

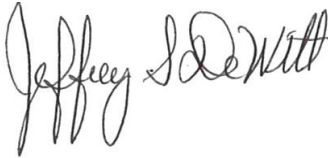
Government of the District of Columbia  
Office of the Chief Financial Officer



Jeffrey S. DeWitt  
Chief Financial Officer

**MEMORANDUM**

**TO:** The Honorable Phil Mendelson  
Chairman, Council of the District of Columbia

**FROM:** Jeffrey S. DeWitt  
Chief Financial Officer 

**DATE:** October 12, 2017

**SUBJECT:** Fiscal Impact Statement – Ward 4 Full-Service Grocery Store  
Amendment Act of 2017

**REFERENCE:** Bill 22-335, Draft Committee Print as shared with the Office of Revenue  
Analysis on October 11, 2017

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**Conclusion**

Funds are sufficient in the fiscal year 2018 through fiscal year 2021 budget and financial plan to implement the bill.

**Background**

The District prohibits the issuance of any new Class A<sup>1</sup> or Class B<sup>2</sup> off-premises retailer's alcohol licenses in Ward 4.<sup>3</sup> Current law does exempt a full-service grocery store located within one Advisory Neighborhood Commission in Ward 4 (ANC 4C07)<sup>4</sup> for the issuance of a Class B off-premises retailer's license, so long as the licensee does not devote more than 3,000 square feet of space to alcoholic beverage sales.

The bill expands the exemption to include any full-service grocery<sup>5</sup> store located in Ward 4 for the issuance of a Class B off-premises retailer's license and eliminates any restrictions on the amount of space a Ward 4 grocery store can dedicate to alcoholic beverage sales.

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<sup>1</sup> Class A licenses authorize the sale of spirits, beer, and wine.

<sup>2</sup> Class B licenses authorize the sale of only beer and wine.

<sup>3</sup> Targeted Ward 4 Single Sales Moratorium and Neighborhood Grocery Retailer Act of 2008, effective March 21, 2009 (D.C. Law 17-324; D.C. Official Code § 25-340.01).

<sup>4</sup> ANC 4C07 is located within the Petworth neighborhood.

<sup>5</sup> As defined in D.C. Official Code § 25-101(22A).

The Honorable Phil Mendelson

FIS: Bill 22-335, "Ward 4 Full-Service Grocery Store Amendment Act of 2017," Draft Committee Print as shared with the Office of Revenue Analysis on October 11, 2017

### **Financial Plan Impact**

Funds are sufficient in the fiscal year 2018 through fiscal year 2021 budget and financial plan to implement the proposed resolution. Any new full-service grocery stores that apply for a Class B license will have to pay a \$75 application fee and a \$1,300 license fee. The number of new potential applicants is unknown, but any fee revenues are expected to be minimal. New fee revenues will be deposited into the Alcohol Beverage Regulation Administration Fund,<sup>6</sup> but the Mayor must initiate a budget action in order to spend any new resources.

The Alcoholic Beverage Regulation Administration can issue any new licenses and enforce licensing requirements, including inspections, with its existing staff and resources.

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<sup>6</sup> Title 25, D.C. Code Enactment and Related Amendments Act of 2001, effective May 3, 2001 (D.C. Law 13-298; D.C. Official Code § 25-210).