

GOVERNOR'S MONTHLY REPORT  
MARCH 2011



STATE OF ARIZONA  
DEPARTMENT OF LIQUOR LICENSES AND CONTROL

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**GRANTS & FUNDING**  
**Liquor Enforcement & Education Outreach Grant**  
**CUB (Covert Underage Buyer) Program**

In an effort to curb the sale of liquor to underage persons, the Covert Underage Buyer (CUB) program was instituted in May of 2003. This program provides the resources necessary for DLLC to investigate reported complaints of liquor licensed businesses suspected of one or more underage liquor law violations. When DLLC has reasonable suspicion that a liquor-licensed establishment is selling liquor to underage customers, the agency will send in a covert underage buyer, or CUB, to attempt to purchase liquor. The CUBs are between the age fifteen (15) and nineteen (19), and are carefully trained by DLLC investigators to understand and follow state laws, including DLLC's CUB investigations guidelines. DLLC provides CUB program training to all Arizona law enforcement agencies, allowing the program to operate statewide.

In March 2011, using five (5) CUBs and ten (10) officers, DLLC conducted investigations of forty-one (41) liquor-licensed establishments. Seven (7), or seventeen (17%) percent, of these establishments sold alcohol to a (CUB) resulting in no (0) criminal and twelve (12) administrative violations. All criminal citation were issued by Cochise County police agencies collaborating with DLLC in the CUB details. All forty-one (41) locations were investigated in response to complaints received by DLLC.

In March 2011, DLLC saw a decrease of forty-six (46%) percent in liquor sales to the CUB compared to the previous month, March 2010. This represents a sixty (60%) percent decrease in sales to the CUB compared to March 2010.

Since the inception of the program, two thousand seven hundred ninety-six (2,796) establishments have been investigated and eight hundred fifty-seven (857) or thirty-one (30.6%) percent have sold to CUB buyers resulting in one thousand nine hundred seventy-four (1,974 ) administrative violations and one thousand seven hundred twenty-six (1,726) criminal citations.

**CUB Program Statistics**

<b>Calendar Year</b>	<b>Locations Investigated</b>	<b># Sold to CUB</b>	<b>% of Locations that Sold to CUB</b>	<b>Administrative Violations</b>	<b>Criminal Violations</b>
<b>2003</b>	122	33	29	70	71
<b>2004</b>	217	55	25	122	136
<b>2005</b>	337	108	32%	342	283
<b>2006</b>	475	148	31	409	317
<b>2007</b>	450	108	24	200	201
<b>2008</b>	572	172	30	416	349
<b>2009</b>	169	96	57	207	129
<b>2010</b>	169	96	57	207	129
<b>2011</b>	60	17	28	33	10

An Underage Drinking Hotline is in operation for concerned citizens to call when underage drinking, service, or sales are suspected. With each complaint DLLC launches an investigation. The Underage Drinking Hotline number is 1-877-NOT-LEGL or 1-877-668-5345.

**GRANTS & FUNDING**  
**Liquor Enforcement & Education Outreach Grant**  
**TRACE (Target Responsibility for Alcohol Connected Emergency)**

The TRACE (Target Responsibility for Alcohol Connected Emergency) program began in March 2004 to develop a system of effective and rapid communication between local law enforcement and emergency medical services (EMS) personnel in high-profile cases which involve underage drinking. Each TRACE case is concluded only when the source of liquor is traced back to the supplier and the supplier is charged with a criminal and/or administrative violation.

TRACE is a statewide operation with one (1) full time investigator available for immediate response to alcohol-related emergencies which involve an underage person(s).

**TRACE Program Statistics**

<b>Calendar Year</b>	<b>Total # of Cases</b>	<b>Administrative Violations</b>	<b>Criminal Violations</b>
<b>2005</b>	11	5	3
<b>2006</b>	11	24	12
<b>2007</b>	4	9	6
<b>2008</b>	6	6	3
<b>2009</b>	8	20	4
<b>2010</b>	5	13	4
<b>2011</b>	0	0	0

Investigator Palubeskie is currently working on one (1) 2009 TRACE case and two (2) 2010 TRACE cases. To complete these cases, DLLC requires additional information which will be provided by local law enforcement agencies. Five (5) cases were completed in calendar year 2010 resulting in thirteen (13) administrative and four (4) criminal violations. No new TRACE cases have been opened in calendar year 2011 to date.

## OUTREACH

### Community & Agency Outreach

Community and agency outreach meetings and presentations create opportunities to increase DLLC's efficiency and relevancy, encourage agency collaborative efforts, and promote safe and legal alcohol distribution, sales, and consumption in Arizona.

#### **Community and agency outreach during the month of March 2011:**

Arizona Substance Abuse Partnership (ASAP) Meeting – Asst. Director of Administration participated  
Nightclub and Bar Conference – Comm. Director & Title 4 Training Investigator attended  
Tucson City Council – Director participated  
Arizona POST Firearms Qualification – Deputy Director participated  
Northwest Alcohol Conference Prep Meeting – Comm. Director & Title 4 Training Investigator attended

#### **March 2011 Law Enforcement Special Detail:**

Southeastern Arizona CUB Detail  
High Intensity Drug Trafficking Area (HIDTA)  
Phoenix PD Title 4 & Fake ID Training  
Buckeye PD Title 4 & Fake ID Training  
Out-of-Area Complaints

## SUCCESS STATISTICS

### Investigations

In March 2011, investigators completed one hundred sixty-nine (169) routine liquor inspections (RLIs) at licensed establishments and events throughout Arizona resulting in one hundred twenty-eight (128) criminal citations and forty-five (45) administrative violations. The following success statistics were completed by a staff of ten (10) fulltime, sworn officers who uphold a statewide officer-to-liquor license ratio of 1:1,144.

DLLC realized a decrease in total investigative achievements during March 2011 of fourteen (13.6%) percent compared to March 2010. Since January 2007, DLLC's Investigations Division has experienced a staff reduction of fifty (50%) percent. On January 3<sup>rd</sup>, 2011, DLLC hired a new investigator increasing the number of fulltime investigators to ten (10), down from twenty (20) at this time in 2007. During the months of November and December 2010, three (3) grants awarded to DLLC by the Governor's Office of Highway Safety (GOHS), which collectively total eighty thousand (\$80,000) dollars. These grants are funding overtime for underage drinking enforcement, in addition to the materials, travel expense and overtime required for DLLC officers to facilitate Title 4 and fake ID training. In 2008, due to the onset of the budget crisis and the sweeping of DLLC funds, the Investigations Division had to eliminate overtime, travel, and hiring.

<b>Achievements:</b>	<b>Current Month</b>	<b>Total FY 2011</b>	<b>1 Year Ago This Month</b>	<b>Total FY 2010</b>
Hidden Ownerships Completed	0	9	1	17
Site Inspections Completed	39	530	52	653
Actioned (administrative) Complaints	6	76	10	128
Non-Actioned (criminal) Complaints	55	425	42	408
Administrative Counts Charged	116	1,077	251	1,615
Criminal Charges Issued	121	1,088	113	969
Routine Liquor Inspections	169	1,840	245	2954
Compliance Case Reports Submitted	76	484	46	469
On-view Violation Case Reports	62	361	34	312
Law Enforcement Liaison	61	458	65	764
<b>Underage Investigations Statistics:</b>				
Citations Issued to Underage	81	492	89	736
Total Underage Violations Cited	89	685	107	721
<b>Total Achievements:</b>	875	--	1,013	--

<b>Current Month</b>	<b>Younger than Age 15</b>	<b>Age</b>					
		<b>15</b>	<b>16</b>	<b>17</b>	<b>18</b>	<b>19</b>	<b>20</b>
<b>Age of minor cited</b>	0	0	0	0	9	13	18

**SUCCESS STATISTICS**  
**Investigations (continued)**

The number of citations DLLC investigators issued to underage persons decreased by nine (8.9%) percent and total number of underage violations written by DLLC investigators decreased by seventeen (16.8%) percent compared to March 2010.

<b>Statute/ Definition</b>	<b># of Citations Issued This Month</b>	<b># of Citations Issued in FY 2011 YTD</b>	<b>1 Year Ago This Month</b>	<b># of Citations Issued in FY 2010</b>
<b>A.R.S. § 4-241.A</b> Failure to Check ID	4	73	6	99
<b>A.R.S. § 4-241.L</b> Sold to CUB	11	81	0	54
<b>A.R.S. § 4-241.N</b> Use of false ID to enter premises	0	7	16	65
<b>A.R.S. § 4-244.1</b> Unlicensed Resale	0	4	0	29
<b>A.R.S. § 4-244.9</b> Furnishing alcohol to an underage	64	394	37	467
<b>A.R.S. § 4-244.22</b> Consuming w/o permission of premises owner	1	17	0	15
<b>A.R.S. § 4-244.34</b> Underage DUI	0	0	0	0
<b>A.R.S. § 4-244.40</b> Alcohol in system of underage	0	0	0	73
<b>A.R.S. § 4-244.41</b> Accept \$ to allow underage in bar	0	0	26	57
<b>A.R.S. § 13-2907.01</b> Providing false information to state	0	0	0	0
<b>A.R.S. § 13-3478</b> Unlawful use of a license	0	0	0	0
<b>A.R.S. § 28-3478.1</b> Unlawful use of driver's license	7	34	0	1
<b>A.R.S. § 28-3478.3</b> Using another person's driver's license	2	8	3	35

## SUCCESS STATISTICS

### Liquor License Audits

To regulate licensed liquor establishments holding a series 11 (hotel/motel with restaurant) or series 12 (restaurant) liquor licenses, DLLC conducts audits to determine the required 40:60 food-to-liquor sales ratio is being maintained.

Currently there are one hundred fifty-three (153) active series 11 licenses and two thousand seven hundred forty-six (2,746) active series 12 licenses statewide. Compared to March 2010, the number of hotel/motel with restaurant licenses has decreased by twelve (12) licenses or seven (7%) percent and the number of restaurant licenses has decreased by four hundred twenty-six (426) or thirteen (13%) percent. The decline in licenses is attributed to renewal for Maricopa County series 11 (hotel/motel with restaurant) or series 12 (restaurant) liquor licenses which came due this month. Renewals reveal unreported, closed businesses which, in turn, presents a more accurate total of licenses in "active" status.

Prior to August 2009, DLLC employed three (3) fulltime auditors. Today DLLC employs two (2) fulltime auditors. With a total of two thousand nine hundred and one (2,901) restaurant-type licenses combined, the statewide auditor-to-liquor license ratio is 1:1,451.

Number of Cases Now Open For Audit	Current Month	This Month Last Year
<b>Audits in progress</b>	16	16
<b>Audits closed</b>	9	9
<b>Audits initiated</b>	10	10
<b>Open cases w/projected ratio of &gt;37%</b>	10	12
<b>Open cases w/projected ratio between 30 to 37%</b>	4	4
<b>Open cases w/projected ratio of &lt; 30%</b>	2	1
<b>Locations granted 1 year to continue operation</b>	2	0
<b>Locations being monitored</b>	85	84

In March 2011, nine (9) audits were closed and ten (10) audits were initiated (audit considered initiated after an appointment date is set to pick up accounting records). Of the nine (9) audits completed this month, seven (7) revealed actionable violations. During the month of March 2011, audits were completed in Maricopa, Gila, Pima, and Mohave Counties.

Audit Action	Current Month	Total YTD FY 2011	This Month Last Year	Total FY 2010	Total 2003 To Present
<b>Audits completed</b>	9	57	9	87	420
<b>Audits passed</b>	25	26	7	51	176
<b>Audits failed</b>	3	28	2	30	192
<b>Inconclusive</b>	1	3	0	6	47
<b>Other charges only</b>	0	0	0	0	5

**SUCCESS STATISTICS**  
**Liquor License Audits (continued)**

**Audit statistics beginning on March 1, 2003 to present are:**

<b>Year</b>	<b>Audits Completed</b>	<b>Revenues Collected</b>	<b>Average Fine per Audit</b> (does not include continuation license fees)
<b>1/1 - 6/30/03</b>	6 audits	--	--
<b>FY 2004</b>	23 audits	--	--
<b>FY 2005</b>	24 audits	--	--
<b>FY 2006</b>	32 audits	--	--
<b>FY 2007</b>	27 audits	\$13,000	\$481
<b>FY 2008</b>	61 audits	\$36,500	\$598
<b>FY 2009</b>	103 audits	\$81,275	\$789
<b>FY 2010</b>	87 audits	\$81,750	\$940
<b>FY 2011 YTD</b>	57 audits	\$65,650	\$1,152

In 2006, A.R.S. §4-213.C introduced the "continuation license" (commonly referred to as the "Grill Bill") into state liquor law. The continuation license, at a cost of \$30,000, allows restaurants that have not met the required 40:60 food-to-liquor sales ratio during the last 12-month period the option of continuing to operate with a food-to-liquor sales ratio below restaurant requirements. Since the 2006 introduction, fees collected from the issuance of nine (9) continuation licenses total two hundred seventy thousand (\$270,000) dollars. During FY 2011, DLLC has collected one hundred twenty thousand (\$150,000) dollars from the issuance of five (5) continuation licenses. One (1) continuation license application is in pending status at this time.

Revenue collected by the department for audit-related violation fines during the month of March 2011 is seven thousand six hundred (\$7,600) dollars. Revenue collected from continuation licenses issued totals thirty thousand (\$30,000) dollars. Audit fines assessed during the month of March 2011 total three thousand three hundred fifty (\$3,350) dollars. Total fines collected to-date in FY 2011 total sixty-five thousand six hundred fifty (\$65,650) dollars.

**Audit Revenue 2-year Comparison**

<b>Audit Action</b>	<b>Current Month</b>	<b>Total FY 2011 YTD</b>	<b>1 Year Ago This Month</b>	<b>Total FY 2010</b>
<b>Fines Collected</b>	\$7,600	\$65,650	\$17,500	\$81,750
<b>Fines Assessed</b>	\$3,350	\$76,900	\$13,750	\$88,200
<b>Continuation License (Grill Bill) Revenue</b>	\$30,000	\$150,000	-0-	\$30,000
<b>Pending Continuation Licenses (Grill Bill)</b>	1	--	1	--

## SUCCESS STATISTICS

### Compliance

Achievements	Current Month	Total YTD FY 2011	1 Year Ago This Month	Total FY 2010
Revocations	0	5	0	10
Suspensions	2	6	1	31
Surrenders	3	13	1	26
Divestitures	1	3	1	6
Administrative Complaints	0	8	1	67
Decisions & Orders	0	8	0	27

Newly Tracked Achievements	Current Month	Total YTD FY 2011
Cases Received	126	520
Cases Completed	39	229
Cases in Progress	87	291
Warning Letter Issued	1	38
Cases Sent to OAH	0	4

#### Economic Impact:

The Compliance Unit collected fines which total forty-six thousand seventy-five (\$46,075) dollars from fifty-five (55) compliance actions processed and adjudicated between March 1 and March 31, 2011. Compared to March 2010, this is a twelve (12.4%) percent decrease in compliance collections and a three (2.6%) percent increase in the number of compliance actions processed.

A penalty fine payment plan, introduced in 2009, gives licensees the option to pay fines in installments rather than in one lump sum. DLLC and the licensee agree to the terms of the payment plan during the compliance process. Although the payment plan may reduce DLLC's monthly collection of fine revenues in the short term, the long term outcome is intended to keep establishments in business by easing the financial burden of fines during the current economic decline.

Action	Current Month	Total YTD FY 2011	1 Year Ago This Month	Total FY 2010
Fines collected	\$46,075	\$488,809	\$52,575	\$705,705
Cases adjudicated	39	303	38	415

Fiscal Year	Compliance Actions	Revenues Collected	Average Fine Per Action
2002-2003	414	\$445,725	\$1,077
2003-2004	388	\$518,800	\$1,337
2004-2005	431	\$557,725	\$1,294
2005-2006	500	\$689,475	\$1,379
2006-2007	429	\$627,975	\$1,464
2007-2008	334	\$582,350	\$1,744
2008-2009	584	\$886,440	\$1,518
2009-2010	415	\$705,725	\$1,701
2010-2011 YTD	303	\$488,809	\$1,613

**SUCCESS STATISTICS**  
Compliance (continued)

**Adjudicated Underage Violations**

Statute	Definition	Adjudicated This Month	1 Year Ago This Month	FY 2011 YTD
A.R.S. § 4-241.A	Failure to Check ID	1	3	33
A.R.S. § 4-241.L	Sold to CUB	0	0	0
A.R.S. § 4-244.1	Unlicensed Resale	1	5	4
A.R.S. § 4-244.9	Furnish alcohol to an underage	1	3	34
A.R.S. § 4-244.16	Knowingly allow furnishing liquor to underage	0	0	0
A.R.S. § 4-244.22	Consume w/o permission of premises owner	0	0	3
A.R.S. § 4-244.33	Underage DUI	0	0	0
A.R.S. § 4-244.40	Alcohol in system of underage	0	0	0
A.R.S. § 13-2907.01	Provide false information to state	0	0	0
A.R.S. § 28-3478.1	Unlawful use of driver's license	0	0	0
A.R.S. § 28-3478.3	Use another person's driver's license	0	0	0

In FY 2010, fines from adjudicated underage violation totaled three hundred sixty-five thousand eight hundred seventy-five (\$365,875) dollars. Of the forty-seven licenses which were suspended in FY 2010, four were suspended due to underage violations and one (1) was revoked.

In FY 2011, fines from adjudicated underage violation total two hundred fourteen thousand five hundred (\$214,500) dollars. Of the four (4) licenses suspended in FY 2011, two (2) were suspended due to underage violations and none (0) have been revoked.

**Compliance Statistics Resulting From Underage Violations**

Fiscal Year	Fines Collected	Licenses Suspended	Licenses Revoked
2010	\$365,875	4	1
2011 YTD	\$214,500	2	0

**SUCCESS STATISTICS**  
**Arizona Liquor Board**

<b>Achievements:</b>	<b>Current Month</b>	<b>Total YTD FY 2011</b>	<b>1 Year Ago This Month</b>	<b>Total FY 2010</b>
<b>Hearings Scheduled</b>	11	76	3	107
<b>Licenses Granted</b>	2	21	2	40
<b>Licenses Denied</b>	2	12	1	19
<b>Continuances Granted</b>	5	32	0	29
<b>License Withdrawn</b>	2	9	0	15
<b>Hearing Vacated, No Action Required</b>	0	0	0	0
<b>Hearing Removed From Agenda</b>	0	0	0	0
<b>Rehearing Requested</b>	0	0	0	2
<b>Exemption Received</b>	0	0	0	0
<b>Appeals Heard</b>	0	2	0	2

During the month of March 2011, fifty (50%) percent of license application in protest were granted and no protested applications were denied. To date in FY 2011, the Board has granted fifty (50%) percent of the licenses protested and denied fifty (50%) percent.

**ARIZONA LIQUOR BOARD MEMBERS AND TERMS**

J.D. Ghelfi, Member (R)	Arizona Liquor Board Vice Chair Maricopa County No Financial Interest	Term Expires March 16, 2012
Bill DuPont (D)	Arizona Liquor Board Member	Term Expires January, 21, 2013
Jim Carruthers (R)	Arizona Liquor Board Member Yuma County No Financial Interest	Term Expires January 16, 2012
Tim Linden (R)	Arizona Liquor Board Member Graham County Wholesaler	Term Expires January 20, 2014
Robin Cantrell (I)	Arizona Liquor Board Member Graham County Retailer	Term Expires January 16, 2012
Michael Farley (R)	Arizona Liquor Board Member Pima County Business Consultant	Term Expires March 21, 2013
Vikki Scarafiotti (D)	Arizona Liquor Board Member Maricopa County No Financial Interest	Term Expires January 20, 2014

## SUCCESS STATISTICS

### Licensing

Compared to March 2010, the number of new liquor license issued in Arizona has decreased by twelve (12.2%) percent, renewals have decreased by thirteen (12.9%) percent, and the number of active licenses has increased by two (2.2%) percent.

In comparison to March 2010, monthly licensing revenues (which include lottery collections) have decreased by twelve (12.3%) percent from four hundred twenty-eight thousand forty-two (\$428,042) dollars at this time last year to three hundred seventy-five thousand one hundred twenty-eight (\$375,128) dollars during the current month.

Beginning this month DLLC will include the number of active "exempt locations" in Arizona. An exempt location is an establishment that meets the criterion in A.R.S. §4-244.05 and A.A.C. R19-1-315, has made application for the exemption, has been inspected by a DLLC investigator, and issued a 1-year exemption which allows patrons to bring and consume beer and wine on the premises.

Licensing	Current Month	Total YTD FY 2011	1 Year Ago This Month	Total FY 2010
<b>New licenses issued</b>	162	1,437	165	2,114
<b>Renewed licenses</b>	1,665	10,092	1,580	11,162
<b>Lottery licenses issued</b>	4	24	0	35
<b>Collected Lottery Revenues:</b>	0	\$2,388,180	\$46,017	\$562,824
<b>Number of Active Liquor License:</b>	11,386	n/a	11,195	n/a
<b>Number of Exempt Locations</b>	60	n/a	n/a	n/a
<b>Collected Licensing Revenues (including lottery revenues):</b>	\$1,216,179	\$7,408,944	\$1,019,680	\$6,503,816

#### Collected Revenue By Fee Type in March 2010

Fair Market Value	118,250
Applications	14,250
License Fees	864,780
Out-of-State	0
Agent Change	5,450
Fines	46,175
Special Event	8,600
Club	2,450
Penalties	7,950
Copy Fees	79
Non-Use Surcharge	16,000
Audit Surcharge	41,760
Enforcement K Surcharge	52,710
Enforcement L Surcharge	32,790
Miscellaneous	15

**TOTAL REVENUES COLLECTED**      **\$1,211,259**

(fingerprints)      **4,920**

**TOTAL REPORT**      **\$1,216,179**

## WHAT'S NEXT AT DLLC? Upcoming Events and Milestones

### FY 2011 Liquor License Lottery

March 25, 2011 marked the deadline for DLLC to collect the remaining balances due for license application received in the FY 2010 lottery. A final figure of two million three hundred eighty-eight thousand one hundred eighty (\$2,388,180) dollars in FY 2010 lottery revenue was collected by DLLC, all of which has been deposited into the state's General Fund.

Looking toward the FY 2011 lottery, statute provides that DLLC conduct an annual lottery based on population estimates generated by the Department of Commerce (DOC). The estimates determine the number of new licensees to be offered in the next lottery held by DLLC. Because DOC has been dissolved, no population estimates are available for FY 2010. A six-week preparation period is necessary to establish fair market value for licenses offered through a lottery. If no population estimates are available by the first week in May, DLLC will not conduct an FY 2011 lottery.

### eLicensing

DLLC's eLicensing Information System (ELIS) is being developed in collaboration with GITA and NIC/CAVU. As a result of staff and funding reductions experienced by all agencies involved in the project, in addition to incomplete business process functionality of the system, the "go live" date has been postponed and a new implementation date has not been determined. Since hiring a new IT Specialist, contracting a project consultant, and receiving expert advice from GITA and the Registrar of Contractors (ROC), an agency that recently implemented the same eLicensing system, the project is progressing toward a FY 2011 implementation date. ELIS will replace a twenty (20) year old licensing system currently used by DLLC and stakeholders to record and track liquor license activities and violations.

### Legislation

Liquor industry association leaders and DLLC leadership continue to meet to discuss improvements to SB 1460 (an omnibus bill) introduced by the industry to the Fiftieth Legislature - First Regular Session. SB 1460 has passed in the Senate and has been voted out of the House Commerce Committee with a "do pass" recommendation. The liquor industry and DLLC agree that the bill requires additional amendments.

### Resume Newly Proposed Rulemaking

Weeks prior to the January 2008 Regulatory Review Plan Moratorium, DLLC submitted a complete rules rewrite to the Governor's Regulatory Review Counsel. In August 2010, DLLC requested an exemption to the moratorium. In response to that request, the Governor's Office required evidence of industry collaboration and support, and DLLC's agreement that any rules proposed would not impose additional or undue burdens on businesses. After DLLC's response to these requirements, the Governor's Office granted DLLC a limited "go ahead" to proceed with a rewrite with the possibility of the Governor's Office reversing the "go ahead" at any time.

### GRRC 5-year Rules Review

DLLC's 5-year Rules Review is scheduled for review before the GRRC on May 3, 2011.

## WHAT'S NEXT AT DLLC? (continued)

### Upcoming Events and Milestones

#### Underage Drinking

To foster responsible liquor sales and service to persons of legal drinking age, DLLC will publish a report naming all licensed establishment identified as being cited for selling or serving liquor to an underage person. To gather the data for the report, DLLC has contacted all Arizona law enforcement agencies to request a monthly tally of citations for establishments/persons that sold or served persons under the age of 21. The final report will include the business name, address, type of citation issued, and a description of the licensee's or employee's actions that resulted in an underage person gaining access to liquor. Beginning in July 2012, the monthly report will be sent to the Governor, to media outlets statewide, and will be published on the Department's website.

#### Staffing

Due to resignation, the Licensing Division lost a customer service representative (CSR) which decreased the total number of CSRs to five (5) who serve the 11,500 active liquor licenses in Arizona. ADOA responded favorably to DLLC's recommended to begin solicitation for a replacement immediately. Three candidates have been identified and an offer will be made shortly.

END OF DLLC MARCH 2011 REPORT TO THE GOVERNOR