

Legislative Prep Worksheet – Dept. of Liquor Control

1. Pro-active

- No proactive items this year, unless marijuana legalization becomes a reality, then they believe they will play a strong role in regulation and licensing.
- Positions - they will be requesting 5 – 6 new positions this year (new state gov't positions, but funded through the enterprise fund, of course). Their business has been growing: in 1998 was \$30 million/year in sales and they issued 3,000 licenses/yr, now they have \$70 million in sales/yr and issue 10,000 license/yr – have maintained staffing levels the whole time. They spend a lot of time training temp employees, would be more efficient if they just increased full-time employees.

2. Defensive

- Also push to change the way VT taxes liquor – now it is retail tax, people may try to push a gallonage tax – not a good idea.
- Potential for another omnibus liquor bill (Sen. Mullin usually sponsors one), still unclear what issues be addressed in an omnibus.
- Currently a three tier system: Supplier/wholesale/retail and no one tier can have a financial interest in another tier. They have a small batch brewery that wants to buy another brewery that does some retail, would have to change the law to accommodate. Might see legislators try to bring this up.

3. House-Keeping/Neutral

- Need worker's comp for minors contracting through DLC to do compliance testing. Need language to cover these minors under state insurance (worker's comp) for the hours they working. Spoke with Annie Noonan, sounds like an easy lift.

4. Other

- Breakopen Ticket Data: VIC has been great to work with on building the IT system for mandatory reporting of break open ticket sales. Will be up and running by Jan 1, first data will be available in April. They are bringing in Tax Dept to preview the system.
- FYI - in FY17, DLC plans to request funding for a new IT system to re-do their very antiquated licensure infrastructure. Maybe VIC, as DLC thinks they have a good track record.
- They have been working with BGS and are looking for eventual funding from Capital Budget for a new warehouse – currently 30,000 sq ft, they need 70,000 or 80,000 sq ft.
- Waiting on the Auditor's Office to complete their recent audit, they will have it in a few weeks and will show Feb/5th floor and will have time to respond before release.

