

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



Natwar M. Gandhi
Chief Financial Officer

MEMORANDUM

TO: The Honorable Vincent C. Gray
Chairman, Council of the District of Columbia

FROM: Natwar M. Gandhi 
Chief Financial Officer

DATE: SEP 24 2007

SUBJECT: Fiscal Impact Statement: "Retail Service Station Amendment Act of 2007"

REFERENCE: Bill Number 17-142, Committee Print

Conclusion

Funds are sufficient in the FY 2008 through FY 2011 budget and financial plan to implement the proposed legislation. The proposed legislation is not anticipated to have a fiscal effect on the District's budget and financial plan.

Background

The proposed legislation would amend D.C. Official Code § 36-301, 302, and 304 to remove the divorcement provisions of current District law that prohibit "jobbers" (wholesale suppliers or distributors of motor fuel) from operating a retail service station in the District. District Law 15-297 ("Retail Service Station Amendment Act of 2004," effective April 8, 2005) added jobbers to the list of entities prohibited from operating retail service stations and allowed jobbers operating service stations until April 8, 2007 to comply with the prohibition.¹

The proposed legislation would remove jobbers from the list of entities prohibited from operating retail service stations in the District. Because the prohibition on jobbers has not gone into effect (see footnote 1), the proposed legislation would maintain the status quo regarding operations of retail service stations.

¹ D.C. Act 17-035, enacted April 19, 2007, deferred compliance with B15-297 until January 1, 2008. Thus, jobbers are currently not prohibited from operating retail service stations.

Prior to the passage of D.C. Law 15-297, District law prohibited producers, refiners or manufacturers of motor fuels from operating a retail service station in the District. Instead, retail service stations are required to be operated by a person or entity not related to the producer, refiner, or manufacturer of motor fuel.²

Financial Plan Impact

Funds are sufficient in the FY 2008 through FY 2011 budget and financial plan to implement the proposed legislation. The proposed legislation would maintain the status quo for regulations on operations of retail service stations and is not anticipated to have a fiscal effect on the District's budget and financial plan.

² Restrictions on the operation of retail service stations are detailed in D.C. Official Code § 36-302.02. The prohibition required producers, refiners, or manufacturers of motor fuels that currently (as of April 19, 1977) operated retail service stations to change the structure of their operations by January 1, 1981 to comply with the law.