

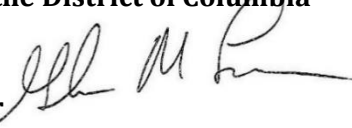
Government of the District of Columbia
Office of the Chief Financial Officer



Glen Lee
Chief Financial Officer

MEMORANDUM

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

FROM: Glen Lee
Chief Financial Officer 

DATE: September 8, 2025

SUBJECT: Fiscal Impact Statement – Nightlife Noise Balance Amendment Act of 2025

REFERENCE: Draft Bill as provided to the Office of Revenue Analysis on August 10, 2025

Conclusion

Funds are sufficient in the revised fiscal year 2025 budget and the fiscal year 2026 through fiscal year 2029 budget and financial plan to implement the bill.

Background

The Alcoholic Beverage and Cannabis Administration (ABCA) regulates the hours of sale and delivery for retail establishments through the initial application and renewal process. ABCA also regulates and administers the protest process for the hours of operation, service, and consumption, and the use of summer gardens, sidewalk cafés, and entertainment endorsements associated with licensing a retail establishment. ABCA also regulates the noise that can emanate from a licensed establishment.

The bill expands ABCA's authority to regulate the hours of operation, service, and consumption, and the use of summer gardens, sidewalk cafés, and entertainment endorsements during the initial application and renewal processes.

The bill establishes a definition of a noise-restricted area that expands where sounds, noise, or music¹ from a licensed establishment should not be audible to include public or private outdoor spaces of a residential building that are within fifteen feet of the licensed establishment. The bill also establishes

¹ The bill defines sounds, noise, or music to include bass noises and similar sounds, that are audible or that generate vibrations or shaking even if not audible.

The Honorable Phil Mendelson

FIS: "Nightlife Noise Balance Amendment Act of 2025," Draft Bill as provided to the Office of Revenue Analysis on August 10, 2025

a separate civil fine structure for noise violations and establishes these violations as secondary tier violations. The following chart outlines the fine schedule:

Violation Occurrence	Minimum Fine Amount
First violation in a two-year period	\$1,000
Second violation in a two-year period	\$2,000
Third violation in a three-year period	\$4,000
Fourth violation in a four-year period	\$6,000
Fifth violation in a four-year period	\$8,000
Sixth Violation in a four-year period	\$10,000

The bill authorizes ABCA to suspend the license of an establishment for up to ten days, or place other restrictions on the licensee, if ABCA issues four or more violations within a two-year period. ABCA is also authorized to issue a warning for a first violation.

Financial Plan Impact

Funds are sufficient in the revised fiscal year 2025 budget and fiscal year 2026 through fiscal year 2029 budget and financial plan to implement the bill. The bill shifts the timing in the application process whereby ABCA can impose hours restrictions on the operation, service, or consumption of beverages from the protest stage to the initial application or renewal stage. There are no costs associated with giving ABCA this authority earlier in the process.

The bill enhances ABCA's enforcement of noise violations, but the changes are generally consistent with existing noise restrictions. ABCA will continue to enforce noise violations when necessary with existing budgeted resources. The bill's fine schedule for noise violations establishes higher fine amounts than the schedule currently used for noise enforcement. ABCA issued ten violations in fiscal year 2024 and has issued two in fiscal year 2025. While the fine scale is higher, any increased revenues are expected to be *de minimis* given the volume of violations issued.