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HOUSE BILL NO. 2293

Offered January 14, 2009

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A BILL to create a pilot project for certain mixed beverage licensees of the Alcoholic Beverage Control Board; alternative calculation for the food-to-beverage ratio based on volume.

Patron—Albo

Referred to Committee on General Laws

Whereas, a special alcoholic beverage control (ABC) subcommittee of the House Committee on General Laws was created pursuant to Rules 18 and 19 of the Rules of the House of Delegates to study certain ABC issues, including the desirability of amending the food-to-beverage ratio required pursuant to § 4.1-210 of the Code of Virginia; and

Whereas, the Special ABC Subcommittee of the House Committee on General Laws was joined in this study by several members of the Senate Committee on Rehabilitation and Social Services; and

Whereas, after extensive deliberation and review of alternatives to address the concerns raised that certain mixed beverage restaurant licensees are having difficulty in meeting the food-beverage ratio prescribed in statute, the joint subcommittees believe it prudent to conduct a two-year pilot project for alternative methods for calculating the food-to-beverage ratio based on the volume of mixed beverages, expressed as minimum food sales revenues compared to proof gallon of spirits purchased from the ABC Board; now, therefore,

Be it enacted by the General Assembly of Virginia:

§ 1. That there is hereby created a two-year pilot project (the project) for certain mixed beverage restaurant licensees of the Alcoholic Beverage Control Board (the Board). During the project, a volume-to-food ratio shall be utilized to provide an alternative method for calculating the food-to-beverage ratio required pursuant to § 4.1-210 of the Code of Virginia as follows. To establish compliance with the volume-to-food ratio, each licensee participating in the project shall generate at least \$350 in food sales per proof gallon of spirits purchased from the Board.

§ 2. The Board shall conduct the project and for each participant in the project may set such additional record-keeping and reporting requirements as the Board deems necessary to conduct the project. The Board may audit the records of the participants as it deems necessary to carry out the project. The Board may inspect such records in accordance with the provisions of § 4.1-204 of the Code of Virginia.

§ 3. The Board shall advise mixed beverage restaurant licensees of the project through its quarterly newsletter and by any other means deemed appropriate by the Board. To participate in the project, a mixed beverage restaurant licensee shall notify the Board on or before August 1, 2009. The Board may select additional willing mixed beverage restaurant licensees to participate in the project to ensure representation from each geographic region of Virginia.

§ 4. Any mixed beverage restaurant licensee participating in the project shall be deemed to be in compliance with law if it meets (i) the food-to-beverage ratio required pursuant to § 4.1-210 of the Code of Virginia and Board regulations or (ii) the volume-to-food ratio requirement set forth in § 1.

§ 5. The Board shall report its findings and any recommendations based on the results of the project to the chairs of the House Committee on General Laws and the Senate Committee on Rehabilitation and Social Services on or before July 1, 2011.

§ 6. "Proof gallon" means one gallon of 100 proof spirits.

2. That, to the extent that regulations are needed to implement the provisions of this act, the Alcoholic Beverage Control Board shall promulgate regulations to implement the provisions of this act to be effective within 280 days of its enactment.

INTRODUCED

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