

Alcoholic Beverage Control, Division of

Mission

The Division of Alcoholic Beverage Control operates under the direction of the State Liquor Authority (SLA), a three-member Board consisting of a Chairperson, who acts as the agency administrator, and two Commissioners, appointed by the Governor with the advice and consent of the Senate. The Division regulates and controls the manufacture, sale and distribution of alcoholic beverages within the State; issues licenses and permits to manufacturers, distributors, wholesalers and retailers; works with local law enforcement agencies and localities across the State to ensure compliance with the Alcoholic Beverage Control Law; and regulates trade and credit practices for the sale and distribution of alcoholic beverages.

Organization and Staffing

The agency is organized into three major business units: Administration, Licensing and Compliance. These units are under the direction of an Executive Team including the Chairman's Office, Office of Public Affairs, Licensing Bureau, Wholesale Bureau, Enforcement Bureau, Office of Counsel, Hearing Bureau, Secretary's Office and Internal Audit.

Budget Highlights

The FY 2021 Executive Budget recommends \$47.6 million All Funds in appropriation (\$13.3 million in General Fund and \$34.3 million in Special Revenue Funds - Other), reflecting an All Funds increase of \$34.3 million from FY 2020. The increase reflects the creation of the Cannabis Management Program. This new appropriation will be available for activities to support a comprehensive cannabis regulatory framework, including licensing, product and distribution of cannabis products in the adult-use, industrial, and medical cannabis markets.

The FY 2021 Executive Budget recommends a workforce of 311 FTEs, an increase of 191 FTEs from FY 2020 for the staffing of the Office of Cannabis Management.

Program Highlights

Chairman's Office

The Chair of the Authority is statutorily responsible and has sole authority for the administration of the State Liquor Authority/Division of Alcoholic Beverage Control. The Office coordinates daily agency operations, providing external support to a wide variety of public and licensed interests, as well as internal support to all agency program units.

Office of Public Affairs

The Office of Public Affairs fosters positive working relationships with federal, state and local legislators, community groups and their staffs. The Office engages in discussions in support of the SLA's annual legislative program and, where appropriate, Governor's Program Bills bearing on alcoholic beverage control policy. It also responds to media requests, distributes press releases, and coordinates press-related events and assists in the management of the content of the agency's website.

Licensing Bureau

The Licensing Bureau coordinates statewide licensing policies, standards and initiatives, and ensures that all license or permit applicants meet the statutory requirements. Staff reviews all license and permit applications, and prepares detailed reports to ensure either the Licensing Board or the Authority Members are able to make a proper determination on each application. This program also handles brand registrations for all alcoholic beverages sold in New York State.

Wholesale Bureau

The SLA regulates the distribution and sale of alcoholic beverages through a tiered system of three independent components: manufacturers, wholesalers and retailers. The Wholesale Bureau provides ongoing assistance and guidance to the industry on trade practices and policy issues.

Enforcement Bureau

The Enforcement Bureau is responsible for investigating possible violations of the Alcoholic Beverage Control Law which are rules and regulations relating to the manufacturing, wholesale, retail, transportation, and storage of alcoholic beverages. This program works with law enforcement agencies and community groups across the State; performs undercover investigations; and conducts training for police departments, licensees, servers and

other beverage industry members on alcohol related issues.

Hearing Bureau

The Hearing Bureau is comprised of part-time Administrative Law judges. This program conducts all disciplinary proceedings when licensees are charged with violations and holds hearings to review Licensing Board decisions denying licenses.

Secretary's Office

This program is responsible for implementing all disciplinary determinations made by the Board; collecting civil penalties and bond payments; and maintaining the repository of agency documentation.

Internal Audit

Internal Audit consists of a shared Special Counsel for Ethics, Risk, and Compliance and Director of Internal Audit. Both positions are shared with the Department of Agriculture and Markets. The Special Counsel position is also shared with the Roosevelt Island Operating Corporation. This program works with the SLA's employees on identifying risks and ensuring compliance in policies and procedures through evaluations and testing processes.

Office of Cannabis Management

The proposed Office of Cannabis Management will specialize in cannabis regulation - overseeing the medical, adult-use and hemp programs. The Office will administer social equity licensing opportunities, regulate an egalitarian adult-use market structure, and facilitate market entry.

**ALL FUNDS
APPROPRIATIONS
(dollars)**

Category	Available FY 2020	Appropriations Recommended FY 2021	Change From FY 2020	Reappropriations Recommended FY 2021
State Operations	13,313,000	47,622,000	34,309,000	0
Total	13,313,000	47,622,000	34,309,000	0

**ALL FUND TYPES
PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM
FILLED ANNUAL SALARIED POSITIONS**

Program	FY 2020 Estimated FTEs 03/31/20	FY 2021 Estimated FTEs 03/31/21	FTE Change
Administration			
General Fund	15	15	0
Cannabis Management			
Special Revenue Funds - Other	0	191	191
Compliance			
General Fund	49	49	0
Licensing and Wholesaler Services			
General Fund	56	56	0
Total	120	311	191

NYS DOB | FY2021 Executive Budget | Agency Appropriations
STATE OPERATIONS
ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE
APPROPRIATIONS
(dollars)

Fund Type	Available FY 2020	Recommended FY 2021	Change
General Fund	13,313,000	13,313,000	0
Special Revenue Funds - Other	0	34,309,000	34,309,000
Total	13,313,000	47,622,000	34,309,000

STATE OPERATIONS
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM
APPROPRIATIONS
(dollars)

Program	Available FY 2020	Recommended FY 2021	Change
Administration			
General Fund	3,846,000	3,846,000	0
Cannabis Management			
Special Revenue Funds - Other	0	34,309,000	34,309,000
Compliance			
General Fund	4,589,000	4,589,000	0
Licensing and Wholesaler Services			
General Fund	4,878,000	4,878,000	0
Total	13,313,000	47,622,000	34,309,000

STATE OPERATIONS - GENERAL FUND
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES
FY 2021 RECOMMENDED
(dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	1,377,000	0	1,362,000	0
Compliance	4,044,000	0	3,529,000	0
Licensing and Wholesaler Services	2,895,000	0	2,694,000	0
Total	8,316,000	0	7,585,000	0

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Administration	5,000	0	10,000	0
Compliance	500,000	0	15,000	0
Licensing and Wholesaler Services	151,000	0	50,000	0
Total	656,000	0	75,000	0

NYS DOB | FY2021 Executive Budget | Agency Appropriations
STATE OPERATIONS - GENERAL FUND
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
FY 2021 RECOMMENDED
(dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	2,469,000	0	176,000	0
Compliance	545,000	0	108,000	0
Licensing and Wholesaler Services	1,983,000	0	60,000	0
Total	4,997,000	0	344,000	0

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	27,000	0	2,214,000	0
Compliance	32,000	0	232,000	0
Licensing and Wholesaler Services	20,000	0	1,848,000	0
Total	79,000	0	4,294,000	0

Program	Equipment	
	Amount	Change
Administration	52,000	0
Compliance	173,000	0
Licensing and Wholesaler Services	55,000	0
Total	280,000	0

STATE OPERATIONS - OTHER THAN GENERAL FUND
SUMMARY OF APPROPRIATIONS AND CHANGES
FY 2021 RECOMMENDED
(dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Cannabis Management	34,309,000	34,309,000	10,170,000	10,170,000
Total	34,309,000	34,309,000	10,170,000	10,170,000

Program	Nonpersonal Service	
	Amount	Change
Cannabis Management	24,139,000	24,139,000
Total	24,139,000	24,139,000

Note: Most recent estimates as of 01/29/2020