

# **State of Alaska FY2005 Governor's Operating Budget**

## **Department of Public Safety Alcoholic Beverage Control Board Component Budget Summary**

## Contents

<i>Component: Alcoholic Beverage Control Board</i> .....	3
<i>End Results</i> .....	3
<i>Strategies to Achieve Results</i> .....	3
Component Financial Summary.....	6
Summary of Component Budget Changes.....	7
Personal Services Information.....	8

**Component: Alcoholic Beverage Control Board**

**Contribution to Department's Mission**

To protect the health, safety, and welfare of Alaskans by limiting the misuse of alcohol.

**Core Services**

ENFORCE ALCOHOLIC BEVERAGE LAWS.

- 1) License those engaged in the legal manufacture and sale of alcoholic beverages.
- 2) Conduct investigations and criminal background reviews of liquor licensees.
- 3) Accredit statutorily required alcohol server training.
- 4) Provide information on alcoholic beverage laws and the liquor licensing process to local governments, police departments, Alaska State Troopers, community councils, hospitality industry trade groups, and concerned public.

End Results	Strategies to Achieve Results
<p><b>(1) Eliminate harm to the public from underage access to alcoholic beverages.</b></p> <p><u>Target:</u> Attain liquor licensee compliance statewide with law prohibiting the sale of alcoholic beverages to persons under 21 years of age.</p> <p><u>Measure:</u> Rate of compliance with law prohibiting sale of alcoholic beverages to underage persons.</p>	<p><b>(1) Have ABC Board investigators and law enforcement conduct compliance checks statewide.</b></p> <p><u>Target:</u> Conduct compliance checks in all areas of the state.</p> <p><u>Measure:</u> Percentage of liquor licensees, per month, subject to compliance checks in each region of the state.</p> <p><u>Target:</u> Promptly conduct follow-up compliance checks on any licensees that sell to underage persons.</p> <p><u>Measure:</u> Percentage of follow-up compliance checks conducted within one week on licensees that sell to underage persons.</p>

Major Activities to Advance Strategies	
<ul style="list-style-type: none"> <li>• Increase deterrence for selling to young-looking persons.</li> <li>• Recruit, hire, and train ABC Investigators. Recruit and train underage "assets" for compliance checks.</li> <li>• Send out/leave communication regarding success or failure with compliance check.</li> <li>• Notice of violations for licensees failing compliance checks.</li> </ul>	<ul style="list-style-type: none"> <li>• Criminal citation for clerks/servers selling to underage persons.</li> <li>• Follow-up checks timely for licensees that fail compliance check.</li> <li>• Accusations against serial failures of compliance checks.</li> </ul>

**FY2005 Resources Allocated to Achieve Results**

<b>FY2005 Component Budget: \$939,500</b>	<b>Personnel:</b>	
	Full time	9
	Part time	0
	<b>Total</b>	<b>9</b>

**Performance Measure Detail**

**(1) Result: Eliminate harm to the public from underage access to alcoholic beverages.**

**Target:** Attain liquor licensee compliance statewide with law prohibiting the sale of alcoholic beverages to persons under 21 years of age.

**Measure:** Rate of compliance with law prohibiting sale of alcoholic beverages to underage persons.

**Analysis of results and challenges:** In FY03, the ABC Board issued 40 Notices of Violation for Serving Minors equaling a 97.14% compliance rate among the 1,398 beverage dispensary, restaurant, club, and package store licensees where this offense is most likely to occur. The number of these licensees varies by only 1-2% each year. The number of compliance checks depends largely on additional funding; an FY03 federal grant is also expected in FY05.

**(1) Strategy: Have ABC Board investigators and law enforcement conduct compliance checks statewide.**

**Target:** Conduct compliance checks in all areas of the state.

**Measure:** Percentage of liquor licensees, per month, subject to compliance checks in each region of the state.

**Analysis of results and challenges:** The number of compliance checks depends on staff, travel funding, and overall enforcement approach. ABC investigators respond to complaints, conduct routine inspections, and have been assisted by state and local law enforcement following up on complaints. Travel funds are needed to conduct compliance checks off the road system or away from major urban areas where ABC investigators are stationed. Inspection approach varies to increase deterrence value of enforcement effort. In FY05, federal funds will be used differently to greatly increase the number of compliance checks. The new DPS enforcement approach will be finalized and implemented during FY04.

**Target:** Promptly conduct follow-up compliance checks on any licensees that sell to underage persons.

**Measure:** Percentage of follow-up compliance checks conducted within one week on licensees that sell to underage persons.

**Analysis of results and challenges:** Follow-up compliance checks should be prompt to ensure that licensees have remedied violations. When traveling off the road system or away from major urban areas, prompt follow-up is not always practical. In FY03, all licensees cited for selling to minors were revisited within one week and no repeat Notice of Violations were issued. Data is not available for prior years.

**Key Component Challenges**

- Investigator staffing remains at levels below what was available prior to the construction of the Trans-Alaska Pipeline. Inadequate staffing increases the chances of underage drinking and alcohol-related accidents and deaths.
- The Business Licensing Examiner job class series is currently being reviewed for potential reclassification by the Division of Personnel. If the reclassification study results in increased salary costs, the ABC Board will need to find alternative non-general funds and increased efficiencies to pay the increased costs.

### Significant Changes in Results to be Delivered in FY2005

No significant change in current level of services is anticipated.

### Major Component Accomplishments in 2003

1. Resolved 100 percent of civil accusations by imposing ABC Board sanctions.
2. Conducted inspections in remote area of Alaska and conducted 240 premise inspections with limited travel and personnel resources.
3. Successfully administered Enforcing Underage Drinking Laws Program Grant.
4. For one full year beginning July 1, 2002 through June 30, 2003, the Alcoholic Beverage Control Board issued 83 Notices of Violation which produced the following compliance rates for beverage dispensary, restaurant, club, and package store licensees (total of 1,398 licenses of these types) of the following types of violations:

Serving underage (minors)	98.21 percent compliance – 25 violations
Serving drunken persons	98.78 percent compliance – 17 violations
Lack of server training	99.99 percent compliance – 9 violations

### Statutory and Regulatory Authority

AS 04  
13 AAC 104

Contact Information
<p><b>Contact:</b> Doug Griffin, Director <b>Phone:</b> (907) 269-0350 <b>Fax:</b> (907) 272-9412 <b>E-mail:</b> Doug_Griffin@dps.state.ak.us</p>

**Alcoholic Beverage Control Board  
Component Financial Summary**

*All dollars shown in thousands*

	FY2003 Actuals	FY2004 Authorized	FY2005 Governor
<b>Non-Formula Program:</b>			
<b>Component Expenditures:</b>			
71000 Personal Services	0.0	672.2	699.2
72000 Travel	0.0	28.3	28.3
73000 Contractual	0.0	192.1	192.1
74000 Supplies	0.0	6.6	6.6
75000 Equipment	0.0	13.3	13.3
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
<b>Expenditure Totals</b>	<b>0.0</b>	<b>912.5</b>	<b>939.5</b>
<b>Funding Sources:</b>			
1005 General Fund/Program Receipts	0.0	755.0	782.0
1007 Inter-Agency Receipts	0.0	157.5	157.5
<b>Funding Totals</b>	<b>0.0</b>	<b>912.5</b>	<b>939.5</b>

**Estimated Revenue Collections**

Description	Master Revenue Account	FY2003 Actuals	FY2004 Authorized	FY2005 Governor
<b>Unrestricted Revenues</b>				
None.		0.0	0.0	0.0
<b>Unrestricted Total</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Restricted Revenues</b>				
Interagency Receipts	51015	0.0	157.5	157.5
General Fund Program Receipts	51060	0.0	755.0	782.0
<b>Restricted Total</b>		<b>0.0</b>	<b>912.5</b>	<b>939.5</b>
<b>Total Estimated Revenues</b>		<b>0.0</b>	<b>912.5</b>	<b>939.5</b>

**Summary of Component Budget Changes  
From FY2004 Authorized to FY2005 Governor**

*All dollars shown in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
<b>FY2004 Authorized</b>	<b>755.0</b>	<b>0.0</b>	<b>157.5</b>	<b>912.5</b>
<b>Adjustments which will continue current level of service:</b>				
-Changes to Retirement and Other Personal Services Rates	27.0	0.0	0.0	27.0
<b>FY2005 Governor</b>	<b>782.0</b>	<b>0.0</b>	<b>157.5</b>	<b>939.5</b>

Alcoholic Beverage Control Board Personal Services Information				
Authorized Positions			Personal Services Costs	
	<u>FY2004</u> <u>Authorized</u>	<u>FY2005</u> <u>Governor</u>		
Full-time	9	9	Annual Salaries	491,085
Part-time	0	0	Premium Pay	0
Nonpermanent	0	0	Annual Benefits	227,665
			<i>Less 2.72% Vacancy Factor</i>	(19,550)
			Lump Sum Premium Pay	0
<b>Totals</b>	<b>9</b>	<b>9</b>	<b>Total Personal Services</b>	<b>699,200</b>

Position Classification Summary					
Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Assistant	1	0	0	0	1
Administrative Clerk III	2	0	0	0	2
Division Director	1	0	0	0	1
Investigator III	1	1	1	0	3
Investigator IV	1	0	0	0	1
Records & Licensing Spvr	1	0	0	0	1
<b>Totals</b>	<b>7</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>9</b>