not exceed 500.
105	"(b)(1) The Mayor, pursuant to subchapter I of Chapter 2 of Title 5, section 2-501 et seq.
106	shall issue rules pertaining to the collection and storage of waste tires, which shall include:
107	"(A) A prohibition on outdoor storage of waste tires;
108	"(B) Methods of collection, storage, and processing of waste tires; and
109	"(C) Record-keeping procedures for waste tire generators.
110	"(2) The methods of collection, storage, and processing of waste tires shall
111	consider the general location of waste tires being stored with regard to property boundaries and

buildings, pest control, accessibility by firefighting equipment, and other considerations as they relate to public health and safety.

- "(3) The record-keeping procedures for waste tire generators shall include the source and number or weight of tires received and the destination and number of tires or weight of tires or tire pieces shipped or otherwise disposed of. The records shall be maintained for at least 3 years following the end of the calendar year of such activity. Record keeping shall not be required for any charitable, fraternal, or other type of nonprofit organization or association that conducts programs that result in the voluntary cleanup of land or water resources, or collection for disposal of waste tires.
  - "(c) For the purposes of this section, the term:

- "(1) "Waste tire" means any automobile, motorcycle, heavy equipment, or truck tire stored or offered for sale by a waste tire generator or otherwise retained by a waste tire generator after having replaced a customer's tire with a new or used tire.
- "(2) "Waste tire generator" means any person who buys, sells, or stores new or used tires for use on automobiles, motorcycles, heavy equipment, or trucks and which retains any of the customer's used tires after replacement.".
- Sec. 4. The Drug-Related Nuisance Abatement Act of 1998, effective March 26, 1999 (D.C. Law 12-194; D.C. Official Code § 42-3101 *et seq.*), is amended by adding a new section 15a to read as follows:
- "Sec. 15a. Suspension or revocation of licenses.

132	"(a)(1) In accordance with section 109 of the District of Columbia Administrative
133	Procedure Act, approved October 21, 1968 (82 Stat. 1208; D.C. Official § 2-509), the Mayor
134	shall revoke the license of any licensee who knowingly has permitted on the licensed premises:
135	"(A) The illegal sale, negotiation for sale, or use of any controlled
136	substance as that term is defined in the District of Columbia Uniform Controlled Substances Act
137	of 1981, effective August 5, 1981 (D.C. Law 4-29; D.C. Official Code § 48-901.01 et seq.), or
138	the Controlled Substances Act of 1970, approved October 27, 1970 (84 Stat. 1243; 21 U.S.C. §
139	801 et seq.);
140	"(B) The possession, other than for personal use, sale, or negotiation for
141	sale of drug paraphernalia in violation of the Drug Paraphernalia Act of 1982, effective
142	September 17, 1982 (D.C. Law 4-149; D.C. Official Code § 48-1101 et seq.);
143	"(C) An act of prostitution as defined in section 2(3) of the Control of
144	Prostitution and Sale of Controlled Substances in Public Places Criminal Control Act of 1981,
145	effective December 10, 1981 (D.C. Law 4-57; D.C. Official Code § 22-2701.01(3)), or any act
146	that violates any provision of sections 1 through 12 of An Act For the Suppression of prostitution
147	in the District of Columbia, approved August 15, 1935 (49 Stat. 651; D.C. Official Code §§ 22-
148	2701 through 22-2712); or
149	"(D) Conduct that violates section 301(a) of the Marijuana Possession
150	Decriminalization Amendment Act of 2014, effective July 17, 2014 (D.C. Law 20-126; D.C.
151	Official Code §48-911.01(a)). In addition, the Mayor shall revoke any certificate of occupancy or
152	permit associated with the specific address or unit, whichever is more specific, of the holder of a
153	certificate of occupancy or permit who knowingly permits a violation of section 301(a) of the

154	Marijuana Possession Decriminalization Amendment Act of 2014, effective July 17, 2014 (D.C.
155	Law 20-126; D.C. Official Code § 48-911.01(a)), to occur at the specific address or unit
156	identified in the certificate of occupancy or permit.
157	"(2) The Mayor, by rule, shall establish costs and fines to cover revocation of any
158	license revoked pursuant to paragraph (1) of this subsection.
159	"(b)(1) In addition to the provisions of subsection (a) of this section and paragraph (2) of
160	this subsection, the Mayor, notwithstanding section 104(a)(1) of the Department of Consumer
161	and Regulatory Affairs Civil Infractions Act of 1985, effective October 5, 1985 (D.C. Law 6-42;
162	D.C. Official Code§ 2-1801.04(a)(1)), may take the following actions against any licensee, or
163	agent or employee of a licensee, that, with or without the appropriate license required under this
164	chapter, engages in the purchase, sale, exchange, or any other form of commercial transaction
165	involving used goods or merchandise that are knowingly stolen:
166	"(A) The Mayor, for the first violation of this paragraph:
167	"(i) Shall issue a fine in the amount of \$2,500; and
168	"(ii) May seal the licensee's premises for up to 96 hours without a
169	prior hearing.
170	"(B) The Mayor, for the second violation of this paragraph:
171	"(i) Shall issue a fine in the amount of \$5,000;
172	"(ii) May seal the licensee's premises for up to 96 hours without a
173	prior hearing; and
174	"(iii)(I) Shall, within 30 days of the issuance of a fine, require the
175	licensee to submit a remediation plan approved by the Mayor, in consultation with the Chief of

Police, that contains the licensee's plan to prevent any future recurrence of purchasing, selling,
exchanging, or otherwise transacting stolen goods and acknowledgment that a subsequent
occurrence of engaging in prohibited activities may result in the revocation of all licenses issued
to the licensee pursuant to Chapter 28 of Title 47 of the District of Columbia Official Code.
"(II) If the licensee fails to submit a remediation plan in

accordance with this sub-subparagraph, or if the Mayor rejects the licensee's remediation plan, the Mayor shall provide written notice to the licensee of the Mayor's intent to suspend all licenses issued to the licensee pursuant to Chapter 28 of Title 47 of the District of Columbia Official Code for an additional 30 days.

"(C) The Mayor, for the third violation of this paragraph:

- "(i) Shall issue a fine in the amount of \$10,000;
- "(ii) May seal the licensee's premises for up to 96 hours without a

188 prior hearing; and

"(iii) Shall provide written notice to the licensee of the Mayor's intent to permanently revoke all licenses issued to the licensee pursuant to Chapter 28 of Title 47 of the District of Columbia Official Code.

"(2) In addition to the provisions of subsection (a) of this section and paragraph (1) of this subsection, the Mayor or the Chief of Police, notwithstanding section 104(a)(1) of the Department of Consumer and Regulatory Affairs Civil Infractions Act of 1985, effective October 5, 1985 (D.C. Law 6-42; D.C. Official Code § 2-1801.04(a)(1)), may take the following actions against, or impose the following requirements upon, any licensee, or agent or employee of a licensee, that knowingly engages or attempts to engage in the purchase, sale, exchange, or any

other form of commercial transaction involving a synthetic drug, including the possession of multiple units of a synthetic drug:

without a prior hearing;

"(A) For the first violation of this paragraph:

"(i) The Mayor shall issue a fine in the amount of \$10,000;

"(ii) The Mayor may issue a notice to revoke all licenses issued to the licensee pursuant to Chapter 28 of Title 47 of the District of Columbia Official Code; and "(iii)(I) The Chief of Police, after a determination by the Mayor in accordance with section 106(a) of the Department of Consumer and Regulatory Affairs Civil Infractions Act of 1985, effective March 8, 1991 (D.C. Law 8-237; D.C. Official Code § 2-1801.06(a)), shall seal the licensee's premises, or a portion of the premises, for up to 96 hours

"(II) Within 14 days after a licensee's premises is sealed under sub-sub-subparagraph (I) of this sub-subparagraph, the Mayor shall require the licensee to submit a remediation plan to the Director of the Department of Licensing and Consumer Protection that contains the licensee's plan to prevent any future recurrence of purchasing, selling, exchanging, or otherwise transacting any synthetic drug and acknowledgment that a subsequent occurrence of engaging in prohibited activities may result in the revocation of all licenses issued to the licensee pursuant to Chapter 28 of Title 47 of the District of Columbia Official Code.

"(III) If the licensee fails to submit a remediation plan in accordance with this sub-subparagraph, or if the Mayor, in consultation with the Chief of Police, rejects the licensee's remediation plan, the Mayor shall provide written notice to the licensee of

220	the defects in any rejected remediation plan and the Mayor's intent to revoke all licenses issued
221	to the licensee pursuant to Chapter 28 of Title 47 of the District of Columbia Official Code.
222	"(IV) If the licensee cures the defects in a rejected
223	remediation plan, the Mayor may suspend any action to revoke any license of the licensee issued
224	pursuant to Chapter 28 of Title 47 of the District of Columbia Official Code.
225	"(V) The Mayor shall notify the Office of the Attorney
226	General upon sealing a licensee's premises or a portion of the premises.
227	"(B) For any subsequent violation of this paragraph:
228	"(i) The Mayor shall issue a fine in the amount of \$20,000; and
229	"(ii) The Chief of Police, after a determination by the Mayor in
230	accordance with section 106(a) of the Department of Consumer and Regulatory Affairs Civil
231	Infractions Act of 1985, effective March 8, 1991 (D.C. Law 8-237; D.C. Official Code § 2-
232	1801.06(a)), shall seal the licensee's premises, or a portion of the premises, for up to 30 days
233	without a prior hearing.
234	"(C) If a licensee's premises, or a portion of the premises, is sealed under
235	subparagraph (A) or (B) of this paragraph, a licensee shall have the right to request a hearing
236	with the Office of Administrative Hearings within 3 business days after service of notice of the
237	sealing of the premises under subparagraph (E) of this paragraph.
238	"(D) If a licensee timely requests a hearing under subparagraph (C) of this
239	paragraph, the Office of Administrative Hearings shall hold a hearing before an administrative
240	law judge within 3 business days after receiving the request.

241	"(E) At the time of the sealing of the premises, or a portion of the
242	premises, under subparagraph (A) or (B) of this paragraph, the Director of the Department of
243	Licensing and Consumer Protection shall post at the premises and serve on the licensee a written
244	notice and order stating:
245	"(i) The specific action or actions being taken;
246	"(ii) The factual and legal bases for the action or actions;
247	"(iii) The right, within 3 business days after service of notice of the
248	sealing of the premises, to request a hearing with the Office of Administrative Hearings;
249	"(iv) The right to a hearing before an administrative law judge,
250	within 3 business days after a timely request being received by the Office of Administrative
251	Hearings; and
252	"(v) That it shall be unlawful for any person, with the exception of
253	emergency services personnel, to enter the sealed premises for any purpose without written
254	permission by the Director of the Department of Licensing and Consumer Protection.
255	"(F) A licensee shall pay a fine issued pursuant to subparagraph (A) or (B)
256	of this paragraph within 20 days after adjudication by the Office of Administrative Hearings. If
257	the licensee fails to pay the fine within the specified time period, the Mayor may seal the
258	premises until the fine is paid.
259	"(G) For the purposes of this paragraph, the term:
260	"(i) "Business days" means days in which the Office of
261	Administrative Hearings is open for business.

(ii) Synthetic drug means any product possessed, provided,
distributed, sold, or marketed with the intent that it be used as a recreational drug, such that its
consumption or ingestion produces effects on the central nervous system or brain function to
change perception, mood, consciousness, cognition, or behavior in ways that are similar to the
effects of marijuana, cocaine, amphetamines, or Schedule I narcotics under section 204 of the
District of Columbia Uniform Controlled Substances Act of 1981, effective August 5, 1981
(D.C. Law 4-29; D.C. Official Code § 48-902.04). The term "synthetic drug" also includes any
chemically synthesized product (including products that contain both a chemically synthesized
ingredient and herbal or plant material) possessed, provided, distributed, sold, or marketed with
the intent that the product produces effects substantially similar to the effects created by
compounds banned by District or federal synthetic drug laws or by the U.S. Drug Enforcement
Administration pursuant to its authority under the Controlled Substances Act, approved October
27, 1970 (84 Stat. 1247; 21 U.S.C. § 801 et seq.). Any of the following factors shall be treated as
indicia that a product is being marketed with the intent that it be used as a recreational drug:
"(I) The product is not suitable for its marketed use (such
as a crystalline or powder product being marketed as "glass cleaner");
"(II) The individual or business providing, distributing,
displaying, or selling the product does not typically provide, distribute, display, or sell products
that are used for that product's marketed use (such as liquor stores, smoke shops, or gas or
convenience stores selling "plant food");
"(III) The product contains a warning label that is not
typically present on products that are used for that product's marketed use, including "Not for

284	human consumption," "Not for purchase by minors," "Must be 18 years or older to purchase,"
285	"100% legal blend," or similar statements;
286	"(IV) The product is significantly more expensive than
287	other products that are used for that product's marketed use;
288	"(V) The product resembles an illicit street drug (such as
289	cocaine, methamphetamine, or Schedule I narcotic) or marijuana; or
290	"(VI) The licensee or any employee of the licensee has
291	been warned by a District government agency or has received a criminal incident report, arrest
292	report, or equivalent from any law enforcement agency that the product or a similarly labeled
293	product contains a synthetic drug.
294	"(3)(A) A violation of this subsection shall be a civil infraction for purposes of the
295	Department of Consumer and Regulatory Affairs Civil Infractions Act of 1985, effective March
296	8, 1991 (D.C. Law 8-237; D.C. Official Code § 2-1801.01 et seq.). Civil fines, penalties, and fees
297	may be imposed as sanctions for any infraction of the provisions of this subsection or the rules
298	issued under the authority of this subsection, pursuant to the Department of Consumer and
299	Regulatory Affairs Civil Infractions Act of 1985, effective March 8, 1991 (D.C. Law 8-237; D.C.
300	Official Code § 2-1801.01 et seq.).
301	"(B) Adjudication of any infraction of this subsection shall be pursuant to
302	the Department of Consumer and Regulatory Affairs Civil Infractions Act of 1985, effective
303	March 8, 1991 (D.C. Law 8-237; D.C. Official Code § 2-1801.01 et seq.).

"(C) Summary action taken pursuant to this subsection shall be pursuant to Title I of the Department of Consumer and Regulatory Affairs Civil Infractions Act of 1985, effective March 8, 1991 (D.C. Law 8-237; D.C. Official Code § 2-1801.01 *et seq.*).

"(4) In addition to other remedies provided by law, the Office of the Attorney General for the District of Columbia may commence an action in the Civil Branch of the Superior Court of the District of Columbia to compel compliance, abate, enjoin, or prevent violations of this subsection. The plaintiff need not prove irreparable injury or harm to obtain a preliminary or temporary injunction.

## "(c)(1) The term "knowingly" includes:

- (A) For the purposes of subsections (a) and (b) of this section, actual notice of a specific violation set forth in subsection (a) or (b) of this section to the licensee or authorized agent of the licensee, issued by a District agency notifying the licensee, or authorized agent, of the same or similar violation occurring on the licensee's premises; or
- "(B) For the purposes of subsection (b) of this section, constructive notice to the licensee, or authorized agent of the licensee, resulting from the failure of the licensee, or authorized agent, to ascertain the ownership of the used goods or merchandise.
- "(2) For the purposes of this subsection, actual or constructive notice to the authorized agent of the licensee constitutes notice to the licensee.
- "(b) Notwithstanding any of the provisions of Chapter 28 of Title 47 of the District of Columbia Official Code requiring an inspection as a prerequisite to the issuance of a license, the Mayor is authorized to provide by regulation that any such inspection shall be made either prior or subsequent to the issuance of a license, but any such license, whether issued prior or

- subsequent to a required inspection, may be suspended or revoked for failure of the licensee to comply with the laws or regulations applicable to the licensed business, trade, profession, or calling.".
- Sec. 5. Chapter 28 of Title 47 of the District of Columbia Official Code is amended as follows:
- 331 (a) Sections 47-2805.01, 47-2805.02, 47-2806, 47-2807, 47-2808, 47-2809, 47-2809.01,
- 47-2810, 47-2811, 47-2812, 47-2814, 47-2815, 47-2817, 47-2818, 47-2820, 47-2821, 47-2823, 47-2818, 4
- 333 47-2824, 47-2825, 47-2826, 47-2827, 47-2828, 47-2829, 47-2830, 47-2831, 47-2832,
- 334 47-2832.01, 47-2832.02, 47-2835, 47-2836, 47-2837, 47-2838, 47-2839, 47-2839.01, 47-2841,
- 335 47-2842, 47-2844, 47-2844.01, 47-2845, 47-2846, 47-2847, 47-2848, 47-2849, 47-2850, 47-
- 336 2851.02a, 47-2851.03a, 47-2851.03b, 47-2851.03c, 47-2851.03d, 47-2851.08, 47-2851.09, 47-
- 337 2851.11, 47-2851.12, 47-2851.18, 47-2851.19, and 47-2851.20 are repealed.
- 338 (b) The table of contents is amended as follows:
- 339 (1) Strike the section designation "\§ 47–2805.01. Establishment of licensing
- periods by Mayor; prorating for late application." and insert the section designation "\§ 47–
- 341 2805.01. Establishment of licensing periods by Mayor; prorating for late application.
- 342 [Repealed]." in its place.
- 343 (2) Strike the section designation "\§ 47–2805.02. Requirement for social security
- number." and insert the section designation "\sqrt{8} 47-2805.02. Requirement for social security
- number. [Repealed]." in its place.
- 346 (3) Strike the section designation "\§ 47–2806. Licenses to be posted on premises;
- exhibition to police." and insert the section designation "§ 47–2806. Licenses to be posted on

- premises; exhibition to police. [Repealed]." in its place.
- 349 (4) Strike the section designation "§ 47–2807. Construction and definition of
- 350 terms." and insert the section designation "\\$ 47–2807. Construction and definition of terms.
- 351 [Repealed]." in its place
- 352 (5) Strike the section designation "\§ 47–2808. Auctioneers; temporary licenses;
- penalty for failure to account." and insert the section designation "\§ 47–2808. Auctioneers;
- temporary licenses; penalty for failure to account. [Repealed]." in its place.
- 355 (6) Strike the section designation "\§ 47–2809. Barbershops and beauty parlors."
- and insert the section designation "\§ 47–2809. Barbershops and beauty parlors. [Repealed]." in
- its place.
- 358 (7) Strike the section designation "\s 47–2809.01. Body art establishments." and
- insert the section designation "\§ 47–2809.01. Body art establishments. [Repealed]." in its place.
- 360 (8) Strike the section designation "\§ 47–2810. Conventions of national
- associations of hairdressers or cosmetologists exempted." and insert the section designation "§
- 362 47–2810. Conventions of national associations of hairdressers or cosmetologists exempted.
- 363 [Repealed]." in its place.
- 364 (9) Strike the section designation "\§ 47–2811. Massage establishments; Turkish,
- Russian, or medicated baths." and insert the section designation "§ 47–2811. Massage
- establishments; Turkish, Russian, or medicated baths. [Repealed]." in its place.
- 367 (10) Strike the section designation "\\$ 47–2812. Public baths." and insert the
- section designation "§ 47–2812. Public baths. [Repealed]." in its place.
- 369 (11) Strike section designation "\§ 47–2814. Gasoline, kerosene, oils, fireworks,

and explosives." and insert the section designation "§ 47–2814. Gasoline, kerosene, oils,
 fireworks, and explosives. [Repealed]." in its place.

- 372 (12) Strike the section designation "§ 47–2815. Pyroxylin." and insert the section designation "§ 47–2815. Pyroxylin. [Repealed]." in its place.
  - (13) § 47–2817. Strike the section designation "Laundries; dry cleaning and dyeing establishments. § 47–2817." and insert the section designation "Laundries; dry cleaning and dyeing establishments. [Repealed]."
  - (14) Strike the section designation "§ 47–2818. Mattress manufacture, renovation, storage, or sale; "mattress" defined." and insert the section designation "§ 47–2818. Mattress manufacture, renovation, storage, or sale; "mattress" defined. [Repealed]." in its place.
  - (15) Strike the section designation "§ 47–2820. Theaters, moving pictures, skating rinks, dances, exhibitions, lectures, entertainments; assignment of police and firemen and additional fees based thereon; hours minors are prohibited on premises." and insert the section designation "§ 47–2820. Theaters, moving pictures, skating rinks, dances, exhibitions, lectures, entertainments; assignment of police and firemen and additional fees based thereon; hours minors are prohibited on premises. [Repealed]." in its place.
  - (16) Strike the section designation "§ 47–2821. Bowling alleys; billiard and pool tables; games." and insert the section designation "§ 47–2821. Bowling alleys; billiard and pool tables; games. [Repealed]." in its place.
  - (17) Strike the section designation "§ 47–2823. Baseball, football, and athletic exhibitions; assignment of police and firemen; amusement parks." and insert the section designation "§ 47–2823. Baseball, football, and athletic exhibitions; assignment of police and

392 firemen; amusement parks. [Repealed]." in its place.

- 393 (18) Strike the section designation "§ 47–2824. Swimming pools." and insert the section designation "§ 47–2824. Swimming pools. [Repealed]." in its place.
  - (19) Strike the section designation "§ 47–2825. Circuses." and insert the section designation "§ 47–2825. Circuses. [Repealed]." in its place.
    - (20) Strike the section designation "§ 47–2826. Special events." and insert the section designation "§ 47–2826. Special events. [Repealed]." in its place.
    - (21) Strike the section designation "§ 47–2827. Commission merchants in food; bakeries; bottling, candy-manufacturing, and ice cream manufacturers; groceries; markets; delicatessens; restaurants; private clubs; wholesale fish dealers; dairies." and insert the section designation "§ 47–2827. Commission merchants in food; bakeries; bottling, candy-manufacturing, and ice cream manufacturers; groceries; markets; delicatessens; restaurants; private clubs; wholesale fish dealers; dairies. [Repealed]." in its place.
    - (22) Strike the section designation "§ 47–2828. Classification of buildings containing living quarters for licenses; fees; buildings exempt from license requirement." and insert the section designation "§ 47–2828. Classification of buildings containing living quarters for licenses; fees; buildings exempt from license requirement. [Repealed]." in its place.
    - (23) Strike the section designation "§ 47–2829. Vehicles for hire; identification tags on vehicles; vehicles for school children; ambulances, private vehicles for funeral purposes; issuance of licenses; payment of fees." and insert the section designation "§ 47–2829. Vehicles for hire; identification tags on vehicles; vehicles for school children; ambulances, private vehicles for funeral purposes; issuance of licenses; payment of fees. [Repealed]." in its place.

414	(24) Strike the section designation "\§ 47–2830. Rental or leasing of motor vehicle
415	without driver." and insert the section designation "§ 47-2830. Rental or leasing of motor vehicle
416	without driver. [Repealed]." in its place.
417	(25) Strike the section designation "§ 47–2831. Vehicles hauling goods from
418	public space." and insert the section designation "§ 47–2831. Vehicles hauling goods from
419	public space. [Repealed]." in its place.
420	(26) Strike the section designation "§ 47–2832. Repairing of motor vehicles." and
421	insert the section designation "§ 47–2832. Repairing of motor vehicles. [Repealed]." in its place.
422	(27) Strike the section designation "§ 47–2832.01. Parking establishments." and
423	insert the section designation "§ 47–2832.01. Parking establishments. [Repealed]." in its place.
424	(28) Strike the section designation "§ 47–2832.02. Tire dealers." and insert the
425	section designation "§ 47–2832.02. Tire dealers. [Repealed]." in its place.
426	(29) Strike the section designation "§ 47–2835. Solicitors." and insert the section
427	designation "§ 47–2835. Solicitors. [Repealed]." in its place.
428	(30) Strike the section designation "§ 47–2836. Guides." and insert the section
429	designation "§ 47–2836. Guides. [Repealed]." in its place.
430	(31) Strike the section designation "§ 47–2837. Secondhand dealers;
431	classification; licensing; stolen property." and insert the section designation "§ 47–2837.
432	Secondhand dealers; classification; licensing; stolen property. [Repealed]." in its place.
433	(32) Strike the section designation "§ 47–2838. Dealers in dangerous weapons."
434	and insert the section designation "§ 47-2838. Dealers in dangerous weapons. [Repealed]." in its
435	place.

436	(33) Strike the section designation "\§ 47–2839. Private detectives; "detective"
437	defined; regulations." and insert the section designation "§ 47-2839. Private detectives;
438	"detective" defined; regulations. [Repealed]." in its place.
439	(34) Strike the section designation "§ 47–2839.01. Security agencies." and inser
440	the section designation "§ 47–2839.01. Security agencies. [Repealed]." in its place.
441	(35) Strike the section designation "§ 47–2841. Exposing persons or animals as
442	targets prohibited." and insert the section designation "§ 47–2841. Exposing persons or animals
443	as targets prohibited. [Repealed]." in its place.
444	(36) Strike the section designation "§ 47–2842. Council of the District of
445	Columbia may regulate, modify, or eliminate license requirements." and insert the section
446	designation "§ 47–2842. Council of the District of Columbia may regulate, modify, or eliminate
447	license requirements. [Repealed]." in its place.
448	(37) Strike the section designation "§ 47–2844. Regulations; suspension or
449	revocation of licenses; bonding of licensees authorized to collect moneys; exemptions." and
450	insert the section designation "\$ 47-2844. Regulations; suspension or revocation of licenses;
451	bonding of licensees authorized to collect moneys; exemptions. [Repealed]." in its place.
452	(38) Strike the section designation "§ 47–2844.01. Cease and desist orders." and
453	insert the section designation "\$ 47–2844.01. Cease and desist orders. [Repealed]." in its place.
454	(39) Strike the section designation "§ 47–2845. Prosecutions." and insert the
455	section designation "§ 47–2845. Prosecutions. [Repealed]." in its place.
456	(40) Strike the section designation "§ 47–2846. Penalties." and insert the section

designation "§ 47–2846. Penalties. [Repealed]." in its place.

458 (41) Strike the section designation "\§ 47–2847. Saving clause." and insert the 459 section designation "§ 47–2847. Saving clause. [Repealed]." in its place. 460 (42) Strike the section designation "\§ 47–2848. Severability." and insert the 461 section designation "§ 47–2848. Severability. [Repealed]." in its place. 462 (43) Strike the section designation "\§ 47–2849. Refund of erroneously-paid fees." 463 and insert the section designation "\square 47-2849. Refund of erroneously-paid fees. [Repealed]." in 464 its place. 465 (44) Strike the section designation "\\$ 47–2850. Rules governing the business of 466 furnishing towing services for motor vehicles." and insert the section designation "\§ 47–2850. 467 Rules governing the business of furnishing towing services for motor vehicles. [Repealed]." in 468 its place. 469 (45) Strike the section designation "\§ 47–2851.02. License required." and insert 470 the section designation "\§ 47–2851.02. Basic business license required." in its place. 471 (46) Strike the section designation "\§ 47–2851.02a. License exemption for de 472 minimis business activity." and insert the section designation "§ 47–2851.02a. License 473 exemption for de minimis business activity. [Repealed]." in its place. 474 (47) Strike the section designation "\\$ 47-2851.03. Endorsement categories; 475 exemptions" and insert the section designation "\§ 47–2851.03. Categories of basic business 476 licenses; endorsements." in its place. 477 (48) Strike the section designation "\§ 47–2851.03a. Existing licenses eliminated." and insert the section designation "§ 47–2851.03a. Existing licenses eliminated. [Repealed]." in 478

479

its place.

480	(49) Strike the section designation "\§ 47–2851.03b. Unique identifying number."
481	and insert the section designation "§ 47–2851.03b. Unique identifying number. [Repealed]." in
482	its place.
483	(50) Strike the section designation "§ 47–2851.03c. Agencies' power to inspect
484	and revoke licensure." and insert the section designation "§ 47-2851.03c. Agencies' power to
485	inspect and revoke licensure. [Repealed]." in its place.
486	(51) Strike the section designation "§ 47–2851.03d. General Business License and
487	General Contractor/Construction Manager License." and insert the section designation "§ 47-
488	2851.03d. General Business License and General Contractor/Construction Manager License.
489	[Repealed]." in its place.
490	(52) Strike the section designation "§ 47–2851.08. Basic business license
491	application fees; renewal fees." and insert the section designation "§ 47-2851.08. Basic business
492	license application fees; renewal fees. [Repealed]." in its place.
493	(53) Strike the section designation "§ 47–2851.09. License expiration date." and
494	insert the phrase "§ 47–2851.09. License expiration date. [Repealed]." in its place.
495	(54) Strike the section designation "§ 47–2851.11. Denial of master [basic]." and
496	insert the section designation "§ 47–2851.11. Denial of master [basic]. [Repealed]." in its place.
497	(55) Strike the section designation "§ 47–2851.12. Additional licenses." and insert
498	the section designation "§ 47–2851.12. Additional licenses. [Repealed]." in its place.
499	(56) Strike the section designation "§ 47-2851.13. Establishment of Basic
500	Business License Fund; disposition of license fees, penalties, and fines." and insert the section
501	designation "§ 47-2851.13. Establishment of Basic Business License Fund." in its place.

502	(57) Strike the section designation *\\$ 47–2851.18. Participation of District
503	agencies." and insert the section designation "§ 47-2851.18. Participation of District agencies
504	[Repealed]." in its place.
505	(58) Strike the section designation "§ 47–2851.19. Amnesty period." and insert
506	the section designation "§ 47–2851.19. Amnesty period. [Repealed]." in its place.
507	(59) Strike the section designation "§ 47–2851.20. Authorization of Director to
508	promulgate regulations." and insert the section designation "§ 47–2851.20. Authorization of
509	Director to promulgate regulations. [Repealed]." in its place.
510	(60) Strike the section designation "§ 47-2853.76b. Regulation of body artists"
511	and insert the section designation "§ 47-2853.76b. Regulation of body artists and body art
512	establishments." in its place.
513	(61) New section designations are added to read as follows:
514	"47–2851.01a. Scope of chapter.
515	"47-2851.01b. Powers and duties of the Department.
516	"47-2851.21. Bonding of licensees authorized to collect monies; exemptions.
517	"47-2851.22. Cease and desist orders.
518	"47–2851.23. Prosecutions.
519	"47-2851.24. Penalties.
520	"47-2853.76. Definitions.
521	"47-2853.207. Definitions.
522	"47-2853.208. Detective and security agencies; security services occupations.
523	"47-2853, 217, Definitions.

524	"47-2853.218. Tour guides.".
525	(c) Section 47-2851.01 is amended to read as follows:
526	"For the purposes of this subchapter, the term:
527	"(1) "Basic business license" means the single document designed for public
528	display issued by the Department that certifies a business to operate from a location in the
529	District of Columbia.
530	"(2) "Beauty and grooming services" means any personal services related to
531	hairstyling, nail care, and cosmetics, including haircuts, color treatments, manicures, pedicures,
532	chemical exfoliation, waxing, makeup application, electrolysis hair removal, and other similar
533	services.
534	"(3) "Business" means a trade, profession, or activity that provides, or holds itself
535	out to provide, goods or services to the general public or to a portion of the general public for
536	hire or compensation in the District of Columbia, provided, that a "business" shall not include
537	the activities of a government entity or employment for wages or salary.
538	"(4) "Business License Center" means the business registration and licensing
539	center established by this subchapter and located in and under the administrative control of the
540	Department of Licensing and Consumer Protection.
541	"(5) "Charitable services" means any services whose actual or purported purpose
542	is benevolent, philanthropic, patriotic, educational (except religious education), scientific,
543	environmental conservation, civic, or otherwise eleemosynary.

544	"(6) "Contractor and construction services" means any services that involve the
545	planning, acquiring, building, equipping, altering, repairing, improving, or demolishing of any
546	structure or appurtenance thereto.
547	"(7) "Cottage food products" means any non-potentially hazardous food, as
548	specified in regulations adopted by the Department of Health, that is sold to consumers,
549	including through direct, retail, and online sales, within the District of Columbia in accordance
550	with § 7-742.02 and regulations adopted by the Department of Health.
551	"(8) "Department" means the Department of Licensing and Consumer Protection
552	or any successor agency.
553	"(9) "Director" means the Director of the Department of Licensing and Consumer
554	Protection or any successor agency.
555	"(10) "Entertainment services" means a performance, recreational activity,
556	spectacle, show, or similar event or services, including events or services occurring at
557	amusement parks, bowling alleys, skating rinks, and theaters.
558	"(11) "Environmental services" means any services meant to store, transport, or
559	distribute fuels or solvents, remediate pests or environmental contaminants, and store, transport,
560	or collect solid waste.
561	"(12) "Food services" means any handling of food or food products regulated
562	under title 25 of the D.C. Municipal Regulations.
563	"(13) "General sales and services" means any services that are not covered by
564	other business license categories in this subchapter.

565	"(14) "Health services" means the operation of a swimming pool regulated under
566	title 25C of the D.C. Municipal Regulations or a pet shop regulated under title 25J of the D.C.
567	Municipal Regulations.
568	"(15) "Housing and lodging services" means the provision of short-and-long-term
569	housing or lodging for residents and visitors in the District, including one-family rentals, two-
570	family rentals, apartments, short-term rentals, hotels, bed and breakfasts, and other similar
571	services.
572	"(16) "License" means the whole or part of any agency permit, license, certificate
573	approval, registration, charter, or any form or permission required by law, including agency rule,
574	to engage in any activity.
575	"(17) "Person" means any individual, sole proprietorship, partnership, association
576	cooperative, corporation, nonprofit organization, and any other organization required to obtain
577	one or more licenses from the District or any of its agencies.
578	"(18) "Public safety services" means any services whose primary purpose is to
579	protect the safety, health, or property of residents of the District, including furnishing security
580	systems, alarms, and personnel.
581	"(19) "Regulation" means any licensing or other governmental or statutory
582	requirement pertaining to business or professional activities.
583	"(20) "Regulatory agency" means any District agency, board, commission, or
584	division which regulates one or more professions, occupations, industries, businesses, or
585	activities.

"(21) "Vehicular services" means the repair, servicing, alteration, restoration,
towing, painting, cleaning, finishing, or parking of automobiles, trucks, recreational vehicles,
boats and other vehicles, boats and other vehicles as a primary use, which may include the
incidental wholesale and retail sale of vehicle parts as an accessory use.

- (d) A new section 47-2851.01a is added to read as follows:
- "Sec. 47-2851.01a. Scope of subchapter."

- "(a) This subchapter provides for the issuance of a basic business license to a business located in the District.
- "(b) Notwithstanding whether an individual's employer maintains a basic business license, an individual may be subject to professional and occupational licensure under subchapter I-B of this chapter.
- "(c) The issuance of a basic business license does not guarantee the registration of a trade name under subchapter I-C of this chapter .".
  - (e) A new section 47-2851.01b is added to read as follows:
- "Sec. 47–2851.01b. Powers and duties of the Department.
- "(a) The Department shall administer and enforce the provisions of this subchapter.
  - "(b) The Director, pursuant to subchapter I of Chapter 5 of Title 2, shall issue rules to implement the provisions of this subchapter. The proposed rules shall be submitted to the Council for a 45-day review period, excluding Saturdays, Sundays, legal holidays, and days of Council recess. If the Council does not approve or disapprove the proposed rules, in whole or in part, by resolution within this 45-day review period, the proposed rules shall be deemed approved.

- "(c) The Department is authorized and empowered to suspend or revoke any license issued pursuant to this subchapter when, in the Director's judgment, such is deemed desirable in the interest of public decency or the protection of lives, limbs, health, comfort, and quiet of the citizens of the District of Columbia, or for any other reason the Director may deem sufficient.
- "(d) All departments and agencies in the District of Columbia government are hereby directed to provide full participation and cooperation in the implementation of this subchapter.
- "(e) Nothing in this subchapter shall be construed as limiting or reassigning any District agency's power to inspect for compliance as required by statute or regulation; provided that any agency finding of noncompliance that affects the inspected person's eligibility for a basic business license shall be referred to the Department for appropriate action with respect to the basic business license."
  - (f) Section 47-2851.02 is amended to read as follows:
- "Sec. 47-2851.02. Basic business license required.

- "(a) A person doing business in the District of Columbia shall maintain a basic business license in accordance with this subchapter.
- "(b) The Department shall issue or renew a basic business license to an applicant who complies with all applicable District and federal laws and regulations.
  - "(c) A basic business license shall be required for each business location.
- "(d) Notwithstanding subsection (a) of this section, and except as required under subchapter I-A1, an individual employed by the holder of a basic business license is not required to maintain a basic business license to participate in the business of the license holder.

- "(e) Licenses granted under this subchapter may be assigned or transferred upon approval by the Department and payment of the applicable fee.
  - "(f) The Department shall maintain and periodically update a roster of all businesses that have been issued a basic business license, indicating the license endorsements appended to each basic business license.
  - "(g) No person shall set up, operate, or conduct any business or device by or in which any person, animal, or living object shall act or be exposed as a target for any ball, projectile, missile, or thing thrown or projected for or in consideration of profit or gain, directly or indirectly.
    - "(h) This section shall not apply to activities conducted in connection with:
  - "(1) A bona fide regularly scheduled national annual convention of any national association of a professional beauty and grooming service from which the general public is excluded;
  - "(2) A business activity that has a gross annual revenue of \$2,000 or less. Upon request by the Department, a person applying for the exemption provided by this paragraph shall submit a letter self-certifying that the gross annual revenue of the business activity for which the exemption is sought does not exceed \$2,000;
  - "(3) Entertainments, concerts, or performances of any kind where the proceeds are intended for church or charitable purposes, and where no rental is charged; and
- "(4) Cottage food products.

(i) An applicant who makes a false statement in a self-certification letter under subsection (h)(2) of this section shall be guilty of a Class 1 civil infraction and subject to fines pursuant to section 3201 of Title 16 of the District of Columbia Municipal Regulations.

651	(g) Section 47-2851.03 is amended to read as follows:
652	"Sec. 47–2851.03. Categories of basic business licenses; endorsements.
653	"(a) Basic business licenses shall be issued by the Department under the following
654	categories:
655	"(1) Beauty and grooming services;
656	"(2) Charitable services;
657	"(3) Contractor and construction services;
658	"(4) Entertainment services;
659	"(5) Environmental services;
660	"(6) Food services;
661	"(7) General sales and services;
662	"(8) Health services;
663	"(9) Housing and lodging services;
664	"(10) Public safety services; and
665	"(11) Vehicular services.
666	"(b) Owners, managers, or promoters of carnivals or fairs, by whatsoever name called,
667	conducted for profit or gain, and not held in any building or structure licensed under this chapte
668	shall obtain a temporary special event license from the Department.
669	"(c) The Department may, through the promulgation of rules pursuant to subchapter 1 of
670	Chapter 5 of Title 2:
671	"(1) Create additional basic business license categories beyond those in
672	subsection (a) of this section; provided that the total number of categories may not exceed 15

673	"(2) Create and revise basic business license endorsement categories for
674	specific business activities within each business license category of subsection (a) of this section,
675	and any additional business license categories created through rulemaking; provided, that such
676	endorsements shall not have a cost to the licensee.".
677	(h) Section 47-2851.04 is amended to read as follows:
678	"(a) A person applying for an initial basic business license shall pay a license fee of:
679	"(1) \$49 for a 6-month license;
680	"(2) \$99 for a 2-year license.
681	"(b) For the renewal of:
682	"(1) An initial 6-month license, a person shall pay a license fee of \$49 for a
683	second 6-month license; provided, that only one \$49 renewal of a 6-month license shall be
684	permitted and thereafter, the person shall pay a renewal license fee according to paragraph (2) of
685	this subsection; and
686	"(2) A 2-year license, a person shall pay a license fee of \$99.
687	"(c)(1) Notwithstanding subsections (a) and (b) of this section, a business with expected
688	or actual gross annual revenue of between \$2,000 and \$10,000 shall be exempt from the payment
689	of basic business licensing fees.
690	"(2)(A) When applying for an initial basic business license, or when applying to
691	renew a basic business license, a person claiming an exemption pursuant to subparagraph (1) of
692	this subsection shall submit a statement certifying that the annual gross revenue for the person's
693	business will not or does not exceed \$10,000.
694	"(B) The statement submitted pursuant to subparagraph (A) of this paragraph

shall be submitted on a form published by the Department. The form shall include a space for the person to enter his or her expected annual gross revenue for the next year or the gross annual revenue for the previous year.

- "(3) If circumstances change such that the business no longer qualifies for the exemptions provided by this subsection after the submission of a self-certification letter, the person who submitted the letter shall inform the Department within 30 days of such change of circumstances.
- "(4) An applicant who knowingly makes a false statement in a self-certification letter or who knowingly fails to inform the Department that a business no longer qualifies for the exemption shall be:
- "(A) Guilty of a Class 1 civil infraction and subject to fines pursuant to section 3201 of Title 16 of the District of Columbia Municipal Regulations; and
- "(B) Shall be barred from receiving a basic business license for 5 years.
- 708 "(d)(1) A person applying for a temporary special event license pursuant to § 47–709 2851.03(b) shall pay a license fee of \$158 per day.
  - "(2) The Mayor may adjust the license fee set forth in paragraph (1) of this subsection to cover the costs to the District of providing police, fire, and other public services that are necessary to protect public health and safety.
  - "(e) The Department may revise such fees as are established in this section through the promulgation of rules pursuant to subchapter I of Chapter 5 of Title 2.
- 715 "(f) Nothing in this section shall be construed to supersede the zoning regulations.
  - "(g)(1) The Department shall not charge a license fee to a charity.

717	"(2) The Department may accept an affidavit of religious exemption in lieu of a
718	certificate of registration.".
719	(i) Section 47-2851.05 is amended as follows:
720	(1) Subsection (b) is amended as follows:
721	(A) Paragraphs (3), (4), (5), and (6) are repealed.
722	(B) Paragraph (8) is amended to read as follows:
723	"(8) To the extent feasible, each basic business license shall have a unique
724	identifying number to be used for all official purposes, including taxation.".
725	(2) Subsections (c) and (d) are repealed.
726	(j) Section 47-2851.06 is amended to read as follows:
727	"(a) The Department shall compile information regarding the regulatory programs
728	associated with each business regulated under this subchapter and shall provide the information
729	to a person requesting it.
730	"(b) Notwithstanding any other provision of District law, information submitted to the
731	Department under this subchapter shall not be made available to the public; provided, that a
732	person may be furnished with such information for one registrant based upon the submission of
733	either the name or address of the registrant; provided further, that the person shall be limited to
734	one request per day.
735	"(c) Federal Employer Identification numbers and social security numbers shall not be
736	released to the public, except as requested by a law enforcement agency or directed by a court
737	order.".
738	(k) Section 47-2851.07 is amended to read as follows:

739	"(a) Any person applying for a basic business license shall submit, in a form published by
740	the Department, proof of the following:
741	"(1) Entity filing as required by the Business Organizations Code, Title 29;
742	"(2) Tax registration as required by Chapter 18 of this title;
743	"(3) Certificate of occupancy as required by Title 11 of the District of Columbia
744	Municipal Regulations;
745	"(4) Workers' Compensation insurance coverage or an exemption to the coverage;
746	and
747	"(5) Any other information or documentation deemed necessary by the
748	Department.
749	"(b) The social security number of each applicant for a license issued pursuant to this
750	chapter, for membership in the bar of the District of Columbia Court of Appeals pursuant to §
751	11-2501, and for any recreational license issued in the District of Columbia shall be recorded on
752	the application. If a number other than the social security number is used on the face of the
753	license or membership document, the issuing agency or entity shall keep the applicant's social
754	security number on file, and the applicant shall be so advised.
755	"(c) Licenses issued under this subchapter shall be valid for a period of 6 months or two
756	years.
757	"(d) All licenses granted under this subchapter must be conspicuously posted on the
758	premises of the licensee and said licenses shall be accessible at all times for inspection by the
759	police or the Department.
760	"(a)(1) Irrespective of any authority delegated to the Department to implement the

provisions of this subchapter, the authority for determining eligibility and fitness for the issuance and renewal of any requested license that requires a pre-licensing or renewal investigation, inspection, testing, or other judgmental review by the regulatory agency legally authorized to make such determination shall remain with that agency.

- "(2) Upon receipt of the application and proper fee payment for any license for which issuance is subject to regulatory agency action under paragraph (1) of this subsection, the Department shall promptly notify the relevant regulatory agency of the license requested by the applicant.
- "(3) Each regulatory agency shall advise the Department within 30 days after receiving the notice, or such other period as is established by law the following:
- "(A) That the agency approves the issuance of the requested license and will advise the applicant of any specific conditions required for issuing the license;
- "(B) That the agency denies the issuance of the license and gives the applicant reasons for the denial; or
- "(C) That no action has been taken on the application, and the Department shall provide good and sufficient reasons for the delay and an estimate of when the action will be taken.
- "(f)(1) The Department shall advise the applicant of the status of other requested licenses.
  - "(2) It is the responsibility of the applicant to contest the decision regarding conditions imposed or licenses denied through the normal process established by statute or by regulation.".
    - (1) Section 47–2851.10 is amended to read as follows:

"(a) The Department shall, by electronic mail or other methods of communication, send notice of impending license expiration, an application for renewal, and a statement of the applicable renewal fee to each licensee no later than 60 days prior to the expiration date at the mailing address or electronic mail address shown on the Department's records for the licensee. It shall be the responsibility of the licensee to update the address information maintained by the Department.

"(b)(1) A license that has not been revoked, suspended, or voluntarily relinquished and that has not been renewed by its expiration date shall be deemed to be lapsed. A licensee may apply for renewal of the license at any time within 30 days after the lapsing of the license, and the license shall be reinstated upon the payment of a penalty of \$75 plus all other applicable fees or penalties provided by law.

- "(2) A license that is lapsed for more than 30 days shall be deemed to be expired. A licensee whose license is lapsed for more than 30 days, but less than 6 months, may apply for renewal of the license, and the license shall be reinstated upon the payment of a penalty of \$150, plus all other applicable fees and penalties provided by law.
- "(3) A license that is lapsed for more than 6 months shall be deemed to be expired. A licensee whose license is lapsed for more than 6 months, but less than 9 months, may apply for renewal of the license, and the license shall be reinstated upon payment of a penalty of \$350, plus all other applicable fees and penalties provided by law, and the completion of any reinstatement requirements deemed necessary by the Department.
- "(c) The Department may, pursuant to subchapter I of Chapter 5 of Title 2, issue rules to implement the provisions of this section.".

805	(m) Section 47-2851.13 is amended to read as follows:
806	"Section 47-2851.13. Establishment of Basic Business License Fund.
807	"(a) There is established a Basic Business License Fund ("Fund") which shall be
808	classified as a proprietary fund and type of enterprise fund for the purposes of § 47-373(1). The
809	Fund shall be credited with all fees that are identified in subsection (b) of this section.
810	"(b) All fees collected for the issuance of a basic business license, including renewals,
811	late renewal penalties, other penalties, and fines, shall be deposited into the Fund. Half of the
812	total amount of penalties and fines collected as a result of notices of infractions issued for basic
813	business license violations shall also be deposited in the Fund.
814	"(c) Revenue credited to the Fund shall be for the following:
815	"(1) Maintaining and improving the basic business licensing system;
816	"(2) Personnel and supply costs;
817	"(3) Educational and outreach activities on the requirements of this subchapter; and
818	"(4) Any other costs associated with administering this subchapter.".
819	(n) Section 47-2851.15(b) is amended by striking the phrase "§ 47-2851.09" and inserting
820	the phrase "the provisions of this subchapter" in its place.
821	(o) Section 47-2851.16 is amended as follows:
822	(1) Subsection (a) is amended to read as follows:
823	"(a) The Department may, if the Director determines it is feasible, allow a business
824	required to be inspected under this subchapter the option of obtaining an inspection by an
825	authorized third-party inspector.".
826	(2) The lead-in language of subsection (b) is amended to read as follows:

827	"(b) The third-party inspector shall be qualified by virtue of a certification from a
828	nationally recognized and accredited organization; provided that the third-party inspector:".
829	(3) Subsection (d) is amended as follows:
830	(A) Strike the word "Center" and insert the word "Department" in its
831	place.
832	(B) Strike the phrase "or inspection at the applicant's expense" and insert
833	the phrase "or inspection" in its place.
834	(4) Subsection (e) is amended by striking the phrase "master business license or
835	endorsement" and inserting the phrase "basic business license" in its place.".
836	(p) New sections 47-2851.21, 47-2851.22, 47-2851.23, and 47-2851.24 are added to read
837	as follows:
838	"Sec. 47-2851.21. Bonding of licensees authorized to collect monies; exemptions.
839	"(a) The Department may require that any class or subclass of licensees licensed under
840	the authority of this subchapter to engage in a business, trade, profession, or calling involving an
841	express or implied agreement to collect money for others shall give bond to safeguard against
842	financial loss those persons with whom such class or subclass of licensees may so agree.
843	"(b) The bond required by subsection (a) of this section shall be a corporate surety bond
844	in an amount to be fixed by the Council, but not to exceed \$15,000, conditioned upon the
845	observance by the licensee and any agent or employee of said licensee of all laws and regulations
846	in force in the District applicable to the licensee's conduct of the business, trade, profession, or
847	calling licensed under the authority of this subchapter, for the benefit of any person who may
848	suffer damages resulting from the violation of any such law or regulation by or on the part of

such licensee, his agent, or employee.

"(c)(1) A person aggrieved by the violation of any law or regulation applicable to a licensee's conduct of a business, trade, profession, or calling involving the collection of money for others shall have, in addition to his right of action against such licensee, a right to bring suit against the surety on the bond authorized by this section, either alone or jointly with the principal thereon, and to recover in an amount not exceeding the penalty of the bond any damages sustained by reason of any act, transaction, or conduct of the licensee and any agent or employee of said licensee which is in violation of law or regulation in force in the District of Columbia relating to the business, trade, profession, or calling licensed under this subchapter; and "(2) The provisions of the § 1-301.01(b)(2), (3), and (5), except for the last

sentence of § 1-301.01(b)(3) shall be applicable to such bond as if it were the bond authorized by § 1-301.01(b)(1); provided, that nothing in this subsection shall be construed to impose upon the surety on any such bond a greater liability than the total amount thereof or the amount remaining unextinguished after any prior recovery or recoveries.

- "(d) This subsection shall not be applicable to persons when engaged in the regular course of any of the following professions or businesses:
  - "(1) Attorneys-at-law;
- "(2) Persons regularly employed on a regular wage or salary, in the capacity of creditment or in a similar capacity, except as an independent contractor;
  - "(3) Banks and financing and lending institutions;
- % "(4) Common carriers;
  - "(5) Title insurers and abstract companies while doing an escrow business;

871	"(6) Licensed real estate brokers; or
872	"(7) Employees of any class or subclass of licensees required to give bond under
873	this subsection.".
874	"Sec. 47-2851.22. Cease and desist orders.
875	"(a)(1) When a board, or the Mayor, after investigation but prior to a hearing, has cause
876	to believe that a person is violating any provision of this subchapter and the violation has caused
877	or may cause immediate and irreparable harm to the public, the board or the Mayor may issue an
878	order requiring the alleged violator to cease and desist immediately from the violation. The order
879	shall be served by certified mail or delivered in person.
880	"(2) A copy of the cease and desist order shall be served on the holder of a
881	certificate of occupancy for the premises and on the property owner of record if each of these
882	persons or entities is separate and distinct from the licensee.
883	"(b)(1) The alleged violator may, within 15 days of the service of the order, submit a
884	written request to the board to hold a hearing on the alleged violation.
885	"(2) Upon receipt of a timely request, the board shall conduct a hearing and
886	render a decision pursuant to § 47-2853.22.
887	"(c)(1) The alleged violator may, within 10 days of the service of an order, submit a
888	written request to the board for an expedited hearing on the alleged violation, in which case he o
889	she shall waive his or her right to the 15-day notice required by subsection (b)(1) of this section.
890	"(2) Upon receipt of a timely request for an expedited hearing, the board shall
891	conduct a hearing within 10 days of the date of receiving the request and shall deliver to the

alleged violator at his or her last known address a written notice of the hearing by any means guaranteed to be received at least 5 days before the hearing date.

- "(3) The board shall issue a decision within 30 days after an expedited hearing.
- "(d) If a request for a hearing is not made pursuant to subsections (b) and (c) of this section, the order of the board to cease and desist shall be final.
- "(e) If, after a hearing, the board determines that the alleged violator is not in violation of this subchapter, the board shall vacate the order to cease and desist.
- "(f) If any person fails to comply with a lawful order of a board issued pursuant to this section, the board may petition the court to issue an order compelling compliance or take any other action authorized by this subchapter.".
  - "Sec. 47-2851.23. Prosecutions.

"Prosecutions for violations of any of the provisions of this subchapter, or of any section added hereto from time to time by the Council of the District of Columbia, or of any regulation made by the Council under the authority of this subchapter, shall be on information in the Superior Court of the District of Columbia by the Attorney General for the District of Columbia or any of the Attorney General's assistants.

"Sec. 47-2851.24. Penalties.

"(a) Any person violating any of the provisions of this subchapter, or additions thereto made from time to time by the Council of the District of Columbia, where no specific penalty is fixed, or the violation of any regulation made by the Council under the authority of this chapter, shall be guilty of a misdemeanor and upon conviction be fined not more than the amount set forth in § 22-3571.01 or imprisoned for not more than 90 days.

914	"(b) Any person failing to file any information required by this subchapter, or by any
915	regulation of the Council made under the provisions hereof, or who in filing any such
916	information makes any false or misleading statement, shall upon conviction be fined not more
917	than the amount set forth in § 22-3571.01 or imprisoned for not more than 90 days.
918	"(c) Civil fines, penalties, and fees may be imposed as alternative sanctions for any
919	infraction of the provisions of this subchapter, or any rules or regulations issued under the
920	authority of this chapter, pursuant to Chapter 18 of Title 2.
921	"(d) Adjudication of any infraction of this subchapter shall be pursuant to Chapter 18 of
922	Title 2.".
923	(q) Section 47-2853.04(a) is amended to read as follows:
924	"(a) The following non-health related occupations and professions have been determined
925	to require regulation in order to protect public health, safety or welfare, or to assure the public
926	that persons engaged in such occupations or professions have the specialized skills or training
927	required to perform the services offered:
928	"(1) Architect;
929	"(2) Asbestos Worker;
930	"(3) Attorney;
931	"(4) Barber;
932	"(5) Body Artist;

"(6) Boxer/Wrestler;

"(7) Campus police officer;

"(8) Certified Public Accountant;

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936 "(9) Clinical Laboratory Director; 937 "(10) Clinical Laboratory Technician; "(11) Cosmetologist; 938 "(12) Commercial Driver; 939 940 "(13) Commercial Bicycle Operator; 941 "(14) Electrician; "(15) Elevator Mechanic; 942 943 "(16) Elevator Contractor; 944 "(17) Elevator Inspector. 945 "(18) Funeral Director; 946 "(19) Insurance Agent; 947 "(20) Insurance Broker; 948 "(21) Interior Designer; 949 "(22) Investment Advisor; 950 "(23) Land Surveyor; 951 "(24) Landscape Architect; 952 "(25) Notary Public; 953 "(26) Operating Engineer; 954 "(27) Plumber/Gasfitter; 955 "(28) Principal (public school); 956 "(29) Private Correctional Officer; 957 "(30) Private Detective;

958	"(31) Professional Engineer;
959	"(32) Property Manager;
960	"(33) Real Estate Appraiser;
961	"(34) Real Estate Broker;
962	"(35) Real Estate Salesperson;
963	"(36) Refrigeration and Air Conditioning Mechanic;
964	"(37) Securities Agent;
965	"(38) Securities Broker-Dealer;
966	"(39) Security Alarm Agent;
967	"(40) Security Officer;
968	"(41) Special Police Officer;
969	"(42) Steam Engineer;
970	"(43) Taxicab/Limousine Operator;
971	"(44) Teacher and Other Instructional Personnel (public schools only);
972	"(45) Tour guide; and
973	"(46) Veterinarian.".
974	(r) A new section 47-2853.76 is added to Part D-I to read as follows:
975	"Sec. 47-2853.76. Definitions.
976	"For the purposes of this part, the term:
977	"(1) "Board" means the Board of Barber and Cosmetology.
978	"(2) "Body art" or "body art procedure" means the process of physically
979	modifying the body for cosmetic or other non-medical purposes, including tattooing, body

piercing, and fixing indelible marks or figures on the skin through scarification, branding, tongue bifurcation, and tissue removal.

"(3) "Body artist" means an individual who is licensed under this chapter to perform body art procedures.

- "(4) "Body art establishment" means any structure or venue, whether temporary or permanent, where body art procedures are performed.
- "(5) "Body piercing" means the perforation of any human body part followed by the insertion of an object, such as jewelry, for cosmetic or other non-medical purposes by using any of the following instruments, methods, or processes: stud and clasp, captive ball, soft tissue, cartilage, surface, surface-to-surface, microdermal implantation or dermal anchoring, subdermal implantation, and transdermal implantation. The term "body piercing" shall not include nail piercing.
- "(6) "Branding" means the process of applying extreme heat with a pen-like instrument to create an image or pattern.
- "(7) "Cleansing product" means any material used to apply cleansing agents to the skin, such as cotton balls, tissue or paper products, paper or plastic cups, towels, gauze, or sanitary coverings.
- "(8) "Operator" means any person who owns, controls, or operates a body art establishment, whether or not the person actually performs body art procedures.
- "(9) "Sanitization" means the reduction of the population of microorganisms to safe levels, as determined by the Department of Health, by a product registered with the Environmental Protection Agency ("E.P.A.") or by chemical germicides that are registered with

1002 the E.P.A. as hospital disinfectants. 1003 "(10) "Scarification" means the placing of an indelible mark on the skin by the 1004 process of cutting or abrading the skin to bring about permanent scarring. 1005 "(11) "Sharps" means any object, sterile or contaminated, that may penetrate the 1006 skin or mucosa, including pre-sterilized single needles, scalpel blades, and razor blades. 1007 "(12) "Single-use" means products or items intended for one-time use that are 1008 disposed of after use on a client. 1009 "(13) "Sterilization" means the process of destruction of all forms of life by 1010 physical or chemical means. 1011 "(14) "Tattoo" means the placing of pigment into the skin dermis for cosmetic or 1012 other non-medical purposes, including the process of micro-pigmentation or cosmetic tattooing. 1013 "(15) "Tissue removal" means placing an indelible mark or figure on the skin 1014 through the removal of a portion of the dermis. 1015 "(16) "Tongue bifurcation" means the cutting of the tongue from tip to part of the 1016 way toward the base, forking at the end.". 1017 (s) Section 47-2853.76b is amended to read as follows: 1018 "Sec. 47–2853.76b. Regulation of body artists and body art establishments. 1019 "(a) The Department of Health shall regulate: 1020 "(1) Body artists to protect public health, safety, and welfare, and to ensure that 1021 persons engaged in the occupation have the specialized skills, education, and training required to 1022 perform the services offered by establishing and imposing occupational licensing, registration

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requirements, and associated fee schedules.

"(2) Body art establishments to ensure that such establishments have adequate health,
sanitization, sterilization and safety methods, procedures, equipment, and supplies by
establishing minimum sterilization, sanitation, health, and safety standards for the operation of
such establishments as may be necessary to prevent infection and contamination of equipment,
supplies, or work surfaces with pathogenic organisms and by establishing and imposing
operational licensing, registration requirements, and associated fee schedules.

"(b)(1) All body art establishments offering tattooing procedures shall conspicuously post a written disclosure that states the following:

"The United States Food and Drug Administration has not approved any pigment color additive for injectable use as tattoo ink. There may be a risk of carcinogenic decomposition associated with certain pigments when the pigments are subsequently exposed to concentrated ultra-violet light or laser irradiation."

"(2) All body art establishments offering tattooing procedures shall maintain documentation on the premises containing the following information and shall disclose such information to customers upon request:

"(A) The components of the pigments used in the body art establishment;

"(B) The names, addresses, and telephone numbers of the suppliers and manufacturers of pigments used in the body art establishment for the past 3 years; and

"(C) Identification of any recalled pigments used in the establishment for the past 3 years and the supplier and manufacturer of each pigment.

"(3) All body art establishments shall maintain and use regularly calibrated autoclave equipment for the sterilization of any non-disposable body art equipment at a

1046	frequency to be established by the Department of Health.
1047	"(4) Only single-use disposable sharps, pigments, gloves, and cleansing products
1048	shall be used in connection with body art procedures in body art establishments, in accordance
1049	with rules established by the Department of Health pursuant to subsection (b) of this section.
1050	"(5) A body art establishment that is in violation of this subsection shall be
1051	subject to license suspension or revocation and a maximum fine of \$2,500.
1052	"(c)(1) No person shall operate a body art establishment or perform body art procedures
1053	in a body art establishment unless that establishment has obtained a valid body art establishment
1054	license issued by the Mayor.
1055	"(2) No body art establishment shall employ or permit body artists to perform
1056	body art procedures in the body art establishment unless the body artist holds a valid body art
1057	license issued by the Mayor.
1058	"(3) Any person violating paragraph (1) or (2) of this subsection shall, upon
1059	conviction, be deemed guilty of a misdemeanor and may be punished by a fine not exceeding
1060	\$2,500, imprisonment for not more than 3 months, or both.".
1061	(t) New sections 47-2853.207 and 47-2853.208 are added to read as follows:
1062	"Sec. 47-2853.207. Definitions.
1063	"For purposes of this part, the term:
1064	"(1) "Campus police officer" means an individual appointed under § 5-129.02 and
1065	subject to the requirements of Chapter 12 of Title 6A of the District of Columbia Municipal

"(2) "Detective" or "detective agency" means and includes any person, firm, or

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Regulations.

corporation engaged in the business of, or advertising, or representing himself, or itself, as being engaged in the business of detecting, discovering, or revealing crime or criminals, or securing information for evidence relating thereto, or discovering or revealing the identity, whereabouts, character, or actions of any person or persons, thing or things.

"(3) "Security agency" means a person who conducts a business that provides security services.

- "(4) "Security officer" means an individual appointed under § 5-129.02 and shall have the same meaning as provided in section 2100 of Title 17 of the District of Columbia Municipal Regulations.
  - "(5) "Security services" means any activity that is performed for compensation by a security officer or special police officer to protect an individual or property.
  - "(6) "Special police officer" means an individual appointed under § 5-129.02 and subject to the requirements of Chapter 11 of Title 6A of the District of Columbia Municipal Regulations.
    - "Sec. 47-2853.208. Detective and security agencies; security services occupations.
  - "(a) It shall be unlawful for any person to engage in the business of operating, managing, or conducting a security agency or detective agency, for profit or gain, or to advertise or represent his or her business to that of a security agency or detective agency, or that of conducting, managing, or operating a detective agency or security agency, without first obtaining:
    - "(1) A public safety services license issued pursuant to § 47–2851.03; and
    - "(2) Approval from the Chief of Police.

1090	"(b) In addition to the requirements of subsection (a), no person shall act as a campus
1091	police officer, private detective, security officer, or special police officer in the District of
1092	Columbia without first obtaining:
1093	"(1) An occupational license issued by the Department of Licensing and Consumer
1094	Protection; and
1095	"(2) Approval from the Chief of Police.
1096	"(c) All laws which govern the Metropolitan Police force of the District of Columbia in
1097	the matters of persons, property, or money shall be applicable to all private detectives licensed
1098	hereunder, and such detectives shall make like returns and dispositions of such matters as is
1099	required by existing law and the rules of the Mayor of the District of Columbia governing the
1100	Metropolitan Police Department.
1101	"(d) The Director of the Department of Licensing and Consumer Protection is authorized
1102	and empowered to:
1103	"(1) Issue civil penalties to a person who violates any provision of this section, or the
1104	provisions of Chapter 21 of Title 17 of the District of Columbia Municipal Regulations
1105	pertaining to security agencies; and
1106	"(2) Suspend or revoke the license of a private detective when such action is deemed
1107	advisable in the public interest.
1108	"(e) Any occupational license fees collected pursuant to this section shall be deposited
1109	into the Occupations and Professions Licensing Special Account established pursuant to § 47-
1110	2853.11.

"(f) The Department may, through the promulgation of rules pursuant to subchapter 1 of

1112 Chapter 5 of Title 2, establish qualifications and fees for occupational licenses issued pursuant to 1113 this section, and establish civil penalties for violations of this section.". 1114 (u) New sections 47-2853.217 and 47-2853.218 are added to read as follows: 1115 "Sec. 47-2853.217. Definitions. 1116 "For purposes of this part, the term "tour guide" means any person who engages 1117 primarily in the business of guiding or directing people to any place or point of interest in the 1118 District.". 1119 "Sec. 472853.218. Tour guides. 1120 "(a) No person shall, for hire, guide or escort any person through or about the District of 1121 Columbia, or any part thereof, without first obtaining: 1122 "(1) A entertainment services license issued pursuant to § 47–2851.03; 1123 "(2) An occupational license for a tour guide issued by the Department of Licensing 1124 and Consumer Protection; and 1125 "(3) Approval from the Chief of Police. 1126 "(b) The Department may, through the promulgation of rules pursuant to subchapter 1 of 1127 Chapter 5 of Title 2, establish qualifications and fees for occupational licenses issued pursuant to 1128 this section, and establish civil penalties for violations of this section. 1129 Sec. 6. Section 8a of An Act Relating to the adulteration of foods and drugs in the 1130 District of Columbia, approved February 17, 1898 (30 Stat. 246; D.C. Official Code § 48-1131 108.01) is amended by adding a new subsection (c-1) to read as follows: 1132 "(c-1)(1) Notwithstanding subsection (c) of this section, the Mayor shall not summarily

close a food establishment solely for a lapsed or expired basic business license prior to sending a

written notice of noncompliance to the licensee.

"(2) The written notice of noncompliance shall notify the licensee that he or she has 5 days from the date of receipt of the notice to renew the food establishment's basic business license before the establishment may be summarily closed.

"(3) If a licensee fails to renew the food establishment's basic business license and provide proof of the renewed license within 5 days of receipt of the notice, the Mayor may summarily close the establishment without additional warning, notice of a hearing, or hearing.".

Sec. 7. Section 14 of the Department of For-Hire Vehicles Establishment Act of 1985, effective March 25, 1986 (D.C. Law 6-97; D.C. Official Code § 50-301.13), is amended to read as follows:

"(a)(1) No person shall engage in driving or operating any vehicle pursuant to this chapter without having procured from the Mayor of the District of Columbia, or his or her designated agent, a license which shall only be issued upon evidence satisfactory to the Mayor of the District of Columbia, that the applicant is qualified to operate such vehicle and upon payment of an annual license fee of an amount set by the Mayor.

- "(2) The license shall be carried upon the person of the licensee or in the vehicle while engaged in driving such vehicle when such vehicle is being used for hire.
- "(3) Application for the license shall be made in such form as shall be prescribed by the Mayor of the District of Columbia.
- "(4) Each annual license issued under the provisions of this subsection shall be numbered, and there shall be kept in the Department of For-Hire Vehicles a record containing the

1156	name of each person so licensed, his annual license number, and all matters affecting his
1157	qualifications to be licensed hereunder.
1158	"(5) No license issued under the provisions of this subsection shall be assigned or
1159	transferred.
1160	"(6) The Department of For-Hire Vehicles may develop procedures to evaluate
1161	the record of a taxicab operator's license under the terms of this subsection and the owners of
1162	taxicabs licensed under the terms of this section.
1163	"(A) The record maintained by the Department of For-Hire Vehicles for
1164	each licensee shall contain any violations associated with the license upon the final
1165	determination of liability by any governmental body charged with adjudicating violations.
1166	"(B) Any procedure shall clearly state the grounds for suspension or
1167	revocation of a license. If the license of a person licensed pursuant to this subsection is revoked,
1168	the person must complete the requirements contained in this subsection before the person may
1169	receive a new license.
1170	"(C) If the license of a person licensed pursuant to this subsection is
1171	suspended, the licensee must complete the requirements contained in this subsection and present
1172	to the Department of For-Hire Vehicles the certificate of completion of the required course
1173	before reinstatement.
1174	"(b) The Department of For-Hire Vehicles shall make the following information available
1175	for public inspection:
1176	"(1) The name of each person licensed under the terms of this section;
1177	"(2) The licensee's annual license number;

1178 "(3) The name of the association, corporation, or organization that maintains the 1179 lease or membership agreement with the licensee; 1180 "(4) Any monetary fine, suspension, or revocation action taken against the 1181 licensee; 1182 "(5) Where applicable, a certificate of completion by the licensee of the training 1183 course established pursuant to this section; 1184 "(6) A record of any criminal conviction of the licensee within the last 3 years; 1185 and 1186 "(7) Any points assessed against the licensee's District of Columbia operators 1187 permit. The records shall be cross-referenced to the association, corporation, or organization. 1188 "(c)(1) The Department of For-Hire Vehicles shall, by regular mail and within 5 days that 1189 Department of For-Hire Vehicles is open of a final decision of suspension, revocation, or non-1190 renewal of a taxicab operator license, notify the association, corporation, organization, or person 1191 that maintains a taxicab lease or taxicab association or company membership agreement with the 1192 operator that the operator's privilege to operate a taxicab in the District of Columbia has been 1193 suspended, revoked, or not renewed. 1194 "(2) The association, corporation, organization, or person that maintains a lease 1195 with the operator shall, upon receipt of the notice, terminate any lease agreement, written or 1196 otherwise, with the operator and shall take reasonable steps to assure the return to the owner of 1197 any vehicle leased to the operator. 1198 "(3) The Department of For-Hire Vehicles shall promulgate regulations to carry

1199

out the purposes of this subsection.

"(d) All vehicles licensed under this section shall bear such identification tags as the Council of the District of Columbia may from time to time direct; and nothing herein contained shall exempt such vehicles from compliance with the traffic and motor vehicle regulations of the District of Columbia.

"(e) Nothing in this subsection shall be construed to require the procuring of a license, or the payment of a tax, with respect to a vehicle owned or operated by a state or local government or a subdivision or instrumentality thereof which is being used to transport school children, their teachers, or escorts to the District of Columbia from the state in which their school is located."

"(f) The following additional licensing requirements shall apply to all persons who apply for a license to operate any public vehicle-for-hire licensed for an owner of a motor vehicle for hire used for any purpose, including owners of a taxicab, an ambulance for hire, an owner of passenger vehicles which, when used for hire, are used exclusively for funeral purposes, owners of passenger vehicles used exclusively for contract livery services for which the rate is fixed solely by the hour, and owners of passenger vehicles for hire used for sightseeing purposes:

"(1) Completion of the primary public passenger vehicle-for-hire license training course as established by the Department of For-Hire Vehicles for a fee of no less than \$100 per person.

"(A) Upon completion of the course, the applicant shall be issued a certificate of completion that shall include the date of completion and shall be presented to the Department of For-Hire Vehicles with the application for a license.

1220	"(B) Before issuing the certificate, each person shall have passed an
1221	examination consisting of the subject matters taught in the course and an evaluation of the
1222	person's English communication skills.
1223	"(C) At a minimum, the training course and any refresher course provided
1224	by the Department of For-Hire Vehicles shall be designed to develop the applicant's knowledge
1225	of the following:
1226	"(i) The geography of the District, with particular emphasis on
1227	major streets throughout the District, significant government buildings, attractions, and tourist
1228	sites, and historical knowledge of the District;
1229	"(ii) District laws and regulations governing the taxicab industry
1230	and the penalties for violating these laws and regulations;
1231	"(iii) District traffic laws and regulations and the penalties for
1232	violating these laws and regulations, including:
1233	"(I) The rights and duties of motorists, which include not
1234	blocking the crosswalk or intersection, and not driving or stopping in a bicycle lane;
1235	"(II) The rights and duties of pedestrians; and
1236	"(III) The rights and duties of bicyclists.
1237	"(iv) Public relations skills, including cultural awareness and
1238	sensitivity training, appropriate social customs and courtesies that should be extended to the
1239	public, conflict resolution, and knowledge of the hospitality industry;

1240	"(v) Small business practices, including methods of accounting and
1241	manifest maintenance, fare computations for intra-District trips and interstate trips, and general
1242	management principles;
1243	"(vi) Driving skills and knowledge of the rules of the road; and
1244	"(vii) The legal requirements that apply to the transportation of
1245	persons with disabilities, including providing equal access to transportation and complying with
1246	the Americans with Disabilities Act of 1990, approved July 26, 1990 (104 Stat. 328; 42 U.S.C. §
1247	12101 et seq.) ("A.D.A.").
1248	"(2) All courses for operators of wheelchair-accessible taxicabs shall provide
1249	training as to:
1250	"(A) The legal requirements that apply to the transportation of
1251	persons with disabilities, including providing equal access to transportation and complying with
1252	the A.D.A.;
1253	"(B) Passenger assistance techniques, including a review of
1254	various disabilities, hands-on demonstrations of how to assist those with disabilities, mobility
1255	equipment training (including familiarity with lift and ramp operations and various types of
1256	wheelchairs and personal mobility devices), and safety procedures;
1257	"(C) Training with an actual person using a wheelchair or personal
1258	mobility device;
1259	"(D) Sensitivity training, including customer service and conflict
1260	resolution techniques; and
1261	"(E) Overall training in passenger relations and courtesy.

	"(3) Completion of an examination which shall consist of a minimum of 60
questions, the	passing grade of which shall be 70% answered correctly, which shall, at a
minimum, test	:

- "(A) The applicant's fitness for licensure based upon knowledge of the location of addresses, significant government buildings, and tourist sites, and an understanding of the Capital City Plan;
- "(B) The applicant's fitness for licensure based upon the areas covered in the hacker's license training course, exclusive of geography;
- "(C) The applicant's knowledge of the District, through a minimum of 5 written questions, which shall require the applicant to state the route to arrive at a destination from a particular location; and
- "(D) Selected areas, through a minimum of 5 oral questions, covered in the hacker's license training course, exclusive of geography, and the applicant's ability to communicate in English.
- "(4) Each applicant may repeat the examination no more than 3 times. Upon the third failure, an applicant must repeat the hacker's license training course and present a new certificate of completion before being allowed to take the examination again. The Department of For-Hire Vehicles shall construct a pool of no fewer than 300 questions from which questions shall be drawn for each examination that is administered. This pool shall be prohibited from public dissemination and shall be substantially revised at a minimum of every 2 years to protect the integrity of the examination.

"(5) Upon passage of the examination, each applicant has 90 days in which to complete the application process for licensure. After 90 days, the passing score from the prior examination is no longer valid for licensure, and the applicant must repeat the license training course, present a new certificate of completion, and retake the examination.

- (g) The Department of For-Hire Vehicles may issue any reasonable rule relating to the supervision of public vehicles-for-hire it considers necessary for the protection of the public.
- (h) The Department of For-Hire Vehicles may establish standards, criteria, and requirements for the licensing of the different classes of public vehicles-for-hire and the owner and operators thereof and may establish appropriate classes of license fees for the ownership and operation of public vehicles-for-hire subject to the requirements of this section, provided that no license requirement for operating authority shall be mandated by the Department of For-Hire Vehicles which is duplicative of the jurisdiction of the Washington Metropolitan Area Transit Commission.
- (i) No person, corporation, partnership, or association shall operate a public vehicle-forhire in the District without first having procured all applicable licenses and meeting all requirements as mandated by the Department of For-Hire Vehicles. Any violation of this subsection shall subject a violator to a civil fine not to exceed \$500.
- (j) The Department of For-Hire Vehicles may establish reasonable civil fines and penalties for violation of any rule issued pursuant to the authority of this section.
- (k) All rules and regulations applicable to public vehicles-for-hire in effect before October 22, 2012, that are consistent with this subchapter shall remain effective until amended or repealed by the Department of For-Hire Vehicles.".

1305	Sec. 8. Short title.
1306	This section may be cited as the "M.P.D. Overtime Reimbursement Fund Establishment
1307	Act of 2021".
1308	There is established as a special fund, the M.P.D. Overtime Reimbursement Fund
1309	("Fund"), which shall be administered by the Metropolitan Police Department ("M.P.D.") in
1310	accordance with subsection (b) of this subsection.
1311	(a) Except as provided in in section 3052 of the FEMS Special Events Fee Fund
1312	Establishment Act of 2007, effective September 18, 2007 (D.C. Law 17-20; D.C. Official Code §
1313	1-325.81), revenue from the following sources shall be deposited in the Fund:
1314	(1) Fees paid pursuant to D.C. Official Code § 47-2851.04(d)(2) related to police
1315	services; and
1316	(2) Fees paid pursuant to section 3002 of the Police Escort Reimbursement
1317	Amendment Act of 2014, effective February 26, 2015 (D.C. Law 20-155; D.C. Official Code §
1318	5-129.71).
1319	(b) Money in the Fund shall be used for the purpose of reimbursing M.P.D. for the cost of
1320	overtime needed to:
1321	(1) Staff special events such as parades, carnivals, and movie productions; and
1322	(2) Provide security details to establishments, such as bars, nightclubs, and sports
1323	teams, that pay for extra police coverage.
1324	Sec. 9. Applicability.
1325	(a) This act shall apply upon the date of inclusion of its fiscal effect in an approved
1326	budget and financial plan.

1327	(b) The Chief Financial Officer shall certify the date of the inclusion of the fiscal
1328	effect in an approved budget and financial plan and provide notice to the Budget Director of the
1329	Council of the certification.
1330	(c)(1) The Budget Director shall cause the notice of the certification to be
1331	published in the District of Columbia Register.
1332	(2) The date of publication of the notice of the certification shall not affect
1333	the applicability of this act.
1334	Sec. 10. Fiscal impact statement.
1335	The Council adopts the fiscal impact statement in the committee report as the fiscal
1336	impact statement required by section 4a of the General Legislative Procedures Act of 1975,
1337	approved October 16, 2006 (120 Stat. 2038; D.C. Official Code § 1-301.47a).
1338	Sec. 11. Effective date.
1339	This act shall take effect following approval by the Mayor (or in the event of veto by the
1340	Mayor, action by the Council to override the veto), a 30-day period of Congressional review as
1341	provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December
1342	24, 1973 (87 Stat. 813; D.C. Official Code § 1 206.02(c)(1)), and publication in the District of
1343	Columbia Register.