

## A Positive, But Mixed Reception for Restaurants

Virginia's restaurant and hospitality industry took a few lumps during the shortened legislative session. Fortunately, the industry walks away with big wins in a few critical arenas. Here is a look at the important legislation from this year's crop of more than 40 bills that could have affected the Commonwealth's restaurants.

First, we will take a look at the wins for our restaurants:

### **House Bill 1526: Performing Arts Facilities**

*DEFEATED, failed to report*

This bill was an attempt to grant Performing Arts facilities preferential treatment over restaurants with regard to serving mixed beverages. As drafted, it would have created a new



annual mixed beverage license with a different set of standards from those that apply to restaurants. After passing the House, this bill met its fate in the Senate Committee on Rehabilitation and Social Services, where it was defeated in committee on an 8-Nay to 6-Yea vote.

### **Senate Bill 1296: Food Tax Referendum Moratorium Following Failed Attempt.**

*PASSED, awaiting Governor's signature*

Senator Vogel sponsored this bill on behalf of the restaurant industry that places a 3-year moratorium on counties attempting to establish or increase a prepared food tax. Following a defeated attempt to raise or implement a prepared food

and beverage tax, counties must wait three calendar years before attempting again (unless supported by a petition of 10 percent of registered county voters).

### **Senate Bill 956: County Food and Beverage Tax**

*DEFEATED, passed by indefinitely*

This bill attempted to grant all counties in Virginia the authorization to levy a food and beverage tax within their jurisdiction and effectively removing the current referendum process in place. This bill was soundly defeated on a 13-Nay to 3-Yea vote in the first committee (Senate Committee on Finance) that heard it.

### **Senate Bill 1544: Food and Beverage Tax for York County**

*DEFEATED, failed to report*

Another bill was filed regarding

authorization of the food and beverage tax in Virginia, except this one was specific to York County. The bill would have allowed the county to gain authorization through a public hearing instead of a referendum. Its passage would have set a dangerous precedent in the state. Fortunately, the bill was met with a sound 10-Nay to 6-Yea vote in our favor as it was defeated in committee 10-6.

### **Budget for Health Inspection Fees**

*DEFEATED*

Both sides of the proposed state budget included a health inspection fee increase of nearly 600 percent, from \$40 to \$275/annually. VRLTA successfully fought to have these increases in the House. The Senate

ASSOCIATION NEWS VRLTA *cont. on page 24*



Come out to the Virginia Beach Hospitality Expo for your opportunity to discover new products and trends in the hospitality industry. This expo features over 100 vendors plus breakout sessions with restaurant, hotel and hospitality expert, Bob Brown. Door prizes will be raffled for attendees. [VBHospitalityExpo.com](http://VBHospitalityExpo.com)

