

# License and Fee Reform

CONCEPTUAL DESIGN

VIRGINIA ALCOHOLIC BEVERAGE CONTROL AUTHORITY

May 31, 2019

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## CEO Statement

On behalf of the entire team at the Virginia Alcoholic Beverage Control Authority, I'm happy to present today's Conceptual Design report for License Consolidation. Early in my time at Virginia ABC, I was struck by the complexity of the licensing structure created in the Code and the fees that came with it. New licenses were being created every year, with little accounting for how current licenses were administered and whether existing fees were sufficient to support effective regulation. Over the last few years, Virginia ABC explored how to streamline the number of licenses administered by the Authority and thought about ways to craft a licensing framework that could more easily accommodate new entrants into the industry without creating new license types with unique privileges. Such improvements make it easier for industry participants to run their businesses as well as assist our agents in working with the regulated community. As the beverage alcohol industry continues to grow in Virginia, I hear from numerous industry participants in all the various tiers that there is a willingness to improve our licensing system to ease burdens on business, enhance enforcement and better serve the taxpayer.

The Conceptual Design report is the product of a talented team of Virginia ABC employees combining their extensive experience in the beverage alcohol enforcement field with an approach of asking thoughtful questions as to why things are being done a certain way and if there wasn't a better way to do them. Examining these issues over the last few years, Virginia ABC welcomes the partnership with the General Assembly. Most recently, The Virginia Senate Committee on Rehabilitation and Social Services formed a subcommittee to review certain aspects of Virginia ABC laws. In its actions, the subcommittee made a request in a letter dated December 11, 2018 asking Virginia ABC to (i) propose a consolidation of licenses, (ii) explore creation of a Marketplace license, (iii) analyze licensing fees, (iv) include relevant stakeholders in the process, and (v) to include a review of an Agritourism license. This report represents a collaborative effort between the Authority and industry stakeholders over the past six months to examine a potential new license structure that works not just for the Authority that manages licensees, but for the licensees and citizens of the Commonwealth whom the Authority serves.

Throughout the Authority's transition from an Agency, we have sought every available opportunity to modernize our operations in order to provide the best service possible to the citizens of the Commonwealth, and this project is consistent with those goals. As we continue to work on replacing our Licensing system, reforming our licensing structure will help to make the Authority a more effective partner to licensees across the Commonwealth. The last time such an effort was undertaken was in the last millennium, making this process valuable for not just the licensees, but the Authority as well.

There is still much work to be done. Throughout the summer, we will be working with stakeholders, finalizing the recommended license structure, coordinating with the Division of Legislative Services, establishing implementation plans and creating the final report for publication in November. However, we are confident that this mission is worthwhile, and that we have the right partners to deliver a recommendation that works for all parties involved.

## Letter from the Virginia Senate subcommittee of the Committee on Rehabilitation and Social Services

December 11, 2018<sup>1</sup>

Travis Hill  
Chief Executive Officer  
Virginia Alcoholic Beverage Control Authority  
2901 Hermitage Road  
Richmond, Virginia 23220

Dear Mr. Hill:

During the 2018 interim, a subcommittee of the Senate Committee on Rehabilitation and Social Services (the subcommittee) assembled several times to study certain alcoholic beverage control (ABC) issues. This study included discussion and analysis of the Commonwealth's current ABC licenses and fees. Throughout these discussions, the subcommittee identified disparities among numerous licenses regarding the amount of alcohol that such licensees are permitted to serve through samples. Moreover, the subcommittee determined that there may be a need to consolidate and restructure the Commonwealth's ABC licenses in light of the large number of ABC licenses currently available despite many commonalities among such licenses, as well as the low level of participation in many of the license categories. Finally, the subcommittee identified a need to review the fees collected by the Virginia ABC Authority and determine their appropriateness on the basis of the privileges conveyed through such fees.

In an effort to address these concerns, the subcommittee formally adopted a recommendation to send official correspondence requesting that the Virginia ABC Authority study these issues during the 2019 interim and report its findings to the subcommittee. Specifically, the subcommittee requests the Virginia ABC Authority to (i) conduct a comprehensive examination of the Commonwealth's current ABC licenses and permits and develop a proposal to consolidate such licenses and permits in a manner that simplifies licensure and permit categories, accommodates both current and anticipated licensure and permit needs, and confers equal sampling privileges among licensees where appropriate; (ii) explore the creation of a marketplace license that could be used to replace many or all of the current ABC licenses issued to establishments that serve, but do not sell, alcoholic beverages and to accommodate other business models for which such privilege would be appropriate, including retail cigar shops; (iii) analyze all fees, taxes, and other charges currently collected by the Virginia ABC Authority and determine whether such fees, taxes, and charges should be raised, lowered, or restructured to better align with the licenses and privileges extended in exchange for such fees, taxes, and charges, as well as the resources necessary to administer, monitor, and enforce such licenses and privileges; and (iv) consult with all relevant stakeholders in conducting its examination and creating its recommendations.

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<sup>1</sup> A signed copy of the Senate Committee on Rehabilitation and Social Services subcommittee letter can be viewed on the Virginia ABC website at <https://www.abc.virginia.gov/library/licenses/pdfs/license-reform/virginia-abc-subcommittee-letter-licensee-reform-project.pdf?la=en>

The subcommittee requests that the Virginia ABC Authority report in writing to the subcommittee a Conceptual Design of its findings by May 31, 2019, and its final recommendations by November 1, 2019. The subcommittee further reserves the right to request that the Virginia ABC Authority appear before the subcommittee, on dates to be determined, to provide updates on its progress throughout the 2019 interim.

The subcommittee makes the aforementioned request in hopes that a comprehensive study of these topics will identify changes that can be made to improve the Commonwealth's ABC laws by simplifying licensure categories, accommodating modern licensure needs, providing equal treatment among similarly situated licensees, and ensuring that fees, taxes, and charges are proportionate to associated privileges and administrative demands. The subcommittee recognizes and appreciates prior efforts by the Virginia ABC Authority to make improvements in these areas and is confident that its continued work will lead to further benefits for the Commonwealth's ABC industry. Should you have any questions or concerns, please do not hesitate to contact us.

Respectfully,

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## Project Approach and Stakeholder Engagement

To conduct the work involved in this study, Virginia ABC designated staff time of a manager and two Research and Planning project managers to manage various aspects of the study and designated the CEO and four members of executive leadership to serve as a Steering Committee.

- Steering Committee
  - Travis G. Hill, Chief Executive Officer
  - S. Christopher Curtis, Deputy Secretary to the Board
  - John Daniel, Chief Government Affairs Officer
  - Thomas Kirby, Chief, Bureau of Law Enforcement
  - Eddie Wirt, Chief Communications & Research Officer

In early November 2018, Virginia ABC compiled a list of known and potential industry stakeholders to engage and consult with for the duration of the study (See Appendixes A and C). These stakeholders were provided with a series of opportunities to provide suggestions and feedback related to the License and Fee Reform Project. These opportunities are discussed in detail below and are outlined in Appendix B.

A Kick-Off meeting to communicate the scope of the study, a proposed timeline and a series of thought provoking questions was held with stakeholders on November 28, 2018. At this meeting, Virginia ABC shared a newly created electronic mail address created for the express purpose of allowing stakeholders to share their ideas, concerns, suggestions, and thoughts around License and Fee Reform.

Virginia ABC also created a License Reform webpage (<https://www.abc.virginia.gov/licenses/license-reform>) on the Virginia ABC Authority website. This webpage went live on January 18, 2019 to provide stakeholders with information on the origin and scope of the study; context related to the current licensing structure; stakeholder meeting dates; lists of interested and engaged individuals, businesses, associations, consulting and lobbyist firms; initial content and research reviewed by project team members; and presentations made during stakeholder meetings. Additionally, the License Reform webpage identified the License Reform electronic mail box and hosted a survey to provide stakeholders a forum and opportunity to share any thoughts, concerns, proposals or recommendations on the license, permit and fee structure; the marketplace license concept; whether the state or the licensee should bear the cost of issuing, monitoring and enforcing licenses, and if fees should be linked to privileges. The License Reform webpage was created in response to a request made by stakeholders to have a resource they could leverage if they were unable to attend any of the meetings discussing the study.

Virginia ABC identified internal subject matter experts to serve on the License and Fee Reform Project Team. The project team consisted of members representing the following interests: licensing data, license and permit issuance, compliance, enforcement, tax management, and administrative processes and hearings.

- Project Team
  - Marc Haalman, Special Agent in Charge
  - Linda Mahowald, Information Admin Specialist
  - Francis Monahan, Special Agent in Charge
  - Pamela Norris, Tax Management Support Analyst
  - Ryan Porter, Deputy Chief
  - Meghan Wallmeyer-Rose, Chief Clerk of Hearings, Appeals & Judicial Services

## Project Research

The project team began meeting weekly in January 2019. The project team began their work by reviewing legislative studies conducted by other states, current licensing fees, and fee structures from other states. There were a number of states whose legislatures had identified committees or taskforces to review the work of the agency responsible for the control and or enforcement of purchasing and serving alcohol within the last 10 years. These reports varied in what the committee or taskforce reviewed and recommended. The following studies, key points and task force recommendations were reviewed by the project team.

### *Governor's Task Force on the Study of Kentucky's Alcoholic Beverage Control Laws (2013)<sup>2</sup>*

In July 2012, former Governor Steve Beshear appointed a 22-member task force to address the issue of Kentucky lawmakers enacting legislation governing the sale and licensing of alcoholic beverages which only addressed specific one-time issues. The study identifies that this practice resulted in regulations and laws that were duplicative, outdated, and cumbersome to administer.

- With limited exceptions all issued licenses shall be valid for a period of no more than one year
- The consolidation process is an opportunity to identify and address abuse in the system
- Eliminate unnecessary licenses:
  - those licenses that exist but have gone unused for years
  - two or more licenses that provide similar privileges with similar costs
- Use familiar and consistent terminology in the statute, such as removing the term vintner and replacing with winery
- Bundle or merge supplemental licenses into primary license types to reduce the number of license types
- Changes in fees should be distributed equitably across all license types
- When consolidating or merging license types consider evolving business models
- There should be similar fees for similar license types

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<sup>2</sup> *Governor's Task Force on the Study of Kentucky's Alcoholic Beverage Control Laws* <https://docplayer.net/15103403-Governor-s-task-force-on-the-study-of-kentucky-s-alcoholic-beverage-control-laws-recommendations-of-the-licensing-committee.html>

### *Review of Iowa Code Chapter 123 Final Recommendations (2017)*

On August 10, 2016, Governor Terry Branstad tasked several state agencies to work together and perform a review of Iowa’s alcohol laws and identify opportunities to improve commerce, cut red tape, and create regulatory clarity while protecting public health and public safety.

- Create greater parity among beer, wine, and spirits manufacturers:
  - Review the differential treatment of wine versus beer versus spirits
  - If there is differential treatment and what is the impact on the industry as a whole

### *Alcoholic Beverages Control Commission of Massachusetts: Task Force Report (2017)*<sup>3</sup>

On February 16, 2017, the Honorable Deborah Goldberg, Treasurer and Receiver General of the Commonwealth of Massachusetts, formed a task force to conduct a comprehensive review of the legal and regulatory structures that govern the alcoholic beverages industry in Massachusetts.

- Provide one category of alcohol license; an “all alcohol” license:
  - Applicants can opt for beer only, a wine only, spirits only, or any combination for a lower fee
  - License fees and fines should be should be raised to reflect inflation and market conditions

These studies highlighted topics for discussion and consideration by the project team.

Throughout the months of January and March, the project team developed an initial draft license consolidation structure to foster conversation and actionable stakeholder feedback. Issues and concerns raised by external stakeholders regarding this structure were processed by the project team and recommendations were then presented to and discussed with the Steering Committee.

## **Meetings with Stakeholders**

On March 8, 2019, Virginia ABC held a meeting with external stakeholders to review the initial draft consolidation. The draft consolidation reduced the number of licenses and permits by approximately 60% and was based on a framework of establishing licenses based on specific qualifications in the following categories: retail, industry, marketplace, specialty, and banquets. This meeting was the first of two to obtain feedback on the draft concepts. External stakeholders were asked to think through what impacts or new challenges they might anticipate as a result of the draft consolidation. Stakeholders were also asked to identify any content they found confusing or unclear and inform Virginia ABC using the license reform email to ensure the follow-up meeting scheduled for March 21, 2019 would be as productive as possible.

On March 21, 2019, a series of content specific breakout sessions were held throughout the day to allow all external stakeholders the opportunity to hear the questions, concerns, consensus, disagreements, and information related to the specific areas they each represented. The following breakout sessions were held: wholesalers, restaurants, convenience and grocery stores, and

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<sup>3</sup>*Alcoholic Beverages Control Commission of Massachusetts: Task Force Report*  
[https://www.mass.gov/files/documents/2017/12/28/Alcohol%20Task%20Force%20Report\\_0.pdf](https://www.mass.gov/files/documents/2017/12/28/Alcohol%20Task%20Force%20Report_0.pdf)

manufacturers. The breakout session for restaurants also included a discussion on the Marketplace license. During these sessions, a sign-up sheet with available dates and times was provided to external stakeholders who were interested in meeting individually with the project team and staff. Stakeholders were encouraged to take advantage of the opportunity to attend a one-on-one meeting and, if their schedules did not allow, to submit their thoughts, concerns, and recommendations to the license reform email.

Throughout the project, members of the project team and staff had the opportunity to hold individual meetings with nine external stakeholders. The majority of these meetings occurred during the month of March. Throughout March and April, the project team continued to evaluate the draft consolidation and began to work on the fee study. Again, issues and concerns raised by external stakeholders were processed by the project team and recommendations were then presented to and discussed with the Steering Committee.

On April 30, 2019, Virginia ABC held a fourth meeting with external stakeholders to communicate additional details about the project timeline; provide an update on the contents of the draft consolidation identifying content that had been modified since the March meeting; specifics related to the Marketplace license and preliminary information related to the review of license fees.

Detailed information related to the draft consolidation and fee study is included on pages 9 - 13 of this report.

## License Consolidation

For license consolidation, the Conceptual Design includes grouping licenses into the following categories: retail, industry, specialty, banquets, and marketplace.

- Retail licenses comprise the majority of licenses that deliver alcoholic beverages to the consumer, for on premises and/or off premises consumption
- Industry licenses are for businesses that manufacture, wholesale, or transport alcoholic beverages
  - Manufacturer licenses are for businesses that create alcoholic beverages and may also include privileges to deliver the products they manufacture to the consumer
  - Wholesaler licenses are for businesses that act as distributors between manufacturers and retailers
  - Shipping and importing licenses are for businesses that transport alcoholic beverages either into or out of the Commonwealth
- Specialty licenses are for unique businesses that do not fit well into the general categories above, such as passenger carriers, amphitheaters, bed and breakfasts, motor sport facilities, etc.
- Banquet licenses are for specific events held by citizens of the Commonwealth, non-profits, certain business types, and manufacturers
  - Marketplace licenses are for businesses that qualify to provide complimentary alcoholic beverages in limited quantities to customers for on premises consumption. Such businesses are not otherwise engaged in the sale, manufacturing, or transport of alcohol. Marketplace licenses are discussed on pages 15-17 of this report and will not be covered in this section.

### Retail Licenses

Retail licenses are granted to qualifying businesses that sell beer, wine, and/or mixed beverages to consumers for on-premises consumption and beer and wine for off-premises consumption. There are currently 34 different types of Retail licenses with approximately 16,000 licensees in the Commonwealth. The Conceptual Design contemplates creating four different Retail licenses: Beer/Wine On Premises, Beer/Wine Off Premises, Beer/Wine On/Off Premises, and Mixed Beverages On Premises. For Mixed Beverages On Premises licenses, the current seating capacity tiers will remain, resulting in three licenses for Mixed Beverage. Consolidating to these six licenses will streamline the licensing process, making it easier for businesses seeking a license to identify which license they should seek and easier for Virginia ABC to work with those businesses.

Beer/Wine On Premises licenses will be designed for qualifying businesses such as restaurants and hotels that wish to serve beer and wine with the food they sell for on-site consumption. These licenses will not allow consumption of mixed beverages or selling alcoholic beverages for off-site consumption. There are approximately 700 of these licensees in the Commonwealth.

Beer/Wine Off Premises licenses will be designed for qualifying businesses such as convenience and grocery stores that sell packaged beer and wine solely for offsite consumption, and will not allow onsite consumption of any alcoholic beverages. Businesses will be required to sell products other than beer and wine, and those product sales should be the predominant source of sales for the business. Delivery and Keg privileges will be included with the license, rather than being separate permits requiring additional processing, which simplifies the license for both the business and Virginia ABC. There are approximately 7,000 of these licensees in the Commonwealth.

Beer/Wine On/Off Premises will be designed for qualifying businesses such as restaurants and hotels that sell beer and wine with food for onsite consumption, and in packages for offsite consumption. Delivery and Keg privileges will be included as with the license, rather than being separate permits requiring additional processing, which simplifies the license for both the business and Virginia ABC. There are approximately 2,500 of these licensees in the Commonwealth.

Mixed Beverage On Premises licenses will be for qualifying businesses such as restaurants and hotels that sell mixed beverages, beer and wine with food for onsite consumption, and are subject to Mixed Beverage Annual Review (MBAR) requirements. While these licenses include the privilege to sell beer and wine for on premises consumption, they do not include the privilege of selling beer and wine for off premises consumption as that privilege would require purchasing the Off Premises license above. The current seating capacity tiers of less than 100 Seats, between 100 and 150 seats and greater than 150 seats would continue to be utilized in the conceptual design. There are approximately 5,700 of these licensees in the Commonwealth.

As noted above, the Conceptual Design includes adding Delivery and Keg privileges to all Off Premises licenses in order to simplify the license process for both the business and Virginia ABC. For the Keg privilege, the fee is currently \$65, which is designed to cover the cost of keg registration sticker books that retailers use to identify each keg sold. This fee is a flat rate, regardless of the number of kegs sold and the number of keg registration sticker books the retailer requests from Virginia ABC. The Conceptual Design includes changing the Keg Fee from a \$65 flat fee to a fee per sticker book based on the actual cost to Virginia ABC to procure the sticker books. Virginia ABC would provide an updated cost per sticker book on an annual basis for use in the next year.

While the Conceptual Design includes continuation of the tiered license approach for the Mixed Beverages On Premises licenses, a number of options were evaluated for creating a uniform tiered process across all of the Retail licenses. During conversations with stakeholders, concerns were raised that small businesses in the Commonwealth perceive an inequity in a flat rate fee, whereby they pay the same fee as larger businesses with materially higher alcohol derived revenues - for example a small family owned local convenience store paying the same fee as a national big box retailer for off premises sales of beer and wine. With this feedback in mind, options were discussed that would implement tiers for all Retail licenses, including a volume-tiered-approach based on the amount of alcoholic beverages purchased from wholesalers, a flat-rate-approach for each Retail license category, and even an approach that takes into account

Virginia ABC services utilized by a licensee. The bulk of the focus on this topic was on the volume-tiered-approach; the flat-rate and services-consumed-approaches were considered as potential alternatives to the volume-approach, but were not broadly focused on due to the disadvantages referenced below.

Each of the approaches discussed for implementing a uniform tiered approach to Retail licenses had significant implementation concerns, and as a result, the conceptual design does not include such an approach at this time (other than continuing the current Mixed Beverages On Premises seating capacity tiers). While a volume tiered approach would address the stakeholder concerns described above, as well as take into account the public health and safety impact to the Commonwealth of higher alcohol consumption levels, it would also necessitate updating the beverage volume reporting that wholesalers are currently required to submit to include distribution to each individual licensee. While initial response from stakeholders suggested that this would not be a barrier, there are concerns that smaller wholesalers do not consistently have the technological infrastructure to provide the level of detail needed and would not be able to support such a mandate without additional investment on their part. Without uniform reporting across all wholesalers, implementation of a volume tiered approach would not be possible or enforceable. Additionally, such an approach could potentially require incremental positions within Virginia ABC to support increased auditing and licensee engagement needs commensurate with the data utilized to create the volume tiers. Both of the alternative tiered approaches also had significant strategic concerns. Reverting all Retail licenses to a flat rate would eliminate the current seating capacity tiers in place for Mixed Beverage On Premises licenses, which is inconsistent with the feedback received from stakeholders. While a tiered approach based on the services utilized by a licensee would help to directly correlate workload and fees, it would require additional tracking and data within Virginia ABC that isn't currently available, requiring an unknown amount of investment and ongoing costs to implement.

## Industry Licenses

Industry licenses are granted to qualifying businesses involved in the manufacture, wholesale, or transport of alcoholic beverages. There are currently 52 licenses for manufacturers, seven for wholesalers, seven for shippers and importers, and 11 Specialty Industry licenses such as bottler, gourmet brewing, internet retailer, etc., with approximately 3,500 licensees granted, including approximately 1,200 out-of-state shippers.

Manufacturer's licenses are broken into categories of breweries, wineries, and distilleries. There are currently 35 different licenses for breweries, 15 for wineries, and four for distilleries; the higher numbers for breweries and wineries are primarily driven by differing types of privileges and volume tiers. For both breweries and wineries, the Conceptual Design includes collapsing the differing privileges to make the licenses uniform, with the exception of the differing privileges granted to farm wineries and limited breweries, given their unique roles in the Commonwealth's agricultural framework. Collapsing privileges grants all breweries and wineries delivery, shipping, and keg privileges, leaving breweries with three licenses based on the existing volume tiers, and wineries with four licenses based on the existing volume tiers.

Farm wineries and limited breweries gain additional privileges as currently enumerated in the *Code of Virginia*, but will not be separate licenses. Collapsing these privileges will make the process simpler for both the licensees as well as Virginia ABC. The sole change for distilleries is to remove the Fruit Distiller's license, which is redundant with the existing licenses and is not in use (i.e. there are currently no licensees). There are no changes in the Conceptual Design to the volume tiers that already exist for manufacturers.

Stakeholders provided feedback related to the on-premises and off-premises sales of manufacturers, and whether volume tiers could be established just for these privileges of the licensees to ensure manufacturers that sell increased volumes are paying higher license fees. However, the Conceptual Design does not include such an approach for manufacturers at this time. Manufacturers already have volume tiers that exist for their production levels with escalating fee pricing as volume grows.

Industry Specialty licenses are designed to cover unique circumstances within the industry and by their very nature, many of them cannot be consolidated. The Conceptual Design includes consolidating licenses for internet retailers. There are currently six different licenses for internet retailers, which can be consolidated down to two licenses for both beer and wine for simplification purposes, one each for in-state and out-of-state businesses. Marketing Portal, Fulfilment Warehouse, Bottlers, and Gourmet Brewing Store licenses all remain unchanged.

There are no proposed changes to license structure for wholesalers, shippers, or importers. For out-of-state shippers that are shipping product directly to consumers, stakeholders provided feedback recommending the establishment of a volume-tier-approach similar to the volume-tier for Retail licenses that was discussed above. However, consistent with the volume tiers for Retail licenses, the Conceptual Design does not include such a tiering process due to the same significant implementation concerns. Additionally, Virginia ABC's Enforcement Division is currently working with common carriers and out-of-state shippers to establish best practices in ensuring that shippers are appropriately licensed and reporting their volumes to the Commonwealth. Waiting until these processes are more robust will ensure that a volume tier approach is both viable and enforceable. Lastly, the fees for Out-of-State Shipper licenses increased in a recent legislative session, with the intention of no additional impact(s) in the near future.

## Specialty Licenses

Specialty licenses are designed to address unique business models that don't routinely fall into the Retail or Industry license categories, meaning that many of them by their very nature cannot be consolidated. There are 34 Specialty licenses, with approximately 200 licensees in the Commonwealth.

Annual banquet licenses are available to qualifying businesses to hold special events a certain number of times per year, generally eight to 12. Currently, seven of these licenses exist for individual types of businesses, such as performing arts centers, museums, etc. The Conceptual Design contemplates consolidating these down to a single license for simplification.

Passenger carrier licenses are available to people-transport businesses such as airlines, cruise ships, and trains that operate in either the Commonwealth, its waterways, or airspace. There are currently six licenses for passenger carriers, with the licensing differences primarily related to how the fees are charged - the Conceptual Design includes consolidating these to a single license for simplification.

Motor sports facility licenses are available for three specific facilities within the Commonwealth, with each having its own specific licenses. The Conceptual Design includes consolidating these three licenses down to a single license for simplification. This consolidation has the potential to open the door for more motor sports facilities to seek licensing for alcoholic beverages, dependent upon the structure of the licensing language.

The Conceptual Design does not include any changes to licensing for commercial lifestyle centers, amphitheaters, confectionaries, equine sporting events, museums, and banquet licensing for fire/rescue organizations, given the nature of their uniqueness.

One area of discussion for potential changes to Specialty licenses that is not included in the Conceptual Design based on both internal and external stakeholder feedback, is for licenses that specifically permit consumers to bring alcoholic beverages that they have procured elsewhere onto licensee property, sometimes referred to as “brown bag” licenses. While there are a number of licenses already in the *Code of Virginia* that fall into this category, feedback resulted in a determination that consolidating these licenses and creating a singular license of this type may have unintended consequences with regard to increased alcohol consumption in public places.

## Banquet Licenses

Banquet licenses are available to citizens, non-profits, and businesses in the Commonwealth and grant the privilege of serving specified types of alcoholic beverages for a specific event on a single day. Multiple days can be granted on a single license, with approximately 10% of licenses granted for more than a single day. There are currently 12 different Banquet licenses, and seven of them were used less than 100 times in calendar year 2018. Approximately 21,000 Banquet licenses were granted in calendar year 2018, with the vast majority of them going to citizens to use for private events, such as weddings. The Conceptual Design includes streamlining the 12 current licenses down to five licenses: one license each for manufacturers, non-profits, citizens, clubs, and a Tasting license.

Streamlining licenses down to these five will make it easier for consumers to know exactly which license they should be seeking, especially in the case of citizens of the Commonwealth who do not routinely deal with Virginia ABC or alcohol licensing processes.

Manufacturers’ Banquet license would limit the licensee to only serve the products that they are permitted to manufacture in their existing annual Manufacturer’s license (i.e. a brewery could serve beer, a winery could serve wine and a distillery could serve spirits). Each manufacturer can be granted up to eight such licenses per year, and each day would require an individual license.

Non-Profits' Banquet license would grant the privilege to serve beer, wine and mixed beverages for a single day's special event to duly organized non-profit corporations or associations in charge of the event.

Citizens' Banquet license would grant the privilege to serve beer, wine and mixed beverages for a private event on a single day.

Clubs' Banquet license would grant the privilege to a club already holding an On Premises Beer and Wine license to serve mixed beverages for a single day's special event, with a maximum of 12 such licenses granted per club per year (each day would require an individual license).

A Tasting license would grant the privilege to serve samples not to exceed two ounces per person of each product tasted, limited to up to four products for beer and wine, or two products for spirits. No more than four tasting licenses can be granted to any person per year. This license does not apply to licensed manufacturers and wholesalers.

## Marketplace License

Virginia ABC was asked to “explore the creation of a Marketplace license that could be used to replace many or all of the current ABC licenses issued to establishments that serve, but do not sell, alcoholic beverages and to accommodate other business models for which such privilege would be appropriate, including retail cigar shops.”

Many considerations were given when designing what Virginia ABC believes is a workable solution for this requested type of license. The project team began with defining this type of license and determining some qualifications that would be required for a business to meet in order to be considered for this license type. Some early discussions around qualifications for the Marketplace license included requiring a minimum annual or monthly profit from applicants, but due to the large variance in types of businesses and related profits expected, Virginia ABC decided that this approach was not an equitable way to determine a minimum across all business models. Some stakeholders voiced that a limit on the annual quantity of alcohol that could be purchased would be required for them to support this license, but again, due to the large variance in the amount of traffic coming in to each establishment depending on the type of business being conducted, there would not be an equitable way to determine what that limit should be. There was also a suggestion that Virginia ABC ask any business wanting to apply for the Marketplace license to provide what their projected increase in revenues would be based on the premise of giving away alcohol to justify how a Marketplace license would benefit their business financially, but this was deemed too subjective to be feasible.

While working to determine specific guidelines that would be appropriate for this new license type, stakeholders and the project team thought it would be helpful to look at the number and types of issues that have been documented for an existing license type (e.g. day spas) that is closest to the proposed Marketplace license. Looking more deeply into day spas not only assisted with creating an appropriate list of criteria to require for the Marketplace license, it also helped to better understand the potential impacts that extending the accessibility of such a license might have on Virginia ABC Enforcement personnel.

Some of the more consistent issues recorded from 2005 to-date at day spas included written warnings for:

- Designated Manager Not Posted (29),
- Designated Manager Not On Duty (19),
- Failed To Keep Records (General) and Make Available For Inspection (18) and
- License Not Posted (15).

Day spa issues that resulted in (14) administrative charges included:

- Kept or Allowed to Be Kept Unauthorized Alcoholic Beverage,
- Police Record/Record as a Licensee - Officer, Director, Manager, or 10% Shareholder,
- Failed to Comply With Alcoholic Beverage Control Laws and Regulations,
- Violating or Violated Provision of The Alcoholic Beverage Control Act While Application Pending (Sold/Selling Alcoholic Beverages),

- Violating Or Violated Provision Of the Alcoholic Beverage Control Act While Application Pending (Keeping Alcoholic Beverages),
- Board Not Authorized, and Empowered to Issue License.

Virginia ABC has gathered stakeholder feedback about a Marketplace license throughout this study. Some key themes that were captured from stakeholders about this proposed license include the concern over how Marketplace licensees would be monitored for compliance, how Virginia ABC would be able to advocate for the approval of certain types of businesses qualifying for the license, but not others, perceived smaller consequences for violations than other types of licensees, and concern that the Marketplace licensees would be allowed to buy their alcohol from other retailers (versus wholesalers). Some stakeholders expressed that they would be willing to consider a Marketplace license if the following criteria were included: 1) restriction on the amount of alcohol poured/provided by the glass, 2) restriction on the total quantity of alcohol a business can purchase, and 3) requirement that the purchase of alcohol to be given away must be made from a wholesaler.

All stakeholder feedback was discussed at length with the project team, and subsequent recommendations to accommodate concerns where appropriate were made to the Steering Committee for consideration. All recommendations were discussed and for those which were approved, modifications were made to the draft proposal accordingly.

Considering all of the stakeholder feedback and guidance that was received from Virginia ABC's administrative and enforcement personnel, Virginia ABC took a great deal of time crafting the definition of this license type in an effort to accommodate the need that was proposed by the Senate subcommittee, while also trying to include appropriate delimiters that would keep excessive proliferation from occurring by entities/establishments that were not intended to fit into this category. The Conceptual Design's proposed definition would be included in the *Code of Virginia* and would read as follows:

“A business which is eligible to provide complimentary wine or beer to a customer in accordance within the code and/or regulations and 1) provides goods and/or services in a personalized experience for a bona fide customer, 2) is staffed with personnel with expertise in the goods and/or services provided, and 3) the goods and/or services offered must fall into a single category or classification, and 4) the business or establishment does not otherwise qualify for any other license type (e.g. restaurant, convenience store etc.).”

Regarding the determination of potential criteria to be considered by Virginia ABC in the issuance of this license, the project team approached the creation of this list with the same cautiousness used in crafting the definition. Virginia ABC wants to enable the intended type of establishment(s) to be considered for and be able to operate under the license, while ensuring that our Enforcement Division would be able to appropriately monitor and enforce the compliance of the business. While evaluating a business that has submitted an application for the Marketplace license, Virginia ABC will consider but not limit its evaluation to the following: 1) the standard duration the customer spends in the establishment based upon the primary service being provided

– this is critical for public safety to ensure that customers are not walking in and out of multiple marketplace businesses and consuming excess alcohol while only visiting briefly, 2) the hours of operation –Virginia ABC does not want to extend a Marketplace license to an establishment that serves alcohol in the late hours of the night/early hours of the morning based upon undesirable/unsafe activities that have historically occurred during those hours at establishments serving alcohol, 3) a minimum of two years as an established business, unless otherwise patently qualified – this will help support the idea that the business has a viable and sustainable model that is not reliant upon the ability to give away alcohol, 4) that all employees have participated in required RSVP/MART or Virginia ABC approved training, 5) that the establishment’s ABC manager is on premises at all times, 6) that the purchases of alcohol would only be made through a licensed wholesaler or Virginia ABC (wholesalers may require licenses to pick up orders), 7) that there would be a limit on the amount of alcohol provided to each customer per day for on premises consumption: two 5-ounce glasses of wine or two 12-ounce glasses of beer allowed for each customer, 8) that the license fee paid by the establishment is \$2,000 per year and that it allows for the serving of beer and wine only, 9) that purchase records would be kept pursuant to the *Code of Virginia* and its regulations for the purposes of this type of license, and 10) that the establishment would abide by posting and publishing requirements as required for all license holders.

The Conceptual Design contemplates inclusion of a notation that: 1) this license would not be granted to businesses providing vehicle-related services, and 2) this license could be summarily suspended or revoked for violations of the *Code of Virginia* or its regulations.

Given the final definition and criteria that were deemed most appropriate, the final list of current licensees that would fit into this new license type include: Art Instruction Studio, (§§ 4.1-206 (14), 4.1-231.A (1)(m), 4.1-233.A (1)(l) of the *Code of Virginia*), Day Spa (§§ 4.1-206 (9), 4.1-231.A (1)(h), 4.1-233.A (1)(g) of the *Code of Virginia*), Meal Assembly Kitchen (§§ 4.1-206.A, (4), 4.1-231.A (1)(c) of the *Code of Virginia*), Banquet Facility- Fire/Rescue (§ 4.1-206 A(4) of the *Code of Virginia*), Canal Boat operator (§§ 4.1-206 A(12), 4.1-231 A(1)(k) 4.1-233 A(1)(j) of the *Code of Virginia*), Equine Sporting Event §§ 4.1-206 (8), 4.1-231.A (1)(f), 4.1-233.A (1)(f) of the *Code of Virginia*), Museum (§§ 4.1-206 (7), 4.1-231.A (1)(c), 4.1-233.A (1)(d) of the *Code of Virginia*), and Arts Venue Event (§§ 4.1-206 (13) 4.1-230 B, 4.1-231 A(1)(l) 4.1-233 A(1)(k) of the *Code of Virginia*).

After careful consideration and input by Virginia ABC’s Enforcement Division, it was decided that the ability to give away spirits would remain limited to Bed and Breakfast licensees and that the Bed and Breakfast License should remain a stand-alone Specialty License and not fall under the Marketplace category. All other license types who would be included under the Marketplace license category would only be allowed to serve beer and wine.

## Agritourism Resort License

During the 2019 Session of the General Assembly, Sen. Bryce Reeves patroned Senate Bill (SB) 1245, which would amend the *Code of Virginia* to create an Agritourism Resort alcoholic beverage license. This bill defined an Agritourism Resort as any establishment “having no more than 13 overnight guest rooms in a building that has at least 20,000 square feet of indoor floor space,” “located on a farm in the Commonwealth with at least 1,000 acres of land zoned agricultural,” “equipped with a full-service kitchen” and “offering to the public, for compensation, at least one meal per day, lodging and recreational and educational activities related to farming, livestock and other rural activities.”

The license that would be available to qualified Agritourism Resorts would be a combined special event and caterer’s license. During the course of the 2019 Session of the General Assembly, this bill was stricken and added to the legislative request that has resulted in this report.

The Conceptual Design does not include the Agritourism Resort license, driven by the combination of stakeholder feedback and inconsistency with the goals of license consolidation. The majority of stakeholder feedback was not supportive of creating an additional “niche” license such as this, both in terms of creating a license that would be used by a very limited number of businesses in the Commonwealth, as well as defining an Agritourism Resort in the specific manner above.

Aside from inclusion in Title 4.1 of the *Code of Virginia*, there was concern from the agribusiness community that the definition above could set a precedent and be used in other sections of the *Code of Virginia*, thereby benefitting one type of agribusiness operation to the detriment of other types of agribusiness operations.

## Fee Study Analysis

In 2017, Virginia ABC conducted a study of the adequacy of its current fee structure in covering the actual cost of administering and enforcing the licensee community per the 2017 Session of the General Assembly's adopted budgetary language, pursuant to paragraph D of Item 386 of Chapter 836:

*“The Department of Alcoholic Beverage Control shall conduct a review of its current application and licensing fees as established in the Code of Virginia, with regard to the adequacy of the current fee structure in covering the actual cost of regulating the alcoholic beverage industry in the Commonwealth. In conducting its review, the department shall consider the actual costs involved in issuing a license, regulating that license, and adjudicating violations against a license, as well as the actual cost of collecting all fees. The department shall provide its findings and any recommendations to the Secretary of Public Safety and Homeland Security, the Chairmen of the House Committees on General Laws and Appropriations, and the Chairmen of the Senate Committees on Rehabilitation and Social Services and Finance by November 1, 2017.”*

While conducting this study Virginia ABC worked to identify the costs for the issuance and the regulation of a license using data compiled from the Bureau of Enforcement's Officer Daily Log database. This database is used by Virginia ABC law enforcement officers to document and identify the time spent on a variety of tasks. Specifically, the Officer Daily Log records how much time each law enforcement officer has spent on the regulation of existing licenses, the issuance of new licenses or permits, the adjudication of charges against a license, and various administrative tasks.

The study determined that based on Virginia ABC calculations, fee revenues fall short of operating expenses. Stakeholders recommended that Virginia ABC consider adjusting the agency's application fees to a rate more reflective of the amount of work involved in an application investigation as well as taking an incremental approach to adjusting licensing fees, first adjusting those licenses that generate the greatest work for enforcement agents and then reviewing other licenses for future adjustment. Based on these recommendations, changes were made to fees in 2018. During the 2018 Session of the General Assembly House Bill (HB) 826 and Senate Bill (SB) 884 (*Chapters 405 and 406 of the 2018 Acts of Assembly*) increased the ABC general license application fee from \$65 to \$195 and the application fee for banquet special event and mixed beverage special event licenses from \$15 to \$45. The law also increased the state tax on wine shipper's licenses, beer shipper's licenses and wine and beer shipper's licenses from \$95 to \$230.

The current study builds from the 2017 study and attempts to refine the process to determine the varying costs expended by Virginia ABC for the various types of licenses. The Officer Daily Log was used to calculate costs in the 2017 study and identifies work conducted by officers throughout their shifts in various categories of work (ex. example the issuance of a license or the regulation of a license). The log does not specifically track and identify the time it takes process, enforce and maintain an individual type of license from start to finish (i.e. application, issuance,

maintenance, compliance, enforcement, and renewal). With this knowledge, the project team used an activity based cost approach to review the individual costs associated with various license types.

The project team commenced the fee study by identifying the following information for broad categories of licenses (e.g. retail, industry, etc.).

- What tasks are associated with:
  - Processing the application
  - Issuing and renewing the license
  - Maintaining the license
  - Monitoring compliance
  - Enforcing compliance
- What positions are responsible for the task?
- How many individuals does it take to complete the task?
- How long does it take to complete the task?
- How difficult is the task? Difficult, moderate, easy
- How often does the task occur? Always, sometimes, rarely

After compiling information for broad categories, the project team began the process of determining if the work was varied enough within the broad categories to merit further refinement. This discussion led to the next round of reviews resulting in the project team reviewing the licensing process for Retail Mixed Beverage, Retail Other, Retail On, Retail Off, Manufacturer Brewery, Manufacturer Winery, Manufacturer Distillery, Wholesaler Wine, Wholesaler Beer, Wholesaler Distillery, and Banquet licenses. The project team identified several costs specific to the various categories:

- Retail licenses include costs associated with underage buyer operations
- Retail Mix Beverage businesses must comply with the statutorily required Mixed Beverage Annual Review (MBAR). The Bureau of Enforcement funds a fulltime position whose primary responsibility is to monitor, track and process MBAR data.
- Retail Other are all businesses that do not serve spirits and therefore costs associated with MBAR are not included in the license cost.
- Manufacturers, Wholesalers, Importers and Out-of-state shippers – The Bureau of Enforcement funds a seven person Compliance Unit to support these licensees. This unit works with manufacturers, wholesalers, importers and out-of-state shippers in the alcoholic beverage industry.
- Manufacturers and Wholesalers – The Tax Management Division conducts a monthly excise tax review for all manufacturers and wholesalers

The effort to refine costs is ongoing, and results were not yet complete in time to be included in the Conceptual Design report. Virginia ABC will share these results as they become available so participants can review the information as part of the larger study effort.

## Appendix A:

### Virginia ABC Industry Stakeholder List

Amy Ciarametaro	Gary Cohen	Michael Lafayette
Anne Leigh Kerr	Hunter Smith	Mike O'Connor
Ashley Allen	James Turpin	Morgan Guthridge
Betty Arnold	Jerry Cable	Myles Louria
Bill Cavendar	Jodi Roth	Neal Insley
Bob Kovalcheck	Joe Wertz	Nicole Riley
Brad Beck	John -Garret Kemper	Nidhi Kumar
Brett Vassey	John Jones	Patrick Cushing
Brittany Zamborsky	John S West	Philip H. Boykin
Busch, Stephen D	Julia Ciarlo Hammond	Preston Page
Cal Whitehead	Kate Baker	Richard K. Grossman
Carrington Williams	Katie Hellebush	Robert B. Melvin
Charles Washington	Kenneth G. Hutcheson	Robert T Bohannon
Chris Barker	Kevin McNally	Ross Grogg
Chris Crunkleton	Kimberly Siomkos	Shannon Conway
Christopher Konschak	Kurt Erickson	Shawn Walker
Chuck Duvall	Kyle Shreve	Stan Tretiak
Curtis Coleburn	Laurie Aldrich	Terri Beirne
Dana Schrad	Lillian Macartney	Theodore F. Adams, III
Daniel "Bud" Oakey	Linda C Hancock	Thomas A. Lisk
Daniel Fabian	M Louria	Tripp Perrin
David Albo	M. David Skiles	Walter Marston
Dwight Fuller	Mark Shuford	William McCormack
Eric Terry	Mark T. Bowles	David King
Frank Brunetto	Marybeth Williams	Stan Joynes
Frederick P. Helm	Matthew Simmons	
Gareth H. Moore	Michael Byrne	

**Appendix B:**

**Virginia ABC Communications Channels for Stakeholders**

<b><u>Communications Sent</u></b>	<b><u>Date Sent</u></b>	<b><u>Audience</u></b>
Email with the details about the effort and upcoming meeting 11/28	11/16/18	Industry Stakeholder List
Invite with message about mailbox being set up and 12/17 meeting (including a note that it may be postponed if we do not receive any proposals)	11/30/19	Industry Stakeholder List
Email about 3/8 mtg, deep dives (3/18), reminder of webpage, survey, and mailbox	2/8/19	Industry Stakeholder List
Email to postpone the 12/17 meeting due to no feedback received in the mailbox from stakeholders	12/12/18	Industry Stakeholder List
Email to disclose the web page being up along with a survey on that page - included link to web page as well as survey and reference to next meeting to be held 3/8/19 (after Session is over)	1/18/19	Industry Stakeholder List
Invite to the 3/8 Stakeholder Meeting	2/8/19	Industry Stakeholder List
Invite to the 3/18 in-depth discussions	2/8/19	Industry Stakeholder List
Email to change the 3/18 discussions to 3/21	2/25/19	Industry Stakeholder List
Invite to 3/21 in-depth discussions	2/25/19	Industry Stakeholder List
Email to recap the 3/8 meeting notes, change to 3/21 group discussion approach, and including the agenda and time/slots for 3/21 (and reminder of email box)	3/15/19	Industry Stakeholder List
Email about the 4/30 meeting with reminders about mailbox, web page, and survey	4/8/19	Industry Stakeholder List
Invite for 4/30 Stakeholder meeting with reminders for feedback channels	4/8/19	Industry Stakeholder List
<b><u>Stakeholder Meetings</u></b>	<b><u>Date and Time Held</u></b>	<b><u>Purpose</u></b>
Group Stakeholder Meeting	Nov. 28th, 2018 - 10:00 a.m. – 11:00 a.m.	Review the Subcommittee request for the study and proposed approach and timelines
Group Stakeholder Meeting	March 8, 2019 - 10:00 a.m. – 11:00 a.m.	Review the draft license reform option that VABC is in the process of developing

Stakeholder In-depth Group Discussions	March 21, 2019 - 9:00 a.m. – 12:00 p.m.	Provide an opportunity to discuss and understand the proposed new license groupings and hear the feedback from the impacted licensees
Group Stakeholder Meeting	April 30, 2019 - 10:00a.m. - 12:00 p.m.	Review the changes made to the draft proposal based on feedback received and ABC working group recommendations
<b><u>Individual Stakeholder Meetings</u></b>	<b><u>Date Held</u></b>	
Brett Vassey	3/29/19	
Dwight Fuller	3/20/19	
Eric Terry and Tom Lisk	3/20/19	
Kevin McNally	1/31/19	
Patrick Cushing	3/25/19	
Terri Beirne and Cal Whitehead	3/20/19	
Tom Lisk	2/7/19	
Mike Byrne	1/21/19	
Mac McCormack	1/11/19	
<b><u>Stakeholder Webpage Content</u></b>		
License revenue (current # and type of licenses and associated fees)		
Draft proposal		
Upcoming meeting dates		
Mapping from existing license types to proposed future types		
Research completed on other states		
Link to stakeholder survey		
Request to complete the study from the Subcommittee		
License Reform mailbox address		
Stakeholder meeting documents		

## Appendix C: Some Associations Represented in Stakeholder Meetings

VA Distillers Association
VA Wineries Association
Cozen O'Connor
VCBG (Virginia Craft Brewers Guild)
Black Heath Meadery
Breakthru Beverage VA
Virginia Manufacturers Association
VRMA
McGuire Woods, LLP
Wine Institute
Growlers to Go
Total Wine & More
Republic National Distributing Company
VWWA (VA Wine Wholesalers Association)
Cigar Association of Virginia
GAR (Great American Restaurants)
VRLTA (Virginia Restaurant, Lodging & Travel Association)
Rueger Restaurant Group/Lunch & Supper
Virginia Distillers Association
Downtown Business Associates
Sheriff's Association
Virginia Retail Federation
Helle Bush Consulting, LLC
Marston & McNally, P.C.
Publix
Virginia Agribusiness Council
Troutman Sanders
Capital Ale House
Tobacco Company
Lafayette Ayers Whitlock
VPCGA ( Virginia Petroleum, Convenience and Grocery Association)
NFIB (Small Business Association) National Federation of Independent Business
Drizly
VBWA (Virginia Beer Wholesalers Association)
Vectre
Kemper Consulting
Hefty Wiley & Gore, P.C.
McCormack's Big Whiskey Grill
Valley Road Vineyards

**Appendix D: Virginia ABC Current License Type**

License	License Type	Description	Facility/Location	Source	Seating/Members/Gallons	Fee
Beer	On Premises	Beer may be sold and served only in dining rooms and designated rooms specially approved by Virginia ABC on the premises for each type of business	Restaurant, hotel, tax-exempt private club, food concessions at coliseum and stadium, resort complex.	COV 4.1-208.A (6)(e)(a)(f)(g) COV 4.1-231.A (3)(e) COV 4.1-233.A (2)(d)		\$145.00
Wine and Beer	On Premises	Wine and beer may be sold and served only in dining rooms and designated rooms specially approved by Virginia ABC on the premises for each type of business.	Restaurant, hotel, hotel-limited service, tax-exempt private club, food concessions at coliseum and stadium, resort complex.	COV 4.1-209.A (f)(g)(h) COV 4.1-233.A (4)(4)		\$300.00
Wine and Beer	On Premises	Licensee to sell wine and beer, either with or without meals, only in dining areas and other designated areas of such restaurants, or in dining areas, private guest rooms, and other designated areas of such hotels or clubs, for consumption only in such rooms and areas.	Hotel	COV 4.1-209.A (1)(a) COV 4.1-231.A (4)(a) COV 4.1-233.A (4)(4)		\$300
Mixed Beverage	On Premises	Mixed beverages may be sold and served only in the dining rooms and designated rooms specially approved by Virginia ABC on the premises for each type of business. Please note: Wine and beer on-premises privileges are required to apply for a mixed beverage on-premises license. Both privileges may be applied for simultaneously.	Restaurant, hotel, resort complex	COV 4.1-210.A (1) COV 4.1-231.A (5)(a)(i) COV 4.1-233.A (5)(a)(i)	1-100	\$560
				COV 4.1-210.A (1) COV 4.1-231.A (5)(a)(ii) COV 4.1-233.A (5)(a)(ii)	101-150	\$975
				COV 4.1-210.A (1) COV 4.1-231.A (5)(a)(iii) COV 4.1-233.A (5)(a)(iii)	151+	\$1,430.00
			Tax-exempt private club	COV 4.1-210.A (1) COV 4.1-231.A (5)(b)(i) COV 4.1-233.A (5)(b)	200 or less	\$750
				COV 4.1-210.A (1) COV 4.1-231.A (5)(b)(ii) COV 4.1-233.A (5)(b)	201-500	\$1860
				COV 4.1-210.A (1) COV 4.1-231.A (5)(b)(iii) COV 4.1-233.A (5)(b)	500+	\$2765
			Restaurant on Government Property	COV 4.1-210.A (1)		\$500

License	License Type	Description	Facility/Location	Source	Seating/Members/Gallons	Fee
Mixed Beverage, Limited	On Premises	Licensee to sell and serve dessert wines as defined by Board regulation and no more than six varieties of liqueurs, which liqueurs shall be combined with coffee or other nonalcoholic beverages, for consumption in dining areas of the restaurant. Sale of wine or liqueur-based drinks, together with the sale of any other alcoholic beverages, cannot exceed 10 percent of the total annual gross sales of all food and alcoholic beverages.	Restaurant	COV 4.1-210.A (12) COV 4.1-231.A (5)(l)(i) COV 4.1-233.A (5)(j)(i)	1-100	\$460
				COV 4.1-210.A (12) COV 4.1-231.A (5)(l)(ii) COV 4.1-233.A (5)(j)(ii)	101-150	\$875
				COV 4.1-210.A (12) COV 4.1-231.A (5)(l)(iii) COV 4.1-233.A (5)(j)(iii)	151 or more	\$1,330.00
Caterer Mixed Beverage	On Premises	Licensee to sell and serve alcoholic beverages for on-premises consumption. The annual gross receipts from the sale of food cooked and prepared for service and nonalcoholic beverages served at gatherings and events referred to in this subdivision shall amount to at least 45 percent of the gross receipts from the sale of mixed beverages and food.	Business of providing food and beverages to others for service at private gatherings or at special events	COV 4.1-210.A (2) COV 4.1-231.A (5)(c) COV 4.1-233.A (5)(c)		\$1,860.00
Caterer Limited, Mixed Beverage	On Premises	Licensee to sell and serve alcoholic beverages for on-premises consumption. The annual gross receipts from the sale of food cooked and prepared for service and nonalcoholic beverages served at gatherings and events referred to in this subdivision shall amount to at least 45 percent of the gross receipts from the sale of mixed beverages and food.	Business of providing food and beverages to others for service at private gatherings or at special events, not to exceed 12 gatherings or events per year.	COV 4.1-210.A (3) COV 4.1-231.A (5)(d) COV 4.1-233.A (5)(d)		\$500.00
Combined Restaurant/Caterer, Mixed Beverage	On Premises	Wine and beer on-premises privileges are required to apply for a mixed beverage on-premises license. Both privileges may be applied for simultaneously. For the restaurant portion, mixed beverages may be sold and served only in the dining rooms and designated rooms specially approved by Virginia ABC on the premises for each type of business. For the caterer portion, includes wine, beer and mixed beverage privileges.	Restaurant/Caterer	COV 4.1-210.A (17)	1-100	\$2,420.00
				COV 4.1-231.A (5)(a)(i)(ii)(iii)(c)	101-150	\$2,835.00
				COV 4.1-233.A (5)(j)(i)(ii)(iii)(c)	151+	\$3,290.00

License	License Type	Description	Facility/Location	Source	Seating/Members/Gallons	Fee
Beer	Off Premises	Licensee to sell beer in closed containers for off-premises consumption.		COV 4.1-208.A (7) COV 4.1-231.A (3)(f)		\$120.00
Wine and Beer	Off Premises	Licensee to sell wine and beer in closed containers for off-premises consumption		COV 4.1-209.A (2) COV 4.1-231.A (4)(c)		\$230.00
Beer	Off and On Premises	Licensee to sell beer in closed containers for off and on premises consumption.	Hotels, restaurants, clubs and grocery stores	COV 4.1-208.A (9) COV 4.1-231.A (3)(g)		\$300.00
Wine and Beer	Off and On Premises	Licensee to sell wine and beer in closed containers for off and on premises consumption.	Hotels, restaurants and clubs	COV 4.1-209.A (5) COV 4.1-231.A (4)(d)		\$600.00
Amphitheater (Mixed Beverages)	On Premises	Licensee to sell alcoholic beverages during the performance of any event, in paper, plastic or similar disposable containers to patrons within all seating areas, concourses, walkways, concession areas, or similar facilities, for on-premises consumption.	Food concession at outdoor performing arts facility with seating for more than 20,000 people	COV 4.1-210.A (8) COV 4.1-231.A (5)(i) COV 4.1-233.A (5)(g)		\$560.00
		Licensee to sell alcoholic beverages during the performance of any event, in paper, plastic or similar disposable containers to patrons within all seating areas, concourses, walkways, concession areas, or similar facilities, for on-premises consumption.	Food concession at outdoor performing arts facility with seating for more than 5,000 people	COV 4.1-210.A (9) COV 4.1-231.A (5)(i) COV 4.1-233.A (5)(g)		\$560.00

License	License Type	Description	Facility/Location	Source	Seating/Members/Gallons	Fee
Art Instruction Studio (Wine and Beer)	On Premises	Licensee to serve, at no charge, no more than 2 five ounce glasses of wine or one 12 ounce glass of beer on the premises of the of the art instruction studio regularly occupied and utilized as such.	Commercial establishment providing all required supplies and instruction in creating a work of art during a studio instructional session	COV 4.1-206 (14) COV 4.1-231.A (1)(m) COV 4.1-233.A (1)(l)		\$100.00
Banquet, Annual (Wine and Beer)	On Premises	Organization to serve wine and beer, during no more than 12 banquets per calendar year, in rooms or areas approved by the Board for the occasion for on-premises consumption in such rooms or areas.	Designated areas (or an alternative for an outdoor area in the event of inclement weather) or rooms to be used by a non-Profit fraternal, patriotic, or charitable membership organization, exempt from state and federal taxation, holding banquets exclusively for their members and their guests. Not required if held at a hotel, restaurant, or club that already has a retail wine and beer license.	COV 4.1-209 (9) COV 4.1-231.A (4)(h) COV 4.1-233.A (4)(f)		\$150.00
Banquet, Annual (Mixed Drink)	On Premises	Organization to serve mixed beverages, during no more than 12 banquets per calendar year, in rooms or areas approved by the Board for the occasion for on premises consumption in such rooms or areas	Designated areas or rooms to be used by a nonprofit fraternal, patriotic, or charitable membership organization, exempt from state and federal taxation, holding banquets exclusively for their members and their guests.	COV 4.1-210.A (11) COV 4.1-231.A (5)(k) COV 4.1-233.A (5)(i)		\$500.00

License	License Type	Description	Facility/Location	Source	Seating/Members/Gallons	Fee
Banquet Facility Fire/EMS (Alcoholic Beverage)	On Premises	Licensee to serve, at no charge, legally acquired alcoholic beverages on the premises of the licensee by any person, and bona fide members and guests thereof, otherwise eligible for a banquet license	Volunteer fire and/or volunteer emergency medical services agency station OR A location occupied and under the control of the volunteer fire department or volunteer emergency medical services agency while the privileges of its license are being exercised	COV 4.1-206.A (4) COV 4.1-231.A (1)(c)		\$150.00
Bed and Breakfast (Alcoholic Beverage)	On Premises	(i)serve alcoholic beverages in dining areas, private guest rooms and other designated areas to persons to whom overnight lodging is being provided, with or without meals, for on-premises consumption only in such rooms and areas, and without regard to the amount of gross receipts from the sale of food prepared and consumed on the premises and (ii) permit the consumption of lawfully acquired alcoholic beverages by persons to whom overnight lodging is being provided in (a) bedrooms or private guest rooms or (b) other designated areas of the bed and breakfast establishment. "Other designated areas" includes outdoor dining areas, whether or not contiguous to the licensed premises, provided that such outdoor dining areas are under the control of the licensee and approved by the Board	A guest house or small hotel offering sleeping accommodations and a morning meal.	COV 4.1-206 (5) COV 4.1-231.A (1)(d) COV 4.1-233.A (1)(c)		\$35.00

License	License Type	Description	Facility/Location	Source	Seating/Members/Gallons	Fee
Banquet	Banquet	Issued to Individuals (representing themselves or a group/company) for private events where alcohol is provided at no charge to guests. Also known as a "one-day" license. Authorizes complimentary beer, wine or mixed beverages; guests may bring their own alcohol; and beer and/or wine sales (not for profit).	Wedding receptions, retirement parties, company parties, et	COV 4.1-209.A (6) COV 4.1-231.A (4)( e)		\$40
Banquet Special Event	Banquet	Issued to duly organized, nonprofit corporations and associations raising money for athletic, charitable, educational, political or religious purposes. Wine and Beer I	Nonprofit events such as festivals, concerts, auctions or other similar fundraising events (including political fundraisers)	COV 4.1-209.A (6) COV 4.1-231.A (4)( e) COV 4.1-233.A (4)(c)		\$40
Mixed Beverage Special Event	Banquet	Issued to duly organized, nonprofit corporations and associations raising money for athletic, charitable, educational, political or religious purposes	Nonprofit events such as festivals, concerts, auctions or other similar fundraising events (including political fundraisers).	COV 4.1-210.A (4) COV 4.1-231.A (4)(e) COV 4.1-231.A (5)(e)		\$40
Banquet/Mixed Beverage Special Event	Banquet	Issued to duly organized, nonprofit corporations and associations raising money for athletic, charitable, educational, political or religious purposes	Nonprofit events such as festivals, concerts, auctions or other similar fundraising events (including political fundraisers).	COV 4.1-210.A (11) COV 4.1-231.A (5)( e) COV 4.1-233.A (4)(c)		\$85
Mixed Beverage Club Event	Banquet	Issued to a private club that already holds a beer, or wine and beer club license in order to sell and serve mixed beverages on premises in approved areas to members and guests. It may be granted up to 12 times per calendar year. A separate license is required for each day of each club event. Authorizes on-premises sale and consumption of mixed beverages by club members or guests in approved areas on the club premises.	VFW, Elks, American Legion or similar type clubs already holding a beer, or wine and beer license that wish to sell and serve mixed beverages	COV 4.1-210.A (7) COV 4.1-231.A (5)(f)		\$35

License	License Type	Description	Facility/Location	Source	Seating/Members/Gallons	Fee
Carrier (Wine and Beer or Beer)	On Premises	Airplane-  Licensee to sell wine and beer for consumption by passengers. Appoint an authorized representative to load wine and beer onto the same airplanes and to transport and store wine and beer at or in close proximity to the airport Store inventory of wine and beer in designated locations, from which, it will be delivered onto airplanes of the air carrier and any such licensed express carrier.	Airplane- Air carriers of passengers on regular schedules in On Premise foreign, interstate or intrastate commerce, anywhere in or over the Commonwealth while in transit and in designated rooms of establishments of such carriers at airports in the Commonwealth	COV 4.1-209.A (1)(d) COV 4.1-231.A (4)(a)		\$750.00
Carrier (Mixed Beverage)	On Premises	Airplane- Licensee to sell and serve mixed beverages anywhere in the Commonwealth to passengers while in transit aboard any such common carrier, and in designated rooms of establishments of air carriers at airports in the Commonwealth. Appoint an authorized representative to load distilled spirits onto the same airplanes and to transport and store distilled spirits at or in close proximity to the airport. Store inventory of distilled spirits in designated locations, from which, it will be delivered onto airplanes of the air carrier and any such licensed express carrier	Licensee to sell and serve mixed beverages anywhere in the Commonwealth to passengers while in transit aboard any such common carrier, and in designated rooms of establishments of air carriers at airports in the Commonwealth. Appoint an authorized representative to load distilled spirits onto the same airplanes and to transport and store distilled spirits at or in close proximity to the airport. Store inventory of distilled spirits in designated locations, from which, it will be delivered onto airplanes of the air carrier and any such licensed express carrier.	COV 4.1-210.A (6) COV 4.1-231.A (5)(h)(iii)		\$1,475.00

License	License Type	Description	Facility/Location	Source	Seating/Members/Gallons	Fee
Carrier (Wine and Beer or Beer)	On Premises	Boat- Licensee to sell wine and beer, either with or without meals, on such boats operated by them for on-premises consumption when carrying passengers.	Sight-seeing boats, or special or charter boats	COV 4.1-209.A (1)(c) COV 4.1-231.A (1)(k)		\$300.00
Carrier (Mixed Beverage)	On Premises	Boat - Licensee to sell and serve mixed beverages anywhere in the Commonwealth to passengers while in transit aboard any such common carrier	Sight-seeing boats, or special or charter boats	COV 4.1-210.A (6) COV 4.1-231.A (5)(h)(ii)		\$145.00
Carrier (Beer)	On Premises	Boat -Licensee to sell wine and beer, either with or without meals, on such boats operated by them for on-premises consumption when carrying passengers.	Sight-seeing boats, or special or charter boats	COV 4.1-209.A (1)(c) COV 4.1-231.A (3)( e)		\$560.00
Carrier (Wine and Beer or Beer)	On Premises	Train - Licensee to sell wine and beer, either with or without meals, in the dining cars, buffet cars, and club cars so operated by them, for on-premises consumption when carrying passengers	Dining cars, buffet cars, and club cars of trains	COV 4.1-209.A (1)(b) COV 4.1-231.A (1)(k)		\$300.00
Carrier (Mixed Beverage)	On Premises	Train - Licensee to sell and serve mixed beverages anywhere in the Commonwealth to passengers while in transit aboard any such common carrier.	Dining cars, buffet cars, and club cars of trains	COV 4.1-210.A (6) COV 4.1-231.A (5)(h)(i)		\$145.00
Carrier (Beer)	On Premises	Train - Licensee to sell beer, either with or without meals, in the dining cars, buffet cars, and club cars so operated by them, for on-premises consumption when carrying passengers.	Dining cars, buffet cars, and club cars of trains	COV 4.1-209.A (1)(b) COV 4.1-231.A (3)( e)		\$190.00
Day Spa (Alcoholic Beverage)	On Premises	Licensee to permit the consumption of lawfully acquired or serve, at no charge, no more than more than two five-ounce glasses of wine or one 12-ounce glass of beer on the premises of the licensee by any bona fide customer of the day spa.	Commercial establishments offering both massage therapy and barbering or cosmetology services, licensed in accordance to COV 54.1.	COV 4.1-206 (9) COV 4.1-231.A (1)(h) COV 4.1-233.A (1)(g)		\$100.00
Equine Sporting Event (Alcoholic Beverage)		Licensee to permit the consumption, at no charge, of lawfully acquired alcoholic beverages on the premises of the licensee, regularly occupied and utilized for equestrian, hunt and steeplechase events, by patrons thereof during such event. No more than 4 events can occur in a year	Organizations holding equestrian, hunt and steeplechase events	COV 4.1-206 (8) COV 4.1-231.A (1)(f) COV 4.1-233.A (1)(f)		\$130.00

License	License Type	Description	Facility/Location	Source	Seating/Members/Gallons	Fee
Gourmet Oyster House (Wine and Beer)	On Premise and Off Premises	Licensee to give samples of no more than 2 ounces of wine per person and no more than 4 ounces of beer per person. Sell wine and beer in designated rooms and outdoor areas approved by the Board for consumption in such approved areas. Sell wine and beer in closed containers for off-premises consumption. Allow farm wineries, wineries, and breweries to participate in tastings held by licensees authorized to conduct tastings, including the pouring of samples to any person to whom alcoholic beverages may be lawfully sold.	Commercial marina and permitted by the Department of Health to serve oysters and other fresh seafood for consumption on the premises and offers to the public events for the purpose of featuring and educating the consuming public about local oysters and other seafood products	COV 4.1-209.A (12) COV 4.1-231.A (5)(k) COV 4.1-233.A (4)(g)		\$230.00
Motor Car Sporting Event Facility (Alcoholic Beverage)	On Premises	Licensee to permit the consumption of lawfully acquired alcoholic beverages, free of charge, on the premises of the licensee by patrons thereof during such events in areas designated by the Board that are regularly occupied and utilized for motor car sporting events.	Motor car sporting event facility	COV 4.1-206 (10) COV 4.1-231.A (1)(g) COV 4.1-233.A (1)(h)		\$130.0
Motor Sports Facility, Annual (Mixed Beverage)	On Premises	Licensee to sell mixed beverages, in paper, plastic, or similar disposable containers during scheduled events, as well as events or performances immediately subsequent thereto, to patrons in all dining facilities, seating areas, viewing areas, walkways, concession areas or similar facilities, for on-premises consumption.	Food concession at outdoor motor sports facility hosting NASCAR national touring race.	COV 4.1-210.A (13) COV 4.1-231.A (5)(m) COV 4.1-233.A (5)(k)		\$560.00
Museum (Alcoholic Beverage)	On Premises	Licensee to permit consumption of and serve, without charge, alcoholic beverages on the premises of the museum, regularly occupied and utilized as such, to any bona fide member and guests thereof.	Nonprofit museums exempt from taxation under § 501(c)(3) of the Internal Revenue Code	COV 4.1-206 (7) COV 4.1-231.A (1)(c) COV 4.1-233.A (1)(d)		\$190.00

License	License Type	Description	Facility/Location	Source	Seating/Members/Gallons	Fee
Performing Arts Facility, Annual (Mixed Beverage)	On Premises	Corporations or associations operating a performing arts facility to authorize the sale, on the dates of performances or events, of alcoholic beverages for on-premises consumption in areas upon the licensed premises approved by the Board.	A multi-use performance space that is owned by an owned by a governmental entity, occupied by a for-profit entity under a bona fide lease, the original term of which was for more than one year's duration; and has been rehabilitated in accordance with historic preservation standards, and is intended for use by various types of the performing arts, including dance, music and theatre	COV 4.1-210.A (14) COV 4.1-231.A (5)(n) COV 4.1-233.A (5)(l)		\$560.00
Shipper, Wine and Beer (Wine and Beer)	Off Premises	The sale and shipment into or within the Commonwealth of no more than two cases of wine or two cases of beer per month to any person in the Commonwealth to whom alcoholic beverages may be lawfully sold for personal consumption and not for resale.	Winery, farm winery, brewery, off-premises retail business	COV 4.1-209.1 COV 4.1-231.A (4)(g) COV 4.1-233.A (4)(e)		\$95.00
Special Event, Annual (Wine, Beer and Mixed Beverages)	On Premise	Licensee to sell alcoholic beverages during scheduled events and performances for on premises consumption in areas upon the licensed premises approved by the Board.	Nonprofit corporation or association operating either a performing arts facility or an art education and exhibition facility, a nonprofit corporation or association chartered by Congress for the preservation of sites, buildings and objects significant in American history and culture, or persons operating an agricultural event and entertainment park or similar facility that has a minimum of 50,000	COV 4.1-210.A (5) COV 4.1-231.A (5)(g) COV 4.1-233.A (5)(e)		

			<p>square feet of indoor exhibit space and equine and other livestock show areas, which includes barns, pavilions, or other structures equipped with roofs, exterior walls, and open or closed-door access. The operator must either own the location of the event or lease it for more than a year's duration.</p>			
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License	License Type	Description	Facility/Location	Source	Seating/Members/Gallons	Fee
Bottler	Industry –Beer	Acquire, bottle, sell and deliver or ship beer to wholesale beer licensees for resale, boat owners sailing for ports in a foreign country or another state, and/or persons outside the commonwealth for resale outside the commonwealth.		COV 4.1-208.A (3) COV 4.1-233.A (2)(b)		\$1,430.00
Importer	Industry- Beer	Sell and deliver or ship beer into the Commonwealth, in closed containers, to persons in the Commonwealth licensed to sell beer at wholesale for the purpose of resale.		COV 4.1-208.A (5)		\$370.00
Wholesaler	Industry- Beer	Sell and ship into or within the Commonwealth no more than two cases of beer per month to any person in the Commonwealth to whom alcoholic beverages may be lawfully sold for personal consumption and not for resale		COV 4.1-208.A (4) COV 4.1-233.A (2)(c)	<=300,000	\$930.00
				COV 4.1-208.A (4) COV 4.1-233.A (2)(c)	300,001 - 600,000	\$1,430.00
				COV 4.1-208.A (4) COV 4.1-233.A (2)(c)	>=600,001	\$4,300.00
Brewery	Industry- Beer	Manufacture beer and sell and deliver or ship it, in closed containers to, Licensed Beer Wholesalers, Licensed Beer Retailers reselling within a theme or amusement park owned and operated by the brewery or a parent, subsidiary or a company under common control of such brewery and/or persons outside the Commonwealth for resale outside the Commonwealth. Sell at retail the brands of beer that the brewery owns at premises described in the brewery license for on-premises consumption and in closed containers for off-premises consumption. Operate a facility designed for and utilized exclusively for the education of persons in the manufacture of beer, including sampling by such individuals of beer products, within a theme or amusement park located upon the premises occupied by such brewery, or upon property of such person contiguous to such premises. Offer samples of the brewery's products to individuals visiting the licensed premises, for consumption on the premises and only to individuals to whom such products may be lawfully sold.		COV 4.1-208.A (1) COV 4.1-233.A (2)(a)	<=500	\$350.00
				COV 4.1-208.A (1) COV 4.1-233.A (2)(a)	501–10,000	\$2,150.00
				COV 4.1-208.A (1) COV 4.1-233.A (2)(a)	≥ 10,001	\$4,300.00

License	License Type	Description	Facility/Location	Source	Seating/Members/Gallons	Fee
Brewery, Retail Off Premises	Industry- Beer	Brewery License to sell beer at the place of business designated in the brewery license, in closed containers which shall include growlers and other reusable containers, for off-premises consumption.		COV 4.1-208.A (8) COV 4.1-231.A (3)(f)		\$120.00
Brewery, Retail Off Premises Limited	Industry- Beer	Brewery Licensee to sell beer in closed containers for off-premises consumption.		COV 4.1-208.A (7) COV 4.1-231.A (3)(f)	<=500	\$120.00
Brewery, Limited	Industry- Beer	Are treated as breweries except that they do not manufacture more than 15,000 barrels of beer per calendar year, are located on a farm in the Commonwealth on land zoned agricultural and owned or leased by such brewery or its owner, and agricultural products, including barley, other grains, hops, or fruit, used by such brewery in the manufacture of its beer are grown on the farm.		COV 4.1-208.A (2) COV 4.1-233.A (2)(a)	501–10,000	\$350.0
				COV 4.1-208.A (2) COV 4.1-233.A (2)(a)	≥ 10,001	\$2,150.00
				COV 4.1-208.A (2) COV 4.1-233.A (2)(a)	\$4,300.00	\$4,300.00
Farm Winery - Class A	Industry- Wine	Licensee to manufacture wine containing 21 percent or less of alcohol by volume and to sell, deliver or ship the wine, in accordance with Board regulations, in closed containers to VA ABC, licensed wine wholesalers, and persons outside the Commonwealth. Also acquire and receive deliveries and shipments of wine and sell and deliver or ship it, to the VA ABC, licensed wine wholesalers, or persons outside the Commonwealth. Operate a contract winemaking facility on the premises and store wine in bonded warehouses located on or off the licensed premises upon permits issued by the Board. Class A Wineries have 51 percent of the fruits or agricultural products used by the owner or lessee to manufacture the wine shall be grown or produced on such farm and no more than 25 percent of the fruits, fruit juices or other agricultural products shall be grown or produced outside the Commonwealth.		COV 4.1-207 (5) COV 4.1-219.A COV 4.1-231.A (2)(e) COV 4.1-233.A (3)(c)		\$190.0

License	License Type	Description	Facility/Location	Source	Seating/Members/Gallons	Fee
Farm Winery - Class B	Industry- Wine	Licensee to manufacture wine containing 21 percent or less of alcohol by volume and to sell, deliver or ship the wine, in accordance with Board regulations, in closed containers to VA ABC, licensed wine wholesalers, and persons outside the Commonwealth. Also acquire and receive deliveries and shipments of wine and sell and deliver or ship it, to the VA ABC, licensed wine wholesalers, or persons outside the Commonwealth. Operate a contract winemaking facility on the premises and store wine in bonded warehouses located on or off the licensed premises upon permits issued by the Board. 75 percent of the fruits or agricultural products used by the owner or lessee to manufacture the wine shall be grown or produced in the Commonwealth and no more than 25 percent of the fruits, fruit juices or other agricultural products shall be grown or produced outside the Commonwealth. No Class B farm winery license shall be Licensee must have operated under an existing Virginia farm winery license for at least seven years.		COV 4.1-207 (5) COV 4.1-219.B COV 4.1-231.A (2)(e) COV 4.1-233.A (3)(c)		\$3,725.00
Fruit Distiller	Industry- Wine	Licensee to manufacture any alcoholic beverages made from fruit or fruit juices, and to sell and deliver or ship the same, in closed containers, to the Board and to persons outside the Commonwealth for resale outside the Commonwealth.		COV 4.1-206.A (3) COV 4.1-231.A (1)(b) COV 4.1-233.A (1)(b)		\$3,725.00
Internet Wine Retailer	Industry- Wine	Persons located within or outside the Commonwealth to sell and ship wine, in accordance with § 4.1-209.1 and Board regulations, in closed containers to persons in the Commonwealth to whom wine may be lawfully sold for off premises consumption		COV 4.1-207 (6) COV 4.1-231.A (2)(g)		\$150.00

License	License Type	Description	Facility/Location	Source	Seating/Members/Gallons	Fee
Wine and Beer Shipper	Industry	The sale and shipment into or within the Commonwealth of no more than two cases of wine or two cases of beer per month to any person in the Commonwealth to whom alcoholic beverages may be lawfully sold for personal consumption and not for resale.		COV 4.1-209.1 COV 4.1-231.A (4)(g) COV 4.1-233.A (4)(e)		\$95.00
Wine Importer	Industry- Wine	Persons located within or outside the Commonwealth to sell and deliver or ship wine, in closed containers, to persons in the Commonwealth licensed to sell wine at wholesale for the purpose of resale, and to persons outside the Commonwealth for resale outside the Commonwealth.		COV 4.1-207 (3) COV 4.1-231.A (2)(c)		\$370.00
Wine Shipper	Industry- Wine	The sale and shipment into or within the Commonwealth of no more than two cases of wine per month to any person in the Commonwealth to whom alcoholic beverages may be lawfully sold for personal consumption and not for resale.		COV 4.1-209.1 COV 4.1-231.A (2)(f) COV 4.1-233.A (3)(d)		\$95.00
Wine Wholesaler	Industry- Wine	Acquire and receive deliveries and shipments of wine and to sell and deliver or ship the wine from one or more premises identified in the license, in closed containers, to persons licensed to sell such wine in the Commonwealth, persons outside the Commonwealth for resale outside the Commonwealth, religious congregations for use only for sacramental purposes, and boat owners sailing for ports of call in a foreign country or another state. The tax/fee is to be paid for each location		COV 4.1-207 (2) COV 4.1-231.A (2)(b)(1)(2) COV 4.1-233.A (3)(b)	<=30,000	\$185.00
					30,001 - 150,000	\$930.00
					150,001-300,000	\$1,430.00
					>=300,001	\$1,860.00

License	License Type	Description	Facility/Location	Source	Seating/Members/Gallons	Fee
Winery, Retail Off Premises	Industry –Wine	Authorizes existing winery licensees to sell wine at the place of business designated in the winery license, in closed containers, for off-premises consumption.		COV 4.1-207 (4)		\$145.00
Winery	Industry- Wine	Manufacture wine and to sell and deliver or ship the wine, in closed containers, to licensed wholesalers for resale and to persons outside the Commonwealth for resale outside the Commonwealth. In addition, such license shall Operate distilling equipment on the premises of the licensee in the manufacture of spirits from fruit or fruit juices only, which shall be used only for the fortification of wine produced by the licensee. Operate a contract winemaking facility on the premises of the licensee. Store wine in bonded warehouses on or off the licensed premises upon permit issued by the Board		COV 4.1-207 (1) COV 4.1-231.A (2)(a) COV 4.1-233.A (3)(a)	<=5,000	\$189.00
					>=5,001	\$3,725.00
Distillers	Industry – Spirits	Licensee to manufacture alcoholic beverages other than wine and beer, and to sell and deliver or ship the same, in closed containers, to the Board and to persons outside the Commonwealth for resale outside the Commonwealth.		COV 4.1-206.A (1) COV 4.1-231.A (1)(a) COV 4.1-233.A (1)(a)	<=5,000	\$450.00
					5,001-36,000	\$2,500.00
					>=36,001	\$3,725.00
Fulfillment Warehouse	Industry	Receives, stores, packs and ships wine and beer orders for holders of shipper's licenses. Authorize associations as defined in § 13.1-313 with a place of business located in the Commonwealth to (i) receive deliveries and shipments of wine or beer owned by holders of wine or beer shipper's licenses, (ii) store such wine or beer on behalf of the owner, and (iii) pick, pack, and ship such wine or beer as directed by the owner, all in accordance with Board regulations. No wholesale wine or wholesale beer licensee, whether licensed in the Commonwealth or not, or any person under common control of such licensee, shall acquire or hold any financial interest, direct or indirect, in the business for which any fulfillment warehouse license is issued.		COV 4.1-209.A (10)		\$120.00

License	License Type	Description	Facility/Location	Source	Seating/Members/Gallons	Fee
Gourmet Brewing Shop	Industry	An establishment that sells ingredients for making wine and brewing beer (including packaging) and rents facilities for manufacturing, fermenting and bottling such wine or beer. Licensee to sell to any person to whom wine or beer may be lawfully sold, ingredients for making wine or brewing beer, including packaging, and to rent to such persons facilities for manufacturing, fermenting, and bottling such wine or beer, for off premises consumption in accordance with subdivision 6 of § 4.1- 200.		COV 4.1-209.A (8) COV 4.1-233.A (4)(d)		\$230.00
Marketing Portal	Industry	Agricultural cooperative associations solicit and receive wine and beer orders via the internet. Agricultural cooperative associations organized under the provisions of the Agricultural Cooperative Association Act, with a place of business located in the Commonwealth, to solicit and receive orders for wine or beer through the use of the Internet from persons in the Commonwealth to whom wine or beer may be lawfully sold, on behalf of holders of wine or beer shipper's licenses. Upon receipt of an order for wine or beer, the licensee shall forward it to a holder of a wine or beer shipper's license for fulfillment. Marketing portal licensees may also accept payment on behalf of the shipper.		COV 4.1-209.A (11)		\$150.00