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

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Bill Number: HB975ER **Patron:** Bennett-Parker
Bill Title: Alcoholic beverage control; food-to-beverage ratio; report.

Bill Summary: Reduces the current 45 percent food-to-beverage ratio for certain mixed beverage licensees. The bill requires that a mixed beverage restaurant, caterer's, or limited caterer's licensee meet or exceed the following: (i) for such licensees with monthly food sales averaging at least $48,000, the food-to-beverage ratio shall not apply; (ii) for such licensees with monthly food sales averaging at least $25,000 but less than $48,000, the food-to-beverage ratio shall meet or exceed 30 percent; and (iii) for such licensees with monthly food sales averaging at least $4,000, but less than $25,000, the food-to-beverage ratio shall meet or exceed 45 percent, except that for any licensee with monthly food sales averaging less than $25,000 with a seating capacity of less than 30 seats and an occupancy permit for less than 60 people total, the food-to-beverage ratio shall meet or exceed 30 percent. The bill also requires that restaurants have at least as many seats at tables as at counters.

The bill requires the Virginia Alcoholic Beverage Control Authority to collect data regarding the compliance of mixed beverage licensees with the provisions of the bill and the impact of the change to the food-to-beverage ratio on the gross amount of food consumed on a licensee's premises. The bill requires the Authority to report such data to the Chairs of the House Committee on General Laws and the Senate Committee on Rehabilitation and Social Services by November 1, 2027.

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.