

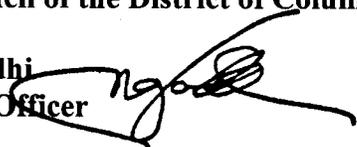
Government of the District of Columbia  
Office of the Chief Financial Officer



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:** OCT 21 2008

**SUBJECT:** Fiscal Impact Statement: "District of Columbia Alcoholic Beverage Retail Licensing Amendment Act of 2008"

**REFERENCE:** Draft Legislation – No Number Assigned

---

**Conclusion**

Funds are sufficient in the proposed FY 2009 through FY 2012 budget and financial plan to implement the provisions of the proposed legislation.

**Background**

The proposed legislation would amend D.C. Official Code § 25-303(a) and Section 206 of Title 23 of the District of Columbia Municipal Regulations to permit off-premises beer and wine retailers to sell beer and wine for consumption on-premises, and to allow on-premises retailers to sell beer and wine for off-premises consumption.

The following table provides an outline of retailers' licenses for on- and off-premises alcohol consumption, and associated fees.

<b>Retailer's License Class</b>	<b>License allows:</b>	<b>License Fees, or Fee Range<sup>1</sup></b>
<b>A</b>	Sales of spirits, wine, and beer for consumption <i>off</i> -premises	\$2,600
<b>B</b>	Sales of wine and beer for consumption <i>off</i> -premises	\$1,300

<b>C</b>	Sales of spirits, wine, and beer for consumption <i>on</i> -premises.	\$1,000 - \$5,850
<b>D</b>	Sales of wine and beer for consumption <i>on</i> -premises.	\$600 - \$4,550

\* This table represents current law. Most of the information displayed in this table can be found at D.C. Official Code § 25-112 and § 25-113. Other information, such as license fees and fee ranges, were obtained from the Director of the Alcoholic Beverage Regulation Administration by the Office of the Chief Financial Officer.

<sup>1</sup> License fees are renewed every three years on different schedules depending on the license type. For instance, the next renewal date for Class A licenses is in March 2009, whereas the next renewal date for Class B licenses is in September 2011.

### **Financial Plan Impact**

Funds are sufficient in the proposed FY 2009 through FY 2012 budget and financial plan to implement the provisions of the proposed legislation. The Alcoholic Beverage Regulation Administration (ABRA) could absorb the cost of implementing the proposed legislation with existing resources.

It is likely that the implementation of the proposed legislation would result in an increase of Class B, C, and D retailer's licenses; therefore, the ABRA is likely to experience an increase in revenues associated with issuing such licenses. However, the amount of revenue would depend entirely on the number of retailers that sought and received these licenses, which cannot be reliably estimated. Therefore, the revenue impact associated with implementing the proposed legislation, while likely positive, cannot be determined at this time.

Pursuant to D.C. Official Code § 25-210, all funds obtained from alcoholic beverage licensing and permitting fees are deposited into the Alcoholic Beverage Regulation Administration Fund ("Fund"), a non-lapsing segregated account separate from the General Fund. Subject to Federal and District laws governing the appropriation of funds, the funds deposited in the ABRA Account are used to fund the expenses of ABRA in the discharge of its administrative and regulatory duties.