

New Legislator Orientation

December 8th, 2020

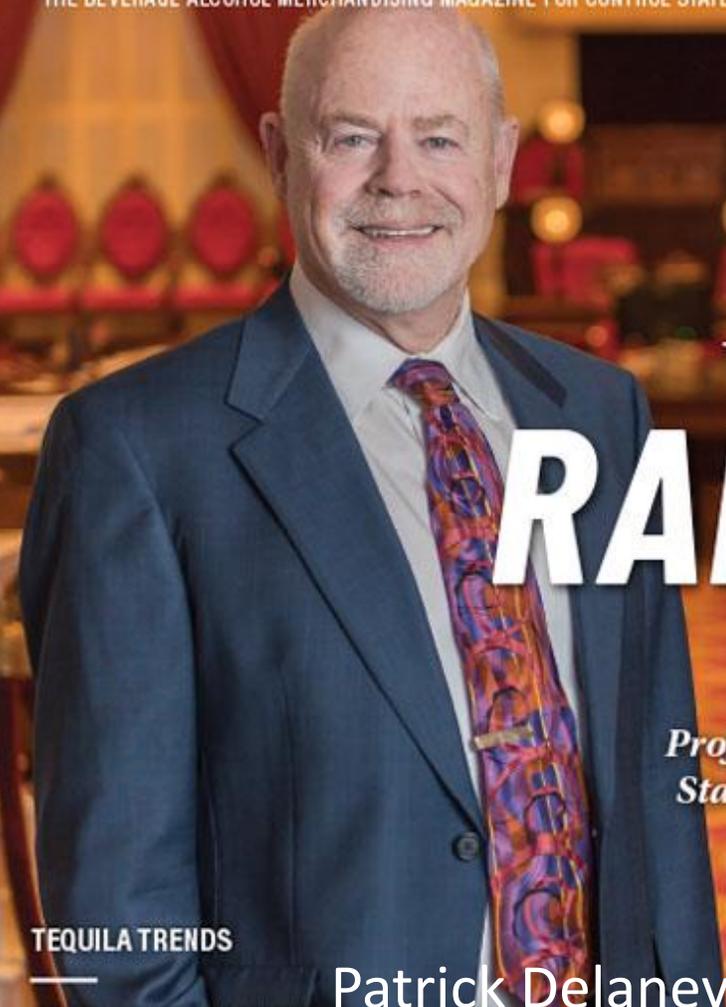


802 Spirits

StateWays

THE BEVERAGE ALCOHOL MERCHANDISING MAGAZINE FOR CONTROL STATES

SPRING 2020



Vermont **RAISES** the Bar

*Profile of the Vermont
State Liquor Division*

TEQUILA TRENDS

Patrick Delaney, *Commissioner*

Vermont Department of Liquor and Lottery



“Sluggish revenue. Antiquated warehouse processes. The growing threat of privatization. These were just some of the challenges facing Vermont’s Division of Liquor Control a few short years ago. But new leadership, and a top-down modernization effort of the agency’s entire operation, have quickly set up one of the nation’s smallest control states for a new level of success.” – StateWays Magazine, Spring 2020



DEPARTMENT OF LIQUOR AND LOTTERY
DIVISION OF LIQUOR CONTROL

PROHIBITION ENDS AT LAST!



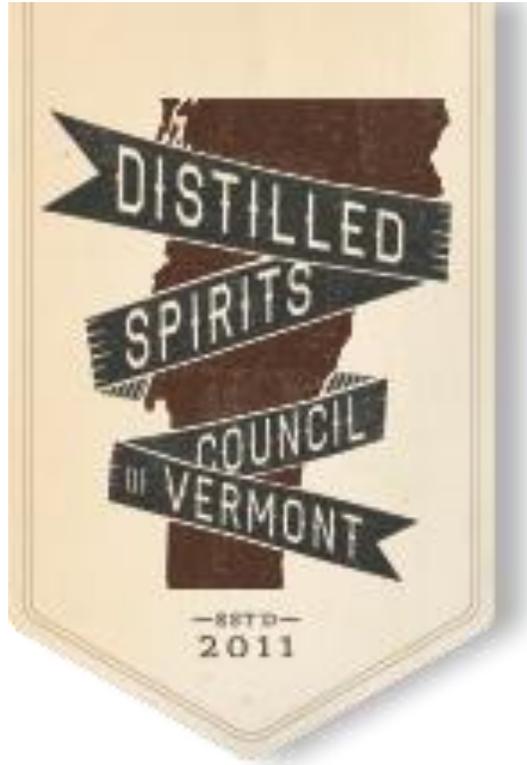
History of the Division of Liquor Control

What is a "Control State"?





BEER WORTH FINDING®
**VERMONT BREWERS
ASSOCIATION**



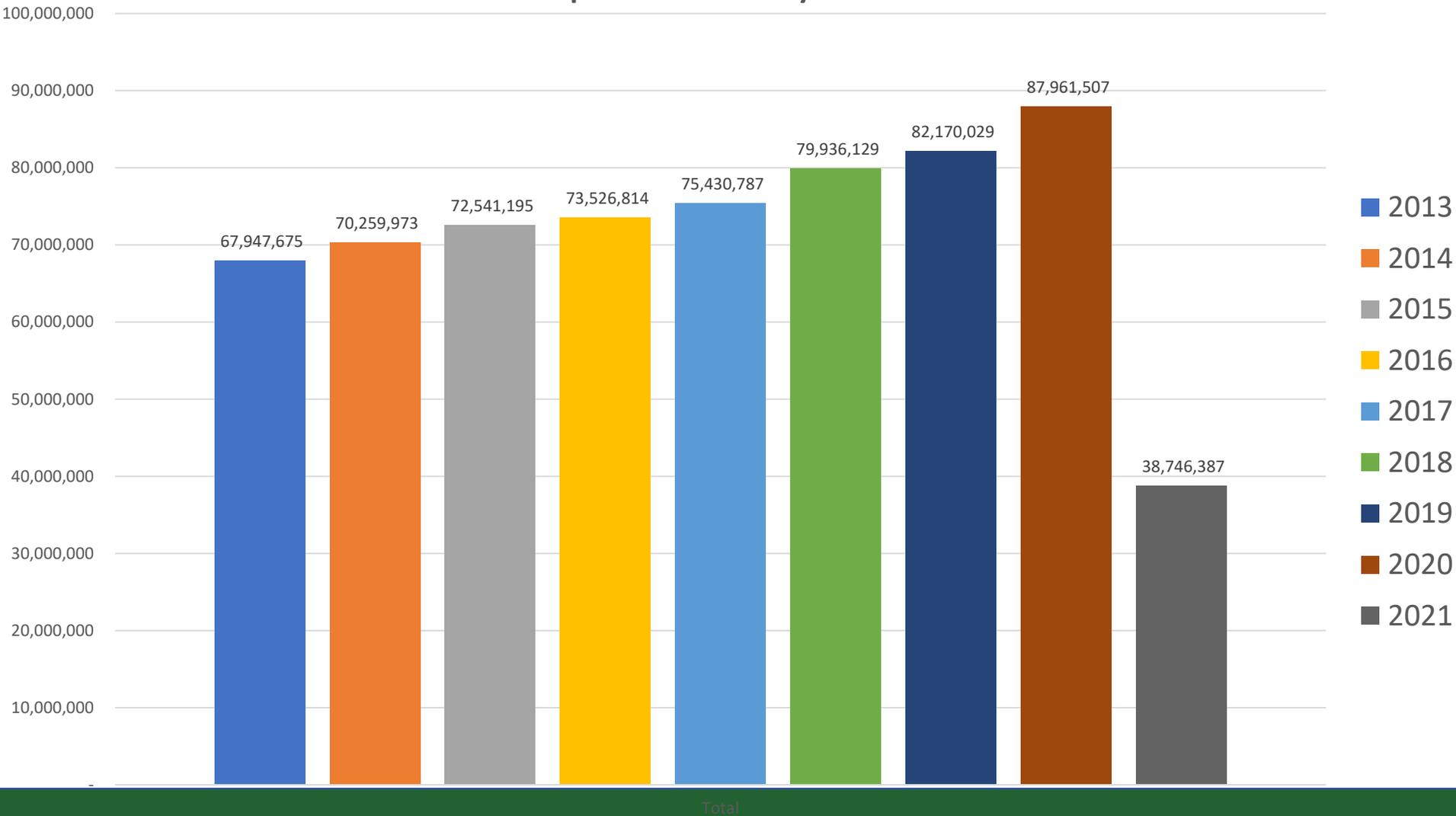
Support of Local Manufacturing Sector



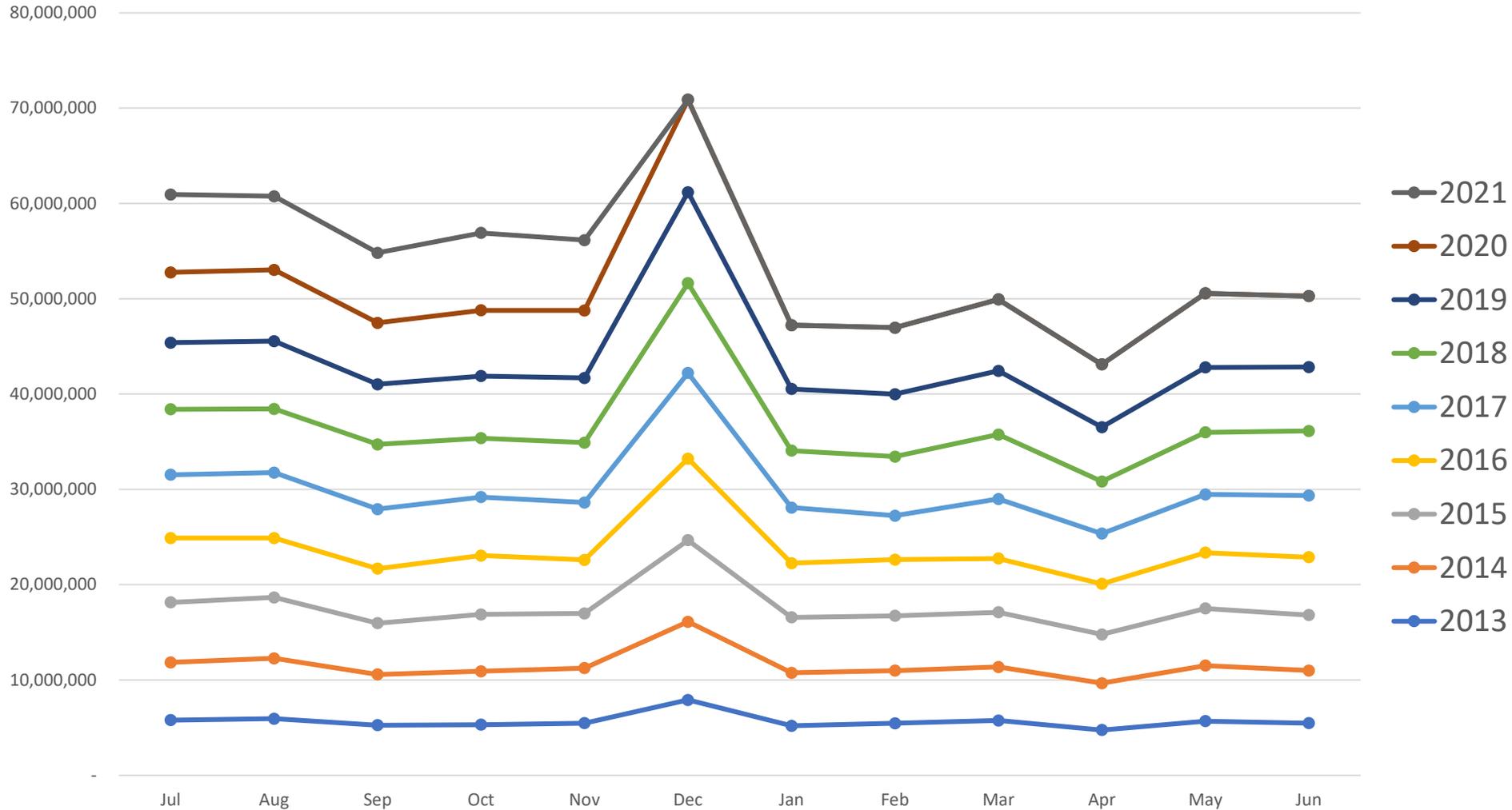
Retail Operations

Kim Walker,
*Director of Retail
Operations*

Liquor Sales by Fiscal Year



Liquor Sales by month



Comparative Retail Sales

Era of COVID-19

VT Div. of Liquor Control Comparative Retail Sales

Year To Date

Period Beginning	12/1/2019	12/1/2018	
Period Ending	11/30/2020	11/30/2019	
Business Days	366	365	
Bottles Sold	5,246,026	5,048,169	3.92%
Cases Sold	475,101	438,870	8.26%
Total Sales	\$91,407,700	\$83,740,329	9.16%

Year To Date COVID

Period Beginning	3/1/2020	3/1/2019	
Period Ending	11/30/2020	11/30/2019	
Business Days	275	275	
Bottles Sold	3,874,560	3,709,358	4.45%
Cases Sold	356,102	322,995	10.25%
Total Sales	\$68,029,869	\$61,183,615	11.19%





Office of Marketing & Communications

Theresa Barrows,
Director

Marketing and Communications

- Promote and support the mission statement
- Manage the installation of all 70+ retail signs and wall border
- Social media posts
- Communications Committee member for SOV and NABCA
- Collaborate on rare spirits raffles/sweeps
 - Over \$100K in gross sales for the DLC in past 3 years
 - Additional \$7,500 in Agency commissions
 - Over \$50K to Spectrum Youth and Family Services
- Radio ad test and VPR underwriting
- NABCA Grant applications

802 Spirits™

Is the Retail brand of the DLC.

802
Spirits™

- Press releases
- Agency monthly newsletter
- 802 Spirits Monthly Magazine
 - Featuring monthly sales and spotlight on Agencies, licensees and distilleries
- Annual Report
- Social media posts – Facebook and Instagram
- Website communications update requests
- Internal communications
- In-Store cohesive branding
 - signs, wall border, recipe cards and event posters

Communications





VT AOT Official Business Directional Signs (OBDS)



The Office of Compliance and Enforcement Chief Skyler Genest, *Director*



3 Pillars of Compliance and Enforcement



Compliance
Program

Inspection
Program

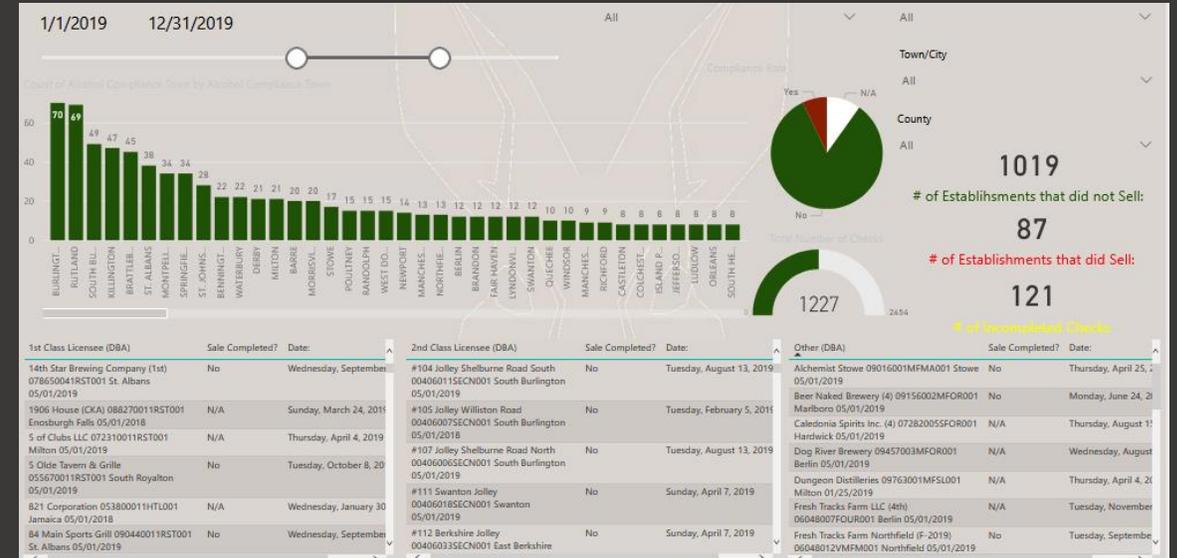
Investigations



Compliance (Undercover Minor Buys)

Tobacco Compliance (Required by 7 V.S.A. § 1007)

Alcohol Compliance (Not Required by Statute)



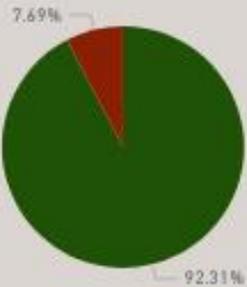
Investigator:

All



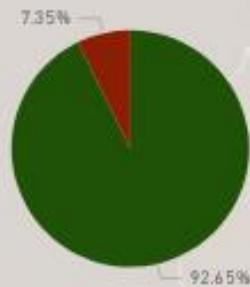
Click for Strategic Inspections

90 Day Tobacco Compliance Rate



Click for Tobacco Compliance

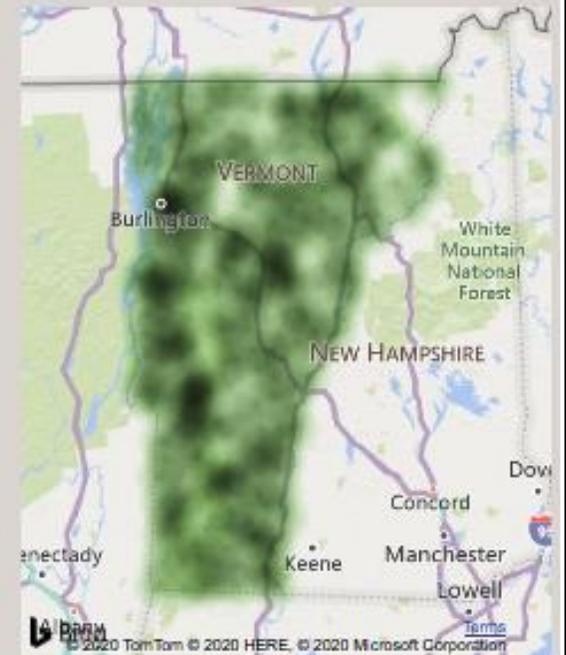
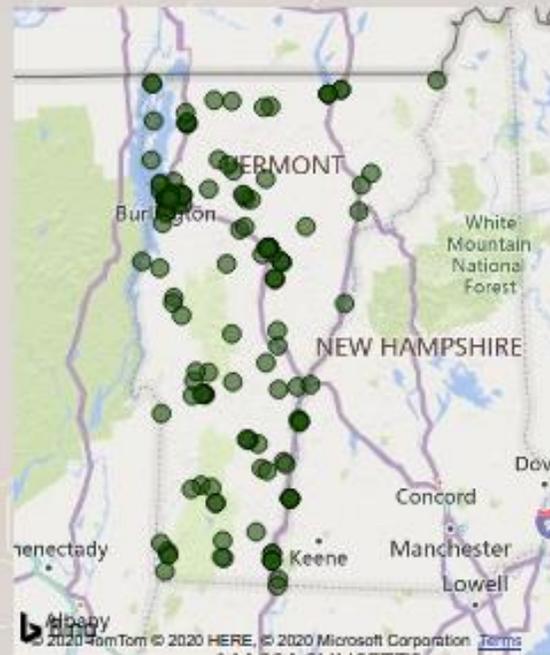
90 Day Alcohol Compliance Rate



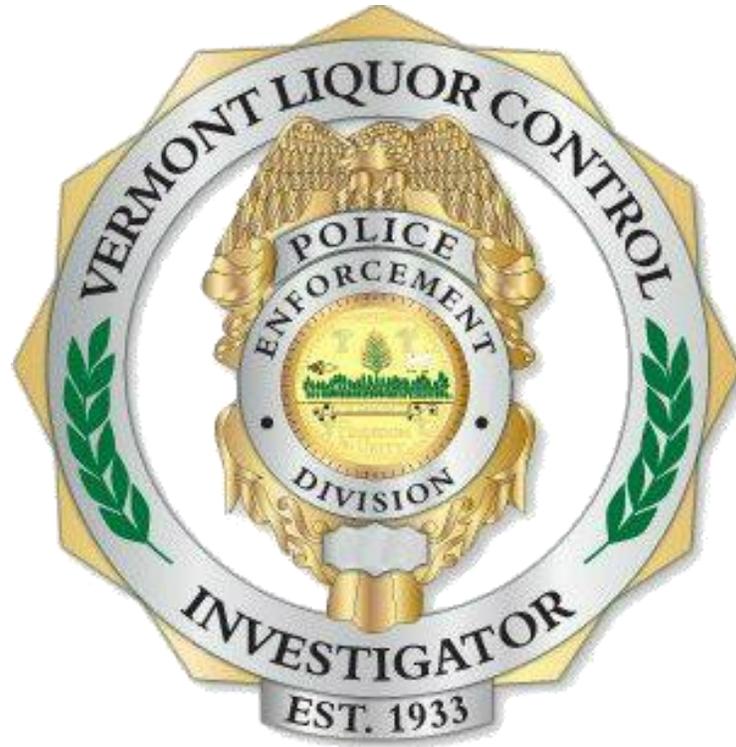
Click for Alcohol Compliance

Monkey House Jasper's Tavern Last Stop Sports Bar

Top 3 to Inspect



Regulatory Inspections – Project R.A.B.I.T



§ 561. Authority of liquor control investigators; arrest for unlawfully manufacturing, possessing, or transporting alcoholic beverages; seizure of property

(a) The Director of Enforcement for the Division of Liquor Control and investigators employed by the Board of Liquor and Lottery or by the Division of Liquor Control shall be certified as Level III law enforcement officers by the Vermont Criminal Justice Training Council and shall have the same powers and immunities as those conferred on the State Police by 20 V.S.A. § 1914.

Investigations – Office of Compliance and Enforcement

Same police authority as Vermont State Police (Title 7 V.S.A. § 561)

Thank You for Your Time!



Chief Skyler Genest
Skyler.genest@Vermont.gov
802-477-2429

Licensing

The Office of Licensing is responsible for all licenses and permits issued and renewed that involve the sale, service, manufacturing and distributing of alcohol in Vermont as well as the sale of tobacco products and tobacco paraphernalia sold in Vermont. The Division is also responsible for licensing pull-tab game manufacturers and distributors that do business in the state.



Martin Prevost, Director of Licensing



Jessica, Jamie and Katie handle the processing of all licensing and permit requests.

Office of Licensing

Martin Prevost,
Director of Licensing

Year — May 1, 2018 to April 30, 2019 — there were 7,153 licenses issued and 7,327 were renewed. The total for both years was 14,480. (1st and 2nd Class)

Highlights

The Office of Licensing is in the process of redeveloping our current licensing system.

FIRST/SECOND/THIRD CLASS LIQUOR LICENSE AND TOBACCO APPLICATION
(License year is May 1st through April 30th of the following year)

Print Name of Person, Partnership, Corp., Club or LLC _____
Doing Business as - Trade Name _____
Street _____
Town or City & Zip Code _____
Telephone Number _____
Mailing Address (if different from above) _____
Email address: _____

APPLICATION FEES:

FIRST CLASS LICENSE - \$115.00 to DLC and \$115.00 to Town/City

SECOND CLASS LICENSE - \$70.00 to DLC and \$70.00 to Town/City

SECOND CLASS RETAIL DELIVERY PERMIT - \$100.00 to DLC

THIRD CLASS LICENSE - \$1,095 for a full year to DLC
\$350 for 6 or fewer months to DLC

TOBACCO LICENSE - (there is no application fee for tobacco if
applying for second class)

TOBACCO ENDORSEMENT PERMIT - \$50.00 to DLC

**If applying for Tobacco only license, please use the Tobacco Only form.*

Please check appropriate categories

- FIRST CLASS
 SECOND CLASS
 THIRD CLASS
 TOBACCO

- Retail Delivery Permit
 Tobacco Endorsement
 Restaurant
 Hotel
 Club
 Commercial Kitchen (a Liquor Control Commercial
Caterer's License is needed with this license)

TO THE CONTROL COMMISSIONERS OF THE TOWN/CITY OF _____

Application is hereby made for a license to sell malt and vinous beverages under and in accordance with Title 7, Vermont Statutes Annotated, as amended, and certify that all statements, information and answers to questions herein contained are true; and in consideration of such license being granted do promise and agree to comply with all local and state laws; and to comply with all regulations made and promulgated by the Board of Liquor and Lottery. Upon hearing, the Board of Liquor and Lottery may, in its discretion, suspend or revoke such license whenever it may determine that the law or any regulations of the Board of Liquor and Lottery have been violated, or that any statement, information or answers herein contained are false.

Mission Statement

The Office of Licensing strives to provide timely processing of applications while helping the applicant navigate the many complexities of the alcohol beverage industry. The Office endeavors to ensure licenses applied for and issued are proper, necessary, and timely.

First contact with DLL

Evaluation of Licensee needs

Ascertain that the licensee is licensed properly and educated as to the next steps needed to grow the business.

All accomplished via 1 Director and 3 Program Technicians (shared with OCE and OE).

Licensing

Office of Licensing works with Vermont's town and city clerks to issue and renew more than 14,000 licenses and permits annually.



Approximately

- 3,458 related to restaurants. (1st & 3rd and OCP).
- 2,667 related to 2nd class retail stores (beer wine tobacco)
- 989 related to wholesale dealers
- 2,143 related to manufacturers
- 3,534 related to caterers
- Many more related permits and licenses.
- 2019-2020 licensing year- \$2,657,865 million in revenue with \$231,000 going directly to the municipalities.

Technology Upgrade

- DLL Licensing and Compliance Technology System
- Replacement for current outdated system
- Combines licensing and compliance data
- Online portal for applicants and licensees
- Improved efficiency, reporting, visibility
- Expected roll-out mid FY22



Office of Education

We offer an assortment of alcohol and tobacco training opportunities to licensees to assure alcohol and tobacco is sold and served in a safe and legal manner to meet all state and federal training requirements.

Who We Are



- **Erik Volk, Education Coordinator**
- **Jennifer Fisher, Training Specialist**

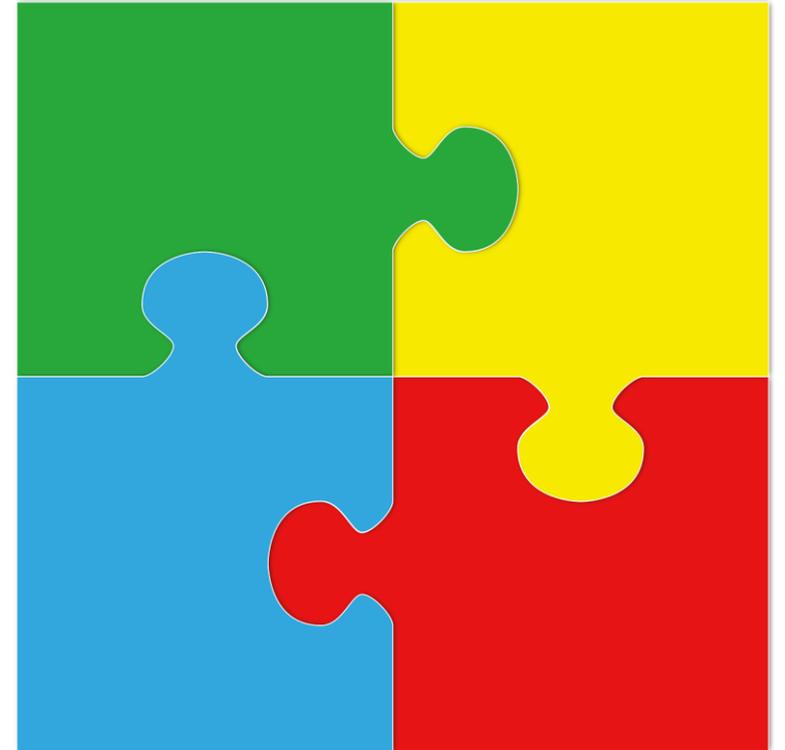
Key Courses Offered

- 1st Class Server Training
- 2nd Class Seller Training
- Manufacturer Training
- Tobacco Seller Training
- Solicitor Training
- Common Carrier Training



Four Main Training Methods

- Instructor-led training (in-person and virtual)
- DLC online training
- In-House Training
- 3rd Party online training partnerships



Education Impact (Jan – Dec 2020)



Despite the effects of the COVID 19 pandemic, over 13,500 individuals were trained in 2020 through the Office of Education's various training programs.