

# Arizona Department of Liquor Licenses and Control



## FY 2019 Annual Report

STATE OF ARIZONA  
DEPARTMENT OF LIQUOR LICENSES AND CONTROL

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## **Mission Statement**

*To protect public safety and support economic growth through the responsible sale and consumption of liquor, and to efficiently license qualified applicants.*

## **Vision Statement**

*We envision being a leader in state liquor licensing and enforcement, focused entirely on delivering exceptional services that meet customers needs and enrich the communities we serve.*

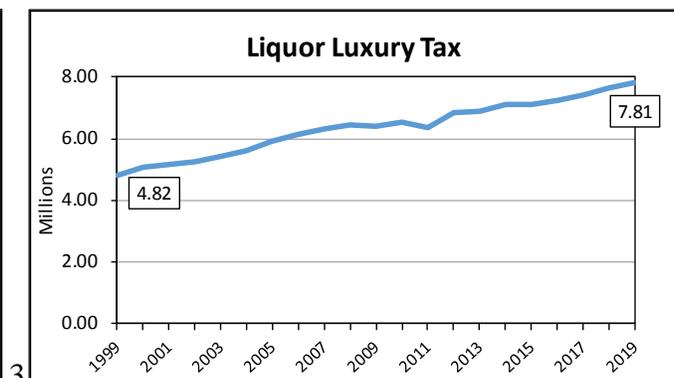
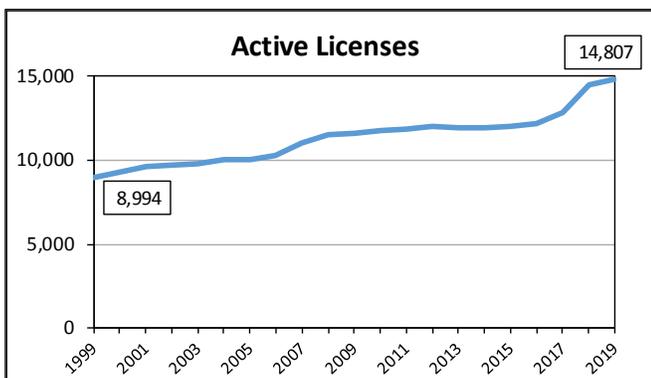
# A Message from the Director

FY 2019 was an excellent year with numbers of exciting liquor-industry based wins for Arizona, friends, families, and guests. To begin, Arizona’s liquor industry remained strong and healthy, as the number of active liquor licenses at year’s end reached a 20-year high (1999-2019). With this, according to the Arizona Department of Revenue, luxury tax collections from the sale of spirituous, vinous, and malt liquor was up 62.26% over the same period. These outcomes translate to new business opportunities, employment opportunities, and economic growth. This growing economy also challenged Department staff to be more innovative and effective concerning service delivery in order to continue to meet the needs of its clients. I am happy to report staff succeeded in this endeavor using Arizona Management System (ams.az.gov) tools and processes to drive performance continuous improvement wins for all. Here are a few examples.

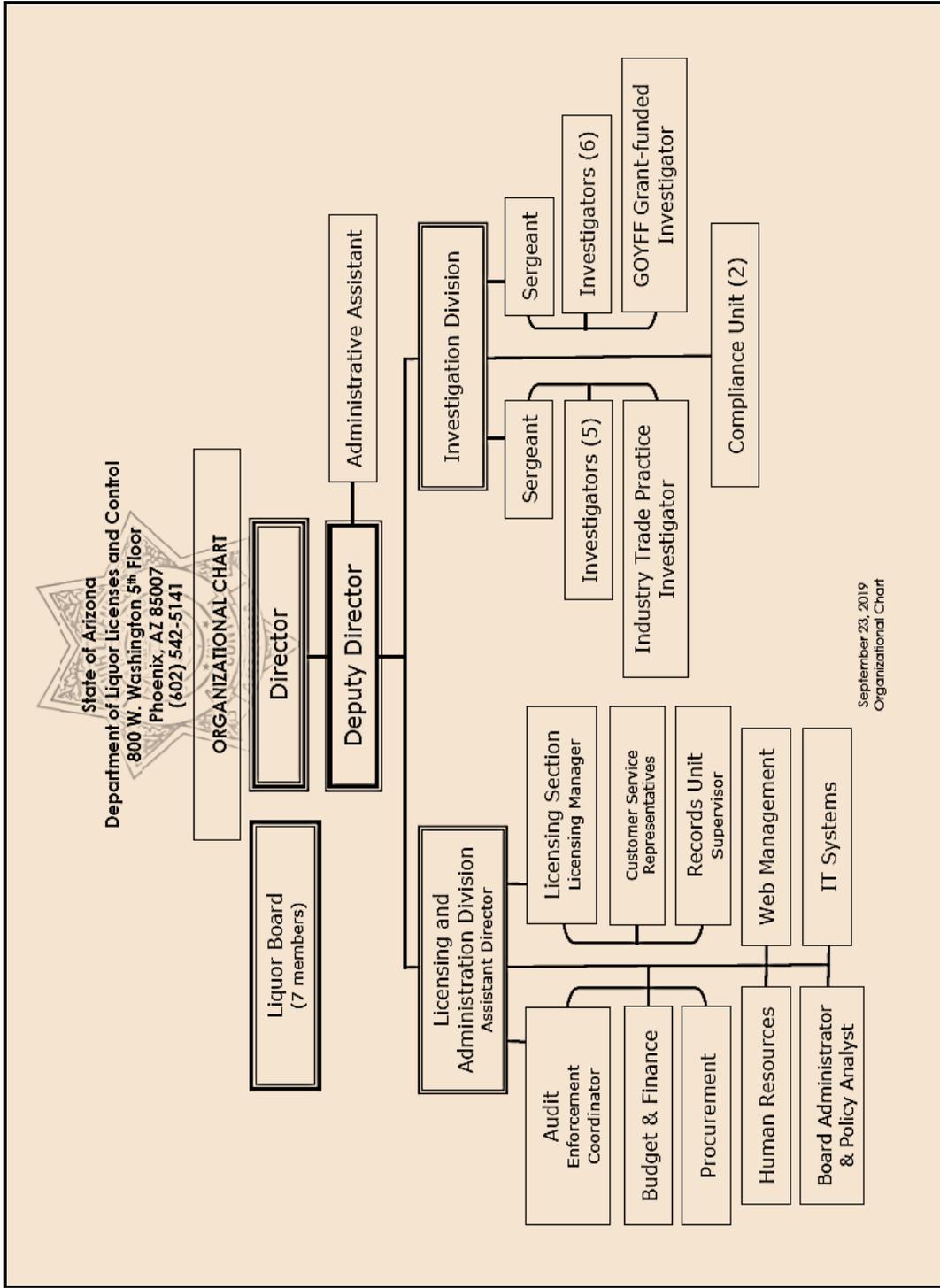
- On November 5, 2018, the National Liquor Law Enforcement Association (NLLEA) awarded the Department and Prevention Unit its Innovative Alcohol Law Enforcement Agency of the Year Award. NLLEA recognized the Department, “. . . for their multifaceted approach to prevent underage drinking including assisting with modifying the state’s social host law, partnering with community-based coalitions on underage drinking prevention efforts, and training law enforcement officers on Arizona’s alcohol laws.” NLLEA is a non-profit association of law enforcement personnel dedicated to the enforcement of liquor laws and regulations throughout the United States and Canada.
- On December 13, 2018, the Licensing Section was highlighted in the Governor’s Office publication, AZ BRIEFING ROOM, as an example of “Making Government Work For Arizonans.” Licensing staff have shortened the time to process and issue new license applications, while providing excellent customer service to more than 3,886 walk-in applicants and licensees in FY 2019. At year end, the average time to process series 6, 7, 9, 10, and 12 licenses ranged from 62 to 67 days, which is well below the statutory timeframe of 105 days.
- In FY 2018, the Department launched a new e-license system. Through outreach efforts and state collaboration with customers, actual customer use of the agency’s new e-license tool ended the fiscal year significantly above first year projections (27% versus 15%).



It is a privilege to serve the Great State of Arizona with these professionals. I thank you for this opportunity.



# Organizational Chart



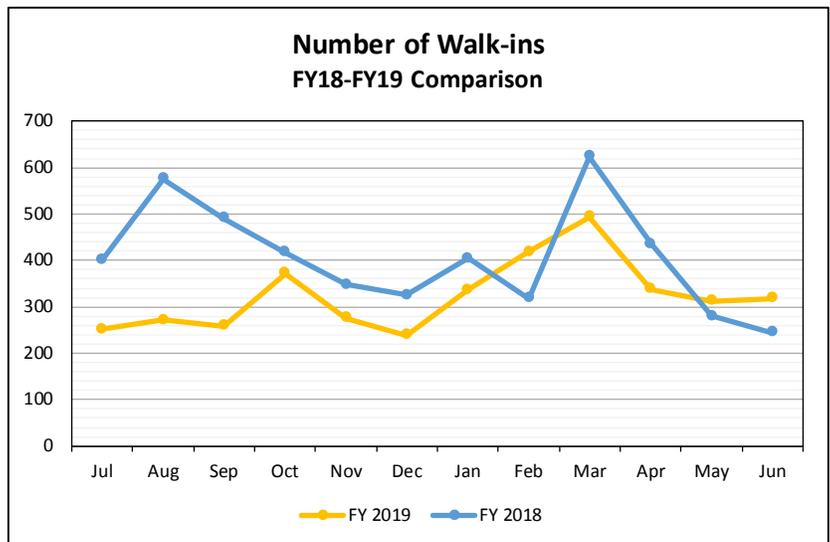
# Licensing and Administration Division

## LICENSING SECTION

Licensing is responsible for issuing liquor licenses to qualified applicants and providing exceptional customer service to the public. Licensing staff includes 6 customer service representatives (CSRs), 2 records custodians and a supervisor, and a licensing manager. CSRs answer questions and assist licensees with completing required paperwork. Personal assistance was provided to more than 3,886 walk-in applicants and licensees in FY 2019. On average, CSRs spent 21 minutes with each walk-in visitor. Records custodians ensure the state’s liquor records are safe, legible, and readily accessible for the Department’s archives, online services, and public records requests. Records custodians also process payments, transfer records between local governments and the state, and create electronic business forms and instructions.

### TYPES OF LICENSES

Series	License Type
01	In-state Producer
02	Out-of-state Producer
2D	Out-of-state Craft Distiller
2L	Limited Out-of-state Winery
2M	Out-of-state Microbrewery
2W	Out-of-state Farm Winery
03	Microbrewery
04	Wholesaler
05	Government
06	Bar (all spirituous liquor)
07	Beer and Wine Bar (beer and wine only)
08	Conveyance (trains, airplanes, boats)
09	Liquor Store (all spirituous liquor)
09S	Liquor Store sampling privileges
10	Beer and Wine Store (beer and wine only)
10S	Beer and Wine Store sampling privileges
11	Hotel/Motel (with restaurant)
12	Restaurant
12G	Restaurant growler privileges
13	Farm Winery
14	Club
15	Special Event (temporary license)
16	Festival/Fair (temporary license)
17	Direct Shipment
17W	Direct Shipment Wine
18	In-state Craft Distiller
19	Remote Tasting Room
20	Alternating Proprietorship
21	Custom Crush
BYO	BYOB
INP	Interim Permit



For more information about Licensing, visit [azliquor.gov](http://azliquor.gov).

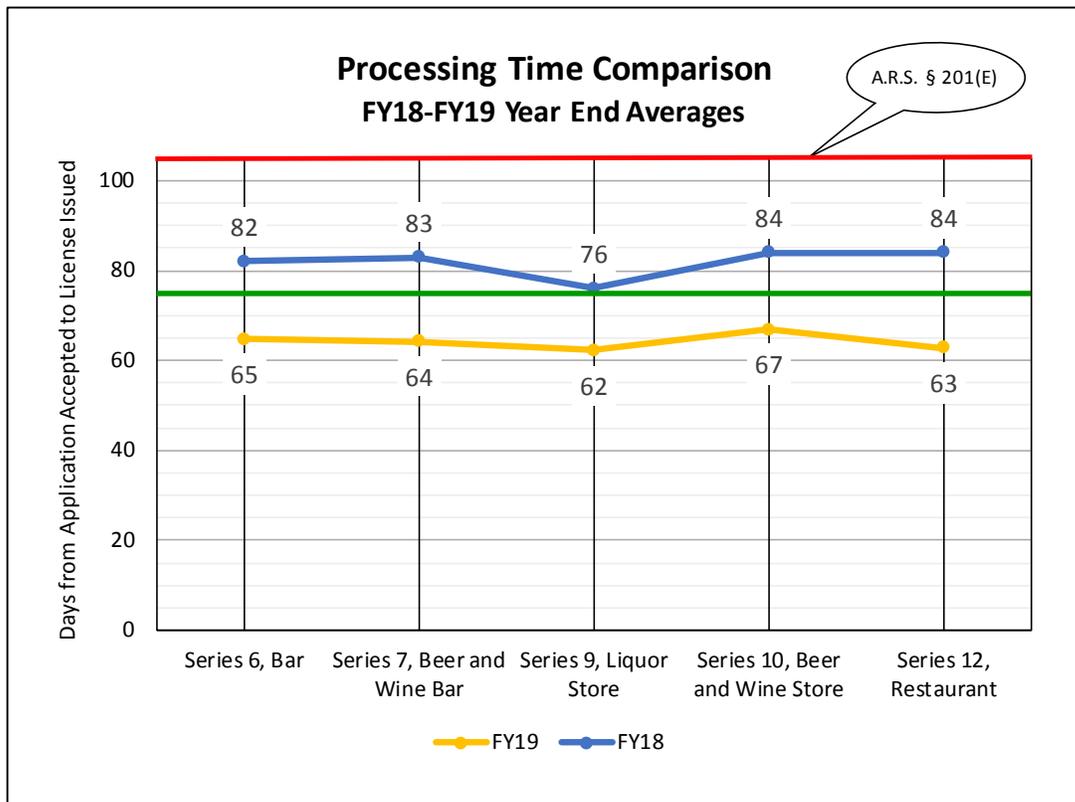
## LICENSE TRANSACTIONS Five Year History

Action	FY 2015	FY 2016	FY 2017	FY 2018**	FY 2019
New liquor licenses issued*	1,581	1,476	2,006	4,270	5,836
Liquor licenses renewed	11,952	11,977	12,319	10,339	13,280
Special event permits issued (Series 15 and 16)	2,688	3,614	3,576	3,755	3,108
Interim permits issued	619	422	485	674	462
Exempt locations issued	84	57	131	159	209
Lottery licenses issued	16	14	18	26	31
Active licenses on June 30	12,066	12,174	12,871	14,482	14,807

\* Includes transfer licenses.

\*\*Data discrepancies due to new license system implemented in the year.

The Department is required to approve or disapprove a license application within 105 days from the day the application is filed (A.R.S. § 201(E)). The time to process an application indicates how well the Department is fulfilling its mission to “efficiently license qualified applicants.” The goal is to issue Series 6 Bar, Series 7 Beer and Wine Bar, Series 9 Liquor Store, Series 10 Beer and Wine Store, and Series 12 Restaurant licenses in no more than 75 days. Series 6, Series 7, Series 9, Series 10, and Series 12 licenses made up 66% of the active licenses on June 30, 2019.

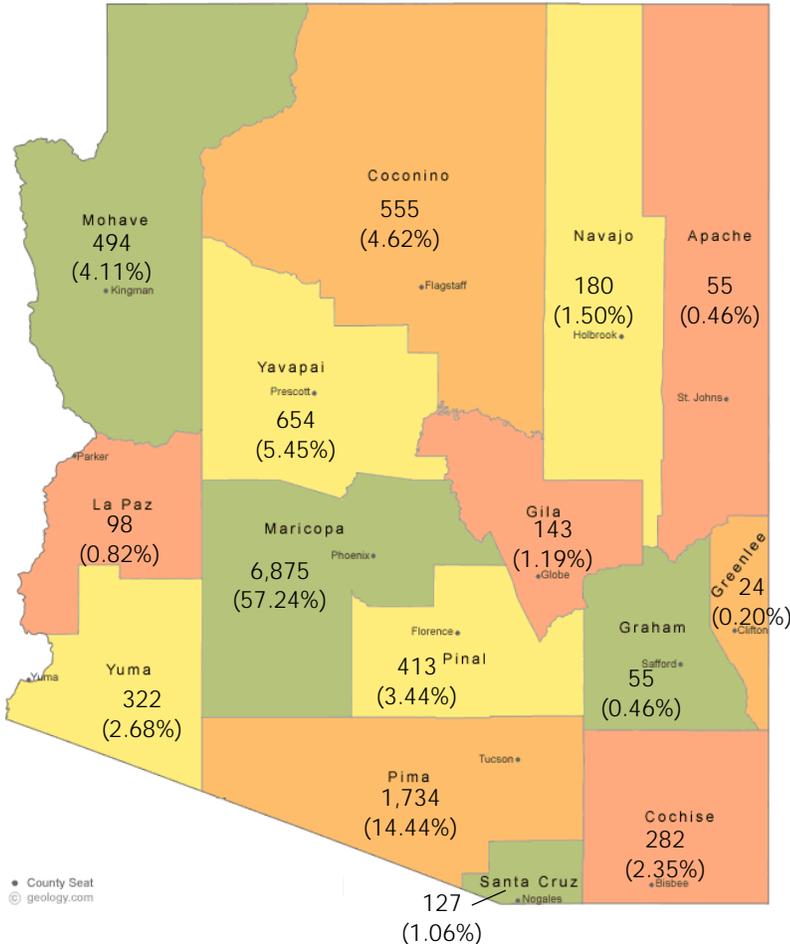


## LICENSE COUNT By County and Type June 30, 2019\*

Series	Counties Type	Apache	Cochise	Coconino	Gila	Graham	Greenlee	La Paz	Maricopa	Mohave	Navajo	Pima	Pinal	Santa Cruz	Yavapai	Yuma	Out-of-State	TOTALS BY TYPE
		01	02	03	04	05	06	15	07	08	09	10	11	12	13	14	17	
01	In-state Producer			1					9					1				11
02	Out-of-state Producer																1,074	1,074
02D	Out-of-state Craft Distiller																8	8
02L	Limited Out-of-state Winery																88	88
02M	Out-of-state Microbrewery																42	42
02W	Out-of-state Farm Winery																462	462
03	Microbrewery		2	11	1				62	7	2	22	1	1	13	2		124
04	Wholesaler		1	5	1	1			82	3	2	10		2	2	4		113
05	Government		3	7		2	1	1	47	3	1	16	2	1	2	9		95
06	Bar	16	51	50	39	11	6	17	622	46	35	205	67	18	69	43		1,295
07	Beer and Wine Bar	4	23	55	8	3	1	12	402	41	16	158	32	7	47	22		831
08	Conveyance			3					11			3			1			18
09	Liquor Store	14	39	53	25	14	7	17	783	52	42	262	73	15	57	57		1,510
09S	Liquor Store Sampling		5	11	4				230	14	5	44	14	1	19	6		353
10	Beer and Wine Store	8	54	93	21	15	3	29	1,280	127	24	273	93	22	104	69		2,215
10S	Beer and Wine Store Sampling			3					66			16	1		6	1		93
11	Hotel/Motel	1	3	23	2				105	4	1	30	2	2	12	5		190
12	Restaurant	6	41	156	27	6	3	15	2,637	137	31	534	88	27	195	77		3,980
12G	Restaurant Growler			11		1			108	9	1	30	1		1	1		163
13	Farm Winery	1	29	3	4				11	2	1	5	1	15	33			105
14	Club	3	12	10	6	2	3	7	97	29	9	41	15	1	22	12		269
15	Special Event	1	3	17	4				33	3	7	15	8	2	26	1		120
16	Festival/Fair			24					10					3				37
17	Direct Shipment								1	1					1		4	7
17W	Direct Shipment Wine																791	791
18	Craft Distillery		1	3					10	2		5		2	3			26
19	Tasting Room		4	3					4			4		1	9			25
20	Alternating Proprietorship														7			7
21	Custom Crush		3											3	2			8
BYO	BYOB	1	2	4					130	2	2	37	11		9	8		206
INP	Interim Permit		4	5	1				60	9	1	12	4	1	6	5		108
COOP	Cooperative			1					30	1		9		1	4		325	371
SEC	Special Event Contractor		2	3					45	2		3		1	4		2	62
<b>TOTALS BY COUNTY</b>		<b>55</b>	<b>282</b>	<b>555</b>	<b>143</b>	<b>55</b>	<b>24</b>	<b>98</b>	<b>6,875</b>	<b>494</b>	<b>180</b>	<b>1,734</b>	<b>413</b>	<b>127</b>	<b>654</b>	<b>322</b>	<b>2,796</b>	<b>14,807</b>

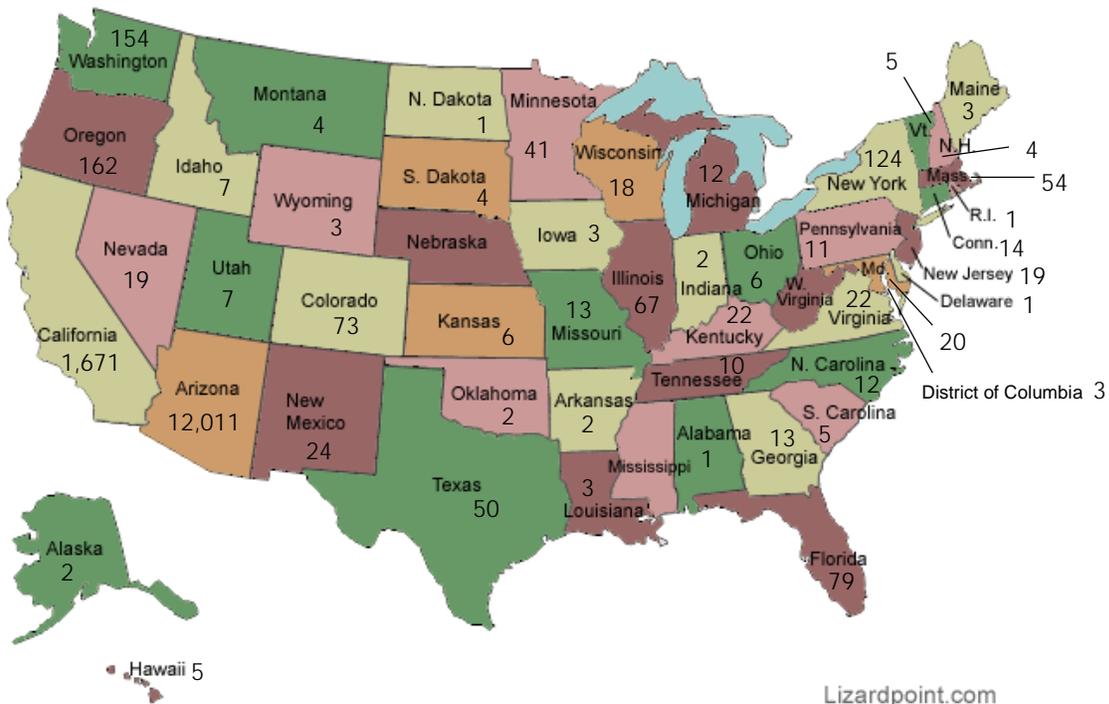
\*There were 14,807 active licenses on June 30, 2019. This number fluctuates daily depending on renewals, new applications, suspensions, and revocations.

# LIQUOR-LICENSED ESTABLISHMENTS REGULATED BY THE DEPARTMENT



**Total Active Licenses  
at FY 2019 Year End:  
14,807**

There were 14,807 active licenses on June 30, 2019. This number fluctuates daily depending on renewals, new applications, suspensions, and revocations. Eighty-one (81.12%) percent of these liquor-licensed establishments are located in Arizona. Nineteen (18.88%) percent are located in 46 states, the District of Columbia, and 3 foreign countries (Mexico, Argentina, and Italy). The maps on this page show the number and locations of licensees in (1) Arizona (percentages reflect portion of Arizona licenses) and (2) other states in the country.



## ADMINISTRATION SECTION

Administration consists of 6 employees who are responsible for Budget and Finance, Procurement, Information Technology, Communications, Special Projects, Human Resources, Liquor Board Administration, and Policy Research. Budget and Finance tracks incoming revenues which include funding allocated to the Department, grants awarded to the Investigation Division, license fees, and fines. This unit coordinates revenue disbursement to the state and Arizona's 15 counties, accounts payable, and payroll processing. Procurement coordinates with Arizona Department of Administration in obtaining and evaluating resources and supplies with a goal of improving the cost efficiency of operations. Information Technology provides desktop support and expertise in maximizing the utility of technology resources. Communications directs incoming and outgoing information, including media communications and requests, website design and content, and industry announcements and presentations. Human Resources manages a proper entrance and exit process for employees, participates in the creation, maintenance and distribution of departmental policies and procedures, and manages on-going employee training.

### DISBURSEMENT OF REVENUE Five Year History

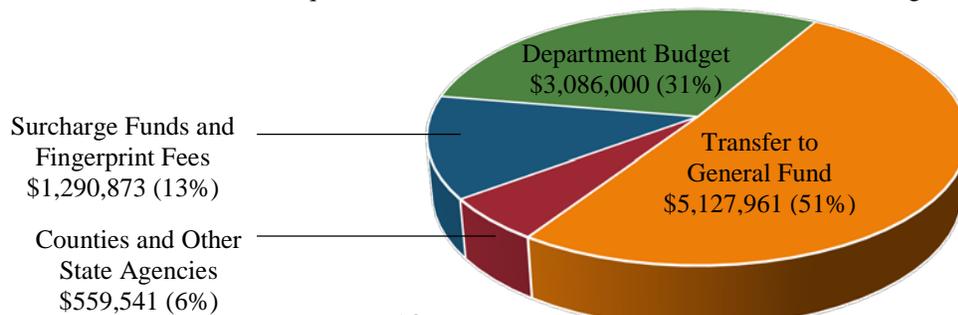
<b>Source of Revenue</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>
17W Direct Shipment Wine License Issuance and Renewals	N/A	N/A	141,000	128,700	179,900
Licenses, Permits and Fees	5,698,767	5,750,294	5,736,811	5,859,153	6,030,512
Fair Market Value Fees (Liquor License Lottery)	1,547,625	2,207,600	3,526,825	3,170,925	3,239,275
Fines (Liquor Law Violations)	472,490	466,575	420,550	328,476	424,400
Penalty Fees (Late Renewals)	107,700	108,450	169,350	200,400	134,250
Fingerprint Fees	65,208	64,196	60,522	53,522	56,038
<b>TOTAL REVENUE</b>	<b>\$7,891,790</b>	<b>\$8,597,115</b>	<b>\$10,055,058</b>	<b>\$9,741,176</b>	<b>\$10,064,375</b>
<b>Disbursement of Revenue</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>
Disbursements to Counties and Other State Agencies	554,728	500,541	510,621	510,857	559,541
Disbursements to the Department (Surcharge Funds and Fingerprint Fees)	1,012,228	1,027,301	1,046,897	1,021,697	1,290,873
<b>TOTAL DISBURSEMENTS</b>	<b>\$1,566,956</b>	<b>\$1,527,842</b>	<b>\$1,557,518</b>	<b>\$1,532,554</b>	<b>\$1,850,414</b>
<b>Transfer of Revenue</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>
Fair Market Value Fees (Liquor License Lottery)	1,547,625	2,207,600	3,526,825	3,170,925	3,239,275
Licenses, Permits and Fees	4,197,019	4,286,648	4,380,815	4,508,821	4,416,036
Fines (liquor law violations)	472,490	466,575	420,550	328,476	424,400
Penalty Fees (late renewals)	107,700	108,450	169,350	200,400	134,250
<b>TOTAL TRANSFERS</b>	<b>\$6,324,834</b>	<b>\$7,069,273</b>	<b>\$8,497,540</b>	<b>\$8,208,622</b>	<b>\$8,213,961</b>
<b>GRAND TOTALS</b>	<b>\$7,891,790</b>	<b>\$8,597,115</b>	<b>\$10,055,058</b>	<b>\$9,741,176</b>	<b>\$10,064,375</b>

**DISBURSEMENT OF REVENUE  
TO COUNTIES, OTHER STATE AGENCIES, AND THE DEPARTMENT  
Five Year History**

<b>Counties</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>
Apache	2,852	6,468	5,319	4,257	4,002
Cochise	28,374	25,380	19,039	27,251	16,142
Coconino	53,195	61,836	62,495	61,466	56,346
Gila	14,231	13,519	12,293	15,237	12,300
Graham	6,634	5,994	3,316	3,422	4,408
Greenlee	1,378	1,972	1,946	2,327	1,500
La Paz	6,299	10,194	6,989	7,557	6,275
Maricopa	57,000	15,000	0	9,000	39,100
Mohave	41,175	50,147	48,054	50,670	48,908
Navajo	13,646	14,286	13,817	15,445	12,025
Pima	63,000	24,000	72,000	54,000	79,500
Pinal	34,017	37,809	38,040	38,735	38,942
Santa Cruz	16,015	11,041	16,003	11,318	10,358
Yavapai	73,136	75,902	66,910	66,313	74,505
Yuma	29,276	31,041	24,650	29,659	30,070
<b>Other State Agencies</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>
Department of Health Services (Special Event Fees)	66,725	71,200	70,925	72,500	80,135
Department of Economic Security Division of Developmental Disabilities	47,775	47,225	48,825	41,700	45,025
<b>Department (Liquor)</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>
Audit Surcharge	169,080	173,190	179,230	182,550	187,260
Enforcement Surcharge K	414,995	421,995	432,250	422,415	436,310
Enforcement Surcharge L	362,945	367,920	374,895	363,210	368,670
Fingerprint Fees	65,208	64,196	60,522	53,522	56,038
17W Direct Shipment	N/A	N/A	118,800	54,675	57,150
17W Direct Shipment Renewals	N/A	N/A	22,200	74,025	122,750
Growlers	N/A	N/A	N/A	N/A	31,285
Samplings	N/A	N/A	N/A	N/A	31,410
<b>TOTAL DISBURSEMENT</b>	<b>\$1,566,956</b>	<b>\$1,530,315</b>	<b>\$1,557,520</b>	<b>\$1,532,554</b>	<b>\$1,850,414</b>

**FY 2019 DISBURSEMENT OF REVENUE**

The Department is an appropriated self-funded agency. In FY 2019, it collected \$10,064,375 in revenue and its appropriated budget was \$3,086,000. Title 4 requires disbursement of revenue to counties, other state agencies, and the Department.



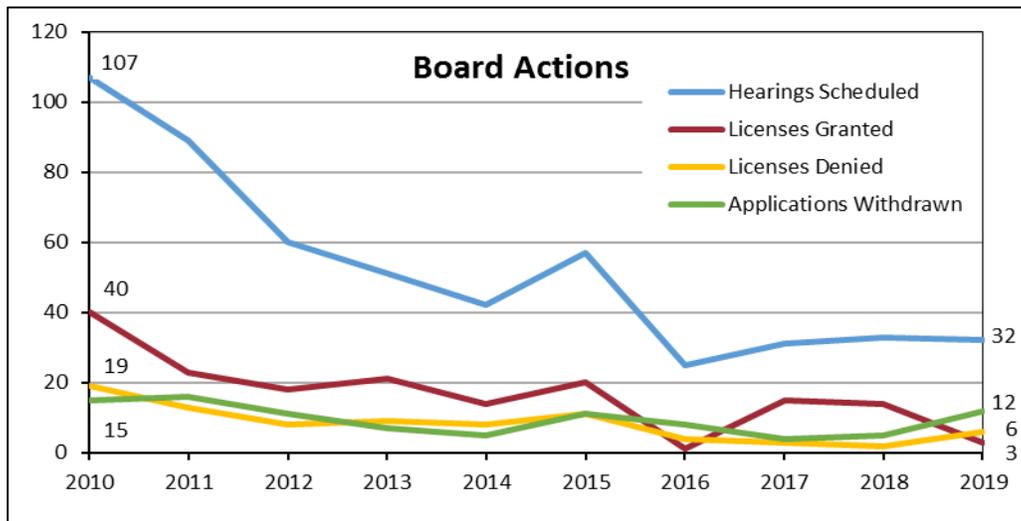
## STATE LIQUOR BOARD ACTIONS Five Year History

The State Liquor Board (Board) operates independently from the Director and the Department. The Board is provided a staff member who is housed within the Department. That individual prepares and maintains hearing notices, agendas, orders, and minutes. Board members are responsible for hearing liquor license applications that have received a recommendation of disapproval from the local governing body, a protest from the Director, or a public protest. The Board may also hear appeals regarding decisions of the Director.

Board Actions	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Hearings Scheduled	57	25	31	33	32
Licenses Granted	20	1	15	14	3
Licenses Denied	11	4	3	2	6
Continuances Granted (Matters may be postponed to a subsequent hearing.)	11	4	9	4	7
Continuances Denied	1	0	0	0	0
Applications Withdrawn (Applicants may withdraw their applications.)	13	8	4	5	12
Appeals Heard (Applicants and licensees have the right to appeal a decision made by the Director or the Board.)	0	3	0	1	2
Rehearings Requested (A rehearing of a case may be requested by the Board, the applicant, or an interested party.)	1	1	0	3	2
Hearings Cancelled (If the reason for the protest is clearly removed or satisfied, the Director may request the Board to cancel the hearing.)	3	3	4	4	0

### LIQUOR BOARD MEMBERS

<b>Troy L. Campbell (R)</b> Chair Maricopa County No Financial Interest Term Expires January 18, 2021	<b>Walter W. Jahn (R)</b> Vice Chair Pima County Wholesaler Term Expires January 20, 2020	<b>Michael N. Widener (R)</b> Maricopa County No Financial Interest Term Expires January 18, 2021	<b>Jeffrey K. Oravits (R)</b> Coconino County No Financial Interest Neighborhood Association Term Expired January 21, 2019
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# Investigation Division

It is the responsibility of the Investigation Division to ensure licensees comply with Arizona Revised Statutes (A.R.S.) Title 4 (Alcoholic Beverages) and Arizona Administrative Code (A.A.C.) Title 19 (Rule 19-1-101 through Rule 19-1-705). The division includes Investigations, Compliance, Audit, Industry Trade Practice, and Prevention. The primary functions of the Investigation Division are to:

- Enforce Title 4 and Title 13 criminal laws to ensure compliance with statutes.
- Investigate complaints regarding licensed establishments received from community members and local law enforcement personnel.
- Conduct background investigations of liquor license applicants to determine if they have met Title 4 qualifications to possess a liquor license.
- Conduct routine licensed business inspections to educate and prevent future violations.
- Conduct Covert Underage Buyer (CUB) details to determine if a licensed establishment is in compliance with Title 4 regarding the sale and service of liquor only to persons age 21 and older.
- Review police reports submitted by local law enforcement agencies to assess compliance, and when one or more violations are found, submit reports to the Compliance Unit for accountability.
- Work with licensees and their staff regarding Fake IDs and changes to Title 4 and A.A.C. Title 19 to ensure compliance.
- Track industry trade practices to ensure compliance with Title 4 and A.A.C. Title 19.
- Monitor and perform audits of two types of licensed establishments: hotel/motel with restaurant (Series 11) and restaurants (Series 12).
- Collaborate with law enforcement agencies statewide on the application of Title 4, with emphasis on the Administrative Law process.
- Develop and implement enforcement plans for the sale and service of liquor at large scale, public "special events" where attendance of more than 1,000 people is expected.
- Educate students about legal, physical, and emotional outcomes that can occur when alcohol is consumed by persons under the age of 21.
- Work with community members to ensure that licensed establishments positively impact neighborhoods.

The screenshot shows the Arizona Department of Liquor (DLLC) website. The header includes navigation links for 'Application Kits & Forms', 'Frequently Asked Questions', 'Liquor Law Training', 'Liquor Laws', and 'About DLLC'. The main content area features a 'FAST ANSWERS...' section with a list of topics such as '3rd-Party Promotions', 'Apply For a Liquor License', and 'BYOB or Liquor at an Unlicensed Business'. A callout box on the right titled 'WORKSHOPS AND TRAINING' states: 'Training performed by the Dept. of Liquor. Workshops offered for Arizona Cities, Towns and Municipalities and Approved Title 4 Liquor Trainers. View details and register by clicking on the "Calendar & Registration" button below.' A blue arrow points from this callout to the 'Calendar & Registration' button. Another blue arrow points from the bottom of the page to the 'FAST ANSWERS...' section, with the text 'For answers, training, and resources, visit [azliquor.gov](http://azliquor.gov)'.

## DIVISION STATISTICS

### Five Year History

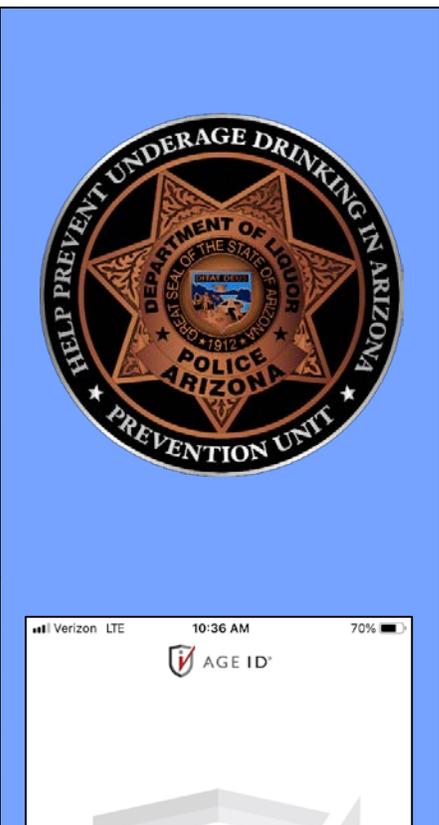
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Officer-to-liquor license ratio:	1:1,095	1:1,274	1:1,287 <sup>‡</sup>	1:1,448 <sup>‡</sup>	1:1,480 <sup>‡</sup>
<b>Citations</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>
<b>Total Citations Issued</b> (Number of citations issued by an investigator for administrative, criminal and underage violations)	660	435	429	428	471
<b>Citations Issued to Underage</b> (Number of citations written to underage persons who were found in violation of Title 4)	505	350	324	421	389
<b>Violations</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>
<b>Criminal Counts Charged</b> (Number of counts charged by an investigator when person is in violation of Title 4, Title 13, or Title 28)	1,300	729	804	758	858
<b>Administrative Counts Charged</b> (Number of administrative counts charged by an investigator when a liquor law violation was found at a liquor-licensed establishment)	1,140	852	700	531	489
<b>Underage Violations</b> (Number of counts charged by an investigator for a liquor law violation involving an underage person)	1,087	691	767	732	890
<b>MVD Affidavit/Suspension</b> (Number of driver's license suspensions where an underage is arrested for either using a fake ID or using another person's ID to buy alcohol or enter a bar)	140	53	60	78	74
<b>Compliance</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>
<b>Routine Liquor Inspections</b> (Number of establishments randomly inspected to ensure they are operating in compliance with Title 4)	2,710	2,386	526	254	225
<b>Actioned (Administrative) Complaints</b> (Number of administrative citations issued and scheduled for an administrative hearing)	96	87	124	165	99
<b>Compliance Case Reports Submitted</b>	423	345	285	225	202
<b>Non-Actioned (Criminal) Complaints</b> (Number of incoming complaints to the Investigation Division reporting a liquor law violation)	423	421	468	399	485
<b>Investigation</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>
<b>Hidden Ownerships Completed</b>	16	16	11	12	10
<b>Site Inspections Completed</b>	272	346	432	481	481
<b>On-View Violation Case Reports</b>	256	218	59	143	105
<b>Training</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>
<b>Law Enforcement Training Events</b>	71	37	56	23	41
<b>Community Training Events</b>	12	29	45	45	47

<sup>‡</sup> Ratio based on staff of ten (10) nonsupervisory full time sworn officers

## EDUCATION AND PREVENTION ACTIVITY

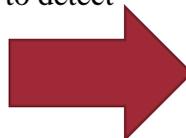
The Department is committed to promoting public safety through education, prevention, and enforcement. The Prevention Unit completed 527 community events providing alcohol awareness and public safety promotion strategies to 623 peace officers, 439 licensed retailers, and 3,331 teens. In addition, the Unit assisted in amending the final areas needed to update the House Party state statute to reflect the goals of a social host statute. These activities garnered recognition from the National Liquor Law Enforcement Association (NLLEA) as the 2018 Innovative Alcohol Law Enforcement Agency of the Year award recipient. These efforts were made possible by our partnership with the Governor’s Office of Youth, Faith, and Family (GOYFF) and the Governor’s Office of Highway Safety (GOHS).

Law Enforcement Training	Events	Attendees
Title 4	26	623
Fake ID	15	222
Industry Training	Events	Attendees
Title IV Trainers Legislative Update	2	48
Government Training	Events	Attendees
Local Governing Body Training	1	38
<b>TOTALS</b>	<b>44</b>	<b>931</b>
Governor’s Office of Youth, Faith, and Family (GOYFF) and Governor’s Office of Highway Safety (GOHS) Grant Funded Training and Outreach		
	Events	Attendees
Law Enforcement	41	845
Retailers		439
Alcohol Awareness for Teens	47	3,331
<b>TOTAL ATTENDEES</b>		<b>4,615</b>
<b>GRAND TOTAL ATTENDEES</b>		<b>4,701</b>



### GOHS Conference

GOHS Director Alberto Gutier and Sergeant Wes Kuhl discuss Sergeant Kuhl’s presentation on Fake IDs and our new phone app to detect them.



## COVERT UNDERAGE BUYER PROGRAM

### Five Year History

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Locations Investigated	195	119	131	118	185
Number That Sold to CUB	72	49	51	32	42
Percentage of Establishments That Sold to CUB	36.9%	41.2%	38.9%	27.1%	22.7%
Administrative Citations Issued	173	126	128	77	123
Criminal Citations Issued	120	84	58	47	98

In an effort to curb the sale of liquor to underage persons, the Department utilizes the Covert Underage Buyer (CUB) program, which was instituted in May 2003. This program provides the resources necessary for investigating reported complaints of licensed businesses suspected of underage liquor law violations. When the Department has reasonable suspicion a licensed establishment is selling liquor to underage customers, a CUB will be sent in to attempt to purchase liquor. CUBs are between the ages of 16 and 19 and are carefully trained by Detectives. The Department also provides CUB program training to all Arizona law enforcement agencies.

## LAW ENFORCEMENT SPECIAL DETAIL

### September

Navajo Nation Fair, Window Rock  
Gold Rush Music Festival, Chandler

### October

Tequila Sunrise, Flagstaff  
Arizona State Fair, Phoenix

### December

Decadence Arizona, Chandler

### January

Barrett Jackson, Scottsdale  
Waste Management Phoenix Open,  
Scottsdale

### March

Pot O' Gold Music Festival, Phoenix

### April

Country Thunder Arizona, Florence

### May

Overland Expo, Flagstaff



Every year, the Investigation Division supports large-scale security events such as Country Thunder (above).

## COMPLIANCE STATISTICS

### Five Year History

Action	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Revocations	0	2	1	0	0
Suspensions	2	0	5	2	6
Surrenders	10	20	18	7	22
Divestitures	7	6	0	0	2
Administrative Complaints	2	8	2	0	0
Decisions and Orders	1	2	0	2	2
Cases Received	843	985	709	632	592
Cases Completed	198	281	164	119	66
Cases in Progress at Year End	645	704	515	516	600
Warning Letter Issued	22	28	46	72	38
Cases Sent to the Office of Administrative Hearings	7	5	4	6	3
Fines Collected	\$516,365	\$506,325	\$426,700	\$290,000	\$378,550
Cases Adjudicated	561	482	389	303	346
Action Resulting From Underage Violations	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Licenses Suspended	0	0	1	0	1
Licenses Revoked	0	0	0	0	0
Fines Collected	\$82,375	\$99,000	\$86,250	\$43,875	\$72,905

## AUDIT STATISTICS

### Five Year History

Active Restaurant-Type Licenses on June 30	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Hotel/motel w/Restaurant (series 11)	166	173	179	184	190
Restaurant (series 12)	3,434	3,577	3,745	3,856	3,980
Total restaurant-type licenses	3,600	3,750	3,924	3,940	4,170
Total liquor licenses	12,052	12,174	12,871	14,482	14,807
Audit Action	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Total audits completed	91	98	67	2	41
Total audits passed	56	74	51	0	27
Total audits failed	25	16	15	0	10
Total audits inconclusive/audit not performed	10	7	1	0	4
Locations granted one year to continue operation	7	1	0	0	4
Cases Open for Audit on June 30	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Audits in progress	16	16	2	2	12
Open cases w/projected ratio of >37%	14	9	0	0	8
Open cases w/projected ratio between 30 to 37%	2	7	2	2	4
Open cases w/projected ratio of <30%	0	0	0	0	0
Locations being monitored	83	99	91	95	92
Source of Revenue	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Assessed fine revenue	\$71,350	\$45,525	\$56,650	\$59,500	\$70,300
Collected fine revenue	\$47,725	\$73,700	\$74,200	\$34,875	\$44,250

