

DIVISION OF ENFORCEMENT & LICENSING



MONTHLY REPORT MARCH 2021



NEW HAMPSHIRE STATE LIQUOR COMMISSION

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

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TABLE OF CONTENTS

Executive Summary	3
Scope and Metrics	5
Division Metrics	6
Revenue	6
Summary	6
Total Calls for Service	7
Administrative	8
Calls for Service – Civilian Personnel	8
Licensing	8
New Licensees	9
Petitions Made by Licensees	9
Licensing Help Desk	9
Auditing and Direct Shipping	10
Auditing: Licensee Compliance & Oversight	10
Direct Shipping: Taxes, Applications and Carrier Reporting	10
Training and Public Outreach	11
Summary	11
Enforcement	12
Calls for Service – Sworn Personnel	12
Field Investigators	12
Special Investigations Unit	12
Administrative Sworn Personnel	13
Total Arrests	13
Summary	13
Compliance Checks	14
Summary	14
Compliance Action Taken	14
Summary	14
Fines	14
Case Disposition	14

EXECUTIVE SUMMARY

This report is a summary and description of the activity recorded by the Division of Enforcement and Licensing for March 2021. This document provides a comprehensive overview of work completed by personnel within the Division, both Sworn Officer and Civilian. The Division 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 **\$1,448,341.43** in revenue during the month of March. The majority of this came through the collection of the Beer Tax totaling \$838,040.36. The Division also collected \$400,874.00 in Renewal Fees and \$127,313.87 in Direct Shipping Fees, while there was \$35,541.00 collected in Initial License Application Fees and \$21,181.22 collected in Wine Tax.*

Total Calls for Service: The Division recorded 1647 total calls for service. *Restaurant* was the most commonly administered licensee type with 605. There were 30 different CFS codes utilized with *Inspection-Premise Check* accounting for the most common type with a total of 438 entries.

Administrative

Calls for Service – Civilian: Civilian personnel within the Division tallied 58 calls for service. Of these activities, *Audit by Examiners* was the most common type processed with 26 entries.

Licensing: There were 5714 total 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 1432 establishments, followed by *Combination* licenses with 1374 and *Direct Shipper* licensees with 1341. There were 109 new license applicants in March 2021. The most commonly applied-for license type was *Direct Shipper* Licenses, which accounted for 35 of the new licensees.

Petitions Made by Licensees: There were 11 petitions approved in March 2021. There were six requests approved for *Extension of Service Area* while request for *Authorization for use of Other Areas* was approved three times during this month.

Licensing Help Desk: There were 1892 Help Desk transactions processed during March 2021. The most frequently administered were *Renewal (Processed)* with 428 entries and *Renewal (Generated)* with 568.

Auditing: Licensee Compliance & Oversight: Staff completed 1071 Product Approval-related tasks while logging 564 total licensee requests.

Direct Shipping: Taxes, Applications and Carrier: There was \$127,313.87 in Direct Shipping revenue collected in March 2021. There were 137 Renewal Applications processed, 31 New Applications received, and two permits given an Out-of-Business designation. Carrier reports show 14,838 shipments into New Hampshire during the month, of which, there were 171 improper or illegal shipments into the state. There were 19 *Illegal Shipment* notification letters sent out, 17 companies added to the Seizure list, while 29 companies were removed from the same list.

Training & Public Outreach: During March 2021, the Training & Public Outreach Unit offered no in-person classes due to COVID-19 safety precautions. There were 638 attendees for online classes. The Division held one Public Program Event in March with 28 attendees.

Enforcement

Calls for Service – Sworn: Sworn Personnel tallied 1589 calls for service. Of these activities, *Inspection-Premise Check* was the most commonly used type with a total of 438 entries.

Total Arrests: Division personnel cited 14 individuals for law violations in March 2021. There were 13 summons issues, none detained based on existing summons or warrants, and one detained due to statutory requirements. Strafford County had the most per county with seven, and Dover had the most per municipality with seven.

Compliance Checks: During March 2021, there were 328 Compliance Checks conducted. Of these, 183 were for *On-Premises Alcohol Sales* and 143 were for *Off-Premises Alcohol Sales*. There were two Tobacco Sale compliance checks during the month (one under the Synar Grant). There were 57 illegal or improper sales made during these checks.

Compliance Action Taken: There were 61 compliance investigations opened in March, with 36 still ongoing. Of the 17 investigations that were closed, four resulted in the issuance of a verbal warning, five saw a verbal counsel issued, and three administrative notices were issued. The Division received 26 complaints in reference to Title XIII violations.

Fines: During March 2021, a total of \$3,250 in Administrative Fines were issued. These came from 13 separate instances from four different licensee types. Four of the licensees were Restaurants, three were Retail Tobacco establishments, with two Veteran's Clubs and two Beverage Vendors, and a Sports Recreation Facility and Cigar Bar receiving one fine each.

Case Disposition: By the close of the month of March 2021, there were 21 open cases in active investigation by field personnel. During the month, investigators closed 22 total cases, no cases were suspended, and five 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 March 2021. This review provides a comprehensive appraisal of work completed by personnel within the Division - Civilian and Sworn. 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, but are not limited to:

- 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

DIVISION METRICS

REVENUE

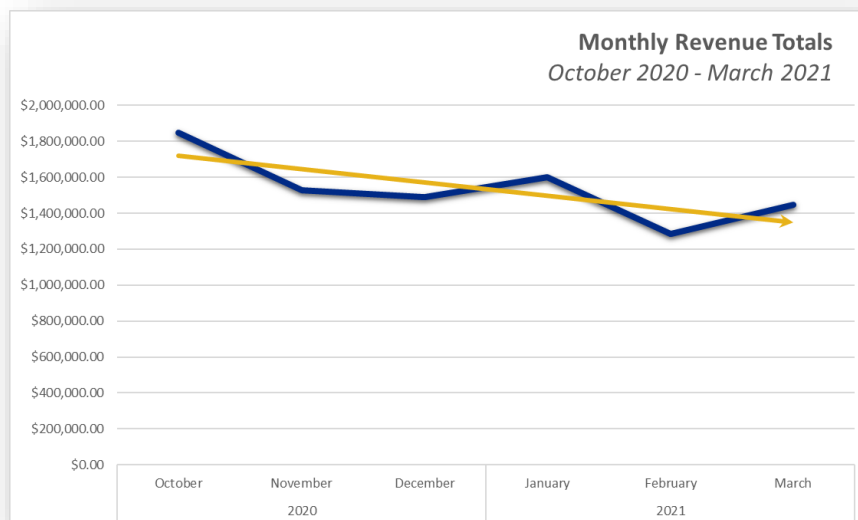
Through the regular course of business, the Division of Enforcement & Licensing is responsible, and in many cases required, to collect fees from licensees. The most commonly considered fees in relation to the Division are those attached to the issuance and/or renewal of a license to sell alcohol and/or 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 by licensees. Division staff also collect Liquor (178:6) and Wine (178:8) fees each month.

Type of Fee	Collected	#
Beer Tax	\$838,040.36	105
Renewal Fee	\$400,874.00	608
D/S Tax	\$127,313.87	632
Initial License Fee	\$35,541.00	109
Wine Tax	\$21,181.22	35
Liquor Tax	\$7,854.41	16
Application Fee	\$5,525.00	76
Wine Cooler Tax	\$3,400.24	2
Administrative Fine	\$3,250.00	13
Distilled Spirits Tax	\$2,371.33	3
9 Event Fee	\$1,250.00	5
36 Event Fee	\$750.00	1
B/W/L	\$540.00	2
18 Event Fee	\$450.00	1
TOTALS	\$1,448,341.43	1608

Summary

In March 2021, the Division collected \$1,448,341.43 in revenue. Beer Taxes accounted for the majority of this revenue and totaled \$838,040.36. The Division also collected \$400,874.00 in Renewal Fees. In all, there were five different categories that each saw more than \$10,000 in fees collected.

Over the past six months, monthly revenue totals have trended down slightly. March saw a minor correction upward after February's decline. As COVID-19 safety precautions have impacted businesses statewide, there is an expectation that revenue totals will begin to trend back upward as COVID mitigating tactics are relaxed and business opportunities throughout the state increase.

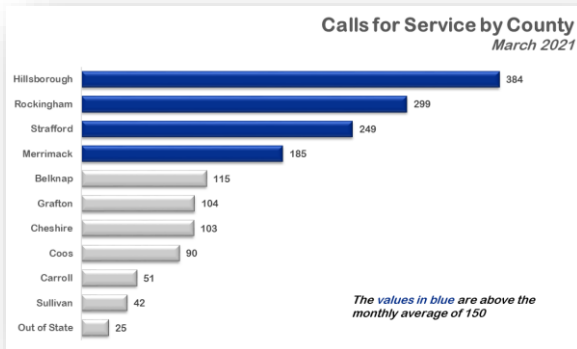
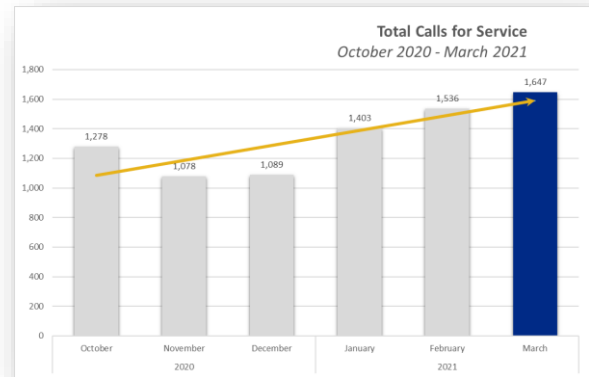


TOTAL CALLS FOR SERVICE

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

During March 2021, the Division recorded 1647 calls for service. This was a 7% increase from the previous month's report (1536). The most commonly visited licensee type was *Restaurant* with 605 entries. In total, there were 30 different service codes utilized, with *Inspection-Premise Check* accounting for the most common type with a total of 438 entries.

Total Calls for Service have continued an upward trend over the past six months, and March's results shows a steady increase from the past few months.



Each New Hampshire County had Calls for Service during March 2021. Hillsborough County had the most with 384 of the total records. Sullivan County had the fewest with 42 records. Including those Out-of-State CFS entries, the average per-area CFS total was 150 with four Counties in New Hampshire above this average.

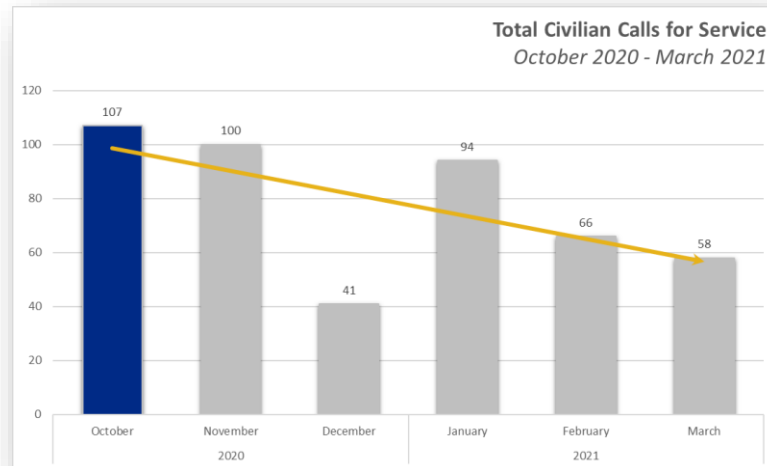
During March 2021, Enforcement and Licensing Personnel serviced 159 different municipalities throughout the state, up from 147 in February 2021. Of these, the 10 cities & towns visited most are as follows:

- | | | | |
|--------------|-----|--------------|----|
| • Manchester | 183 | • Keene | 58 |
| • Dover | 120 | • Exeter | 54 |
| • Nashua | 100 | • Derry | 52 |
| • Concord | 79 | • Durham | 44 |
| • Laconia | 75 | • Portsmouth | 41 |

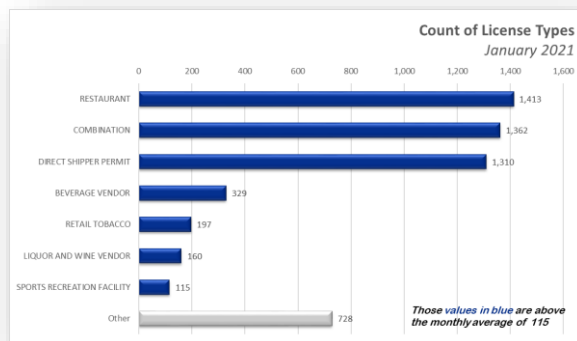
ADMINISTRATIVE

CALLS FOR SERVICE – CIVILIAN PERSONNEL

The number of Calls for Service among Civilian personnel dropped once again in March to a total of 58 after a short lived rebound in January.



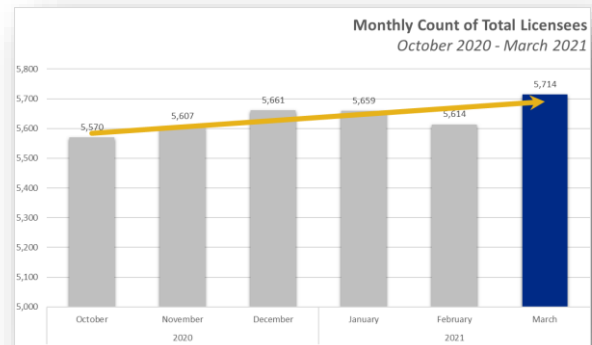
LICENSING



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.

At the end of March 2021, there were 5714 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 1432 licenses on file at the end of this month. The next most common were *Combination* licenses with 1374, followed by *Direct Shipper* permits with 1341.

Data for the past six months shows a gradual but fluctuating, increase in the number of total licensees in the State of New Hampshire. The March total licensee count surpasses the previous record of 5671 set in September 2020 and current trends indicate the numbers of Licensees will maintain levels above previous years.



New Licensees

During March 2021, Initial License Fees were collected from 109 applications. Of the 15 different license types applied for, the most commonly applied for license types was *Direct Shipper Permit*, which accounted for 35 of the new licensee applications while there were 14 new applications each for *Beverage Vendor*, *Combination*, and *Restaurant* licenses. Initial License Fees totaled \$35,541.00.

Petitions Made by Licensees

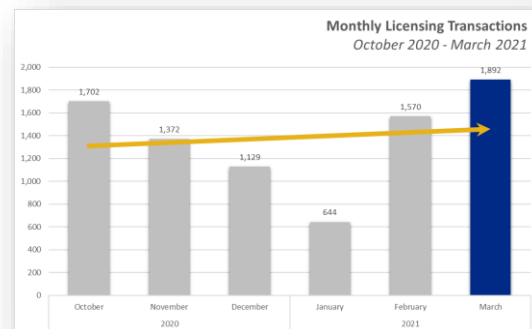
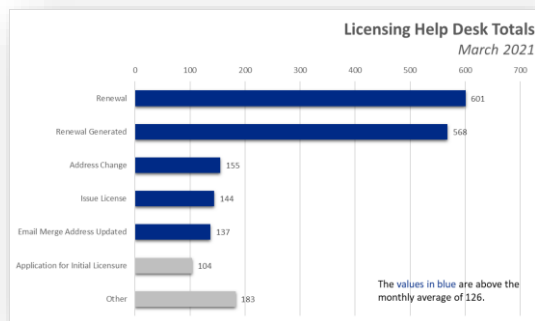
In the course of business, licensees may find that they need to make changes or accommodations that were not a part of their initial license application. This could be a temporary or permanent outdoor location, the addition of a new type of beverage, or even a modification of the licensee's premises. 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 March 2021, the Division approved 11 petitions. There were six requests approved for *Authorization for use of Other Areas* while request for *Approval for Extension of Service Area* was approved three times during this month.

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 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 work completed by non-Help Desk personnel is also captured here.

Based on the information found in MLO's User Activity report, there were 1892 transactions recorded by Division personnel during March 2021. The most commonly recorded transaction type was *Renewal (Processed)* that was processed 601 times. The next most commonly processed transaction type was *Renewal (Generated)* with 568 instances.



March saw another increase in Help Desk activity with total transactions processed by the Licensing Help Desk trending higher over the past six months.

Feedback

Of the 2 survey responses received by the Auditing Department in March 2021, 100% found the processes and personnel to be effective and efficient.

AUDITING AND DIRECT SHIPPING

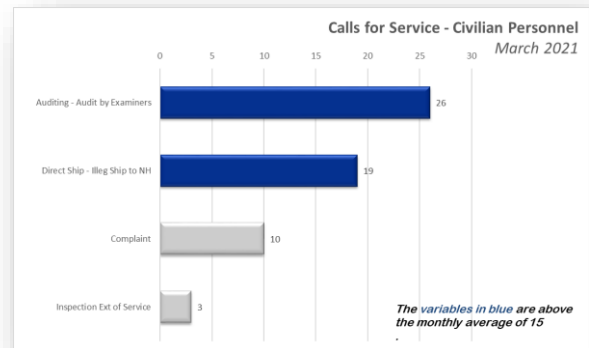
The Division maintains a unit dedicated to dealing with issues around Auditing and Direct Shipping activities within the State of New Hampshire. This unit consists of one Supervisory Auditor, two Field Auditors, one Direct Shipping Auditor and one support staff member. These individuals handle issues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

- Beverage Wholesalers
- Direct Shippers
- Beverage Manufacturers
- Alcohol Consultants
- Liquor/Wine Vendors
- Nano-Breweries
- Liquor/Wine Representatives
- Wine Manufacturers
- Carriers
- Liquor Manufacturers
- Warehouses
- 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 March 2021.

Auditing and Direct Shipping Civilian Personnel recorded 58 calls for service during March 2021; this is down 12% from the 66 recorded the month before. The most common Service Call type with 26 entries was *Audit by Examiners*.



In addition to the Calls for Service recorded in the RMS, the Auditing staff completed 1071 Product Approval-related tasks. This metric continues to trend significantly above totals from prior months and years. For reference, total Product Approvals in March 2020 totaled only 322 and 397 in March 2019. Personnel received and processed 564 separate departmental requests in March 2021.

Feedback

Of the 5 survey responses received by the Auditing Department in March 2021, over 96% found the processes and personnel to be effective and efficient.

Direct Shipping: Taxes, Applications and Carrier Reporting

On top of 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. Because of operational cycles, revenue collected and processed in March is from transactions originating in the month prior.

During March 2021, the Direct Shipping personnel collected \$127,313.87 in revenue as part of the State's program for out of state suppliers. A total of 632 checks were processed during the month.

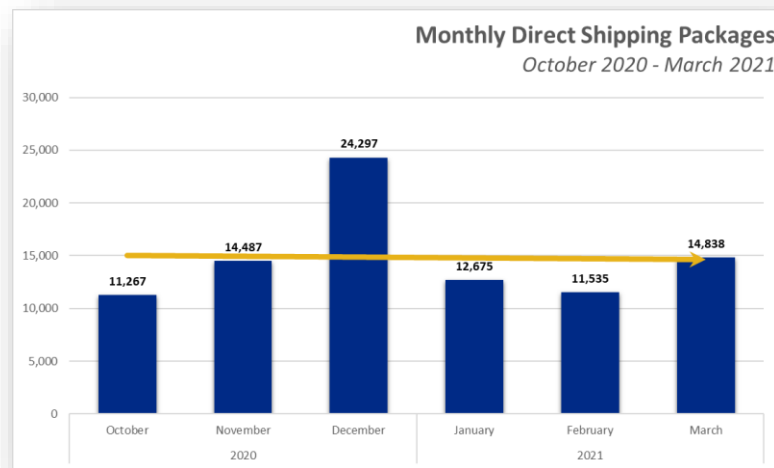
Direct Shipping personnel also processed 137 Renewal Applications during March 2021. Furthermore, there were 31 New Applications processed, while two permits received an Out-of-Business designation in the Division's systems. There were 18 instances where a permittee did not return the required paperwork.

The processing of Carrier reports in March 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 171 improper or illegal shipments into the state and there were 19 notification letters of Illegal Shipment sent to Direct Shippers in March 2021. Staff added 17

companies to the State's Seizure list, while there were 29 companies removed from this same list. The statistics for the authorized carriers are as follows:

<i>Carrier</i>	<i># of Packages</i>
<i>FedEx Express</i>	827
<i>FedEx Ground</i>	6689
<i>UPS</i>	7322
<i>Total</i>	14838

While historical data shows that the number of packages shipped into the State of New Hampshire is flat over the last six months, however, these totals are significantly above March 2020's total (5566).



Feedback

There were no survey response received by the Direct Shipping Department in March 2021.

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 March 2021, the Training & Public Outreach Unit offered no in-person classes due to COVID-19 safety precautions. There were 638 attendees for online classes and certifications offered. The Division held one Public Program Events with 28 attendees.

Feedback

Of the 38 survey responses received by the Training and Outreach Department in March 2021, over 95% found the processes and personnel to be effective and efficient.

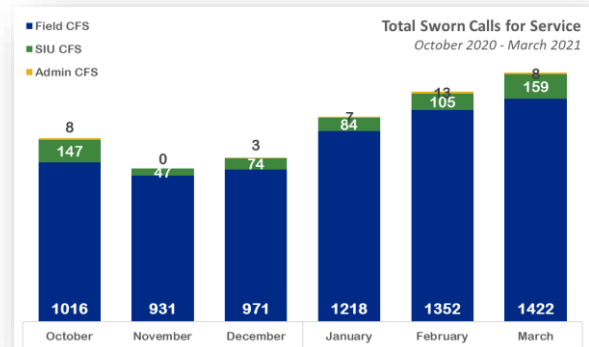
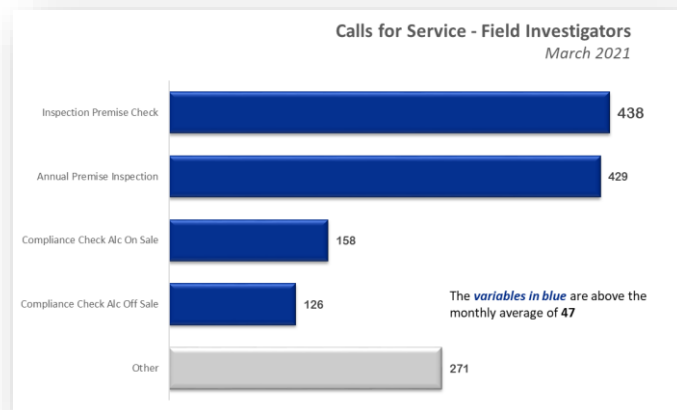
ENFORCEMENT

CALLS FOR SERVICE – SWORN PERSONNEL

During March 2021, the Sworn Personnel within the Division tallied 1589 calls for service. Of these entries, *Inspection-Premise Check* was the most commonly used type with a total of 438 entries.

The number of Calls for Service among all Sworn has trended upward through March since the recent low of 978 in November 2020. March has seen another rise in Calls for Service by Sworn Personnel. Overall, CFS totals are returning to patterns observed prior to the COVID-19 outbreak period.

Field Investigators



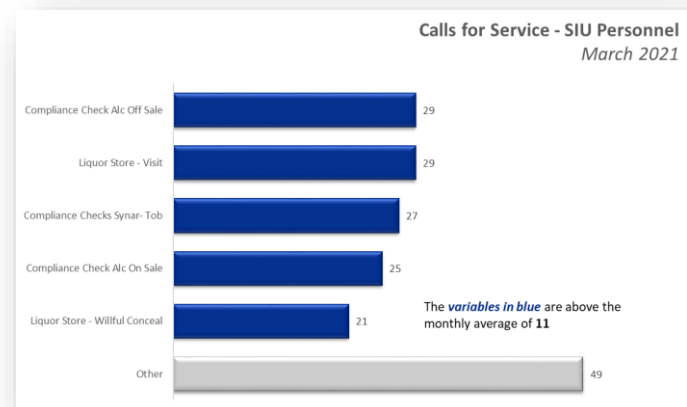
The Division has a number of Investigators assigned to the field. In an attempt to provide uniform coverage across the State of New Hampshire, Investigators work in two separate teams, each of which cover different geographical areas.

Field Personnel recorded 1422 calls for service during March 2021; this is up 5% from the 1352 recorded the previous month. The most commonly used CFS type was *Inspection-Premise Check*, which occurred in 30.9% 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 159 calls for service during March 2021; this was up 51% from the 105 observed in February. Of the 14 different CFS in March, there was a tie between *Compliance Check – Off Site Alcohol Sale* and *Liquor Store – Visit*, both with 29 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.

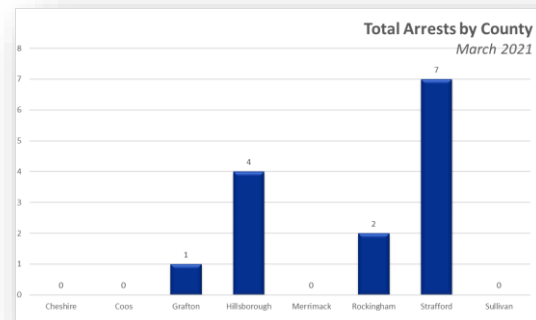
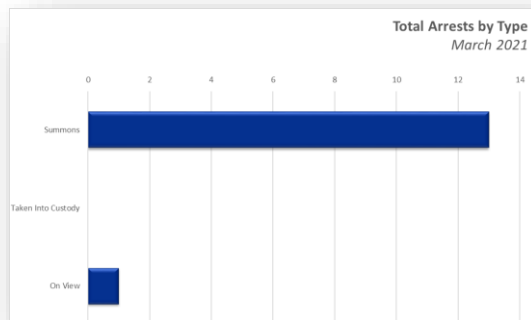
The three Administrative Personnel recorded eight calls for service during March 2021, all of which were *Complaint* related.

TOTAL ARRESTS

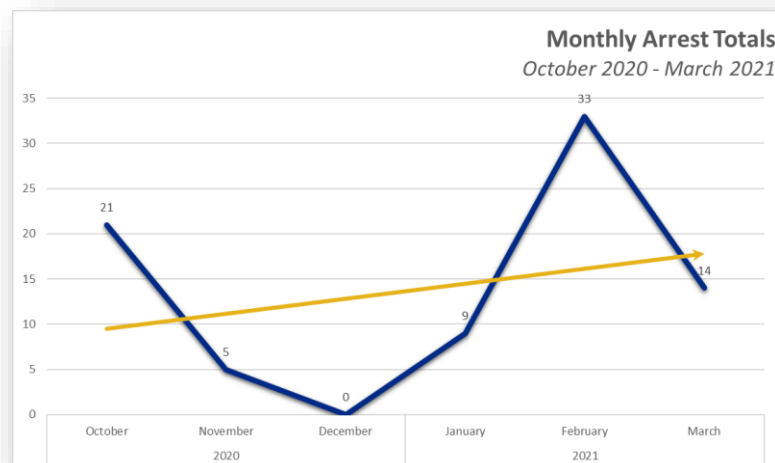
In the course of their statutory duties and responsibilities, Sworn personnel are sometimes required to cite individuals for violations of New Hampshire law (with a primary focus on RSA Title XIII and RSA 126-K). The reason for these events can vary, and this section will identify these actions that occurred during March 2021.

Summary

There were 14 individuals cited during March 2021. Of these, 13 individuals were issued a Summons and released. Additionally, there was one individual taken into temporary custody due to statutory requirements. The County with the most incidents was *Strafford* County with seven and the municipality with the most was *Dover* with seven.



While trending for individuals cited and/or taken into custody is down during the past six months, March saw the second highest total of detained individuals over the past 12 months. Only August 2020's total of 42 arrests was higher.



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 municipality and 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

During March 2021, there were 328 Compliance Checks conducted. Of these, 183 were for *On-Premises Alcohol Sales* and 143 were for *Off-Premises Alcohol Sales*. There were two *Tobacco Sale* compliance checks during the month (one under the Synar Grant). There were 57 illegal or improper sales made during these checks.

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, the investigator/licensing specialist shall be responsible to follow the case through to its completion. Investigators shall make a recommendation for administrative action consisting of either 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 actions taken during March 2021, a breakdown of the different types, and a tally of the fines issued.

Summary

During March 2021, personnel logged 61 Compliance investigations. Of these, 36 cases are still ongoing. Of the 17 cases that were closed, four resulted in the issuance of a verbal warning, five saw a verbal counsel issued, and three administrative notices were issued. The Division received 26 complaints in reference to Title XIII violations.

Fines

During March 2021, a total of \$3,250 in Administrative Fines were issued. These came from 13 separate instances from four different licensee types. Four of the licensees were *Restaurants*, three were *Retail Tobacco* establishments, with two *Veteran's Clubs* and two *Beverage Vendors*, and a *Sports Recreation Facility* and *Cigar Bar* receiving one fine 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 March 2021, there were 21 open cases in active investigation by Field personnel. During the month, investigators closed 22 total cases, while five cases were unfounded claims.

