

## **Department of Planning and Budget**

### **2017 Fiscal Impact Statement**

**1. Bill Number:** HB 2247

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

**2. Patron:** Jones

**3. Committee:** House Appropriations

**4. Title:** Virginia Alcoholic Beverage Control (ABC) Authority.

**5. Summary:** Eliminates the eligibility of employees of the Alcoholic Beverage Control Board (Board) who elect not to become employees of the Alcoholic Beverage Control Authority (Authority) for severance benefits under the Workforce Transition Act (WTA). Such severance benefits would remain available for a Board employee who is not offered a position with the Authority, is not offered a position for which the employee is qualified, or is offered a position that would require relocation or a reduction in salary.

**6. Budget Amendment Necessary:** No

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

**8. Fiscal Implications:** It is unclear how many ABC employees will be deemed ineligible for WTA severance benefits as a result of this legislation; therefore, the fiscal impact cannot be determined.

The amount of WTA expense is contingent upon the individual decisions of employees whether to retire or remain employed with the Authority. Employees will have 180 days to make their decisions once they are given their option notice by the Authority. Actual benefits paid would be dependent on years of service, Virginia Law Officer Retirement Systems benefits (VALORS) and other variables.

Of ABC's 1,098 classified full-time employees, approximately 9 percent are eligible for retirement now and an additional 13 percent will become eligible within the next five years. Although the amount cannot be quantified, the proposed bill will reduce the pool of WTA eligible employees and thus reduce the overall cost of transition to an Authority which is being paid from ABC revenues.

**9. Specific Agency or Political Subdivisions Affected:** ABC

**10. Technical Amendment Necessary:** No

**11. Other Comments:** None