

DIVISION OF ALCOHOLIC BEVERAGE CONTROL

MISSION

The Division of Alcoholic Beverage Control operates under the direction of the State Liquor Authority, a three-member board appointed by the Governor with the advice and consent of the Senate. The Division regulates and controls the manufacture, sale and distribution of alcoholic beverages within the State; issues licenses and permits to manufacturers, distributors, wholesalers and retailers; works with local law enforcement agencies and localities across the State to ensure compliance with the Alcoholic Beverage Control Law; and regulates trade and credit practices for the sale and distribution of alcoholic beverages.

ORGANIZATION AND STAFFING

The Division's organization includes three functional areas: Administration, Licensing and Compliance. Administration includes the Offices of the Chairman of the Authority, the Chief Operating Officer, Government Affairs, Communications and other traditional administrative functions. Licensing includes the Licensing Bureau which is responsible for processing new and renewal license applications, in addition to the Wholesale Bureau which administers price schedules and trade practices. Compliance includes the Office of Counsel, as well as the Enforcement and Hearing Bureaus.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$22.3 million** in funding for the Division. This is an increase of **\$3.8 million** in funds from the 2009-10 budget. Up to \$3.6 million of these resources will support implementation of legislation authorizing the sale of wine in grocery stores, and will also be used over the next two years to improve internal licensing processes and address technology deficiencies.

The Division is entirely self-funded by revenue generated from fees and fines it imposes. The Executive Budget projects a staffing level of **175**, which is an increase of **20** from 2009-10.

PROGRAM HIGHLIGHTS

The agency is moving forward with plans to modernize and upgrade its technology. These upgrades will increase operational efficiency throughout the agency, including the processing of license applications. They will also provide a more user-friendly interface for licensees, while supporting the Division's efforts in enforcing the Alcoholic Beverage Control Law, Rules and Regulations. Additionally, changes are being made to the procedures used by agency staff when processing license applications with the objective of eliminating the current licensing backlog.

The State Liquor Authority and Alcoholic Beverage Control are also enhancing compliance activities through the Rapid Enforcement Unit (REU) program while developing partnerships with community boards and local law enforcement agencies, particularly in the downstate area. The Division is also taking steps to increase the investigation of complaints as well as expedite hearings to protect public health, safety and welfare.

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ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2009-10	Appropriations Recommended 2010-11	Change	Reappropriations Recommended 2010-11
State Operations	18,480,000	22,335,000	3,855,000	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	18,480,000	22,335,000	3,855,000	0

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Full-Time Equivalent Positions (FTE)

Program	2009-10 Estimated FTEs 03/31/10	2010-11 Estimated FTEs 03/31/11	FTE Change
Administration			
Special Revenue Funds - Other	16	16	0
Compliance			
Special Revenue Funds - Other	74	74	0
Licensing and Wholesaler Services			
Special Revenue Funds - Other	65	85	20
Total	155	175	20

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2009-10	Recommended 2010-11	Change
Special Revenue Funds - Other	18,480,000	22,335,000	3,855,000
Total	18,480,000	22,335,000	3,855,000

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2009-10	Recommended 2010-11	Change
Administration			
Special Revenue Funds - Other	4,939,000	4,911,000	(28,000)
Compliance			
Special Revenue Funds - Other	8,048,000	8,151,000	103,000
Licensing and Wholesaler Services			
Special Revenue Funds - Other	5,493,000	9,273,000	3,780,000
Total	18,480,000	22,335,000	3,855,000

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STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2010-11 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	4,911,000	(28,000)	1,345,000	(44,000)
Compliance	8,151,000	103,000	4,728,000	(71,000)
Licensing and Wholesaler Services	9,273,000	3,780,000	3,243,000	(48,000)
Total	<u>22,335,000</u>	<u>3,855,000</u>	<u>9,316,000</u>	<u>(163,000)</u>

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	3,566,000	16,000	0	0
Compliance	3,423,000	174,000	0	0
Licensing and Wholesaler Services	2,430,000	228,000	3,600,000	3,600,000
Total	<u>9,419,000</u>	<u>418,000</u>	<u>3,600,000</u>	<u>3,600,000</u>