

PROGRAM DESCRIPTION

Department of Public Safety

HB Section(s): 8.155

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?

The regulatory compliance program regulates the Alcohol and Tobacco Control (ATC) Industry relating to the manufacture, distribution and sale of alcoholic beverages. Duties include investigative licensing, Server Training, Tobacco Merchant Training, and undercover investigations. The liquor industry operates under a three tier system that governs the marketing, promotion and sale of alcohol. This three tier system ensures that the 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

	FY21 - Actual	FY22 - Actual	FY23 - Projected
Server Training Presentations	147	89	105
# of People Trained	695	1,284	1,500
Routine (Field) Inspection	1,065	2,094	2,350
Assist Outside Agency in Law Enforcement	58	1,018	1,100
Badges in Business	62	70	85
Routine Investigation	1,082	1,558	1,700
Special Investigation	206	289	340
Violation Report	93	309	290
Arrest Report	79	398	375
Administrative Violations	501	951	915

ATC had five Agent vacancies during FY'22 that continued to affect the regulatory activity efforts.

Vacancies impacted enforcement numbers in FY22. The Jefferson City Central Office operated one Agent short for eight months of FY22. The Springfield District Office operated one Agent short for all of FY22. The St. Louis District Office operated two Agents short for all of FY22. The Kansas City District Office operated one agent short for nine months in FY22.

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

Alcohol and Tobacco law enforcement officers (Agents, District Supervisors, Deputy and Chief) are Class A POST certified.

The regulatory compliance program performed 4,959 inspections and investigations to ensure compliance with alcohol and tobacco laws and regulations. During those inspections and investigations 951 administrative violations were discovered, or 19% of inspections and investigations resulted in violation. As regulatory efforts increase, the violation rate will decrease.

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

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

	FY21 - Actual	FY22 - Actual	FY23 - Projected
Violations/Arrest Reports	172	707	665
Investigations*	1,346	2,865	3,140
Ratio of Violations to Investigations	13%	25%	21%

* Investigations include routine investigations, special investigations and Law Enforcement assists.

The ratio of violations to investigations decreased in FY21 due to restrictions imposed as a result of Covid-19. Many licensed locations were closed for extended periods of time to protect the public from Covid-19. Also, ATC placed restrictions on our Agents to limit their exposure to Covid-19. Enforcement efforts increased in FY22 which exposed a multitude of violations. ATC believes that our increased presence will help educate and reduce violations.

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

In efforts to increase compliance and provide licensees with information, ATC provides regulatory compliance to approximately 15,500 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.

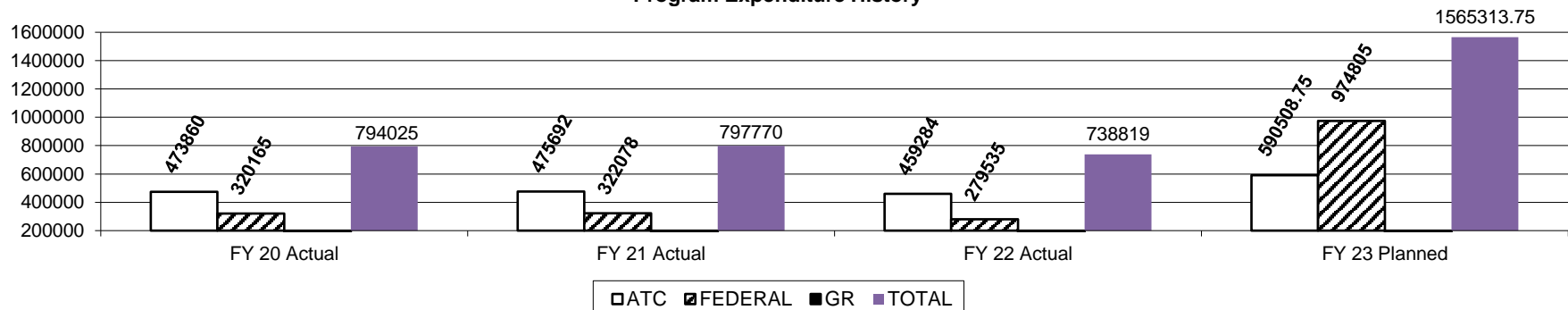
Efficiency Measures Continued:

- Number of Badges in Business Investigations should reduce violations resulting in increased compliance.
- 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 Alcohol and Tobacco Inspections should increase knowledge and result in increased compliance.
- Number of Alcohol and Tobacco Investigations should reduce violations and result 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.

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.)

Program Expenditure History



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

The source of ATC's Other funds comes from the ATC Dedicated Fund as established by Section 311.735, RSMo.

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