

# FY21 BUDGET SUPPORT ACT OF 2020— ALCOHOL LAW CHANGES

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# PRESENTER



**Sarah Fashbaugh**  
**Community Resource Officer**  
[Sarah.Fashbaugh@dc.gov](mailto:Sarah.Fashbaugh@dc.gov) | (202) 397.3971

# AGENDA

- Alcoholic Beverage Regulation Administration (ABRA) Overview
- Budget Support Act (BSA) Overview
- FY21 BSA Alcohol Law Changes
- Stay Connected
- Q&A

# ABRA OVERVIEW



- The **Alcoholic Beverage Regulation Administration (ABRA)** is an independent agency within DC Government charged with supporting the public's health, safety and welfare through the control and regulation of the sale and distribution of alcoholic beverages.
- ABRA may issue endorsements that allow for licensees to utilize outdoor public and private space for the sale, service, and on-premises consumption of alcoholic beverages.
- ABRA does not regulate restaurants, or any other type of establishment, that do not have an alcohol license.

# BUDGET SUPPORT ACT OVERVIEW



- DC's annual budget process traditionally results in two laws being adopted—the Budget Request Act and Budget Support Act.
- The **Budget Request Act** sets the funding level for each agency and program. The **Budget Support Act** is legislation covering any budget changes that require a change in law.
- The ***FY 2021 Budget Support Act of 2020 (Bill 23-760)***, signed by Mayor Muriel Bowser on August 31, 2020, is currently undergoing the legally mandated 30-day congressional review. The emergency version of the Act takes effect on October 1, 2020. Included in both are six (6) alcohol law changes.

# FY21 BSA ALCOHOL LAW CHANGES



1. Permanently allows On-Premises Retailers to sell alcohol for carry-out and delivery from 6:00 a.m. – 1:00 a.m., daily.
2. Allows On-Premises Retailers and Manufacturers to start alcohol sales at 6:00 a.m., daily.
3. Allows Off-Premises Retailers to offer alcohol sales and delivery from 6:00 a.m. – 1:00 a.m., daily.
4. Increases the District's Extended Holiday Hours program by six (6) days.
5. Extends Presidential Inaugural Week in 2021 to 16 days.
6. Implements permanent games of skill legislation and ABRA endorsement.

Additionally, the FY21 BSA authorizes transferring administration of DC's medical cannabis program to ABRA. Related information and trainings are forthcoming.

# ALCOHOL CARRY-OUT AND DELIVERY



# ALCOHOL CARRY-OUT AND DELIVERY



The FY21 BSA allows On-Premises Retailers to permanently sell alcohol for carry-out and delivery from 6:00 a.m. to 1:00 a.m., daily. *Carry-out and delivery has been piloted since Spring to provide financial relief to businesses impacted by COVID-19.*

## ELIGIBILITY

- Limited to On-Premises Retailers (Convention Center food and alcohol retailers, hotels, multipurpose facilities, nightclubs, private clubs, restaurants, and taverns).

## OF NOTE

- Current and future Reopen DC guidelines supersede FY21 BSA changes. Alcohol sales and on-premises consumption during Phase Two is currently limited to 8:00 a.m. to 12:00 a.m., daily.
- Food can be sold for carry-out and delivery outside these hours if permitted by their alcohol license and conditions of any Settlement Agreements or Board Orders.



# ALCOHOL CARRY-OUT AND DELIVERY

## KEY REQUIREMENTS

- At least one (1) prepared food item must accompany alcohol purchases.
- All alcohol must be provided to patrons in sealed or closed containers.
- Deliveries may only be made to residences located within DC boundaries.
- The age of the purchasing individual must be verified to be 21 years of age or older. This rule also applies to third party delivery services hired by the establishment.

## TO PARTICIPATE

- Advance registration is required. ABC Board approval is not required through March 31, 2021. Register at [abra.dc.gov/node/1468131](https://abra.dc.gov/node/1468131).
- A Carry-Out and Delivery Endorsement will be required to continue such services effective April 1, 2021. Further guidance on securing the endorsement will be issued in early spring.

# ON-PREMISES RETAILER ALCOHOL SALES START TIME



# ON-PREMISES/MANUFACTURER HOURS



The FY21 BSA allows On-Premises Retailers and Manufacturers to start alcohol sales at 6:00 a.m. *Until October 1, alcohol sales may not start prior to 8:00 a.m.*

## ELIGIBILITY

- Limited to On-Premises Retailers (Convention Center food and alcohol retailers, hotels, multipurpose facilities, nightclubs, private clubs, restaurants, and taverns), and Manufacturers with an On-Site Sales and Consumption Permit.
- Participation subject to conditions of any Settlement Agreements or Board Orders.

## OF NOTE

- Current and future Reopen DC rules and restrictions supersede BSA changes. Alcohol sales and on-premises consumption during Phase Two is currently limited to 8:00 a.m. to 12:00 a.m., daily.
- Standard allowed alcohol service end times have not been extended. They remain 2:00 a.m. on weekdays, and 3:00 a.m. on weekends when a public health emergency is not in effect.

# ON-PREMISES/MANUFACTURER HOURS

## TO REQUEST TO MODIFY

- Licensees must submit a ***Change of Hours Application***. All applications are subject to ABC Board approval. Applications are available at [abra.dc.gov/publication/change-hours-abc-license](https://abra.dc.gov/publication/change-hours-abc-license).
- If the ABC Board determines that a change in hours constitutes a “substantial change”, the application will be subject to a public comment period.
- Any Settlement Agreement, that includes opening hour restrictions, must be amended prior to submitting a Change of Hours Application.
- An establishment may not modify their hours unless approved by the ABC Board and a new alcohol license has been issued. A change in hours without or prior to ABC Board approval and license issuance is a Primary Tier violation.
- There is no fee to apply for a change of hours.

# OFF-PREMISES RETAILER ALCOHOL SALES/DELIVERY HOURS



# OFF-PREMISES RETAILER HOURS

The FY21 BSA allows Off-Premises Retailers to offer alcohol for sale and delivery between 6:00 a.m. – 1:00 a.m., daily. *Until October 1, sales and deliveries are limited to 7:00 a.m. – 12:00 a.m., daily.*

## ELIGIBILITY

- Limited to Off-Premises Retailers (liquor stores and grocery stores).
- Participation subject to conditions of any Settlement Agreements or Board Orders.

# OFF-PREMISES RETAILER HOURS

## TO REQUEST TO MODIFY HOURS

- Licensees must submit a ***Change of Hours Application***. All applications are subject to ABC Board approval. Applications are available at [abra.dc.gov/publication/change-hours-abc-license](https://abra.dc.gov/publication/change-hours-abc-license).
- If the ABC Board determines that a change in hours constitutes a “substantial change” in operation, the application will be subject to a public comment period.
- Any Settlement Agreement including hour restrictions must be amended prior to submitting a Change of Hours Application.
- An establishment may not modify their hours unless approved by the ABC Board and a new alcohol license has been issued. A change in hours without or prior to ABC Board approval is a Primary Tier violation.
- There is no fee to apply for a change of hours.

# EXTENDED HOLIDAY HOURS





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The FY21 BSA increases the District's **Extended Holiday Hours Program** by six (6) days. Newly eligible days include the Saturday and Sunday adjacent to Veteran's Day, Christmas, and Emancipation Day.

During this period, registered establishments may remain open 24-hours and sell and allow on-premises consumption of alcohol until 4:00 a.m.

## OF NOTE

- Current and future Reopen DC guidelines and restrictions supersede FY21 BSA changes. Alcohol sales and on-premises consumption during Phase Two is currently limited to 8:00 a.m. to 12:00 a.m., daily.
- Once registered in the program, an establishment may extend their hours for all future eligible days for the current and subsequent years, except for the Presidential Inaugural Week which requires separate registration.

# EXTENDED HOLIDAY HOURS

## ELIGIBILITY

- Limited to On-Premises Retailers (Convention Center food and alcohol retailers, hotels, manufacturers, multipurpose facilities, nightclubs, private clubs, restaurants, and taverns), and Manufacturers with an On-Site Sales and Consumption Permit.
- Participation subject to conditions of any Settlement Agreements or Board Orders

## TO REGISTER

- Licensees must submit an Extended Hours Application and public safety plan. Applications are available at [abra.dc.gov/node/1198351](https://abra.dc.gov/node/1198351).
- Applications must be received at least 30-days before the first eligible day a licensee wishes to extend their hours.

# PRESIDENTIAL INAUGURAL WEEK



# INAUGURAL WEEK EXTENDED HOURS



The FY21 BSA extends the Presidential Inaugural Week to 16 consecutive calendar days in 2021, running January 9 – 24.

During this period, registered establishments may remain open 24-hours and sell and allow on-premises consumption of alcohol until 4:00 a.m. *Previously, the Presidential Inaugural Week was limited to seven (7) consecutive calendar days.*

## OF NOTE

- Current and future Reopen DC guidelines and restrictions supersede FY21 BSA changes. Alcohol sales and on-premise consumption during Phase Two is currently limited to 8:00 a.m. to 12:00 a.m., daily.

# INAUGURAL WEEK EXTENDED HOURS



## ELIGIBILITY

- Limited to On-Premises Retailers (Convention Center food and alcohol retailers, hotels, manufacturers, multipurpose facilities, nightclubs, private clubs, restaurants, and taverns), and Manufacturers with an On-Site Sales and Consumption Permit.
- Participation subject to conditions of any Settlement Agreements or Board Orders.

## TO REGISTER

- Advance registration is required. Online registration will open in the Fall. Establishments that registered for previous Presidential Inaugural Week Extended Hour Programs must re-register for 2021.
- ABC Board approval is not required.

# GAMES OF SKILL



# OVERVIEW



The FY21 BSA implements permanent games of skill legislation which designates the Office of Lottery and Gaming (OLG) as the primary regulatory agency and requires alcohol establishments to secure an ABRA endorsement. Select licensees may install up to five (5) games on-premises. *Until October 1, licensees are limited to three (3) devices on-premises.*

## ELIGIBILITY

- Limited to On-Premises Retailers (hotels, manufacturers, multipurpose facilities, nightclubs, private clubs, restaurants, and taverns).
- Participation subject to conditions of any Settlement Agreements or Board Orders.

## OF NOTE

- Current and future Reopen DC guidelines supersede BSA changes. During Phase Two, the playing of games of skill devices is prohibited.
- Licensees will need to abide by all licensure and registration requirements detailed in the *Games of Skill Machines Consumer Protection Act of 2020*.

# OVERVIEW



## OF NOTE—ADDITIONAL

- The annual Games of Skill Endorsement fee is \$200.
- Establishments must restrict usage of the machines to persons 18 years of age or older.
- No licensee may enter into any alcohol sales revenue sharing agreements with a game of skill manufacturer.
- Advertisements, related to games of skill machines may not be placed on the interior or exterior of a window or a door that is used to enter or exit the licensed establishment.





# PARTICIPATE (ABRA)

## TO APPLY

- Current and prospective alcohol license holders must secure a **Games of Skill Retailer License** from the Office of Gaming and Lottery (OGL) and a **Games of Skill Endorsement** from ABRA. Both can be applied for concurrently. Endorsement applications are available at [abra.dc.gov/page/electronic-games-skill](https://abra.dc.gov/page/electronic-games-skill).
- Requests for a Games of Skill Endorsement can be included in an applicant's initial **Alcohol Beverage License Application** (new license) or in an **Approval of a Substantial Change Application** (existing license).
- Before ABRA will issue an alcohol license with a Games of Skill Endorsement included, the applicant must present their OGL-issued Games of Skill Retailer License for verification.

# STAY CONNECTED



# STAY CONNECTED

- **Staff** | ABRA's physical office remains closed to the public but staff is available to answer questions Monday-Friday, 8:30 a.m. - 4:00 p.m.
  - **Licensing** | [abc@dc.gov](mailto:abc@dc.gov) or (202) 442-4423
  - **ANC or community group concerns** | [sarah.fashbaugh@dc.gov](mailto:sarah.fashbaugh@dc.gov) or (202) 397-3971
- **Social** |
  - **Facebook** | [facebook.com/ABRADC](https://facebook.com/ABRADC)
  - **Twitter** | @DCGov\_ABRA
- **Last Call e-Newsletter and Email Alerts** | Subscribe to receive.
  - [abra.dc.gov/service/sign-abra-email-updates](https://abra.dc.gov/service/sign-abra-email-updates)

# QUESTIONS?

