

### CA Municipal Costs from Extended On-Sale Trading Hours

*Analysis based on AB 342 (2025). Last update May 15, 2025.*

- **Costs to key cities**

- In 2025 dollars, estimated net annual and 5-year costs for 8 key California cities are:

CITY	ANNUAL NET COST	5-YEAR NET COST
Fresno	\$5,230,672	\$28,453,277
Los Angeles	\$27,869,083	\$154,097,685
Oakland	\$6,134,083	\$33,917,442
Redding	\$1,890,330	\$10,452,281
Sacramento	\$10,924,438	\$60,404,949
San Diego	\$22,129,768	\$122,363,048
San Francisco	\$27,201,015	\$150,403,706
San Jose	\$9,383,325	\$51,883,612

*Net costs include estimated financial benefits.*

*Estimates assume 1 in 20 bars and restaurants opt in to 4 a.m. service.*

- Assuming 5% penetration for all on-sale licenses in CA, costs could reach \$375 million annually, \$2 billion at 5 years.

- **Local budget crises**

- Many California cities are facing severe deficits in 2025, including:

- \$1 billion for Los Angeles (ABC7, 4/23/25)
- \$820 million for San Francisco (SF Standard, 4/18/25)
- \$44 million for Sacramento (ABC10, 3/18/25)

-Threatens public services, including those that could reduce harm from extended bar hours, e.g. MUNI. (KTVU, 4/23/25)

- Costs from 4 A.M. last calls would exacerbate, not close, budget holes

- Research shows “scant” evidence of impact of last call times on hospitality industry. (Fitzgerald et al. 2024)

- Discretionary income not spent on alcohol is spent on other goods and entertainment options. (Wada et al. 2017)

### CA Municipal Costs from Extended On-Sale Trading Hours

- **Localized crash risks and Splash Zones**
  - Motor vehicle crashes incur an average of \$7,300 in medical costs per incident (National Highway Traffic Safety Administration, 2023)
  - Crash distribution is not homogenous
  - With county-by-county last call times, extended hours created 5.18 additional DUIs per extra service hour per 100,000 residents per year in neighboring counties (Schofield & Denson, 2013)
    - E.g., if Alameda county implements AB 342 and Contra Costa does not, Alameda's 4 additional service hours/week will generate 60 additional crashes per year in Contra Costa
    - Alcohol related crashes on I-580 in Contra Costa are almost 60% more likely to be heading away from Alameda than towards it
    - Similar patterns across Bay Area freeways (Alcohol Justice, 2022)
  - Intoxicated drivers travel 7 to 40 miles before arrest (Ventura County Behavioral Health, 2009)
  - Rural areas face higher costs, greater crash frequency per vehicle on the road, and greater severity per crash (NHTSA, 2017)
- **Law enforcement cost projections**
  - Law enforcement estimates from extended last calls in FL
    - Approximately \$120,000 per year for 8 licensees in Cape Coral (News-Press, 4/26/16), averaging \$15,000 per licensee.
    - Miami Beach city analysts estimated costs of \$6 million/year to law enforcement caused by 5 a.m. closing times. (NBC6, 10/14/21)

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*Reference list available upon request.*

Inquiries: [advocacy@alcoholjustice.org](mailto:advocacy@alcoholjustice.org)