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To: CM Angela Whitfield-Calloway, District 2

From: Julianne Pastula, Director of Department of Appeals and Hearings

Date: March 24, 2025

RTMENT OF Deals & Hearings

Re: Responses to 2025-2026 DAH Budget Analysis

Please find below responses to your questions sent on March 19, 2025, regarding the Fiscal Year 2026 Proposed Budget for the Department of Appeals and Hearings (DAH).

1. The DAH collection process is impressive; however, there are companies that simply refuse to comply and refuse to pay the DAH judgment. What is the DAH process for addressing these companies and gaining compliance?

The Department of Appeals and Hearings (DAH) actively pursues the collection of unpaid judgments from both individuals and corporate entities. Respondents receive multiple notifications before enhanced collection efforts begin. After a hearing, judgments are mailed to Respondents, followed by a reminder notice if the judgment remains unpaid after 10 days. If a judgment remains unpaid for 30 days, it is automatically transferred to our collections vendor for further action. Beyond these comprehensive collection efforts, DAH also files garnishments and is in the process of reinstating the filing of liens.

Additionally, we have implemented several internal policy changes that address your concern. All Respondents with accounts in collection status that contact the City are now redirected to our collections vendor. Furthermore, instead of addressing unpaid judgments individually, we now expect all unpaid judgments for that Respondent to be addressed. This consolidated approach allows DAH to communicate more efficiently with both our collections vendor and the Law Department for their appropriate action, for example entering into a compliance agreement as part of a negotiated settlement.

2. The DAH business license enforcement hearings are a tool to gain compliance; however, some businesses avoid the process by selling the business to a relative or friend. What steps can DAH take to stop these sham sales and gain compliance?

DAH cannot prevent private business transactions from taking place. However, regardless of ownership transfers, businesses must maintain current licensing and permits. If ticket-issuing agencies pursue enforcement actions and ticketing, DAH remains committed to holding timely and impartial hearings to ensure compliance



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with applicable laws. The Law Department represents the City at business license hearings and consistently pursues compliance agreements with owners.

3. ARPA funding will end in December 2026. What ARPA funding programs will need general fund support to continue beyond ARPA?

DAH does not have any ARPA funded programs. However, DAH does have three employees that are ARPA funded (2 Administrative Hearings Officers and 1 Head Clerk). These positions will continue to be funded via ARPA in FY26.

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Signature:	0.	Date: March 24.2025