

Department of Liquor Licenses and Control

	FY 2021 ACTUAL	FY 2022 ESTIMATE	FY 2023 BASELINE
OPERATING BUDGET			
<i>Full Time Equivalent Positions</i>	45.2	51.2	51.2
Personal Services	1,419,600	1,760,200	1,760,200
Employee Related Expenditures	1,056,600	1,393,000	1,393,000
Professional and Outside Services	293,900	490,300	490,300
Travel - In State	58,900	85,300	85,300
Other Operating Expenditures	649,300	670,100	670,100
Equipment	14,700	57,400	57,400
AGENCY TOTAL	3,493,000	4,456,300	4,256,300 ^{1/}
FUND SOURCES			
<i>Other Appropriated Funds</i>			
Liquor Licenses Fund	3,493,000	4,456,300	4,256,300
SUBTOTAL - Other Appropriated Funds	3,493,000	4,456,300	4,256,300
SUBTOTAL - Appropriated Funds	3,493,000	4,456,300	4,256,300
Other Non-Appropriated Funds	1,148,100	1,218,400	1,218,400
Federal Funds	233,400	112,600	112,600
TOTAL - ALL SOURCES	4,874,500	5,787,300	5,587,300

AGENCY DESCRIPTION — The department licenses, investigates and regulates the production, distribution, and sale of alcoholic beverages throughout the state.

FOOTNOTES

^{1/} General Appropriation Act funds are appropriated as a Lump Sum by Agency.

Operating Budget

The Baseline includes \$4,256,300 and 51.2 FTE Positions from the Liquor Licenses Fund in FY 2023 for the operating budget. FY 2023 adjustments are as follows:

Remove One-Time Funding

The Baseline includes a decrease of \$(200,000) from the Liquor Licenses Fund in FY 2023 for the elimination of one-time automation costs for to-go cocktail licenses.

SUMMARY OF FUNDS	FY 2021 Actual	FY 2022 Estimate
Anti-Racketeering Revolving Fund (LLA2131/A.R.S. § 13-2314.01)		Non-Appropriated
Source of Revenue: Forfeitures of property and assets to satisfy judgments pursuant to state anti-racketeering statutes.		
Purpose of Fund: To investigate and prosecute any offense defined as racketeering pursuant to Arizona statutes.		
Funds Expended	0	0
Year-End Fund Balance	0	0
Audit Surcharge Fund (LLA3010/A.R.S. § 4-209)		Non-Appropriated
Source of Revenue: A \$30 surcharge on liquor licenses for bars, retail stores, and restaurants.		
Purpose of Fund: To fund an auditor and support staff positions to review revenue requirements for restaurant liquor licenses.		
Funds Expended	124,400	127,900
Year-End Fund Balance	162,900	234,100

SUMMARY OF FUNDS	FY 2021 Actual	FY 2022 Estimate
Direct Shipment License Issuance Fund (LLA3017/A.R.S. § 4-203.04B)		Non-Appropriated
<i>Source of Revenue:</i> Fees charged by the director for the issuance of a direct shipment license.		
<i>Purpose of Fund:</i> Administrative costs associated with the direct shipment license.		
Funds Expended	57,200	45,300
Year-End Fund Balance	238,500	229,300
Direct Shipment License Renewal Fund (LLA3018/A.R.S. § 4-203.04D)		Non-Appropriated
<i>Source of Revenue:</i> Fees charged by the director for the renewal of a direct shipment license.		
<i>Purpose of Fund:</i> Administrative costs associated with the direct shipment licensing, auditing, and enforcement.		
Funds Expended	0	0
Year-End Fund Balance	291,600	468,600
DPS-FBI Fingerprint Fund (LLA2159/A.R.S. § 4-112)		Non-Appropriated
<i>Source of Revenue:</i> Fingerprint fees collected as part of the application process.		
<i>Purpose of Fund:</i> Fingerprint fees are transferred to the Department of Public Safety.		
Funds Expended	0	0
Year-End Fund Balance	14,000	5,200
Enforcement Surcharge - Enforcement Unit Fund (LLA3012/A.R.S. § 4-209)		Non-Appropriated
<i>Source of Revenue:</i> A \$20 surcharge on hotel and restaurant liquor licenses and \$35 on all other licenses.		
<i>Purpose of Fund:</i> For the costs of a neighborhood association interaction and liquor enforcement management unit. The unit works with neighborhood associations regarding liquor violations.		
Funds Expended	437,300	452,700
Year-End Fund Balance	190,400	148,500
Enforcement Surcharge - Multiple Complaints Fund (LLA3011/A.R.S. § 4-209)		Non-Appropriated
<i>Source of Revenue:</i> A \$35 surcharge on liquor license renewals.		
<i>Purpose of Fund:</i> To investigate licensees which have been the subject of multiple complaints from neighborhood associations, civic groups, and local governments.		
Funds Expended	510,200	453,300
Year-End Fund Balance	219,300	169,700
Federal Grants (LLA2000/A.R.S. § 35-142)		Non-Appropriated
<i>Source of Revenue:</i> Federal revenues received through the Governor's Office of Highway Safety.		
<i>Purpose of Fund:</i> To pay overtime expenses for special investigators investigating licensees reportedly serving alcohol to juveniles.		
Funds Expended	233,400	112,600
Year-End Fund Balance	0	0
Growlers Fund (LLA1997/A.R.S. § 4-116.01)		Non-Appropriated
<i>Source of Revenue:</i> Fees received from growler permit applications.		
<i>Purpose of Fund:</i> To pay operating expenses for the Department of Liquor Licenses and Control.		
Funds Expended	7,800	62,700
Year-End Fund Balance	61,400	95,000
IGA and ISA Fund (LLA2500/A.R.S. § 35-142)		Non-Appropriated
<i>Source of Revenue:</i> Monies received through intergovernmental and interagency agreements.		
<i>Purpose of Fund:</i> To record and manage Intergovernmental Agreements and Internal Service Agreements.		
Funds Expended	7,300	0
Year-End Fund Balance	67,300	50,000

SUMMARY OF FUNDS	FY 2021 Actual	FY 2022 Estimate
Liquor Licenses Fund (LLA1996/A.R.S. § 4-120)		Appropriated
Source of Revenue: A portion of the state's liquor license fee revenues, not to exceed the appropriation of the Legislature.		
Purpose of Fund: To pay operating expenses for the Department of Liquor Licenses and Control. Any balance over \$700,000 shall revert to the General Fund at the end of each year.		
Funds Expended	3,493,000	4,456,300
Year-End Fund Balance	0	0
Sampling Privileges Fund (LLA1998/A.R.S. § 4-116.01)		Non-Appropriated
Source of Revenue: Fees received from sampling privilege permit applications.		
Purpose of Fund: To pay operating expenses for the Department of Liquor Licenses and Control.		
Funds Expended	3,900	76,500
Year-End Fund Balance	61,400	88,500