PROGRAM DESCRIPTION

Department of Public Safety
Program Name: Regulatory Compliance
Program is found in the following core budget(s): ATC Core Budget

1a. What strategic priority does this program address?
   Increase Liquor and Tobacco Law Compliance to Create a Safer State, by reducing problems related to alcohol consumption.

1b. What does this program do?
   - Regulates the Alcohol and Tobacco Control Industry relating to the manufacture, distribution and sale of alcoholic beverages. Duties include investigative licensing, Server Training, Tobacco Merchant Training, and undercover investigations.
   - This system governs the marketing, promotion and sale of alcohol. The three tier system ensures three major components of tax collection, product integrity and market stability are constantly reinforced. ATC teaches the liquor industry on liquor control and tobacco laws through constant interactions and training conducted in the industry.
   - Investigations are conducted for any observed or reported violations to ensure compliance of liquor control and tobacco laws.

2a. Provide an activity measure(s) for the program.

STATEWIDE REGULATORY ACTIVITY

<table>
<thead>
<tr>
<th>Activity</th>
<th>FY'18 Actual</th>
<th>FY'19 Projected</th>
<th>FY'20 Projected</th>
</tr>
</thead>
<tbody>
<tr>
<td>Server Training Presentation</td>
<td>46</td>
<td>58</td>
<td>65</td>
</tr>
<tr>
<td># of People Trained</td>
<td>944</td>
<td>1,180</td>
<td>1,200</td>
</tr>
<tr>
<td>Routine Inspection</td>
<td>2,564</td>
<td>4,385</td>
<td>4,600</td>
</tr>
<tr>
<td>Assist Outside Agency in Law Enforcement</td>
<td>26</td>
<td>33</td>
<td>35</td>
</tr>
<tr>
<td>Badges in Business</td>
<td>26</td>
<td>33</td>
<td>35</td>
</tr>
<tr>
<td>Routine Investigation</td>
<td>2,272</td>
<td>2,840</td>
<td>2,900</td>
</tr>
<tr>
<td>Special Investigation</td>
<td>112</td>
<td>140</td>
<td>160</td>
</tr>
<tr>
<td>Violation Report (Outside Agency)</td>
<td>59</td>
<td>59</td>
<td>59</td>
</tr>
<tr>
<td>Violation Report (ATC)</td>
<td>134</td>
<td>160</td>
<td>165</td>
</tr>
<tr>
<td>Arrest Report</td>
<td>60</td>
<td>75</td>
<td>85</td>
</tr>
</tbody>
</table>

FY'17 was the first year ATC received funding through the ATC Dedicated Fund, and began the hiring process to staff the Division and create an enforcement strategy to fulfill the duties of regulating Chapter 311 and 407.924 through 407.935. The program will be defined in the current fiscal year, and continue to be tweaked to determine the most effective and efficient methods to meet the objectives to increase compliance with the liquor laws and the objectives of the program.

*Special Investigations and Violations Reports were not broken out into separate categories until 1/1/2018.*
Program Description

Department of Public Safety

Program Name: Regulatory Compliance

Program is found in the following core budget(s): ATC Core Budget

2b. Provide a measure(s) of the program's quality.

A reduction in the ratio of number of violations as compared to inspections and investigations would show a positive result in increased compliance.

<table>
<thead>
<tr>
<th></th>
<th>FY'18 - Actual</th>
<th>FY'19 - Projected</th>
<th>FY'20 - Projected</th>
</tr>
</thead>
<tbody>
<tr>
<td>Violation Reports</td>
<td>193</td>
<td>219</td>
<td>224</td>
</tr>
<tr>
<td>Investigations*</td>
<td>4,948</td>
<td>7,365</td>
<td>7,660</td>
</tr>
<tr>
<td>Ratio of Violations to Investigations</td>
<td>3.90%</td>
<td>2.97%</td>
<td>2.92%</td>
</tr>
</tbody>
</table>

2c. Provide a measure(s) of the program's impact.

ATC increased staff in FY’17 and FY’19 to accommodate a new direction in regulatory efforts. In efforts to increase compliance and provide licensees with information, ATC provides regulatory compliance to approximately 15,000 liquor licensees throughout the state of Missouri. In addition, regulatory compliance affects all citizens in Missouri by providing a safer environment enhanced by licensees adherence to laws.
Program Description

Department of Public Safety  
Program Name: Regulatory Compliance  
Program is found in the following core budget(s): ATC Core Budget  
HB Section(s): 8.145

2d. Provide a measure(s) of the program's efficiency.

![Program Activities Chart]

ATC increased staff in FY'17 and FY'19 to accommodate a new direction in regulatory efforts. These are measures ATC will be tracking to increase compliance of liquor control and tobacco laws:

- Efficiency Measures Continued:
  - Number of Badges in Business Investigations - Reduced violations resulting in increased compliance.
  - Number of Public Relations Visits - Increase public’s awareness of agency activities.
  - Increased Number of Server Training Events and Number of People Trained will decrease violations.
  - Reduced Number of Violation Reports shows increase in compliance.
  - Number of Applications resulting in Investigations - Increased information to licensees regarding licensing requirements.
  - Number of Alcohol and Tobacco Inspections - Increased knowledge results in increased compliance.
  - Number of Alcohol and Tobacco Investigations - Reduced violations results in increased compliance.

By tracking the above measures, ATC will be able to gauge the efficiency of the agents and their efforts. Through active and efficient enforcement, ATC should begin to see an increase in compliance to liquor control and tobacco laws and correspondingly a reduction in violations.
Department of Public Safety
Program Name: Regulatory Compliance
Program is found in the following core budget(s): ATC Core Budget

3. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year. (*Note: Amounts do not include fringe benefit costs.*)

4. What are the sources of the "Other " funds?

   ATC Dedicated Fund and Healthy Family Trust Fund

5. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

   Chapter 311, RSMo, Rules and Regulations of the State Supervisor, and Sections 407.924 through 407.934, RSMo. Alcohol and Tobacco Control is charged by Section 311.670, RSMo, with keeping the three tier alcohol beverage distribution in place.

6. Are there federal matching requirements? If yes, please explain.

   No

7. Is this a federally mandated program? If yes, please explain.

   No