

Department of Planning and Budget

2022 Fiscal Impact Statement

1. Bill Number: HB426ER

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: Bulova

3. Committee: Passed Both Houses

4. Title: License for third-party delivery of alcoholic beverages

5. Summary: The bill creates a third-party delivery license that authorizes the licensee to deliver alcoholic beverages purchased by consumers from other retail licensees. The bill establishes conditions for the issuance of third-party delivery licenses, imposes eligibility requirements for delivery personnel, and sets forth requirements for a delivery to be made by such delivery personnel.

The bill imposes a \$2,500 fine for first-time violations of the delivery requirements and a \$5,000 fine for second and subsequent violations. The bill also establishes container requirements for certain alcoholic beverages sold for off-premises consumption or delivery. The bill requires that such alcoholic beverages, if not contained in the manufacturer's original sealed container, (i) be enclosed in a container that has no straw holes or other openings and is sealed in a manner that allows a person to readily discern whether the container has been opened or tampered with; (ii) display the name of the licensee from which the alcoholic beverages were purchased; (iii) be clearly marked with the phrase "contains alcoholic beverages"; (iv) have a maximum volume of 16 ounces per beverage for certain beverages; and (v) be stored in the trunk of the vehicle, in an area that is rear of the driver's seat, in a locked container or compartment or, in the case of delivery by bicycle, in a compartment behind the bicyclist during delivery.

The bill also excludes from the rebuttable presumption in current law that a person is consuming alcohol while driving any person who is delivering an alcoholic beverage in accordance with the provisions of the bill. The bill directs the Virginia Alcoholic Beverage Control Authority (ABC) to collect data regarding the compliance of third-party delivery licensees with the provisions of the bill and report such data to the Chairmen of the House Committee on General Laws and the Senate Committee on Rehabilitation and Social Services by November 1, 2023. The bill extends from July 1, 2022, to July 1, 2024, the sunset on prior legislation that allowed certain licensees to sell mixed-beverages for off-premises consumption. The bill requires ABC to monitor the implementation of the provision of this act to identify any difficulties of third-party delivery licensees in determining locations to which alcoholic beverages may be delivered and the adequacy of applicable training and education programs. The ABC Board of Directors must promulgate regulations, if necessary, to address any issues identified during such monitoring process.

6. Budget Amendment Necessary: No

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

8. Fiscal Implications: The bill creates a third-party delivery licensing structure. According to the Alcoholic Beverage Control Authority (ABC), the license fee established by the bill is expected to be sufficient to cover the anticipated fiscal impact.

9. Specific Agency or Political Subdivisions Affected: Alcoholic Beverage Control Authority

10. Technical Amendment Necessary: No

11. Other Comments: None