

# Arizona Department of Liquor Licenses and Control



**August 2020**

REVISED 4/8/21

## **Governor's Monthly Report**

**STATE OF ARIZONA**

**DEPARTMENT OF LIQUOR LICENSES AND CONTROL**

**JOHN COCCA, DIRECTOR**

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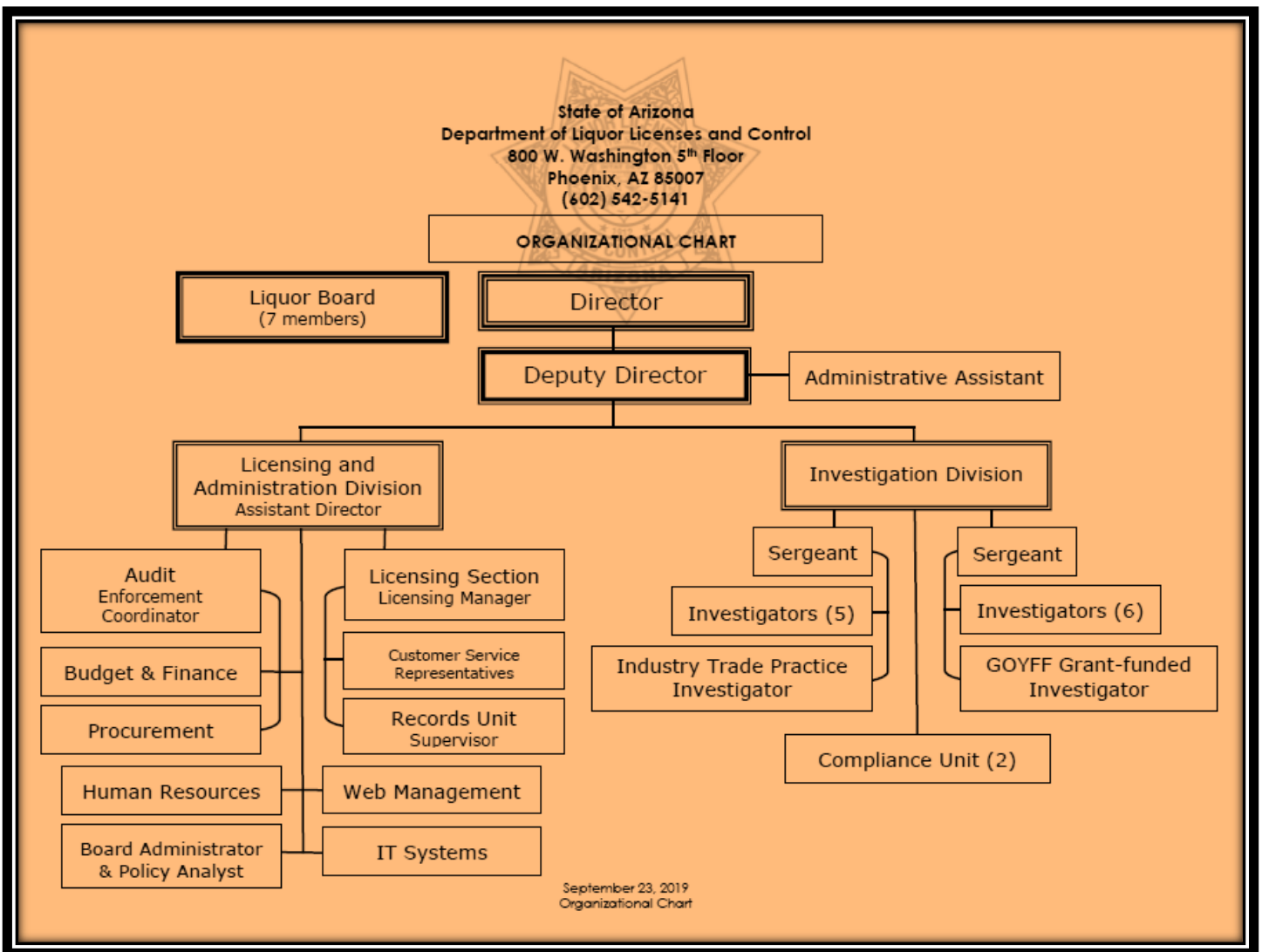


## Mission Statement

*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.*



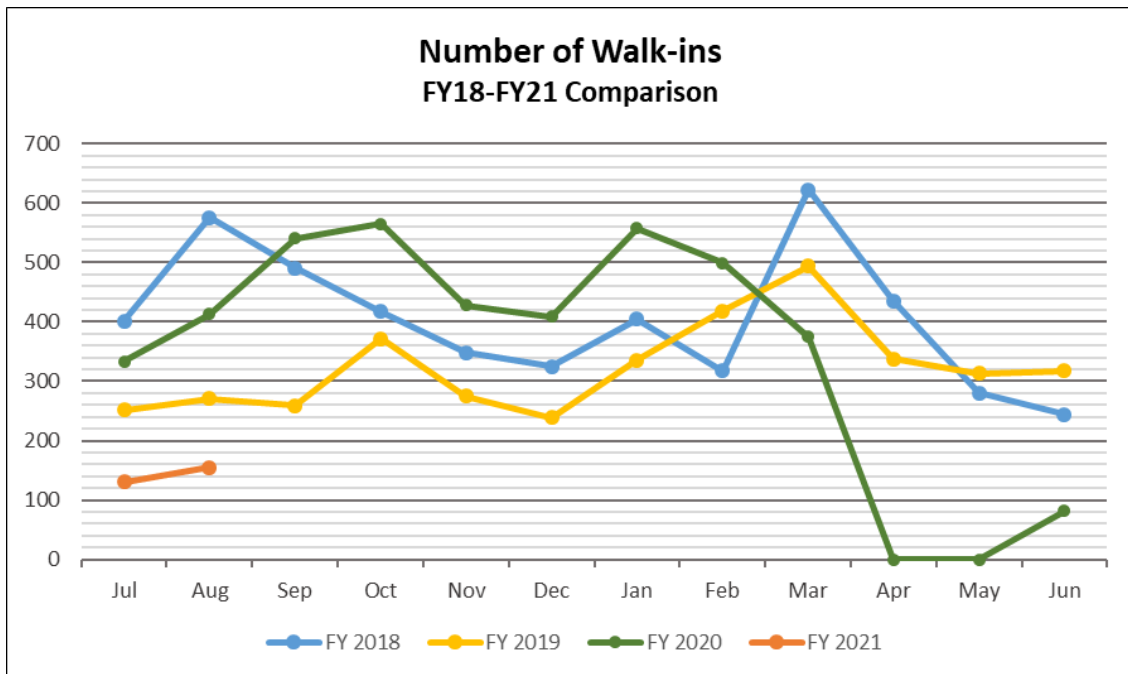
The organizational chart illustrates authorized full-time positions, not the Department's current staffing.

# LICENSING AND ADMINISTRATION DIVISION

Transaction	August 2020	FY 2021 Year to Date	FY 2020 Year End
New liquor licenses issued	164	311	4,805
Liquor licenses renewed	980	1,929	13,356
Special event permits issued	0	0	2,407
Interim permits issued	26	58	452
Exempt locations issued	16	23	250
Lottery licenses issued	0	0	31
Active liquor licenses*	14,912	14,912	14,744

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

License Type	Average Number of Days to Issue License August 2020			
	Number of Applications	Average Time to Process	FY 2021 Running Average	FY 2020 Year End Average
Series 6-Bar	4	53	52	69
Series 7-Beer and Wine Bar	5	52	52	68
Series 9-Liquor Store	3	60	52	62
Series 10-Beer and Wine Store	5	49	56	68
Series 12-Restaurant	14	59	67	68



## Collected Revenue by Fee Type

Source of Revenue	August 2020	FY 2021 Year to Date	FY 2020 Year End
FMV (Liquor License Lottery)	17,600	63,617	4,383,866
Applications	12,800	28,410	223,190
Licenses Issuances Fees	59,975	151,275	1,421,563
Licenses Renewals Fees	239,338	433,163	2,995,570
Interim Permit Fees	2,900	6,200	44,300
Agent Change	1,500	6,650	35,700
Fines (Liquor Law Violations)	9,475	45,500	570,499
Special Event (DHS)	0	0	62,615
Club (DES)	7,150	13,000	45,625
Penalty Fees (Late Renewals)	600	1,350	76,950
Copy Fees	341	532	2,135
Non-Use Surcharge	12,900	28,900	227,800
Audit Surcharge (J Fund)	17,730	31,200	187,710
Enforcement K Surcharge	34,545	66,290	439,425
Enforcement L Surcharge	29,385	57,380	378,345
Miscellaneous*	6,550	13,663	112,362
17W Direct Shipment License	4,050	6,975	57,950
17W Direct Shipment Renewal	0	0	154,100
Growlers	2,025	3,975	35,925
Samplings	1,240	4,160	29,980
Fingerprints Fees	2,552	7,634	55,576
<b>Total Revenue Collected</b>	<b>\$462,656</b>	<b>\$969,874</b>	<b>\$11,541,180</b>

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

## State Liquor Board

Action	August 2020	FY 2021 Year to Date	FY 2020 Year End
Hearings Scheduled	2	5	22
Licenses Granted	0	0	6
Licenses Denied	0	2	3
Continuances Granted	0	0	3
Continuances Denied	0	0	0
Applications Withdrawn	2	3	6
Appeals Heard	0	0	3
Rehearings Requested	0	0	0
Hearings Cancelled	0	0	1

## Audit Statistics

<b>Active Restaurant-Type Licenses</b>	<b>August 2020</b>	<b>FY 2021 Year to Date Average</b>	<b>FY 2020 Year End</b>
Hotel/Motel w/Restaurant (Series 11)	195	194	196
Restaurant (Series 12)	4,025	4,013	4,035
Total Restaurant-Type Licenses	4,220	4,207	4,231
Auditor-to-Liquor License Ratio	1:2,110	1:2,104	1:2,116
<b>Audit Action</b>		<b>Year to Date Total</b>	<b>FY 2020 Year End</b>
Audits Completed	7	14	42
Audits Passed	3	7	27
Audits Failed	4	7	14
Audits Inconclusive/Audit Not Performed	0	0	1
<b>Open Audit Cases</b>		<b>Year to Date Average</b>	<b>FY 2020 Year End</b>
Audits Closed	7	7	4
Audits Initiated	8	7	4
Audits in Progress	11	10	9
Open Cases w/projected ratio of >37%	8	6	6
Open Cases w/projected ratio between 30 to 37%	3	3	3
Open Cases w/projected ratio of <30%	0	0	0
Locations granted one year to continue operation	4	3	0
Locations being monitored	95	99	95
<b>Source of Revenue</b>		<b>Year to Date Total</b>	<b>FY 2020 Year End</b>
Assessed Fine Revenue	\$0	\$0	\$33,500
Collected Fine Revenue	\$0	\$1,500	\$101,000

# INVESTIGATION DIVISION

## Division Statistics

Achievements	August 2020	FY 2021 Year to Date	FY 2020 Year End
Officer-to-Liquor License Ratio	1:1,491	1:1,491	1:1,474
<b>Citations</b>			
Total Citations Issued	35	38	321
Citations Issued to Underage	29	31	276
<b>Violations</b>			
Criminal Counts Charged	70	74	568
Administrative Counts Charged	8	26	2,650
Underage Violations	68	29	517
<b>Compliance</b>			
Routine Liquor Inspections	15	48	178
Compliance Case Reports Submitted	0	1	261
Non-Actioned (Criminal) Complaints	186	371	496
<b>Investigation</b>			
Site Inspections Completed	22	34	421
On-View Violation Case Reports	4	11	163
<b>Total Achievements*</b>	<b>943</b>	<b>1,863</b>	<b>11,986</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 2020	FY 2021 Year to Date	FY 2020 Year End
Locations Investigated*	0	0	52
Number That Sold to CUB	0	0	10
Percentage of Establishments That Sold to CUB	0	0	19%
Administrative Citations Issued	0	0	25
Criminal Citations Issued	0	0	24

\* Due to the COVID-19 public health emergency

## Underage Violations

Statute and Violation	Number of Counts Charged in August 2020	Number of Counts Charged in FY 2021	Number of Counts Charged in FY 2020
<b>A.R.S. § 4-241(A)</b> Failure to request ID from underage; accepting unauthorized forms of ID	0	0	19
<b>A.R.S. § 4-241(K)</b> Accepting unauthorized IDs	0	0	0
<b>A.R.S. § 4-241(L)</b> Underage who uses false ID to buy alcohol	25	26	85
<b>A.R.S. § 4-241(M)</b> Underage who solicits another person for alcohol	0	0	0
<b>A.R.S. § 4-241(N)</b> Underage who uses of false ID to gain entry to a liquor business	0	0	16
<b>A.R.S. § 4-241(P)</b> Person purchasing alcohol for underage	0	0	4
<b>A.R.S. § 4-244(9)</b> Furnishing alcohol to an underage; underage in possession/consumption	33	35	218
<b>A.R.S. § 4-244(41)</b> Underage with alcohol in system	1	1	92
<b>A.R.S. § 13-3613</b> Contributing to delinquency and dependency of a child	0	0	2
<b>A.R.S. § 28-3478.1</b> Unlawful use of driver license	9	9	71
<b>A.R.S. § 28-3478.2</b> Lend ID to another person	0	0	0
<b>A.R.S. § 28-3478.3</b> Using another person's driver license	0	0	8
<b>Total Violations</b>	<b>68</b>	<b>71</b>	<b>517</b>

Ages of Underaged Cited This Month	<15	15	16	17	18	19	20
	0	0	0	0	8	10	11

## Law Enforcement Special Detail

- Outreach for educational contacts (61 contacts) – Detective Webb
- Title 4 training for Northern Arizona Regional Training Academy (NARTA) via Zoom (8 cadets) – Detective Carruthers
- Title 4 training for Mesa Police Academy (37 officers) – Detective Webb
- Prevention training for South Mountain Coalition (7 members) – Detective Webb
- Prevention training for Pima County Prevention Coalition (9 members) – Detective Webb
- Prevention training for Arizona Youth Partnership (3 members) – Detective Webb

## Compliance Statistics

Action	August 2020	FY 2021 Year to Date	FY 2020 Year End
Revocations	0	0	1
Suspensions	4	9	8
Surrenders	0	1	35
Divestitures	0	1	2
Administrative Complaints	1	2	3
Decisions and Orders	0	0	2
Cases Received	9	24	453
Cases Completed	0	1	57
Cases in Progress	9	23	407
Warning Letter Issued	0	6	45
Cases Sent to the Office of Administrative Hearings	0	6	4
Fines Collected	\$30,750	\$41,825	\$472,800
Cases Adjudicated	10	25	262
<b>Action Resulting From Underage Violations</b>			
Fines Collected	\$0	\$0	\$34,500

END OF AUGUST 2020 REPORT TO THE GOVERNOR