

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

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ORIGINAL

Bill Number: SB424ER **Patron:** Perry
Bill Title: Alcoholic beverage control; government stores; distiller's licensees as agents of the Board; sale of alcoholic beverages.

Bill Summary: The bill requires Virginia Alcoholic Beverage Control Authority to collect data regarding the compliance of distiller's licensees with the provisions of this act and 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, 2026 and again by November 1, 2027.

The bill also requires Virginia Alcoholic Beverage Control Authority (the Authority) to convene a stakeholders group to review the manufacturer event licenses and off-site sales privileges granted to manufacturing licensees pursuant to Title 4.1 of the Code of Virginia. The Authority shall evaluate the regulatory, enforcement, and compliance impacts of such licenses and privileges and shall report its findings and any recommendations for statutory or regulatory changes to the Chairs of the House Committee on General Laws and the Senate Committee on Rehabilitation and Social Services no later than December 1, 2026.

The bill sunsets on July 1, 2028.

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

Fiscal Summary: According to ABC, it will need two compliance agents, and one license technician, totaling \$310,196 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	(\$330,196)	(\$310,196)	(\$310,196)	(\$310,196)	(\$310,196)
TOTAL	\$0	(\$330,196)	(\$310,196)	(\$310,196)	(\$310,196)	(\$310,196)

Nongeneral Fund Expenditure Impact:

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<u>Agency</u>	<u>FY2026</u>	<u>FY2027</u>	<u>FY2028</u>	<u>FY2029</u>	<u>FY2030</u>	<u>FY2031</u>
ABC	0	\$330,196	\$310,196	\$310,196	\$310,196	\$310,196
TOTAL	0	\$330,196	\$310,196	\$310,196	\$310,196	\$310,196

Position Impact:

<u>Agency</u>	<u>FY2026</u>	<u>FY2027</u>	<u>FY2028</u>	<u>FY2029</u>	<u>FY2030</u>	<u>FY2031</u>
ABC		3	3	3	3	3
TOTAL		3	3	3	3	3

Fiscal Analysis: Allowing licensees to have their food requirements satisfied through customers bringing in their own food would be a requirement that has not existed before for ABC. ABC anticipates having to hire two additional compliance agents to regulate and enforce these requirements, and one license tech to provide administrative support for additional agents and new licensee requirements.

Other: This bill is a companion to HB934.