



DIVISION OF ENFORCEMENT & LICENSING

MONTHLY REPORT JANUARY 2021



NEW HAMPSHIRE STATE LIQUOR COMMISSION

<https://www.nh.gov/liquor/enforcement/>

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EXECUTIVE SUMMARY

This report is a summary and description of the activity recorded by the Division of Enforcement and Licensing for January 2021. This review provides a comprehensive review of work completed by personnel within the Division, both Sworn and Civilian alike. The Division has compiled this report as a way to track and assess this activity on a regular basis to recognize areas of success and to identify areas that require additional attention.

Division

The Division collected \$1,602,262.12 in taxes and fees in the month of January. The majority of this revenue came via the collection of the Beer Tax. The Division also collected \$292,689.00 in Renewal Fees and \$173,624.44 in Direct Shipping Fees, while there was \$27,251.26 collected in Wine Tax and \$25,552.33 collected in Initial License Fees.

Total Calls for Service: The Division recorded 1403 calls for service. *Combination* was the most commonly visited licensee type with 503. There were 26 different CFS codes utilized. *Annual Premise Inspection* accounted for the most common type with a total of 702 entries.

Administrative

Calls for Service – Civilian: Civilian personnel within the Division tallied 94 calls for service. Of these CFS entries, *Direct Shipping – Illegal Shipment to NH* Audit by Examiners was the most common type processed with 55 entries.

Licensing: There were 5659 entities licensed for the sale of alcohol and/or tobacco products in the State of New Hampshire. The most common license type was *Restaurant* with 1442, followed by *Combination* licenses with 1371 and *Direct Shipper* with 1307. There were 66 new licensees added in January 2021. The most commonly applied for license types was *Restaurant* Licenses, which accounted for 18 of the new licensees.

Petitions Made by Licensees: There were four petitions approved in January 2021. There were three requests approved for *Extension of Service Area* while request for *Authorization for use of Other Areas* was approved one time during this month. There were zero (0) requests from outside of the State.

Licensing Help Desk: There were 644 Help Desk transactions recorded during January 2021. Renewal was processed 226 times, followed by *Renewal Generated* with 106.

Auditing: Licensee Compliance & Oversight: Personnel recorded 94 calls for service during January 2021. The most commonly used CFS type was *Direct Shipping - Illegal Ship to NH* with 55. Staff completed 692 Product Approval-related tasks, including 212 of 243 New Product Approval Requests while cataloguing 465 separate requests.

Direct Shipping: Taxes, Applications and Carrier: There was \$205,546.58 in Direct Shipping taxes collected in January 2021. There were 87 Renewal Applications processed, 9 New Applications received, and one permit given an Out-of-Business designation. Carrier reports show 12675 shipments into New Hampshire during this month. There were 55 Illegal Shipment letters sent out, 23 companies added to the Seizure list, and 14 companies removed from this same list.

Training & Public Outreach: During January 2021, the Training & Public Outreach Unit offered zero (0) in-person classes due to COVID-19 safety precautions. There were 420 attendees for online classes. The Division held one Public Program Event with 30 attendees.

Enforcement

Calls for Service – Sworn: Sworn Personnel tallied 1309 calls for service. Of these CFS entries, Annual Premise Inspection was the most commonly used type with a total of 702 entries.

Total Arrests: Division personnel made nine arrests in January 2021. Hillsborough County had the most arrest per county with six, and Manchester had the most arrest per municipality with four.

Compliance Checks: There were no Compliance Checks accomplished in January due to COVID-19 safety precautions.

Compliance Action Taken: There were 92 compliance investigations opened in January. Of these, 31 are still ongoing. Of the 48 investigations that were closed, 15 resulted in the issuance of a verbal warning, 13 saw a verbal counsel issued, and 14 administrative notices were issued.

Fines: The Division collected \$3,251.42 in Administrative Fines. These came from separate investigations of nine different fines. Three of the licensees were Restaurant Licenses. Brew Pub, Veteran's Club, and Retail Tobacco licensees received two fines each.

Case Disposition: By the close of the month of January 2021, there were 23 open cases in active investigation by field personnel. During the month, investigators closed 37 total cases, while eight cases were suspended, and zero were deemed unfounded.

SCOPE AND METRICS

This report is a summary and description of the activity recorded by the Division of Enforcement and Licensing for January 2021. This review helps to achieve a comprehensive appraisal of all work completed by personnel within the Division, both Sworn and Civilian alike. The Division has developed this report as a way to track and assess this activity on a regular basis to recognize areas of success and to identify areas that require additional attention.

The data for this report is sourced from multiple systems utilized by the Division of Liquor Enforcement

A number of data points are important and necessary for completion of this report. These metrics include:

- Call for Service (CFS) number
- CFS Date and Time
- Location Information (County, City/Town)
- Licensee Number
- CFS Reason(s)
- Disciplinary Action code(s)

Additional data points not stored within the RMS are required as well. These items include:

- Active Case Updates
- Administrative Fines
- License Information & Totals
- Petitions Made by Licensees

QUALITY CONTROL

As part of the Division of Enforcement and Licensing's Quality Control efforts, customer surveys are available on the New Hampshire Liquor Commission's website: <https://www.nh.gov/liquor/enforcement/>

DIVISION METRICS

REVENUE

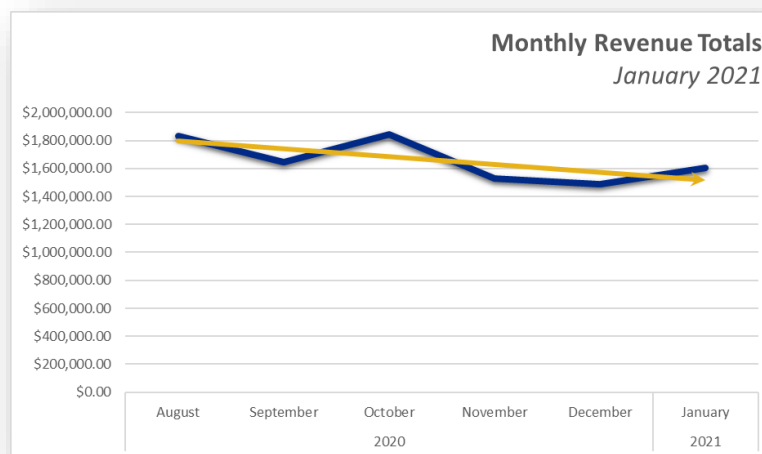
Through the regular course of business, the Division of Enforcement & Licensing is responsible, and in many cases required, to collect fees from licensees. The most commonly considered fees in relation to the Division are those attached to the issuance and/or renewal of a license to sell alcohol and/or tobacco in the State of New Hampshire. These fees are highlighted in RSA 178:29. The Division is also charged with collecting the fees proscribed in 178:26. This RSA establishes the \$.30 fee on each gallon of beer produced per month. Division staff also collect Liquor (178:6) and Wine (178:8) fees each month.

Summary

In January 2021, the Division collected \$1,602,262.12 in fees. The majority of these fees came via the collection of the Beer Tax. The Division also collected \$282,843.00 in Renewal Fees. In all, there were six different categories that each saw more than \$10,000 in fees collected.

Type of Fee	Collected
Beer Tax	\$1,032,547.61
Renewal Fee	\$282,843.00
D/S Tax	\$205,546.58
Initial License Fee	\$28,623.67
Wine Tax	\$24,770.89
Liquor Tax	\$12,300.10
Application Fee	\$4,725.00
Administrative Fine	\$3,251.42
Wine Cooler Tax	\$3,070.53
Distilled Spirits Tax	\$2,447.32
Above 1000	\$1,040.00
9 Event Fee	\$500.00
B/W/L	\$270.00
Processing Fee	\$200.00
11 to 100 barrels	\$120.00
Tobacco	\$6.00
TOTALS	\$1,602,262.12

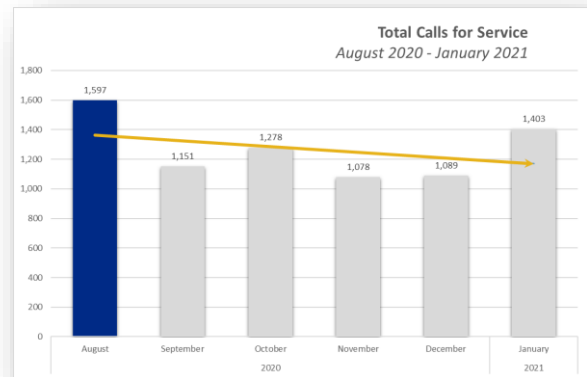
Over the past six months, monthly revenue totals have trended down slightly. January saw a minor correction upward from December's low. As COVID-19 safety precautions have impacted businesses statewide, there is an expectation that revenue totals will begin to trend back upward in correlation with COVID related obstacles and metrics decline.



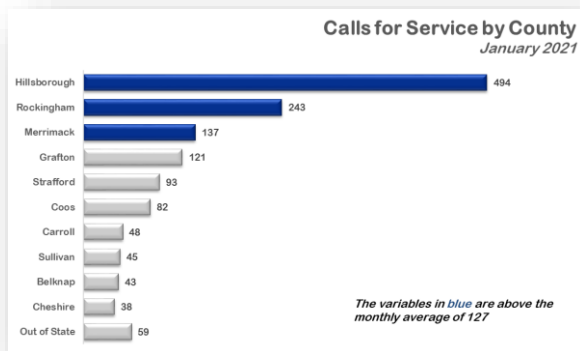
TOTAL CALLS FOR SERVICE

All activity completed by the Division is stored within the RMS as a Call for Service (CFS). This goes for both Sworn and Civilian personnel alike. This section of the report will summarize the number of CFS instances during January 2021. In addition, CFS totals by Sworn and Civilian staff fall into their respective areas of responsibility, providing a snapshot of work undertaken in this timeframe.

During January 2021, the Division recorded 1403 calls for service. This was a 29% increase from the previous month's report (1089). The most commonly visited license type was *Combination* (503). In total, there were 26 different CFS codes utilized. Of these CFS entries, Annual Premise Inspection accounted for the most common type with a total of 702 entries.



While the number of Calls for Service has a downward trend over the past six (6) months, data from January shows a large increase from the past few months. Overall, CFS totals are returning to pre-COVID-19 levels.



Each New Hampshire County had Calls for Service during January 2021. Hillsborough County had the most with 494 of the total records. Cheshire County had the fewest with 38 records. Including those Out-of-State CFS entries, the average per-area CFS total was 127; three of the Counties in New Hampshire were above this average point.

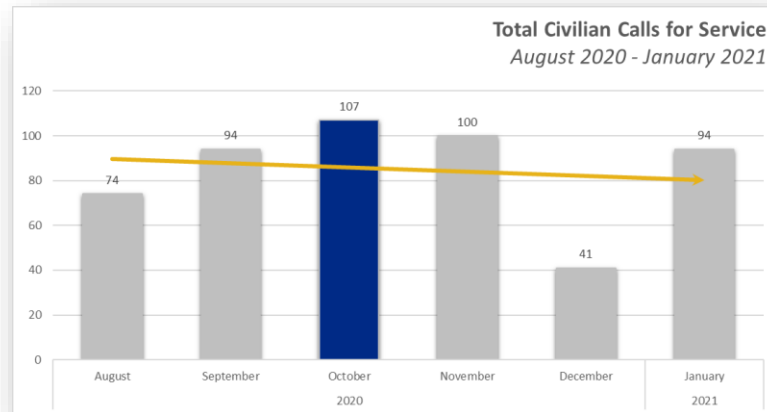
During January 2021, Enforcement and Licensing Personnel serviced 183 different municipalities, up from 132 in December 2020. Of these, the 10 cities & towns visited most are as follows:

- | | | | |
|---------------|-----|------------|----|
| • Manchester | 186 | • Hookset | 41 |
| • Nashua | 118 | • Bedford | 38 |
| • Londonderry | 61 | • Pelham | 33 |
| • Concord | 44 | • Hudson | 26 |
| • Dover | 43 | • Plaistow | 25 |

ADMINISTRATIVE

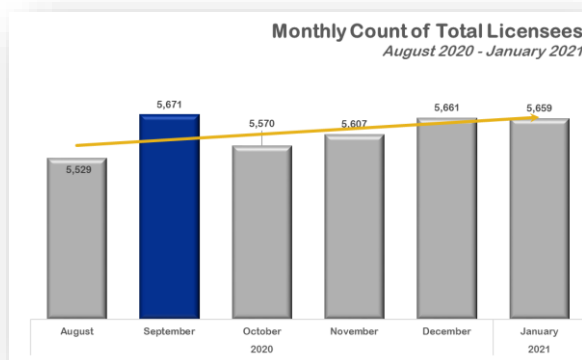
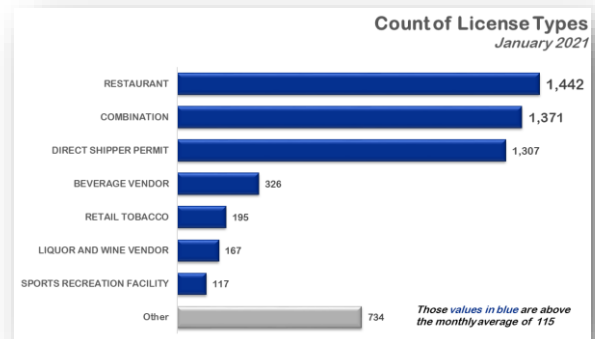
CALLS FOR SERVICE – CIVILIAN PERSONNEL

The number of Calls for Service among Civilian personnel rebounded significantly in January to a total of 94 after a large drop in December (41). As businesses slowly resume normal operations, CFS totals have returned to previously observed levels.



LICENSING

The Division is responsible for issuing all liquor and tobacco-related licenses in the State of New Hampshire. The records associated with these licenses are stored in a shared DOIT-managed system called MyLicense Online (MLO). MLO is a web-based system that the Division utilizes to create, maintain and categorize all records related to the 49 different license types. Utilizing a report identified as the “Summary Count of Licenses by License Status,” a count of the individual license types is obtained for reporting purposes. This is a point-in-time report; the data in this report pertains only to that current moment. No point-in-time information is available for review, so information on rate variations on different days of the month is not available.

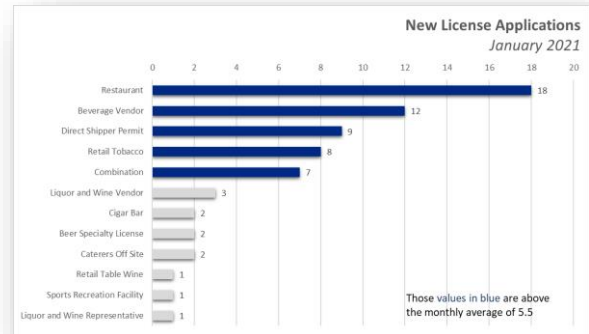


At the end of January 2021, there were 5659 entities licensed for the sale of alcohol and/or tobacco products in the State of New Hampshire. The most common license type was Restaurant with 1442 licenses on file at the end of this month. The next most common were Combination licenses with 1371, followed by Direct Shipper permits with 1307.

Data for the past six (6) months shows a slightly increasing trend in the number of total licensees in the State of New Hampshire. The total licensee count recently peaked in September 2020 and current trends indicate the numbers of Licensees will maintain levels above previous years.

New Licensees

During January 2021, there were 66 new Licensee applications. Of the 12 different license types applied for, the most commonly applied for license types was Restaurant, which accounted for 18 of the new licensees. Twelve of the new licensees were Beverage Vendor licenses. Fees accumulated for New Licensees totaled \$28,623.67.



Petitions Made by Licensees

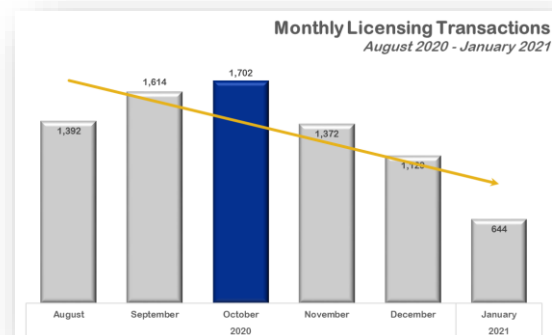
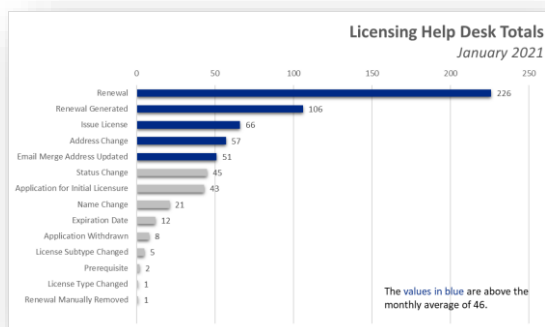
In the course of business, licensees may find that they need to make changes or accommodations that were not a part of their initial license application. This could be a temporary or permanent outdoor location, the addition of a new type of beverage, or even a modification of the licensee's premises. In any instance where a submission of a petition occurs, the Division reviews each petition prior to a final review during the Commission's Weekly Agenda Meeting; this is where recommendation for either approval or denial occurs. The Chairman and the Deputy Commissioner then vote upon that recommendation.

In January 2021, the Division approved 4 petitions. There were three requests approved for Extension of Service Area while request for Authorization for use of Other Areas was approved one time during this month. There were zero (0) requests from outside of the State.

Licensing Help Desk

The Division's Licensing Help Desk's mission is to work with and assist members of the public as they attempt to obtain or renew a license, modify an existing license, or in closing out a license that is no longer in use. Civilian personnel at the Licensing Help Desk include one full-time licensing specialist and two (2) part-time licensing support staff members. An export of User Activity from the MLO system provides a count of all Licensing Personnel activity. Additional Licensing-related completed by non-Help Desk personnel is also captured here.

Based on the information found in MLO's User Activity report, there were 644 transactions recorded by Division personnel during January 2021. The most commonly recorded transaction type was Renewal; this type was processed 441 times. The next most commonly processed transaction type was Renewal Generated with 106 instances.



The total transactions processed by the Licensing Help Desk are trending lower over the past six (6) months.

Feedback

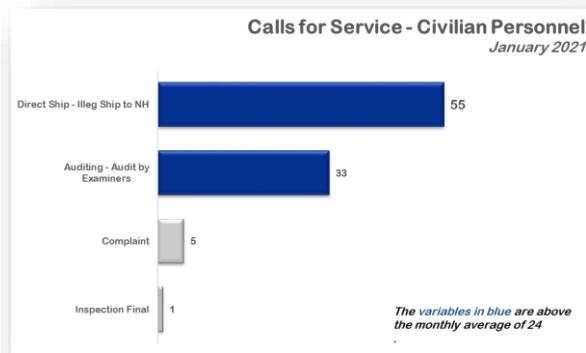
Of the seven survey responses received by the Licensing Department in January 2021, over 94% found the processes and personnel to be effective and efficient.

AUDITING AND DIRECT SHIPPING

The Division maintains a unit dedicated to dealing with issues around Auditing and Direct Shipping activities within the State of New Hampshire. This unit consists of one (1) Supervisory Auditor, two (2) Field Auditors, one (1) Direct Shipping Auditor and one (1) support staff member. These individuals handle issues related to the following license types among others:

• Beverage Wholesalers	• Liquor/Wine Vendors	• Carriers
• Direct Shippers	• Nano-Breweries	• Liquor Manufacturers
• Beverage Manufacturers	• Liquor/Wine Representatives	• Warehouses
• Alcohol Consultants	• Wine Manufacturers	• Rectifiers

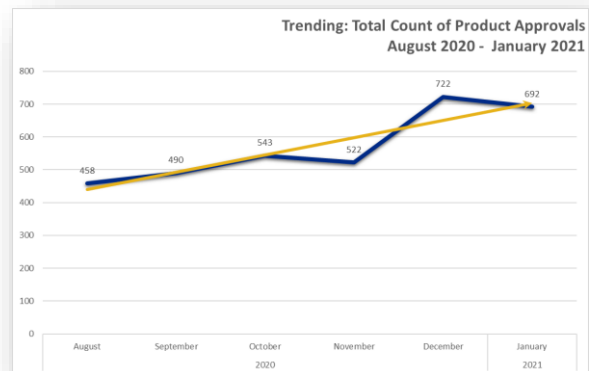
Auditing: Licensee Compliance & Oversight



In addition to the Calls for Service recorded in the Division's RMS, there are a number of other metrics captured by the Auditing and Direct Shipping personnel. These metrics afford a more-complete view of the tasks and responsibilities delegated to these small but important units, which serviced 5659 different licensees in January 2021.

Auditing Personnel recorded 94 calls for service during January 2021; this is up 129% from the 41 recorded the month before. The most commonly used CFS type with 55 entries was Direct Ship - Illeg Ship to NH.

In addition to the Calls for Service recorded in the RMS, the Auditing staff completed 692 Product Approval-related tasks. This metric continues to trend significantly above totals from prior months and years. For reference, total product approvals in December 2020 was nearly double that of July's completed Product Approval totals. Personnel received and processed 212 of 243 New Product Approval Requests from 465 separate departmental requests in January 2021. There were 17 New Product sizes approved, as well as 36 Label Revisions assessed for approval.



Feedback

Of the 13 survey responses received by the Auditing Department in January 2021, over 90% found the processes and personnel to be effective and efficient.

Direct Shipping: Taxes, Applications and Carrier Reporting

In addition to the Calls for Service recorded in the Division's RMS, there are a number of other important metrics captured by the Direct Shipping personnel. These metrics afford a more complete view of the tasking and responsibilities delegated to this small but important Unit.

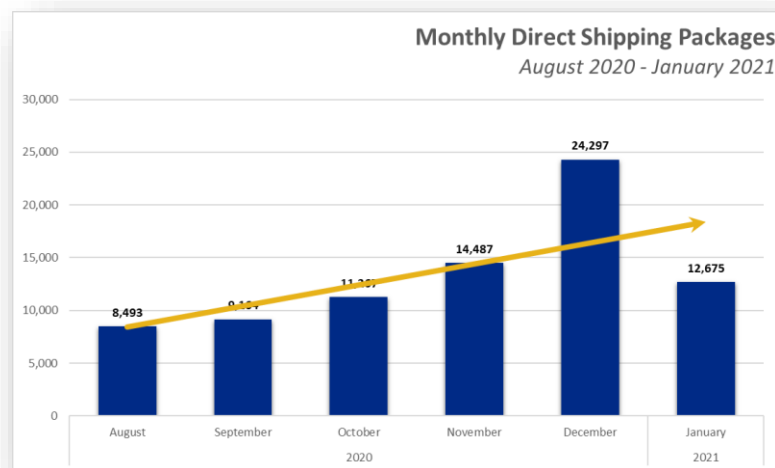
During January 2021, personnel collected \$205,546.58 in taxes as part of the State's Direct Shipping initiative. These taxes came through the processing of 749 checks.

Direct Shipping personnel processed 87 Renewal Applications during January 2021. In addition, there were 9 New Applications processed, while one permit received an Out-of-Business designation in the Division's systems. There were 13 instances where a permittee did not return the requisite paperwork. Direct Shipping personnel were able to process 132 renewal permits during January 2021.

The processing of Carrier reports for January 2021 ensured that all Direct Shipping permittees are adhering to the State of New Hampshire's rules and guidelines. Out of these reports, there were a total of 89 improper or illegal shipments into the state and there were 55 Illegal Shipment letters sent to Direct Shippers in January 2021. Staff added 23 companies to the State's Seizure list, while there were 14 companies removed from this same list. The statistics for the authorized carriers are as follows:

Carrier	# of Packages
FedEx Express	565
FedEx Ground	5730
UPS	6380
Total	12675

Historical data shows that the number of packages shipped into the State of New Hampshire are trending back up. Total package saw a significant jump last month, however January's totals dropped again to just over half of December's total.



Feedback

Of the five survey responses received by the Direct Shipping Department in January 2021, 100% found the processes and personnel to be effective and efficient.

TRAINING AND PUBLIC OUTREACH

The Division of Enforcement & Licensing is committed to providing superior educational programs for licensees and employees that focuses on proper sales/service of alcohol or tobacco and for parents, students, local communities, and enforcement personnel that encourages responsible alcohol consumption. The Division's goal is to serve the citizens of New Hampshire through its educational training efforts and move closer to achieving the Division's overall goals; reducing the number of alcohol related incidents.

Summary

During January 2021, the Training & Public Outreach Unit offered zero (0) in-person classes due to COVID-19 safety precautions. There were 420 attendees for online classes offered. The Division held one (1) Public Program Event with 30 attendees.

Feedback

Of the 158 survey responses received by the Training and Outreach Department in January 2021, over 96% found the processes and personnel to be effective and efficient.

ENFORCEMENT

CALLS FOR SERVICE – SWORN PERSONNEL

During January 2021, the Sworn Personnel within the Division tallied 1309 calls for service, up 25% from the 1048 calls for service recorded in December 2020. Of these CFS entries, Annual Premise Inspection was the most commonly used type with a total of 702 entries.

The number of Calls for Service among Sworn has trended upward through January since the low of 803 in June 2020. Calls for Service from SIU personnel had remained steady overall but jumped substantially in August. January has seen another spike in Calls for Service by Sworn Personnel. Overall, CFS totals are returning to patterns observed prior to the COVID-19 outbreak period.

Field Investigators

The Division has a number of Investigators assigned to the field. In an attempt to provide uniform coverage across the State of New Hampshire, Investigators work in two separate teams, each of which cover different geographical areas.

Field Personnel recorded 1218 calls for service during January 2021; this is up 25% from the 971 recorded the previous month. The most commonly used CFS type was Annual Premise Inspection, which occurred in 57.5% of all recorded incidents.

Special Investigations Unit

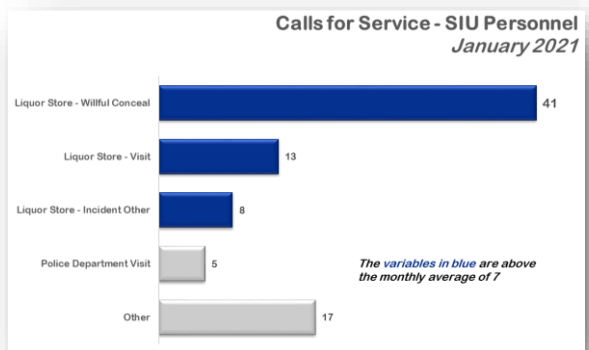
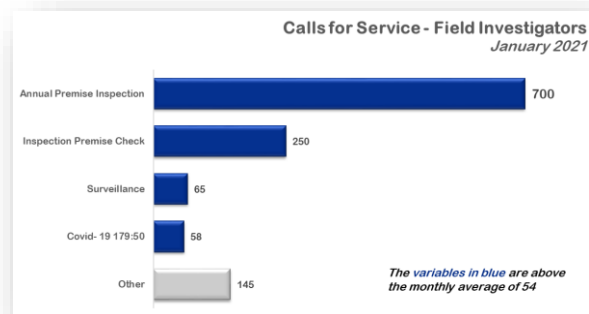
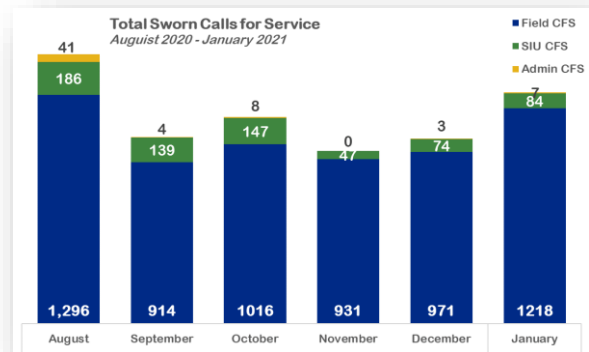
In addition to the Field Investigators, the Division has three Investigators who work in the Special Investigations Unit (SIU). These members of the Division will work cases across the State, not just within a set geographical area.

SIU Personnel recorded 84 calls for service during January 2021; this was up 14% from the 74 observed in December 2020. Of the 12 different CFS in January, The top three SIU Calls for Service involved investigative activities at State Liquor Stores with the most common Call for Service was Liquor Store - Willful Conceal with 41 calls.

Administrative Sworn Personnel

The Division has three Sworn personnel members who work primarily out of Headquarters. These three individuals are a Field Operations Lieutenant, an Administrative Lieutenant, and a Staff Sergeant. Their main duties center on managing most of the Division's Civilian personnel and their respective units.

The three Administrative Personnel recorded seven calls for service during January 2021; this is up from three during the previous month. Of the five different CFS types used, the CFS types utilized most frequently was Assist other Agency, and Training Law Enforcement –with two calls each.

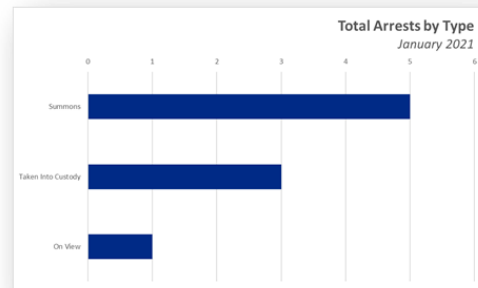
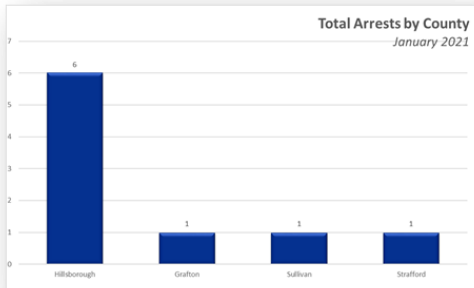


TOTAL ARRESTS

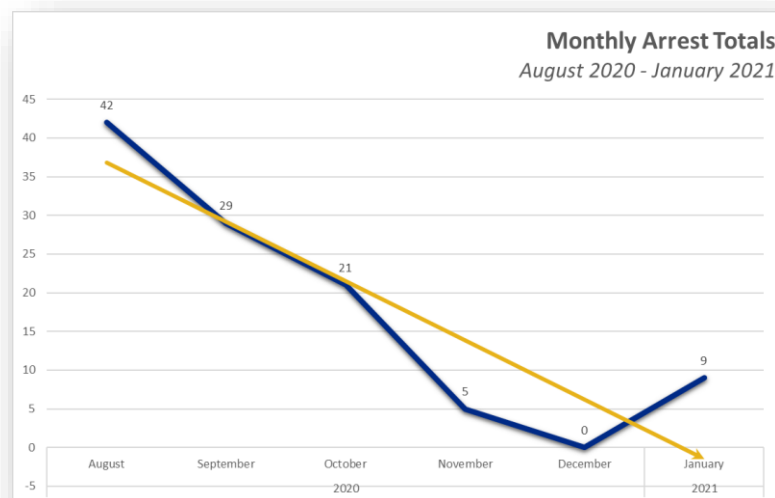
In the course of their statutory duties and responsibilities, Sworn personnel are sometimes required to take an individual into custody. The reason for an arrest can vary. This section of the report will assess any arrests that occurred during January 2021. Also reviewed are the location and the reason of the arrests.

Summary

There were nine arrests made during January 2021. Of these, Summons was the most commonly used arrest type with a total of nine entries. The County with the most arrests was Hillsborough County with six and the municipality with the most arrests was Manchester with four.



Trending for arrest totals is down significantly during the past six (6) months. Arrest totals had been down each month since August 2020 and had dropped off significantly as a result of closures and safety measures taken during the COVID-19 pandemic to a low of zero in December.



COMPLIANCE CHECKS

Compliance checks have been used as an educational tool throughout the state for several years, and are an important part of the enforcement of the Prohibited Sales statute in New Hampshire (RSA 179:5). Investigators will obtain a list of licensees within a city or town. With the aid of a Division-Approved Underage Buyer, the Investigator will go site-to-site to ensure that all licensees assessed for compliance are in fact adhering to RSA 179:5.

Summary

There were zero Compliance Checks accomplished in January 2021 due to COVID-19 safety precautions.

COMPLIANCE ACTION TAKEN

Whenever an investigator/licensing specialist/examiner discovers a violation of administrative rules enforced by our Division which requires administrative action be taken (see P-101: IV: L), the investigator/licensing specialist shall be responsible to follow the case through to its completion. Investigators shall make a single recommendation for administrative action. This recommendation shall be a verbal or written warning, administrative fine, or suspension of the license.

In the case of an Administrative Notice, personnel will document that corrective action is required. In addition, some form of punitive action occurs; a fine or mandatory education of a licensee's staff are a pair of examples. A Verbal Warning is a way of keeping a record that corrective action is required, though in a way that does not carry a punitive measure (i.e. no fine). This section summarizes all instances of Compliance Action taken during January 2021, a breakdown of the different types, and a tally of the fines issued.

Summary

During January 2021, personnel logged 92 Compliance investigations. Of these, 38 cases are still ongoing. Of the 48 cases that were closed, 15 resulted in the issuance of a verbal warning, 13 saw a verbal counsel issued, and 14 administrative notices were issued.

FINES

During January 2021, a total of \$3,251.42 in Administrative Fines were issued. These came from nine separate instances from four different fine types. Three of the licensees were Restaurant licenses, with Brew Pub, Veteran's Club, and Retail Tobacco licensees with two fines each.

CASE DISPOSITION

Investigators maintain caseloads respective to their assigned areas of responsibility (North, South, and Special Investigations). These metrics are comprised of active case investigations and those investigations closed during the current calendar year; investigations initiated in prior years may be included in these metrics.

By the close of the month of January 2021, there were 23 open cases in active investigation by Field personnel. During the month, investigators closed 37 total cases, while eight cases were Suspended, and five were deemed Unfounded.

