

# **DIVISION OF ENFORCEMENT & LICENSING**



## **MONTHLY REPORT MAY 2021**



## **NEW HAMPSHIRE STATE LIQUOR COMMISSION**

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

(603) 271-3521

50 Storrs Street  
Concord, NH 03301

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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 May 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 \$1,531,857.53 in revenue during the month of May. The majority of this came through the collection of the Beer Tax totaling \$1,049,973.80.*

**Total Calls for Service:** The Division recorded 2008 total calls for service. *Restaurant* was the most commonly administered licensee type with 804. There were 28 different CFS codes utilized with *Inspection-Premise Check* accounting for the most common type of call.

## Administrative

**Calls for Service – Civilian:** Civilian personnel within the Division tallied 50 calls for service.

**Licensing:** There were 5859 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 1444 licensees, followed by *Combination* licenses with 1404 and *Direct Shipper* licensees with 1359. There were 70 new license applicants in May 2021. The most commonly applied-for license type was *Restaurant*, *Direct Shipper*, and *Special One-Day* Licenses, which accounted for 10 of the new licensees each.

**Petitions Made by Licensees:** There were 34 petitions approved in May 2021. There were 16 requests approved for *Extension of Service Area* while request for *Authorization for use of Other Areas* was approved 11 times during this month.

**Licensing Help Desk:** There were 1369 Help Desk transactions processed during May 2021. Activities related to license renewals (Generated, Received, Processed) accounted for the most activity within the Help Desk with 774 total transactions counted.

**Auditing: Licensee Compliance & Oversight:** Staff completed 902 *Product Approval*-related tasks while logging 503 total licensee requests.

**Direct Shipping: Taxes, Applications and Carrier:** There was \$163,583.12 in Direct Shipping revenue collected in May 2021. There were 97 Renewal Applications processed, and 10 New Applications received. Carrier reports show 12,064 shipments into New Hampshire during the month, of which, there were 37 improper or illegal shipments into the state. There were 17 *Illegal Shipment* notification letters sent out, 13 companies added to the *Seizure* list, while 40 companies were removed from the same list.

**Training & Public Outreach:** During May 2021, there were 851 attendees for in-person, virtual, and online classes/certifications offered. The Division did not hold Public Program Events during the month.

## Enforcement

**Calls for Service – Sworn:** Sworn Personnel tallied 1958 calls for service. Of these activities, *Inspection-Premise Check* was the most commonly used type with a total of 459 entries.

**Total Arrests:** There were 29 individuals cited during May 2021. Of these, 26 individuals were issued a Summons. Additionally, there were three individuals taken into temporary custody due to statutory requirements.

**Compliance Checks:** During May 2021, there were 677 Compliance Checks conducted. Of these, 373 were for *On-Premises Alcohol Sales* and 298 were for *Off-Premises Alcohol Sales*. There were seven Tobacco Sale compliance checks during the month. There were 120 illegal or improper sales made during these checks.

**Compliance Action Taken:** During May 2021, personnel logged 258 Compliance investigations. Of these, 124 cases are still ongoing. Of the 88 cases that were closed, 43 resulted in the issuance of a verbal warning, 15 saw a verbal counsel issued, and 14 administrative notices were issued.

**Fines:** During May 2021, a total of \$6,500 in Administrative Fines were issued. These came from 18 separate instances from five different licensee types. 10 of the licensees were *Combination* licenses, four held *Restaurant* licenses, two held *Sports Recreation Facility* licenses with one *Retail Tobacco* and one *Cigar Bar* receiving one fine each.

**Case Disposition:** By the close of the month of May 2021, there were 33 open cases in active investigation by Field personnel. During the month, investigators closed 8 total cases, while 3 cases had no criminal nexus and one case was based on unfounded claims.

## SCOPE AND METRICS

This report is a summary and description of the activity recorded by the Division of Enforcement and Licensing for May 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

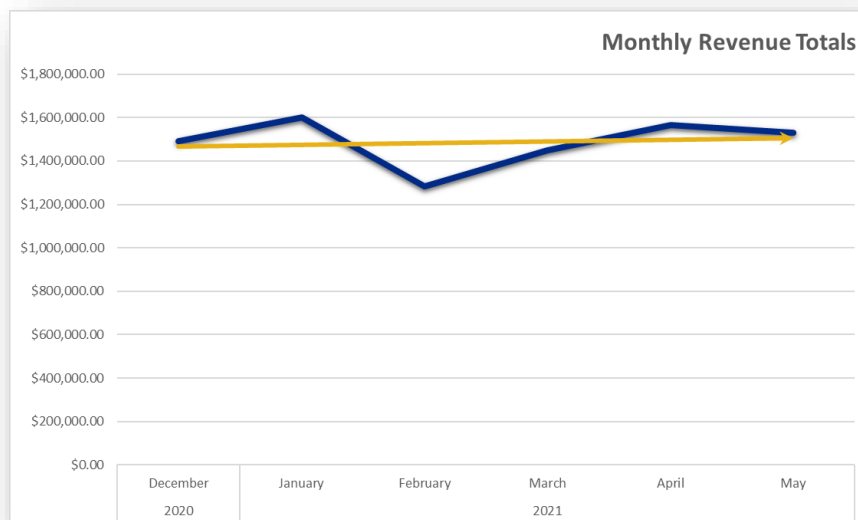
Through the regular course of business, the Division of Enforcement & Licensing is responsible, and in many cases required, to collect fees from licensees. The most commonly considered fees in relation to the Division are those attached to the issuance and/or renewal of a license to sell alcohol and/or 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.

#### Summary

In May 2021, the Division collected \$1,531,857.53 in revenue. Beer Taxes accounted for the majority of this revenue and totaled \$1,049,973.80. The Division also collected \$231,359.00 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 flat. May saw a slight decline after two months of revenue increases. .

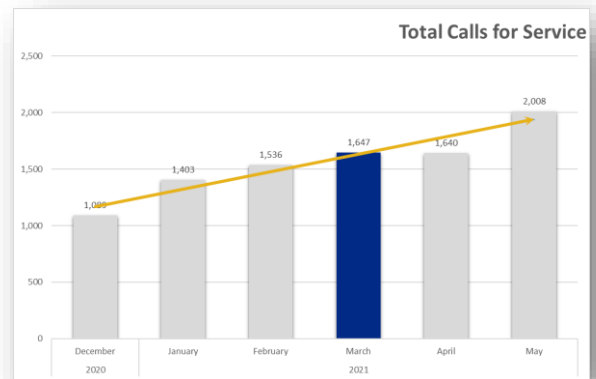
Type of Fee	Collected
Beer Tax	\$1,049,973.80
Renewal Fee	\$231,359.00
D/S Tax	\$163,583.12
Initial License Fee	\$27,260.00
Wine Tax	\$26,008.58
Liquor Tax	\$8,545.80
Application Fee	\$7,539.00
Administrative Fine	\$6,500.00
Wine Cooler Tax	\$4,150.89
Distilled Spirits Tax	\$2,564.75
2 Day Beer Festival Fee	\$1,500.00
36 Event Fee	\$750.00
9 Event Fee	\$750.00
B/W/L	\$480.00
Renewal Fee - manual	\$400.00
One Day Beer Festival Fee	\$250.00
101 to 200 barrels	\$200.00
Returned check	\$25.00
Certified Statement Fee	\$6.59
Tobacco	\$6.00
Event Fee	\$5.00
<b>TOTALS</b>	<b>\$1,531,857.53</b>



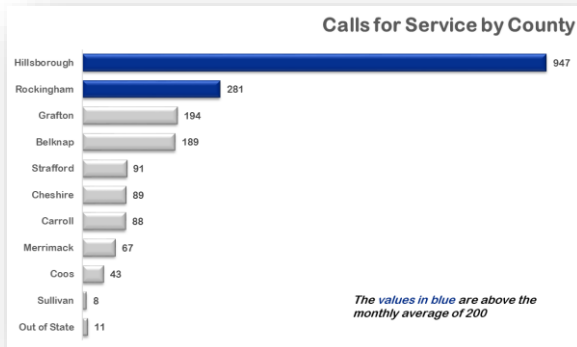
## TOTAL CALLS FOR SERVICE

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 May 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 May 2021, the Division recorded 2008 calls for service. The most commonly visited licensee type was *Restaurant* with 804 entries. In total, there were 28 different service codes utilized, with *Inspection-Premise Check* accounting for the most common type with a total of 459 entries.



Total Calls for Service have continued an upward trend over the past six months, with a slight dip in May's results.



Each New Hampshire County had Calls for Service during May 2021. Hillsborough County had the most with 947 of the total records. Sullivan County had the fewest with 8 records. Including those Out-of-State CFS entries, the average per-area CFS total was 200 with two Counties in New Hampshire above this average.

During May 2021, Enforcement and Licensing Personnel serviced 191 different municipalities throughout the state, up from 159 in April 2021. Of these, the 10 cities & towns visited most are as follows:

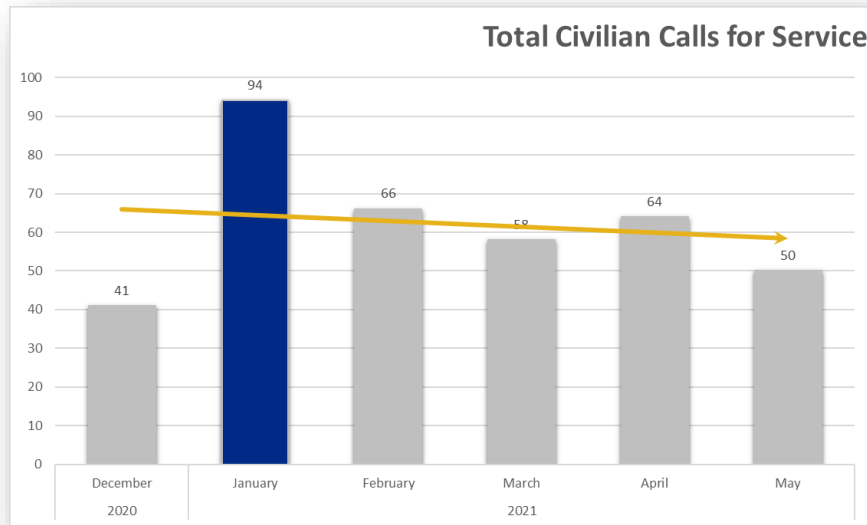
- |              |     |              |     |
|--------------|-----|--------------|-----|
| • Manchester | 479 | • Nahua      | 300 |
| • Hampton    | 84  | • Laconia    | 65  |
| • Hudson     | 60  | • Littleton  | 57  |
| • Keene      | 55  | • Portsmouth | 47  |
| • Lincoln    | 47  | • Bedford    | 46  |



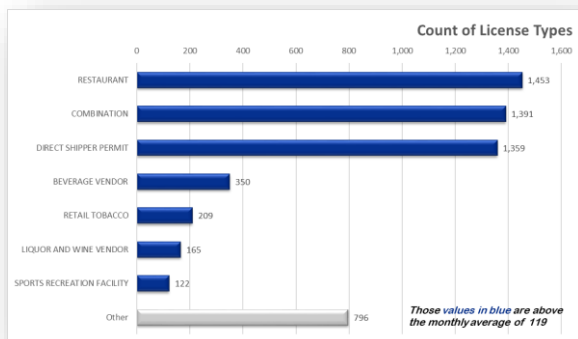
## ADMINISTRATIVE

### CALLS FOR SERVICE – CIVILIAN PERSONNEL

The number of Calls for Service among Civilian personnel fell slightly in May to a total of 50 and remain below norms.



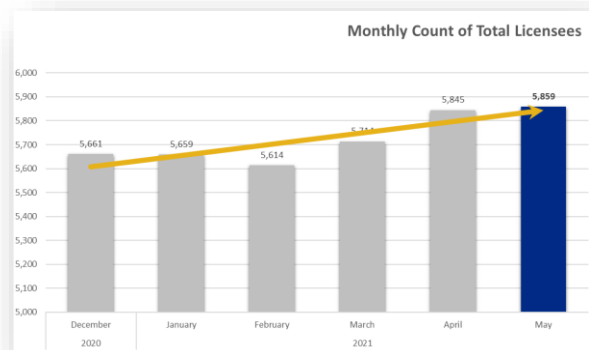
## LICENSING



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 May 2021, there were 5859 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 1444 licenses on file at the end of this month. The next most common were *Combination* licenses with 1404, followed by *Direct Shipper* permits with 1359.

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 May total licensee count continues a multi-month increase but at a slower pace than the previous two months..





## New Licensees

During May 2021, Initial License Fees were collected from 70 applications. Of the 19 different license types applied for, the most commonly applied for license types were *Restaurant*, *Direct Shipper*, and *Special One-Day* licenses, which accounted for 10 applications each while there were nine new applications for *Beverage Vendor*, and 8 for *Combination* licenses.

## Petitions Made by Licensees

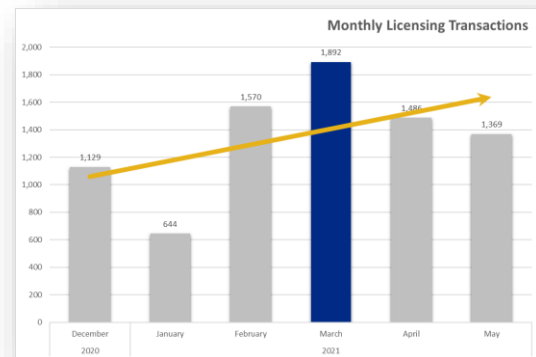
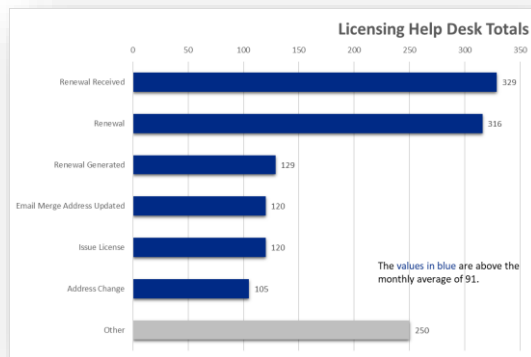
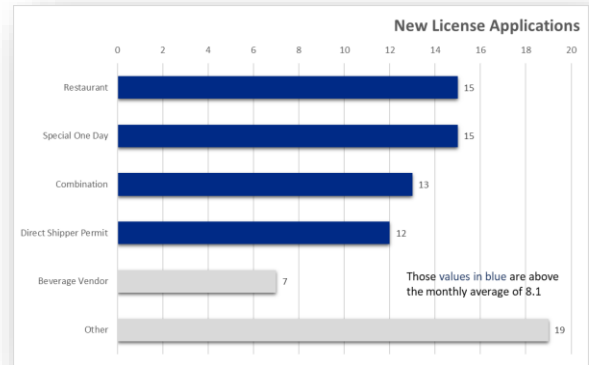
In the course of business, licensees may find that they need to make changes or accommodations that were not a part of their initial license application. This could be a temporary or permanent outdoor location, the addition of a new type of beverage, or even a modification of the licensee's premises. 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 May 2021, the Division approved 34 petitions. There were 11 requests approved for *Authorization for use of Other Areas* while request for *Approval for Extension of Service Area* was approved 16 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 1369 transactions recorded by Division personnel during May 2021. Activities related to license renewals (*Generated, Received, Processed*) accounted for the most activity within the Help Desk with 774 total transactions counted.



May saw another decrease in Help Desk activity however total transactions processed by the Licensing Help Desk trending higher over the past six months.

## Feedback

Of the 14 survey responses received by the Licensing Department in May 2021, 100% found the processes and personnel to be effective and efficient.

## AUDITING AND DIRECT SHIPPING

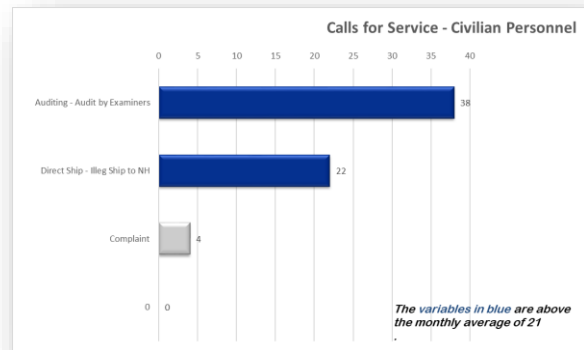
The Division maintains a unit dedicated to dealing with issues around Auditing and Direct Shipping activities within the State of New Hampshire. This unit consists of one Supervisory Auditor, two Field Auditors, one Direct Shipping Auditor and one support staff member. These individuals handle issues 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 5859 different licensees in May 2021.

Auditing and Direct Shipping Civilian Personnel recorded 50 calls for service during May 2021; this is down from the 64 recorded the month before. The most common Service Call type with 37 entries was *Audit by Examiners*.



In addition to the Calls for Service recorded in the RMS, the Auditing staff completed 902 Product Approval-related tasks. This metric continues to trend significantly above totals from prior months and years. For reference, total Product Approvals in May 2020 totaled only 245 and 325 in May 2019. Personnel received and processed 503 separate departmental requests in May 2021.

### Feedback

Of the 14 survey responses received by the Auditing Department in May 2021, 90% 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 May is from transactions originating in the month prior.

During May 2021, the Direct Shipping personnel collected \$163,583.12 in revenue as part of the State's program for out of state suppliers. A total of 709 checks were processed during the month.

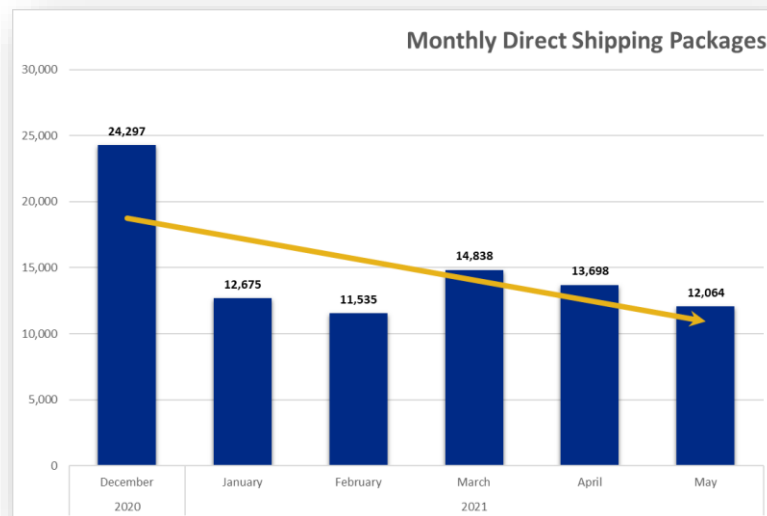
Direct Shipping personnel also processed 97 Renewal Applications during May 2021. Furthermore, there were 10 New Applications processed.

The processing of Carrier reports in May 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 37 improper or illegal shipments into the state with 17 notification letters of Illegal Shipment sent to Direct Shippers in May 2021. Staff added 13 companies to the State's

Seizure list, while there were 40 companies removed from this same list. The statistics for the authorized carriers are as follows:

<i>Carrier</i>	<i># of Packages</i>
<b><i>FedEx Express</i></b>	738
<b><i>FedEx Ground</i></b>	5732
<b><i>UPS</i></b>	5594
<b><i>Total</i></b>	12064

Historical data shows that the number of packages shipped into the State of New Hampshire is trending flat over the last five months with a major holiday anomaly in December 2020 skewing the six month trend down.



### Feedback

There were no survey responses submitted for the Direct Shipping Department in the Month of May.

## 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 May 2021, there were 851 attendees for in-person, virtual, and online classes/certifications offered. The Division did not hold Public Program Events during the month.

### Feedback

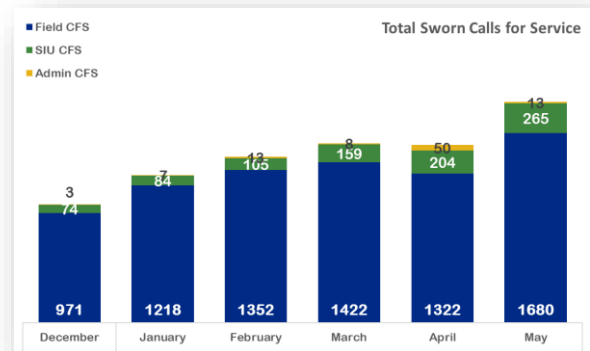
Of the 46 survey responses received by the Training and Outreach Department in May 2021, over 99% found the processes and personnel to be effective and efficient.

## ENFORCEMENT

### CALLS FOR SERVICE – SWORN PERSONNEL

During May 2021, the Sworn Personnel within the Division tallied 1958 calls for service. Of these entries, *Inspection-Premise Check* was the most commonly used type with a total of 459 entries.

The number of Calls for Service among all Sworn has trended higher since the recent low of 978 in November 2020. May has seen an increase in Calls for Service by Sworn Personnel. Overall, CFS totals continue to return 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 1680 calls for service during May - up from the 1322 recorded the previous month. The most commonly used CFS type was *Inspection - Premise Check*.

### 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 265 calls for service during May 2021; this was up from the 204 observed in April. Of the 13 different CFS in May, Compliance Check – Alcohol - Off-Premise Sale was the most common with 63 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 13 calls for service during May 2021, down from the 50 in April.

## 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 May 2021.

### Summary

There were 29 individuals cited during May 2021. Of these, 26 individuals were issued a Summons. Additionally, there were three individuals taken into temporary custody due to statutory requirements.

The County with the most incidents was *Hillsborough County* with 13 and the municipality with the most was *Manchester* with 13.

Trending for individuals cited and/or taken into custody is up during the past six months with May tying the second highest total of cited individuals over the past six months.

## 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 May 2021, there were 677 Compliance Checks conducted. Of these, 373 were for *On-Premises Alcohol Sales* and 298 were for *Off-Premises Alcohol Sales*. There were seven *Tobacco Sale* compliance checks during the month. There were 120 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 May 2021, a breakdown of the different types, and a tally of the fines issued.

### Summary

During May 2021, personnel logged 258 Compliance investigations. Of these, 124 cases are still ongoing. Of the 88 cases that were closed, 43 resulted in the issuance of a verbal warning, 15 saw a verbal counsel issued, and 14 administrative notices were issued.

### Fines

During May 2021, a total of \$6,500 in Administrative Fines were issued. These came from 18 separate instances from five different licensee types. 10 of the licensees were *Combination licenses*, four held *Restaurant* licenses, two held *Sports Recreation Facility licenses* with one Retail Tobacco and one Cigar Bar receiving one fine each.

## NON-TITLE XIII ACTIONS

During the month of May, Investigators responded to two life-safety related situations not associated with a licensed premise, New Hampshire Liquor and Wine Outlet, or a Title XIII investigation.

## 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 May 2021, there were 33 open cases in active investigation by Field personnel. During the month, investigators closed 8 total cases, while 3 cases had no criminal nexus and one case was based on unfounded claims.