

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Office of the Chief Financial Officer

Natwar M. Gandhi
Chief Financial Officer



MEMORANDUM

TO: The Honorable Linda W. Cropp
Chairman, Council of the District of Columbia

FROM: Natwar M. Gandhi
Chief Financial Officer

DATE: September 16, 2003

SUBJECT: Fiscal Impact Statement: “Omnibus Alcoholic Beverage
Amendment Act of 2003”

REFERENCE: Draft – No Bill Number

Conclusion

Funds are sufficient in the proposed FY 2004 through FY 2007 budget and financial plan to implement the “Omnibus Alcoholic Beverage Amendment Act of 2003.”

Background

The “Omnibus Alcoholic Beverage Amendment Act of 2003” comprises numerous provisions including ensuring completion of an alcohol training and education certification program by an applicant for an Alcoholic Beverage Control (ABC) manager’s license, making a tasting permit valid for two years rather than one year, and providing Alcoholic Beverage Regulation Administration (ABRA) investigators with the authority to check the identification of a patron inside of or attempting to enter an ABC establishment and to seize both alcoholic beverages sold to minors and fake identification documents used by minors.

The proposed legislation also sets and changes minimum annual fees for several categories of on-premises retail licenses and increases the maximum yearly compensation for ABC Board members from \$6,000 to \$12,000.

Financial Plan Impact

The proposed legislation increases the maximum yearly compensation for ABC Board members by \$6,000 (from \$6,000 to \$12,000). Under the Merit Personnel Act of 1978 (D.C. Official Code § 1-611.08(J)), the Board's chairperson is entitled to an additional 20 percent above the annual maximum compensation per year. Increasing the maximum Board compensation from \$6,000 to \$12,000 would increase the Board chairperson's compensation from \$7,200 to \$14,400. With six members of the ABC Board plus the chairman, the proposed increase in compensation would result in additional personnel services costs of \$43,200 per year. The costs can be absorbed by ABRA within existing and proposed FY 2004 resources.

The fees listed in the "Omnibus Alcoholic Beverage Amendment Act of 2003" are minimum fees that the ABC Board must charge. The accompanying rulemaking proposed by ABRA contains the actual fees the Board is proposing. The minimum fees contained in the proposed legislation have no fiscal impact.