

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

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ORIGINAL

Bill Number: HB934 **Patron:** Simon
Bill Title: Alcoholic beverage control; government stores; distiller's licensees as agents of the Board; sale of alcoholic beverages.

Bill Summary: Allows the holder of a distiller's license or its officers and employees to be appointed by the Board of Directors of the Virginia Alcoholic Beverage Control Authority (ABC) as an agent of the Board for the sale of certain spirits and low alcohol beverage coolers at government stores established by the Board at the site of a farmer's market.

The bill also allows such agents of the Board to sell spirits, beer, wine, or cider for on-premises or off-premises consumption, provided that the spirits, beer, wine, or cider are manufactured within the same licensed premises or on contiguous premises of such agent licensed as a distillery, brewery, or winery. Under current law, such agents of the Board are permitted to give samples of such alcoholic beverages. The bill also removes certain limitations on the amounts of alcoholic beverages that may be given or sold by such agents of the Board in those circumstances.

Budget Amendment Necessary: Yes. **Items Impacted:** Front Page, Part 3, Item 489.
Explanation: See below.

Fiscal Summary: According to ABC, it will need two additional license technicians, totaling \$159,557 annually, including salary and benefits. ABC will also incur one-time operating expenses for training and equipment in fiscal year 2027, totaling \$20,000.

All ABC profits transfer to the general fund. Any additional costs incurred by ABC that do not result in additional revenues will reduce the amount of ABC profits going to the general fund. The reduction to ABC profits as a result of this proposal would need to be accounted for under transfers to the general fund in the front page of the budget, as well as in Section 3-1.01.

General Fund Revenue Impact:

<u>Agency</u>	<u>FY2026</u>	<u>FY2027</u>	<u>FY2028</u>	<u>FY2029</u>	<u>FY2030</u>	<u>FY2031</u>
ABC	\$0	(\$179,577)	(\$159,577)	(\$159,577)	(\$159,577)	(\$159,577)
TOTAL	\$0	(\$179,577)	(\$159,577)	(\$159,577)	(\$159,577)	(\$159,577)

Nongeneral Fund Expenditure Impact:

<u>Agency</u>	<u>FY2026</u>	<u>FY2027</u>	<u>FY2028</u>	<u>FY2029</u>	<u>FY2030</u>	<u>FY2031</u>
ABC	0	\$179,577	\$159,577	\$159,577	\$159,577	\$159,577

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<i>TOTAL</i>	0	\$179,577	\$159,577	\$159,577	\$159,577	\$159,577
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Position Impact:

<u>Agency</u>	<u>FY2026</u>	<u>FY2027</u>	<u>FY2028</u>	<u>FY2029</u>	<u>FY2030</u>	<u>FY2031</u>
ABC		2	2	2	2	2
TOTAL		2	2	2	2	2

Fiscal Analysis: There are currently 83 distillery stores in operation. Currently, they can sell spirits at their locations and at events approved by the Board. Allowing them to sell at farmers' markets expands the existing privilege and will result in a great number of these entities seeking Board approval to sell their products at various locations across the Commonwealth. According to the Farmers' Market Association, there are 350 certified farmers' markets operating in the Commonwealth. This bill allows any one of the distillery store operators to participate in up to 6 farmers' market events at any one give time. ABC anticipates the same approval process it currently has for farm wineries. Due to the influx of applications for approval, ABC claims it will have to hire two additional license technicians to support the processing and investigation of those approval requests.

Other: This bill is a companion to SB424.