

# Arizona Department of Liquor Licenses and Control



## August 2019 Governor's Monthly Report (REVISED 9/9/20)

STATE OF ARIZONA  
DEPARTMENT OF LIQUOR LICENSES AND CONTROL  
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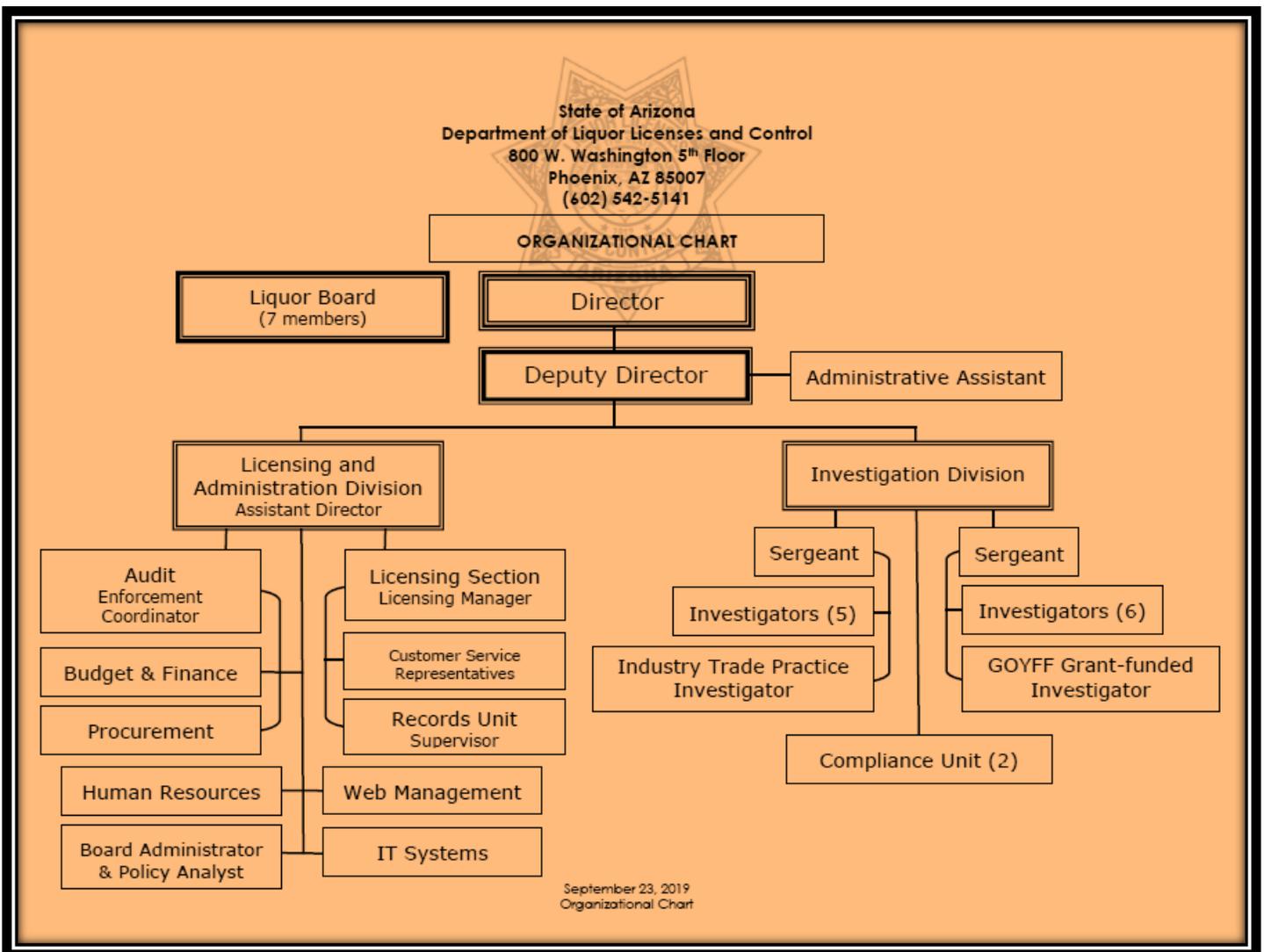


## Mission Statement

*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.*



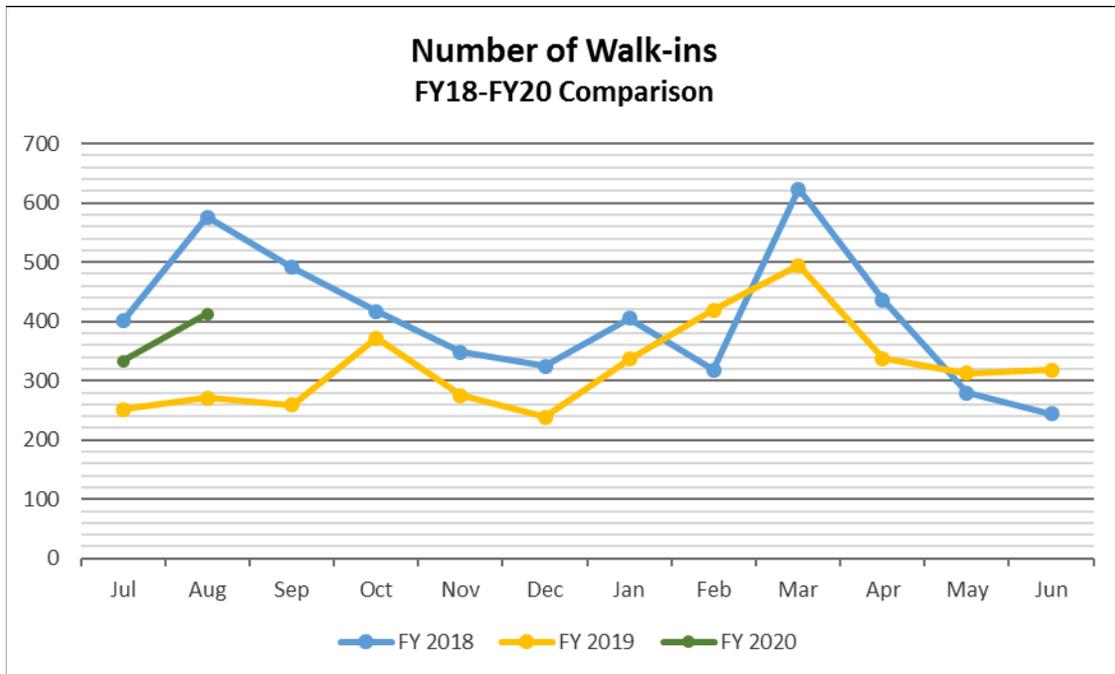
The organizational chart illustrates full-time authorized positions, not the Department's current staffing.

# LICENSING AND ADMINISTRATION DIVISION

Transaction	August 2019	FY 2020 Year to Date	FY 2019 Year End
New liquor licenses issued	367	664	5,836
Liquor licenses renewed	882	1,736	13,280
Special event permits issued	151	227	3,108
Interim permits issued	35	77	462
Exempt locations issued	17	33	209
Lottery licenses issued	5	8	31
Active liquor licenses*	14,670	14,670	14,807

\* This number fluctuates daily depending on renewals, new applications, suspensions and revocations.

License Type	Average Number of Days to Issue License – August 2019			
	Number of Applications	Average Time to Process	FY 2020 Running Average	FY 2019 Year End Average
Series 6-Bar	6	55	60	65
Series 7-Beer and Wine Bar	5	64	70	64
Series 9-Liquor Store	0	N/A	70	62
Series 10-Beer and Wine Store	7	71	66	67
Series 12-Restaurant	13	64	63	63



## Collected Revenue by Fee Type

Source of Revenue	August 2019	FY 2020 Year to Date	FY 2019 Year End
FMV (Liquor License Lottery)	645,026	979,901	3,239,275
Applications	18,380	33,285	227,283
Licenses Issuances Fees	133,075	268,525	1,294,712
Licenses Renewals Fees	244,037	437,255	2,993,564
Interim Permit Fees	4,000	7,600	45,000
Agent Change	2,250	4,150	35,700
Fines (Liquor Law Violations)	117,569	154,404	424,400
Special Event (DHS)	4,025	6,025	80,135
Club (DES)	5,400	14,050	45,025
Penalty Fees (Late Renewals)	2,850	11,100	134,250
Copy Fees	68	150	1,977
Non-Use Surcharge	15,300	34,900	156,600
Audit Surcharge (J Fund)	18,300	31,200	187,260
Enforcement K Surcharge	33,180	65,415	436,310
Enforcement L Surcharge	28,095	56,985	368,670
Miscellaneous*	12,146	23,552	95,581
17W Direct Shipment License	3,825	7,200	57,150
17W Direct Shipment Renewal	0	0	122,750
Growlers	2,850	4,350	31,285
Samplings	1,980	3,060	31,410
Fingerprints Fees	5,700	10,450	56,038
<b>Total Revenue Collected</b>	<b>\$1,298,056</b>	<b>\$2,153,557</b>	<b>\$10,064,375</b>

\* Acquisition of Control, Site Inspection, Extension of Premises, Co-Op, Person Transfer, BYOB, Location Transfer, Sampling.

## State Liquor Board

Action	August 2019	FY 2020 Year to Date	FY 2019 Year End
Hearings Scheduled	3	5	32
Licenses Granted	1	2	3
Licenses Denied	1	2	6
Continuances Granted	0	0	7
Continuances Denied	0	0	0
Applications Withdrawn	0	0	12
Appeals Heard	1	1	2
Rehearings Requested	0	0	2
Hearings Cancelled	0	0	0

## Audit Statistics

Active Restaurant-Type Licenses	August 2019	FY 2020 Year to Date Average	FY 2019 Year End
Hotel/Motel w/Restaurant (Series 11)	195	193	190
Restaurant (Series 12)	4,003	4,003	3,980
Total Restaurant-Type Licenses	4,198	4,196	4,170
Auditor-to-Liquor License Ratio	1:2,099	1:2,098	1:2,085
Audit Action		Year to Date Total	FY 2019 Year End
Audits Completed	5	11	41
Audits Passed	2	6	27
Audits Failed	3	5	10
Audits Inconclusive/Audit Not Performed	0	0	4
Open Audit Cases		Year to Date Average	FY 2019 Year End
Audits Closed	5	6	N/A
Audits Initiated	12	8	N/A
Audits in Progress	13	11	12
Open Cases w/projected ratio of >37%	8	7	8
Open Cases w/projected ratio between 30 to 37%	5	4	4
Open Cases w/projected ratio of <30%	0	0	0
Locations granted one year to continue operation	3	2	4
Locations being monitored	83	86	92
Source of Revenue		Year to Date Total	FY 2019 Year End
Assessed Fine Revenue	\$7,500	\$9,000	\$70,300
Collected Fine Revenue	\$750	\$8,500	\$44,250

# INVESTIGATION DIVISION

## Division Statistics

Achievements	August 2019	FY 2020 Year to Date	FY 2019 Year End
Officer-to-Liquor License Ratio	1:1,467	1:1,467	1:1,480
<b>Citations</b>			
Total Citations Issued	43	45	471
Citations Issued to Underage	36	38	389
<b>Violations</b>			
Criminal Counts Charged	75	80	858
Administrative Counts Charged	39	90	489
Underage Violations	74	78	890
<b>Compliance</b>			
Routine Liquor Inspections	36	50	225
Compliance Case Reports Submitted	8	17	202
Non-Actioned (Criminal) Complaints	37	65	485
<b>Investigation</b>			
Site Inspections Completed	57	91	481
On-View Violation Case Reports	5	18	105
<b>Total Achievements*</b>	<b>975</b>	<b>1,544</b>	<b>21,625</b>

\* Including police report reviews and completed protests not listed above

## Covert Underage Buyer Program

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.

Action	August 2019	FY 2020 Year to Date	FY 2019 Year End
Locations Investigated	15	21	185
Number That Sold to CUB	5	5	42
Percentage of Establishments That Sold to CUB	33%	24%	22%
Administrative Citations Issued	10	10	123
Criminal Citations Issued	10	10	98

## Underage Violations

Statute and Violation	Number of Counts Charged in August 2019	Number of Counts Charged in FY 2020	Number of Counts Charged in FY 2019
A.R.S. § 4-241(A) Failure to request ID from underage; accepting unauthorized forms of ID	4	4	58
A.R.S. § 4-241(K) Accepting unauthorized IDs	0	0	0
A.R.S. § 4-241(L) Underage who uses false ID to buy alcohol	16	16	137
A.R.S. § 4-241(M) Underage who solicits another person for alcohol	0	0	7
A.R.S. § 4-241(N) Underage who uses of false ID to gain entry to a liquor business	0	1	32
A.R.S. § 4-241(P) Person purchasing alcohol for underage	0	0	0
A.R.S. § 4-244(9) Furnishing alcohol to an underage; underage in possession/consumption	43	45	338
A.R.S. § 4-244(41) Underage with alcohol in system	8	8	188
A.R.S. § 13-3613 Contributing to delinquency and dependency of a child	2	2	2
A.R.S. § 28-3478.1 Unlawful use of driver license	0	0	111
A.R.S. § 28-3478.2 Lend ID to another person	0	0	0
A.R.S. § 28-3478.3 Using another person's driver license	1	1	10
<b>Total Violations</b>	<b>74</b>	<b>78</b>	<b>890</b>

Ages of Underaged Cited This Month	<15	15	16	17	18	19	20
			2	1	16	7	10

## Law Enforcement Special Detail

- Covert Underage Buyer Program (CUB) – Sergeant Palubeskie and Detective Sanchez
- CUB – Detective Fletcher
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- CUB – Detective Barchak and Detective Allard
- Coconino County Fair detail – Detective Carruthers
- Arizona State Football detail – Sergeant Kuhl, Detective Williams, Detective Barchak and Detective Allard
- Payson Rodeo detail – Detective Barchak and Detective Allard
- Crypto Currency training – Detective Williams attended
- Governor’s Office of Youth, Faith and Family (GOYFF) training in Yuma County – Detective Sanchez
- GOYFF training in Mohave County – Detective Sanchez
- GOYFF training in Scottsdale – Detective Williams
- Title 4 training at Northern Arizona Law Enforcement Training Academy (16 officers) – Detective Carruthers
- Community outreach for St. John’s Police Department (275 attendees) – Detective Carruthers and Detective Webb
- Fake I.D. training at Maricopa County Sheriff’s Office Academy (11 officers) – Detective Webb

## Compliance Statistics

Action	August 2019	FY 2020 Year to Date	FY 2019 Year End
Revocations	0	0	0
Suspensions	2	5	6
Surrenders	5	13	22
Divestitures	0	0	2
Administrative Complaints	1	1	0
Decisions and Orders	0	0	2
Cases Received	16	39	592
Cases Completed	2	4	66
Cases in Progress	14	35	600
Warning Letter Issued	0	0	38
Cases Sent to the Office of Administrative Hearings	0	0	3
Fines Collected	\$73,225	\$120,300	\$378,550
Cases Adjudicated	20	55	346
<b>Action Resulting From Underage Violations</b>			
Licenses Suspended	1	3	1
Licenses Revoked	0	0	0
Fines Collected	\$9,000	\$9,750	\$72,905

END OF AUGUST 2019 REPORT TO THE GOVERNOR