

Department of Planning and Budget

2015 Fiscal Impact Statement

1. Bill Number: HB2119ER

House of Origin	<input type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input checked="" type="checkbox"/> Enrolled

2. Patron: Knight

3. Committee: Passed Both Houses

4. Title: Alcoholic beverage control; customer service.

5. Summary: Amends numerous sections in the Alcoholic Beverage Control Act to better meet customer expectations and improve agency customer service, including provisions that promote the use of electronic communication, facilitate electronic purchases and optional storage of electronic payment information, offer incentives to licensees, provide multiyear license options, and promote the collection and maintenance of accurate contact information for communications with licensees. The bill prohibits email notification of licensees of hearings or Board decisions that may result in licensee suspension, revocation or imposition of a civil penalty. The bill also removes provisions in current law that allow winery and farm winery licensees to sell cider to retail licensees approved by the Board for the purpose of selling cider and to persons outside the Commonwealth for resale outside the Commonwealth.

6. Budget Amendment Necessary: No

7. Fiscal Impact Estimates: Final (see Item #8)

8. Fiscal Implications: This bill allows for changes in how ABC communicates with its licensees and makes other select amendments to the Alcoholic Beverage Control Act to promote better customer service. An amendment to § 4.1-101.1 allows ABC to send any mail, notice or other official notifications by email, text or other electronic means using contact information provided to the Board by the licensee. The bill contains an exception that prohibits the agency from electronically communicating notices of hearings and Board decisions that could result in license suspension, license revocation or the imposition of a civil penalty. Other amendments would allow ABC to offer compliance incentives, multi-year licenses, and adds outdoor dining areas to the definition of “other designated areas.”

In addition, the bill removes language under § 4.1-213 that allows winery and farm winery licensees to sell cider to retail licensees approved by the Board for the purpose of selling cider and to persons outside the Commonwealth for resale outside the Commonwealth.

According to ABC, the provisions of this bill will create efficiencies and allow customers to conduct such business with the agency electronically thus reducing paper processing expenses.

The bill contains an amendment that would permit the agency to charge a \$5 walk-in fee on select transactions that can be done online. According to ABC, it is expected that the revenue collected from this fee to be about \$20,000 the first year and continually decline thereafter as customers become accustomed to conducting business online.

9. Specific Agency or Political Subdivisions Affected: ABC

10. Technical Amendment Necessary: No

11. Other Comments: None

RMT/021815