Department of Planning and Budget
2026 General Assembly Session
State Fiscal Impact Statement

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Bill Number: SB698 **Patron:** Durant
Bill Title: Alcoholic beverage control; designated outdoor refreshment areas.

Bill Summary: Allows a permitted brewery or winery to sell alcoholic beverages for consumption in an area designated for the designated outdoor refreshment area during an event held by the designated outdoor refreshment area licensee. The bill also removes the requirement that alcoholic beverages consumed at such event be contained in paper, plastic, or similar disposable containers that clearly display the name or logo of the retail on-premises licensee from which the alcoholic beverage was purchased. The bill allows designated outdoor refreshment area licensees that are nonprofit organizations to sell tickets or charge for wristbands for an event to cover expenses of the event and also only requires such licensee to provide adequate security for an event if deemed necessary by the locality.

The bill also provides that a designated outdoor refreshment area licensee that is a nonprofit organization shall be permitted to receive in-kind and financial sponsorships and donations from a manufacturer and may collect participation fees from breweries, wineries, and retail licensees for events held under a designated outdoor refreshment area license.

Lastly, the bill allows, with the concurrence of the designated outdoor refreshment area licensee, a nonprofit organization that is not the designated outdoor refreshment licensee, or a brewery, winery, or distillery, to obtain a banquet special event license or a mixed beverage special event license for a special event to be held within the boundaries of the designated outdoor refreshment area as long as there is no event being held by the designated outdoor refreshment area licensee at the same time as such special event.

Budget Amendment Necessary: No. **Items Impacted:** N/A
Explanation: N/A

Fiscal Summary: No material state fiscal impact.

Fiscal Analysis: According to the Virginia Alcoholic Beverage Control Authority, this bill is not expected to have a material fiscal impact on agency operations.

Other: None.