AGENCY

The Virginia Alcoholic Beverage Control Authority (ABC) is an independent political subdivision of the Commonwealth of Virginia. ABC is responsible for wholesale and retail operations of distilled spirits, regulation of the commonwealth’s alcohol-related laws, licensing and alcohol education and prevention. For purposes of working with the executive branch, ABC maintains a direct line of communication with the Secretariat of Public Safety and Homeland Security.

WET and DRY COUNTRIES

Effective July 1, 2020, all Virginia jurisdictions are wet.

Qualified voters in a jurisdiction can petition the circuit court to ask that a referendum be held regarding the prohibition of the sale of alcoholic beverages by ABC-licensed restaurants within that jurisdiction.

NET PROFIT

VA distributes its net profit into two avenues:

- General Fund (71.0%)
- Appropriation Act Transfers (29.0%) Figures from 2023

HISTORY

Virginia ABC has existed since 1934, when the new state department opened its first four ABC stores in Richmond on May 15. In 1936, the General Assembly granted full police powers to the department’s designated agents to enforce laws against bootlegging and moonshining. Local and federal officials had originally performed those enforcement functions, but more help was needed. In 2018, Virginia ABC transitioned from a traditional state government agency to an authority, which provides more flexibility and efficiency as a retailer, wholesaler and regulator of distilled spirits.

ENFORCEMENT

Virginia ABC’s nearly 90 special agents are alcohol law educators and regulators, working directly with approximately 19,000 licensed businesses to address non-compliance issues and reduce criminal activities involving alcohol. These agents also initiate public safety investigations following incidents at licensed establishments, which involve assisting and cooperating with other law enforcement agencies, civic leagues, residents, businesses and community stakeholders. All ABC special agents are sworn Virginia Department of Criminal Justice Services certified law enforcement officers within the bureau, which is accredited through the Virginia Law Enforcement Professional Standards Commission. ABC’s Bureau of Law Enforcement also includes licensing, compliance and records management.

Wet Counties

Over 21+ Population- July 2021 (Census.gov) 6,412,892

Net Profit

Figures from 2023

$243,607,393 FY2022 Net Profit

Since its organization in 1934, Virginia ABC has contributed more than $12.7 billion to the state in the form of profits and taxes.

Figures are from 2022
DISTRIBUTION

Spirits are only sold in state-operated ABC stores. Spirits, mixers and a selection of Virginia wines are shipped statewide from a 315,000 square-foot distribution center in Hanover County. Virginia ABC ships to its stores where individuals and licensed restaurants may purchase from the store of their choosing. Virginia ABC operates on a bailment system, where the agency is not charged for the product until it is shipped out of the distribution center.

Beer and wine are handled through private distributors who generally deliver products to the retailers. Retail to retail or retail to restaurant sales are not allowed.

OUTLETS AND GROCERY STORES

Virginia has control of spirits at wholesale and retail. It has more than 400 state-operated retail stores.

- Virginia does not have policies that regulate the density of off-premise outlets in a neighborhood/precinct/condensed area.
- Jurisdiction does not allow the sale of spirits in convenience stores.
- Servers must be 18 years old and older to serve beer at on-premise outlets, and employees at off-premise outlets have no minimum age specified to sell beer.
- The sale of beer and wine are permitted in grocery stores.
- Sunday sales are allowed.
- Keg registration is required.
- Beverage service training is voluntary in the state.

DEFINITIONS

- Control systems -- jurisdictions that directly control the distribution and sale of beverage alcohol in their borders.
- Three-tier system -- the method of alcohol distribution developed after Prohibition in the United States. Producers/manufacturers (first tier) can sell products only to wholesalers/distributors (second tier) who then sell to retailers (third tier).
- Revenue Per Capita -- revenue per person.
- Wet and dry counties -- Wet jurisdictions are those that permit the sale of spirits, wine, or beer for on-premise and off-premise consumption. Dry jurisdictions prohibit some or all alcohol sales, whether on- or off-premise.

Sources: 2018 Survey Database, Alcohol Beverages Revenues &Taxes 2020 Report (June 2022), Virginia Alcoholic Beverage Control Authority, Alcohol Policy Information System (APIS), Census.gov

June 2023