

**ABC Stakeholder Meeting #2**  
**Discussion Notes**  
**3/8/19**

**Stakeholder Questions & ABC Answers:**

Q: Has ABC considered the ramifications of the draft proposal?

A: Yes, ABC has tried to proactively identify and anticipate what impacts could be caused by the consolidation and restructuring of licenses as laid out in the draft proposal; however, we expect that each stakeholder also take the time to consider what other impacts that there may be to his/her business model or the businesses he/she represents.

Q: The draft proposal included an idea that ABC may shift the Keg Registration permit fee from \$65 to the actual cost of books ordered. One stakeholder didn't want ABC to have to do any more work to figure out the actual cost; however, ABC already knows that figure, so no additional work is needed.

A: Figuring out costs is essential to this reform process. We are not addressing fees (yet) in this proposal, but our approach will be to align costs with required activities in the final version.

Q: Could we tier Retail by volume?

A: Yes. We would also like to understand if there are any other ideas around qualifications for Retail as well.

Q: Can we provide a list of which businesses operate under each type of license so stakeholders can understand what each business is trying to do from a business perspective?

A: Yes, there is a list of licensees and associated licenses on the ABC website that can provide these details.

Q: Will the fee study be completed before the 3/21 meeting?

A: No, but the effort is underway. We hope to have some details to share in April.

**Stakeholder Comments:**

Comment 1: Whoever is creating the most work for ABC should pay more/higher fees (the larger establishments don't necessarily cause more work for ABC because some of them have more sophisticated operations, systems, equipment, etc.)

Comment 2: Because stakeholders do not have a united position, legislators receive inconsistent and/or competing feedback on the need for changes to code.

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Comment 3: New business models continue to emerge, so ABC will have to modernize, or an establishment's business needs to be in compliance with the current law

Comment 4: With a Marketplace license, it will be hard to determine how many beers each person had while they are in the establishment? Enforcement is key!

#### **Stakeholder Takeaways:**

1. Stakeholders, please think through what impacts and/or new challenges that you anticipate may be realized as a result of the draft proposal. Please email those to the [LicenseReform@abc.virginia.gov](mailto:LicenseReform@abc.virginia.gov) mailbox ahead of the 3/21 meetings if possible.
2. Stakeholders, is there anything in the draft proposal that you found confusing or unclear? What do you need more details on to be able to provide ABC with actionable feedback? Please email your thoughts to the [LicenseReform@abc.virginia.gov](mailto:LicenseReform@abc.virginia.gov) mailbox ahead of the 3/21 meetings so we can be prepared to provide additional information.

#### **Topics Tabled for Discussion on 3/21:**

- Should stand-alone permits remain as permits versus become licenses?
- Volume-based idea for retail
- Periodic review of license structure - what would those intervals look like?
- 3 separate bills need to be discussed in more detail:
  - Agribusiness on premise beer - SB 1064
  - Agritourism resort – HB 2522 SB 1245
  - Cigar shop - market place - HB 2301