

## Department of Planning and Budget 2004 Fiscal Impact Statement

**1. Bill Number** HB1314ER

**House of Origin**    ☐ Introduced    ☐ Substitute    ☐ Engrossed  
**Second House**    ☐ In Committee    ☐ Substitute    ☒ Enrolled

**2. Patron**        Albo

**3. Committee**    Passed Both Houses

**4. Title**            ABC stores; operation on Sunday in certain areas in Northern Virginia.

**5. Summary/Purpose:** Provides that certain government stores, as determined by the ABC Board, in any county having the urban county executive form of government, in any city adjacent to or completely surrounded by any such county, in any county contiguous to any such county, in any city adjacent to or completely surrounded by any such contiguous county, or in any city having a population in excess of 200,000, may be open on Sunday for the sale of alcoholic beverages after 1:00 p.m. The bill requires the ABC Board to adopt regulations to implement these provisions.

**6. Fiscal Impact Estimates are:** Final

**6a. Expenditure Impact:**

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2004-05	3,686,003	18	Nongeneral Fund
2005-06	3,686,003	18	Nongeneral Fund
2006-07	3,686,003	18	Nongeneral Fund
2007-08	3,686,003	18	Nongeneral Fund
2008-09	3,686,003	18	Nongeneral Fund
2009-10	3,686,003	18	Nongeneral Fund

**6b. Revenue Impact:**

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2004-05	5,310,452	0	Nongeneral Fund
2005-06	5,310,452	0	Nongeneral Fund
2006-07	5,310,452	0	Nongeneral Fund
2007-08	5,310,452	0	Nongeneral Fund
2008-09	5,310,452	0	Nongeneral Fund
2009-10	5,310,452	0	Nongeneral Fund

**7. Budget amendment necessary:** Yes, Item 405.

**8. Fiscal implications:** According to the Department of Alcoholic Beverage Control (ABC), this bill would affect stores in Northern Virginia and Tidewater. ABC estimates that the additional cost of operations associated with Sunday opening of certain stores in Northern Virginia and Tidewater would be approximately \$3.7 million annually. Sales generated by

these stores, after an adjustment for cannibalization of sales from other weekdays, would be approximately \$5.3 million dollars, resulting in a net income of \$1.6 million. Included in the net income of \$1.6 million is \$739,373 in net profit and \$885,075 in taxes on distilled spirits. By statute, two thirds (\$487,986) of net profit must go to the localities, resulting in a total transfer to the general fund of \$1.1 million.

**9. Specific agency or political subdivisions affected:** Department of Alcoholic Beverage Control

**10. Technical amendment necessary:** None

**11. Other comments:** None

**Date:** 01/28/04 / tmb

**Document:** f:\tmb\leg04\hb1344er.doc

cc: Secretary of Public Safety