



**NEW YORK STATE LIQUOR AUTHORITY
DIVISION OF ALCOHOLIC BEVERAGE CONTROL**

2009 - 2010 ANNUAL REPORT



**Dennis Rosen, Chairman
Jeanique Greene, Commissioner
Noreen Healey, Commissioner**

Table of Contents

Chairman’s Welcome	4
Executive Summary.....	5
Reorganizing the SLA: “Off to a Promising Start”	5
Increasing Productivity:	6
Tackling the Licensing Backlog.....	6
Easing the Way for Business:	6
The Attorney Certification Program.....	6
Regulatory Reform	7
Review of Divisional Orders, Bulletins, and Circulars	7
Review of SLA Rules	7
Public-Private Partnership Initiatives.....	8
Wells Fargo Lockbox Agreement	8
E-Licensing Project	8
SLA Call Center	8
Geographic Information System	9
Stepping Up Agency Compliance Efforts	9
Historical Overview and Agency Mission	10
A Look Back at Prohibition	10
The Mission of the New York State Liquor Authority	11
Office of the Chairman and the Executive	13
Administrative Challenges: Internal Controls	13
Office of Public Information and Legislative Affairs	14
Opening Lines of Communication with Government and Community.....	14
Outreach to the Industry	15
Statutory Changes in 2010.....	15
Temporary Permits: Getting Businesses Open and Operating	15
Alternating Proprietorships: New Opportunities for Breweries.....	16
Expanding the Definition of Cash.....	16
Making Required Notifications Easier.....	16

Focal Point Bill: Targeting Bars that Threaten Public Health and Safety	16
Providing Incentives for Licensee Training	17
FOIL and Legislative Inquiries.....	17
The SLA Licensing Bureau: Growing New York’s Economy	17
Processing License Applications.....	17
Regulating the Myriad of Licenses and Permits.....	18
SLA Licensing Numbers: Economic Growth on the Upswing	21
Permitting: Ensuring Public Safety	21
Renewals: Improving Processes and Customer Service.....	23
Licensing Bureau Summary: Small in Size, Large in Mission	24
Wholesale Bureau: Maintaining the Three Tier System	25
Online Price Posting: System Upgrade for 2011	25
COD: Addressing Tied House Concerns.....	26
Compliance and Enforcement: Striking a Balance	27
Protecting the Public with Emergency Suspensions	27
The Hearing Process.....	29
The Alcohol Training and Awareness Program (“ATAP”).....	30
Counsel’s Office	31
Clearing Up the Backlog of Legal Casework.....	31
Disciplinary Proceedings	31
Other Litigation	33
Counsel’s Office Work Towards Regulatory Reform.....	33
Increasing Efficiency in Counsel’s Office.....	34
The SLA Board & Secretary to the Board	36
Streamlining Board Functions.....	36
The Office of the Secretary	37
Total Agency Revenue.....	37
Office Directory – Phone Numbers and Email Addresses.....	38

Chairman's Welcome



On behalf of the New York State Liquor Authority and the Division of Alcoholic Beverage Control, ("SLA") I present the 2009-10 Annual Report. This report includes comprehensive information and statistical data pertaining to the agency's activities.

The SLA is responsible for issuing liquor licenses and ensuring that licensees comply with the Alcoholic Beverage Control Law ("ABC Law"). Our agency works with licensees, local law enforcement agencies, community groups, and other partners across the state to protect the public health and safety by regulating the alcoholic beverage industry fairly and efficiently.

At the time of my appointment to the Authority in August 2009, the agency was criticized by the liquor industry, the Law Revision Commission, newspapers such as the *New York Times*, and the State Inspector General's Office for its failure to process license applications in a timely manner, and for not having adequate checks and balances. There was an industry-stifling statewide backlog of over 3,100 untouched license applications, with downstate applications typically taking well over a year to process and upstate application reviews averaging over seven months.

As this report will confirm, the SLA has, over the past 18 months, made considerable progress in instituting necessary internal controls and reducing the applications backlog by 75%. However, increasing efficiency in processing applications has not come at the expense of our commitment to protecting the public. To this end, we have refocused our resources on those licensees who pose a danger to their communities by committing serious violations, such as selling alcoholic beverages to minors, serving intoxicated patrons, and turning a blind eye to violent and other illegal behavior in their establishments.

I am also pleased to report that, with the collaboration of the State Legislature and the Division of the Budget ("DOB"), the SLA is on the cusp of acquiring sorely needed technology upgrades which will make the agency's operations substantially more cost effective and transparent. Also, in the interests of increased transparency, as well as greater responsiveness to our stakeholders, I have regularly met, and will continue to meet, throughout the state with citizens groups, industry members, law enforcement officials, elected officials and others to discuss how the SLA can better fulfill its responsibilities.

The SLA is the state's third highest revenue generating agency. The revenue we raise exceeds our expenditures by about \$35 million annually. As a result of increased cost efficiencies, for fiscal year 2009-2010 we spent almost \$2 million less than our budget provided for, and projections for 2010-2011 indicate that this savings will most likely be exceeded. In addition, by making the license application review process more efficient, the SLA has contributed to the creation of thousands of jobs and the generation of millions of dollars of additional tax revenue. In closing, I assure you we will continue to exert our best efforts to effectively *regulate*, rather than *interfere with*, the manufacture and sale of alcoholic beverages in New York State.

Sincerely,

A handwritten signature in black ink that reads "Dennis Rosen". The signature is written in a cursive, flowing style.

DENNIS ROSEN, Chairman

Executive Summary

Reorganizing the SLA: “Off to a Promising Start”

On September 30, 2009, about five weeks after Chairman Rosen assumed office, the SLA was described by the New York State Legislature’s Law Revision Commission as a “dysfunctional and programmatically-challenged” agency in need of rehabilitation.¹ Additionally, the Commission characterized the ABC Law as one that “has undergone piecemeal amendments making it tortuous reading” and one that is “fraught with ambiguities and deficiencies...”² The Commission characterized the task of correcting the SLA’s problems as “herculean.”³

However, the Commission also noted that “the recently confirmed SLA Chairman and the new SLA administration are off to a promising start.”⁴ Three months later, in its final report, it noted that “Overall, the SLA’s progress has been remarkable.”⁵ For example, the agency had re-instituted several basic administrative protocols such as time and attendance policies, proper use and authorization of state vehicles, and employee disciplinary protocols, which had fallen by the wayside. The agency also had already met several times with representatives of industry and the ABC Law bar to discuss new policies and procedures.

In the course of reorganizing the agency, highly experienced professionals were brought onboard to manage problematic areas. Because the New York City office had been the target of a number of investigations by the Inspector General’s Office, the Deputy CEO position was moved from Albany to New York City to provide enhanced supervision of that office. The position is now filled by an attorney with extensive prosecutorial and regulatory experience obtained through years as a prosecutor in the Manhattan District Attorney’s Office and the New York State Attorney General’s Office. Counsel’s Office was also reorganized so that the current General Counsel is also based in New York City instead of Albany, since the majority of enforcement casework is located



SLA hosts external stakeholder information gathering session in February 2010 to ready for agency technology upgrades

¹ Law Revision Commission (“LRC”) Report Part I, 9/30/09, p. 6.

² Ibid., p. 6.

³ LRC Final Report, 12/15/09, p. 5.

⁴ Ibid., p. 5.

⁵ Ibid., p. 2.

there. A new Director of Enforcement, with 30 years experience as a police professional, was hired to oversee enforcement efforts statewide. Having these quality professionals join the agency has enabled the SLA to institute higher standards of ethics and professionalism as well as stretch our resources and forge new relationships with public and private sector partners.

Over the course of the past 18 months, the new administration has corrected the course of the SLA. Although there is still much work ahead, below are some of our accomplishments:

Increasing Productivity:

Tackling the Licensing Backlog

As noted by the Law Revision Commission in September 2009, “the SLA’s most daunting problem is the current backlog of more than 3,000 applications...: 1,996 in the New York City office, 828 in Albany, and 315 in Buffalo.”⁶ A preliminary review of the computer systems and manual processes by the new administration quickly confirmed that the agency’s mission critical applications are over a decade old and do not permit user friendly access by the public or licensees, and preclude the agency from interfacing electronically with other state or local law enforcement or regulatory agencies. In addition, the agency had an almost total lack of internal controls.

The agency instituted an extensive revision of licensing processes which has drastically reduced the backlog. Upstate the backlog of 1,143 has been eliminated and processing time for properly completed applications has been reduced from over seven months to one to three months; downstate the backlog of 1,996 has been reduced to approximately 750 applications, with waiting times reduced from well over a year to two to six months, depending on the nature of the application. We have accomplished this while simultaneously reducing full-time staff from 147 to 127.

Easing the Way for Business:

The Attorney Certification Program

In addition to completely revising the processes by which license applications are reviewed, two months into our administration the SLA Board approved the Attorney Certification Program, which allows attorneys to certify that statements and documents provided in a license application are true and accurate. This saves considerable reviewing time, e.g., an application examiner need not expend time in

⁶ LRC Report Part I, 9/30/09, p. 7.

obtaining and receiving bank records to verify the source of funds for a project. The program has been a success, decreasing the processing times for all applications, certified or non-certified. The SLA has reviewed 2,074 applications under this program since its implementation in October, 2009. We have approved 1,716 of these applications, collecting \$4,249,397 in revenue. This is not a rubber stamp program. We audit a considerable number of these applications and have excluded 14 attorneys from the program for deficient submissions. Further, the certification form clearly indicates that any material misrepresentation that an attorney falsely certifies as true carries the potential liabilities of loss of license to practice law and criminal prosecution.

Regulatory Reform

Review of Divisional Orders, Bulletins, and Circulars

The Law Revision Commission rightfully found that “the SLA’s failure to provide meaningful information about its decisions and policies leaves the regulated industry and the public in the dark.”⁷ This assertion confirmed the findings of a 2006 audit by the Office of State Comptroller indicating that the agency “needed to make its bulletins available on the SLA website.”⁸ The posting of all Divisional Orders, Bulletins, and Circulars was, therefore, a top priority for our administration. In August, 2010, after an exhaustive six-month effort by agency staff, the examination of approximately 1,700 Divisional Orders, Bulletins, and Circulars was completed. The Board voted to rescind 1,592 of the outdated directives, many dating back as far as the 1930’s. The remaining directives were scanned and posted on the agency’s website for public comment.

Review of SLA Rules

The Law Revision Commission noted that the SLA’s rules have not been updated or reviewed “in decades.”⁹ After soliciting public comment, we are well into the process of repealing, updating or modifying approximately 70 SLA rules. This is a major step in the direction of eliminating the burden of unreasonable and anachronistic regulation that has unfairly fallen on the shoulders of the businesses we regulate.

⁷ LRC Report Part I, 9/30/09, p. 36.

⁸ Ibid., p. 36.

⁹ Ibid.

Public-Private Partnership Initiatives

The agency has critically scrutinized and overhauled every procedure and protocol by which it does business. In addition, we have turned to partners in other state agencies and the private sector for cost-savings solutions, many of which are technologically-based.

Wells Fargo Lockbox Agreement

Under a recent agreement, Wells Fargo now provides lockbox remittance processing services for agency financial transactions. Wells Fargo retrieves SLA licensing mail, scans approximately 75,000 pages each month, prepares deposits, and provides remittance documents, data, and reports for the agency. When the agreement is fully implemented, in April 2011, Wells Fargo will be processing all SLA revenue. This agreement has permitted the SLA to, in effect, withdraw from the business of banking, scanning and other clerical functions, allowing our examiners to focus on application review. Most importantly, this partnership imposes no direct costs on the taxpayer; Wells Fargo's compensation is derived entirely from access to agency account balances and increased cash flow.

E-Licensing Project

One of the unequivocal findings of the Law Revision Commission was that "the SLA's outdated software seriously impedes the agency's ability to carry out its functions."¹⁰ Our administration's analysis corroborates the Commission's conclusions. In 2010, the SLA joined the Division of the Budget, the NYS Office for Technology ("OFT"), and six other state agencies in the *E-Licensing Project*. The E-Licensing Project, which due to its size and complexity remains approximately three years from implementation, encompasses a comprehensive computer upgrade of all major licensing functions in New York State. In addition, systems, such as the agency's wholesale platform, which will not be addressed by E-Licensing, are being upgraded in order for the agency to fulfill its statutory obligations.

SLA Call Center

The SLA is also moving forward with the implementation of an agency-wide call center to ensure that all calls are properly routed and accounted for. This will significantly cut back on the inefficient use of time spent on the phones by SLA staff and our constituents. Moreover, it will ensure that our callers get prompt, consistent and correct answers. The call center will utilize the services and product offerings of OFT, thereby consolidating resources with other state agencies. The system will additionally enable supervisors to monitor call volume demand in real time via their computer desktops and provide managers the ability to add, remove and reassign staff as needed. Additionally, reports on call volume by type and area will also be used to reallocate resources as necessary.

¹⁰ LRC Report Part I, 9/30/09, p. 29.

Geographic Information System

Implementation of Geographic Information System (“GIS”) software is underway at the SLA, and should be operational by summer, 2011. GIS can be used to find pertinent geographical location information, e.g., licensees, churches, schools, etc. within a specific area. In addition to being utilized by agency staff, this system will be available on our agency website for the general public’s convenience. It will be of particular usefulness to New York City community boards that may be concerned about the number of liquor licenses in an area or the proximity of a proposed licensed establishment to a church or school.

Stepping Up Agency Compliance Efforts

The Law Revision Commission’s interim report stated that “the SLA is unable to make prevention of underage drinking a statewide priority; lack of regularly conducted on-site inspections neglects public health and safety; unsystematic and inconsistent enforcement procedures neglect health and safety and; lack of oversight of licensees has lead to industry abuses.”¹¹ Its final report, issued three months later, found that:

*A board resolution has delegated authority to impose penalties in minor disciplinary actions to individual SLA Commissioners, on a rotating basis; the Full Board is now able to focus on more serious cases. The agency has also refocused enforcement efforts on the more serious compliance violations such as underage drinking, sales to intoxicated patrons, and quality of life issues.*¹²

Commission recommendations included providing the SLA with additional enforcement staff so the agency can take proactive steps to enforce underage drinking laws and combat licensee abuses that endanger the health, safety and welfare of the public; develop policies that ensure enforcement focuses on serious violations with an impact on public safety, and more closely monitors businesses with a history of complaints and violations; and conduct regular site visits to ensure that all licensees are complying with the law ...¹³ Unfortunately, decreases, rather than increases, in permanent fulltime staffing for enforcement has been necessitated by the state’s fiscal crisis. However, the SLA has refocused its enforcement priorities, acquiring underage decoys and stretching resources through enriched partnerships with local and federal law enforcement. In particular, the SLA and our partners concentrate on investigating and prosecuting the most serious violations of the ABC Law. These *focal point* cases target underage drinking, sales to intoxicated persons, and other violations which pose a threat to the quality of life in our communities.

¹¹ LRC Report Part I, 9/30/09, p. 31.

¹² LRC Final Report, p.2.

¹³ LRC Report Part I, 9/30/09, p. 34-35.

Historical Overview and Agency Mission

A Look Back at Prohibition

The notion that the sale and consumption of alcoholic beverages should be regulated arrived on the American shores with our nation's founding fathers, and it was not long thereafter that the New York Colony felt the effects. Government's effort to manage alcoholic drink was reflected in some of our earliest colonial laws, dating back as far as 1619 in Virginia and 1719 in New Hampshire, where "drunkenness" was first outlawed. The nation's first statute prohibiting public drinking houses from serving patrons on Sunday was passed in the New York colony in 1697.

The *Temperance Movement* in the U.S. dates back to the seventeenth and early eighteenth centuries and is rooted in religious beliefs. By 1820, Evangelical churches were calling for abstinence, and revivalist preachers further fanned the flames of prohibition as the century progressed. Today, we tend to believe that prohibition was first established by the Eighteenth Amendment, when in fact, it was sporadically enacted for short periods of time in the states of Maine, New Hampshire, Vermont, Delaware, Michigan, Indiana, Iowa, Minnesota, Nebraska, Connecticut, Rhode Island, Massachusetts, and yes, New York, between the years 1851 and 1855.



The Civil War temporarily suspended the push for widespread prohibition, as alcohol was commonly utilized as anesthesia. Nonetheless, the temperance movement came back to life after the war, particularly as women began to venture into the American political arena and coupled temperance with a number of other causes, not the least of which was women's suffrage. The "Anti-Saloon League" was formed, and the wave of Europeans flowing into the U.S. at the end of the nineteenth century was used by opportunistic prohibitionists who played on prejudice and provincialism to link the illicit use of alcohol with the newly arrived immigrants. By the turn of the twentieth century, prohibitionists had become so ubiquitous that literature espousing the evils of alcohol was integrated into public school curricula, creating an entirely new, and heavily indoctrinated, crop of prohibitionists. With the passage in 1913 of the Sixteenth Amendment to the U.S. Constitution, authorizing a federal income tax which made the federal government less dependent on the huge revenues generated from liquor taxes, the concept of prohibition became more generally acceptable.

Thus, by the time prohibition was enacted by the Eighteenth Amendment to the Constitution, passed in January, 1919 and put into effect on January 29, 1920, 33 states were already "dry." Of course, the so-called "roaring twenties" could hardly be considered dry. Some estimate anywhere from

32,000 to 100,000 public houses were serving alcohol in New York City alone during prohibition. The war over prohibition raged until, on December 5, 1933, the Twenty-first Amendment repealed federal prohibition.



The Mission of the New York State Liquor Authority

The ABC Law was enacted on May 10, 1934 and became effective on July 1, 1934. Coming on the heels of the Federal Constitutional Amendment, the ABC Law “declared as the policy of the state that it is necessary to regulate and control the manufacture, sale and distribution within the state of alcoholic beverages for the purpose of fostering and promoting temperance in their consumption and respect for and obedience to law.”¹⁴ Furthermore, the ABC Law empowered the “liquor authority of the state to determine whether public convenience and advantage will be promoted by the issuance of licenses to traffic in alcoholic beverages... The restrictions, regulations and provisions ... are enacted by the legislation for the protection, health, welfare and safety of the people of the state.”¹⁵

The SLA is an executive department of the state with a Board consisting of three Commissioners, one of whom is the Chairman. The Chairman serves as the day-to-day administrator of the SLA.

The principles set forth in the Beverage Control Act of 1934 are the core of the SLA’s mission to this day. The responsibilities of the SLA include:

- Reviewing license and permit applications, and investigating applicants to determine eligibility;
- Issuing licenses and permits for the manufacture, wholesale distribution and retail sale of all alcoholic beverages;

¹⁴ ABC Law Art. 1. Sec. 2.

¹⁵ Ibid.

- Limiting, in the Authority's discretion, the number and types of licenses issued as determined by the public welfare;
- Regulating trade and credit practices related to the sale and distribution of alcoholic beverages from manufacturers to wholesalers, and wholesalers to retailers;
- Inspecting premises where alcoholic beverages are manufactured or sold;
- Investigating licensees in connection with violations of the ABC Law, and working with local law enforcement agencies to ensure compliance with the ABC Law; and
- Conducting disciplinary proceedings and hearings, and revoking, canceling or suspending any license or permit, and/or imposing monetary penalties, where appropriate.

The SLA operates three offices: New York City (Zone 1), Albany, which serves as the agency headquarters (Zone 2), and Buffalo (Zone 3). The agency's Licensing Bureau is responsible for the timely review of applications for liquor licenses and permits, and for brand label registrations which are submitted for alcoholic beverages that are about to enter the marketplace. The Enforcement Bureau and Office of Counsel work with local law enforcement agencies to bring administrative actions, heard by the Hearing Bureau, against licensees who violate the law. The Wholesale Bureau oversees the agency's price posting system, which encompasses hundreds of thousands of entries each month, comprising all manufacturer to wholesaler and wholesaler to retailer prices for wine and spirits sold in New York State. The Wholesale Bureau is also charged with ensuring that the laws and regulations pertaining to the manufacture and wholesale distribution of liquor are enforced.



Commissioner Jeanique Greene and PIO staff Kashiff Thompson attend the 2010 New York State Association of Black and Puerto Rican Legislators

Office of the Chairman and the Executive

Administrative Challenges: Internal Controls

The Executive Office of the SLA includes the office of the Chairman, the two Commissioners, the CEO and Deputy CEO, the offices of Public Information and Legislative Affairs, Internal Control and Special Projects, and Information Technology. The agency is administratively hosted by the New York State Office of General Services (“OGS”) for budget and fiscal matters and human resources management.



While working to resolve the agency’s administrative problems, our executive team was simultaneously tasked to reduce staff and spending. Consequently, the agency spent \$1.8 million less than its allotted appropriation in the 2009-2010 fiscal year, and is projected to return over \$2 million to the state general fund for the 2010-2011 fiscal year ending on March 31, 2011 (see Fig. 1). Much of these savings were achieved by a 14% reduction in permanent staff from 147 to 127 over the past 18 months.

Agency Appropriation & Expenditure	FY 2009 - 10	FY 2010 - 11
Administration Appropriation	\$4,939,000	\$4,911,000
Compliance Appropriation	\$8,048,000	\$8,151,000
Licensing and Wholesale Appropriation	\$5,493,000	\$5,673,000
Appropriation Total	\$18,480,000	\$18,735,000
Total of Actual Agency Expenditures	\$16,611,922	\$16,700,000
Cash returned to the General Fund	\$1,868,078 ¹⁶	\$2,035,000 ¹⁷
Technology Appropriation	NA	\$2,400,000

Fig. 1 Agency Appropriations and Expenditures

¹⁶ Savings returned to the NYS General Fund.

¹⁷ Based on Dec. 31, 2010 expenditure projections.

Staffing October 2009				
Program	Zone 1	Zone 2	Zone 3	Total
Administration	6	13	1	20
Counsel	13	8	2	23
Enforcement	18	14	8	40
Licensing	30	22	9	61
Hearing	3	-0-	-0-	3
Total	70	57	20	147
Staffing January 2011				
Program	Zone 1	Zone 2	Zone 3	Total
Administration	6	12	2	18
Counsel	12	7	2	20
Enforcement	16	13	6	35
Licensing	23	23	5	52
Hearing	-0 ⁻¹⁸	-0-	-0-	-0-
Total	57	55	15	127

Fig. 2 Agency Staffing

However, as noted in the Executive Summary, the need to upgrade the agency's technology is essential to achieving further cost efficiencies as well as resolving many of the SLA's operational issues. By working collaboratively with the Division of the Budget, the SLA now has an additional \$2.4 million appropriation for technology in the 2010-2011 budget, although it is anticipated that most of these funds will be spent in subsequent years.

Office of Public Information and Legislative Affairs

Opening Lines of Communication with Government and Community

The Office of Public Information and Legislative Affairs has worked to foster positive relationships with federal, state and local legislators, law enforcement agencies, and community groups throughout the state. For example, the Chairman has attended town hall-type meetings with community groups all over the state.

¹⁸ Due to agency cost cutting measures all agency administrative law judges are now part-time hourly.

Outreach to the Industry

The Chairman, usually accompanied by senior staff, has held over two dozen meetings with contingents of every segment of the liquor industry to explore how the agency can promote a liquor industry in New York State that is vibrant and, at the same time, a good neighbor to the communities in which it does business.

The SLA also holds free training seminars for licensees around the state. Hundreds of licensees turn out for the trainings, where they are brought up-to-date on changes in the ABC Law, as well as afforded an opportunity to raise concerns or offer suggestions. In addition to licensees, participants include municipal officials, police officers, elected officials, and district attorneys' offices. These trainings reflect the agency's philosophy that a collaborative effort to fully inform industry members of their responsibilities is an essential complement to successful enforcement program.

Statutory Changes in 2010

As noted by the Law Revision Commission, "regulating a product that presents both a potential threat to the public's health, safety and welfare while providing considerable tax revenue to the state as well as significant opportunity for economic development requires careful consideration."¹⁹ The thrust of the SLA's legislative agenda this past year fell into two categories: (1) getting out of the way of small business and encouraging economic development in New York State, and (2) protecting the public from anyone who abuses the privileges of a liquor license. Following are some of the legislative changes accomplished in 2010 through collaboration between the Legislature and the SLA.



Chairman Rosen holds meeting with industry and executive staff in September 2009 to discuss agency initiatives

Temporary Permits: Getting Businesses Open and Operating

The ABC Law now provides for the increased availability of Temporary Retail Permits to applicants for new retail licenses while their applications are pending. Prior to the change in the statute,

¹⁹ LRC Final Report, 12/15/09 p. 8.

temporary permits were only available to applicants if an establishment was already licensed and being transferred. The new temporary permits are not available for applicants applying for wine or liquor stores, for any on-premises license that is subject to the 500 foot law,²⁰ or for premises located in New York City.

Alternating Proprietorships: New Opportunities for Breweries

Licensed brewers may now apply to the SLA for approval to lease their excess brewing space and equipment to “licensed tenant brewers” for purposes of alternation, manufacture, production, blending, packaging, bottling, purchasing, selling and delivering of alcoholic beverages. This should provide a major stimulus to the growing micro brewery industry in New York State.

Expanding the Definition of Cash

The ABC Law provides that, in certain situations, a retailer must pay cash for products purchased from wholesalers. The definition of “cash” for payments made by retailers purchasing products from wine and spirits wholesalers included electronic funds transfers. Unfortunately, due to a drafting oversight, the same update was never made for purchases of beer by retailers, causing confusion in the beer industry. That oversight has now been corrected and electronic funds transfers are now considered cash for wholesale to retail sales of beer as well as wine and spirits.

Making Required Notifications Easier

The ABC Law required that applicants filing for certain types of new or renewed on-premises licenses, file notification with their local municipality via certified mail or registered mail, return receipt requested, a minimum of 30 days in advance of filing with the SLA. Overnight delivery and personal service have now been added as options with which an applicant may satisfy the notice requirements. Certified mail or overnight delivery service is also now available to brand label registrants.

Focal Point Bill: Targeting Bars that Threaten Public Health and Safety

Moving against licensees who continually disrupt or pose a danger to their communities is a top priority of SLA enforcement. These can be cases involving ongoing patterns of sales to minors or intoxicants, fights, excessive noise, etc. The ABC Law refers to such establishments as police “focal points.” If a focal point charge is sustained, an appropriate penalty, including revocation of a license, may be imposed. The ABC Law now provides that if the SLA receives six police referrals within a 60 day

²⁰ ABC Law mandates that hearings be held where an applicant seeks an on-premises liquor license in a municipality with a population of 20,000 or more, where three or more on-premises liquor licenses already exist within 500 feet of the proposed establishment.

period, the establishment is considered a focal point. This change in the statute should prove to be an effective weapon in the agency's law enforcement arsenal.

Providing Incentives for Licensee Training

A new provision of the ABC Law provides that a licensee who faces charges for serving an underage or visibly intoxicated person, and has not been convicted of an SLA violation within the past five years, faces a maximum penalty of a \$1,000 bond claim if the server alleged to have made the sale has completed an Alcohol Training and Awareness Program ("ATAP") prior to the date of the violation. In addition, licensees convicted of a sale to a minor or an intoxicated patron may receive a 25% reduction in the penalty if within 90 days of the conviction all of their servers are ATAP trained. The five year clean record requirement also applies.

FOIL and Legislative Inquiries

Our Office of Public Information and Legislative Affairs responds to an average of 144 requests monthly for information under the State's Freedom of Information Law ("FOIL"). These calls may range from questions about the laws, rules and regulations of the agency, or recommendations on proposed legislation, to the status of individual permit or license applications.



The SLA Licensing Bureau: Growing New York's Economy

Deputy Commissioner Kerri O'Brien addresses the New York Association of Convenience Stores

Processing License Applications

The New York State Department of Taxation and Finance reports that during the 2008 – 09 fiscal year approximately 33,000 liquor licensees generated over \$38 billion in taxable sales. This is just one example of the huge economic significance to New York State of the liquor industry. Therefore, it is essential that the SLA conduct its examinations of license applications in the most efficient way possible.

As noted previously in this report, in addition to tackling a backlog of over 3,100 license applications, the agency was further challenged by a mandated reduction in staffing necessitated by the economic downturn. By instituting changes in business processes, implementing additional technologies, and reorganizing the Licensing Bureau, the backlog of license applications has been

eliminated upstate and reduced to approximately 750 downstate. In 2011, the SLA will take further measures toward finally eradicating the backlog.

The Licensing Bureau has offices in New York City, Albany, and Buffalo. These units are charged with application review, documentation of findings, and preparation of detailed reports for submission to the SLA Board or the SLA Licensing Board, to which the SLA Board has delegated decision-making authority on certain types of applications for approval or disapproval. The Albany Licensing Unit is further divided into the Permit and the Renewal units. The Permit Unit processes all permit types, with the exception of temporary operating permits for applicants whose license applications are pending, which are processed by the Licensing units. The Renewal Unit processes all applications for license renewal and renewable permits.

Regulating the Myriad of Licenses and Permits

There are 96 distinctly defined license and 91 permit types, which allow for various types of trafficking in alcoholic beverages. However, approximately 50 of these constitute the majority of application categories. In order to conduct a thorough and accurate license or permit application review, Licensing Bureau staff must be knowledgeable in the ABC Law. Consequently, SLA legal staff conducts training for licensing staff, and senior licensing staff from Albany regularly conduct training for licensing examiners in the New York City and Buffalo offices. As of December 31, 2010, the SLA was responsible for the regulation of over 50,000 active licensees and 51,000 permittees (see Fig. 4).

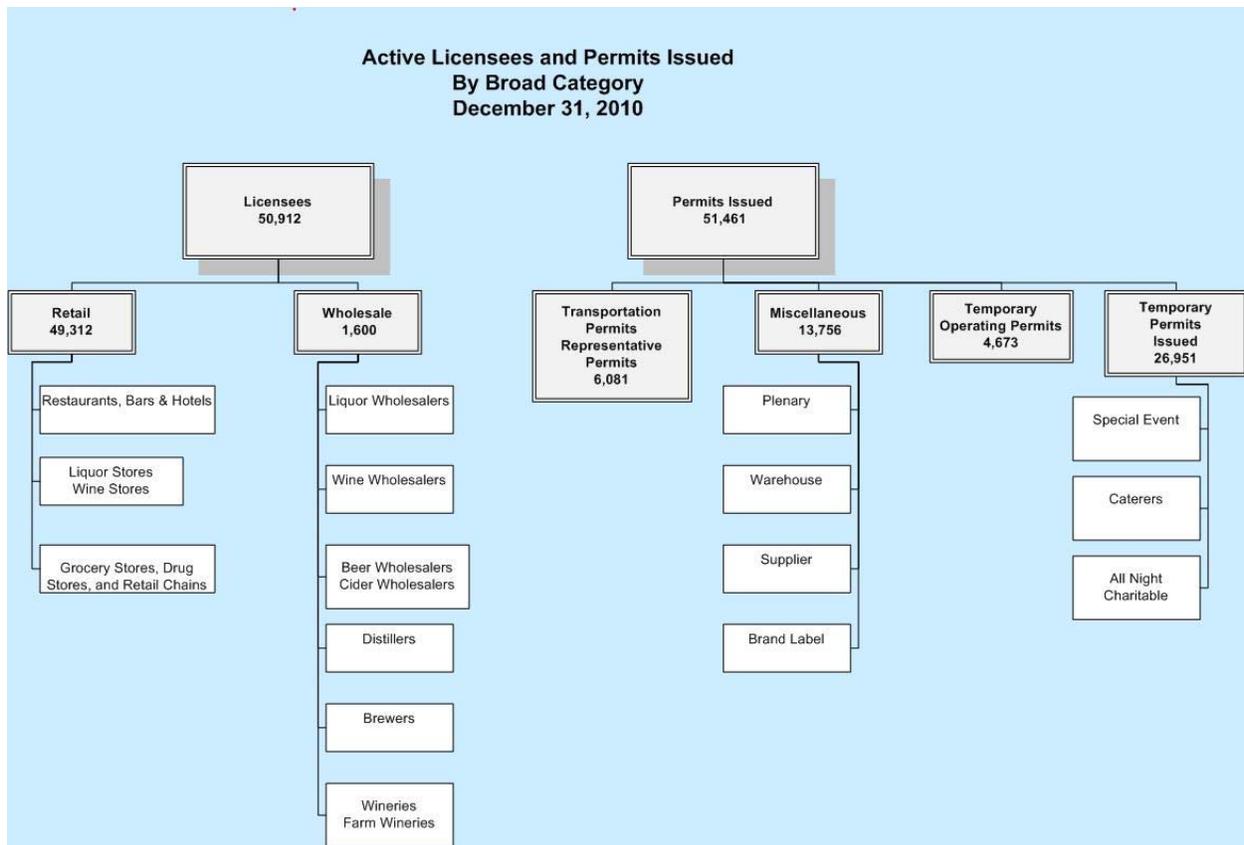


Fig. 4 Active Licensees and Permits Issued

Licenses are issued for durations that range from one to three years, depending on license type, after which licensees may apply for renewal. Licenses fall into three major categories: manufacturer, wholesale and retail (Fig. 4). Manufacturer licenses include several classes of distiller licenses for the production of spirits, winery and farm winery licenses for winemaking, and brewers' licenses for beer. To encourage the growth of small businesses and New York-based homegrown industries, within each category there are provisions allowing for licenses to be issued at a lower cost for businesses with limited production capabilities, as well as provisions for businesses that manufacture alcoholic beverages made primarily from New York agricultural products. In addition to selling their goods to wholesalers and retailers, certain manufacturers, such as farm wineries, wineries, and brew-pubs are also allowed to sell directly to consumers.



Licensing Unit staff Tenika Leigh processing approvals

Wholesale licenses allow licensees to purchase alcoholic beverages from manufacturers, importers and other wholesalers and sell those products to retailers. There are separate licenses for liquor, wine, and beer wholesalers. In limited situations, wholesalers can sell directly to consumers.

Retail licenses are available for both on-premises and off-premises sales. On-premises licenses are issued to businesses such as restaurants and taverns that serve alcoholic beverages to be consumed at the establishment. These retail licenses may allow for the sale and consumption of all types of alcoholic beverages, or may be limited to the sale of wine and beer, or beer only. Off-premises licenses allow alcoholic beverages to be sold “to go.” Off-premises beer licenses are issued to grocery and drug stores, while package stores are authorized to sell spirits and wine, or wine only.

Applications to modify the conditions upon which a retail license was originally granted are required to be filed and approved in many instances before any changes may be made. Examples include moving to a new location, altering the physical layout of an establishment, changing principals, officers, or LLC members of a licensee, or upgrading the type of license currently held.

SLA Licensing Numbers: Economic Growth on the Upswing

The Licensing Bureau processed over 10,000 retail and wholesale license application transactions annually in 2009 and 2010. This number is almost equally divided between approvals and license changes (see Fig. 5).

Licensing: Retail and Wholesale: New and Changes	2009	2010
Number of New Retail Applications Received ²¹	5,533	6,268
Number of New Retail Applications Disapproved	118	104
Number of New Retail (On & Off Premises) Applications Approved	5,415	6,164
Number of New Wholesale Applications Received	291	271
Number of New Wholesale Applications Disapproved	4	10
Number of New Wholesale Applications Approved	287	261
Number of Retail & Wholesale License Changes Processed	5,507	5,368
Associated Revenue	\$10,060,274	\$10,889,851

Fig. 5 Retail & Wholesale Licenses

Permitting: Ensuring Public Safety

Through the reorganization and the implementation of the recent lockbox agreement, the SLA has been able to process permits in a more timely and cost effective manner. In spring, 2010, the processing of permits, which was previously accomplished by 10 staff in three zone offices, was consolidated into one central five-person unit in Albany. In addition to ensuring uniform, statewide standards of review, the consolidation put an end to a backlog of permit applications that had accumulated in New York City and Buffalo.

It is essential that permits are issued prudently and with public safety in mind, as permitting allows not just for the sale and consumption of alcoholic beverages by licensees, but by non-licensees as well at a wide variety of activities and venues. Steps must also be taken to ensure that repeatedly issuing permits to the same applicant does not take the place of licensure and the safeguards that accompany it. Therefore, the Permit Unit staff communicates with various municipalities around the state and local police precincts to ensure that permits are issued only to applicants who have not been targets of police attention, and have held no more than the allowable number of permitted events at specific locations.

²¹ Does not include applications rejected for incorrect fee and/or lack of Community Board notification. These number approximately 200 annually.

Early in our administration, with the implementation of internal controls, the SLA detected hundreds of special permits (permits for individual events) that had been fraudulently obtained over many months in New York City. The results of our investigation were referred to the Manhattan District Attorney’s Office and the perpetrator was successfully prosecuted. In addition to providing Permit Unit staff with ongoing training and instruction in scrutinizing and detecting problematic permit applications, the implementation of the new GIS software, described earlier, will pinpoint high activity and problematic areas, further fortifying enforcement efforts.



Permit Unit staff Josephine Manella and Catherine Dingman (from left to right) reviewing applications

The SLA issues more than 30,000 temporary or one-time permits on an annual basis (see Fig. 6). One-time temporary permits allow non-licensees to serve alcohol at special events or venues for a specified period of time, such as family gatherings, reunions, art shows, concerts, New Years Eve parties, religious occasions, and the like. Caterer’s permits, which are also temporary, are issued to certain licensees to cater events or conduct tastings at locations other than their licensed premises. Temporary permits also allow non-licensees to sell beer and wine at special events, manufacture alcohol for industrial purposes, sell alcoholic beverages that come into their possession as a result of legal proceedings, and engage in a variety of other activities.

All permit applications, other than temporary operating permits for applicants whose license applications are pending, are now submitted to the SLA lockbox, where the associated application fees are deposited and the paperwork is scanned and made available to the Permit Unit via the lockbox internet site. As noted previously, greater use of technology and business improvement has brought greater efficiency and productivity to this process.

Permits Processed	2009	2010
Brand Label	1,363	2,537
Temporary Operational Permits	6,581	4,673
Special Event/One Time	27,367	26,627
Other Miscellaneous	3,542	3,703
Total Number of Permits Processed	38,853	37,540
Associated Revenue	\$2,185,342	\$2,167,045

Fig. 6 Permits Processed

Renewals: Improving Processes and Customer Service

As noted previously, all licenses and some permits, such as trucking, soliciting and wine tasting, are renewable on a one, two, or three-year basis, contingent on license or permit type. Due to an outdated and inefficient banking process, the Renewal Unit has been historically challenged to provide licensees with a seamless renewal experience. Additionally, poor form design failed to gather necessary compliance information. This has changed with the implementation of the new lockbox system and updated and redesigned forms.

The Renewal Unit, processes on average 33,000 license and permit renewals per year. Renewals generate an average of \$40 million per year in Licensing Bureau revenue (see Fig. 7).



Renewal Unit staff Gale Perrin assists licensee

Renewals	2009	2010 ²²	2011 ²³
Number of Permit and License Renewals	35,423	29,688	35,159
Associated Revenue	\$41,643,647	\$33,340,391	\$45,948,450

Fig. 7 Renewals

²²Decline in number and revenue due to irregular three year rotating cycle.

²³ Projected based on number of permittees and licensees as of 1/20/11.

Licensing Bureau Summary: Small in Size, Large in Mission

With a staff of 52 statewide, the Licensing Bureau reviews, on average, 77,000 applications, changes, permits and renewals annually and generates on average \$53 million in revenue (see Fig. 8). It supports an industry that is essential to a healthy New York State economy. The staff and management of the Licensing Bureau remain dedicated to increasing efficiency and customer service while implementing additional cost cutting measures.

Licensing Bureau Summary	2009	2010 ²⁴	2011 ²⁵
Total number of approvals, changes, permits & renewals	80,265	73,914	79,385
Associated Revenue	\$53,889,263	\$46,397,287	\$59,005,346

Fig. 8 Licensing Summary



Licensing Unit staff supervisors Barry Sender, Juan Herrera, and Maria Garcia (from left to right)

²⁴ Decline in number and revenue due to irregular three year rotating cycle.

²⁵ 2011 projections based on current numbers and projected renewal figures.

Wholesale Bureau: Maintaining the Three Tier System

The ABC Law entrusts the SLA with regulating the distribution and sale of alcoholic beverages so that there is a tiered system of three independent components: manufacturers, wholesalers, and retailers. The ABC Law requires that wholesalers of spirits and wine post their prices monthly with the SLA in order to enable the agency to detect patterns that might indicate collusive practices or *tied houses*, i.e., the control of a licensee at one level of the three-tier system by a licensee at another level. These provisions were enacted to eliminate predatory pricing schemes that encouraged irresponsible sales practices and forced many licensees out of business.

Wholesale Bureau staff provide ongoing assistance and guidance to the industry on matters concerning trade practices and policy issues, including the review and approval of liquor and wine combination packs as well as contests, sweepstakes, mail-in rebates, promotions and other direct consumer giveaways. Over the past 18 months, the SLA has met frequently with manufacturers, wholesalers, retailers, and trade groups to address concerns of mutual interest relating to trade practices and competitive parity.



CEO Trina Mead discusses agency initiatives with William Slone from Beverage Media, an industry publication

Online Price Posting: System Upgrade for 2011

Manufacturers and wholesalers of spirits and wine are required to submit their monthly price schedules online through the SLA's electronic system (see Fig. 9). Although the electronic price posting system is accessible to manufacturers, wholesalers, and retailers, the technology is outdated, making most searches difficult and many impossible. Consequently, the agency is making significant technological upgrades to the system in 2011 to render it more user-friendly. SLA compliance efforts will be markedly enhanced through the use of better technology.

Number of Product Listings Per Category	December 2009	December 2010
Wine Manufacturers/Wholesalers to Wholesalers	57,365	61,369
Liquor Manufacturers/Wholesalers to Wholesalers	13,938	15,535
Wine Wholesalers to Retailers	210,038	199,923
Liquor Wholesalers to Retailers	34,946	38,001
Total	316,287	314,928

Fig. 9 Number of Product Listings

COD: Addressing Tied House Concerns

Delinquent retail accounts must pay cash for their purchases from wholesalers. The intent of the statute is to avoid a wholesaler illegally favoring one retailer over another, or controlling a retailer by providing unlimited credit. If this protection were not in place, a consequence might be the creation of tied houses and retailers being forced to purchase all or most of their products from one wholesaler.

Number of Delinquent Filings	
2009	99,442
2010	119,172
Number of Delinquent Releases	
2009	97,169
2010	116,043

Fig. 10 Delinquent Filings

Compliance and Enforcement: Striking a Balance

Compliance issues come to the attention of the SLA in a number of ways. The agency receives complaints from the general public, licensees, police departments and other agencies. In addition, the Licensing Bureau sometimes uncovers compliance issues during application reviews. If after an investigation violations are found, the matter is forwarded to the SLA's Counsel's Office for prosecution.

Protecting the Public with Emergency Suspensions

Cases that require immediate action due to a high level of potential threat to public safety, receive expedited treatment by the Enforcement Bureau and Counsel's Office, and are sent directly to the SLA Board. To cope with reductions in staffing, we instituted streamlined rapid deployment procedures in late 2010. Rapid deployment cases generally require a special meeting of the SLA Board to consider imposing an *Emergency Summary Suspension*, which immediately suspends the target's liquor license until a hearing is held. The Board issued 38 Emergency Summary Orders of Suspension during 2009 and 2010, 28 of which were issued under the direction of Chairman Rosen.



Deputy Commissioner David L. Edmunds, Jr. oversees the SLA Zone 3 Operations from the Buffalo Office

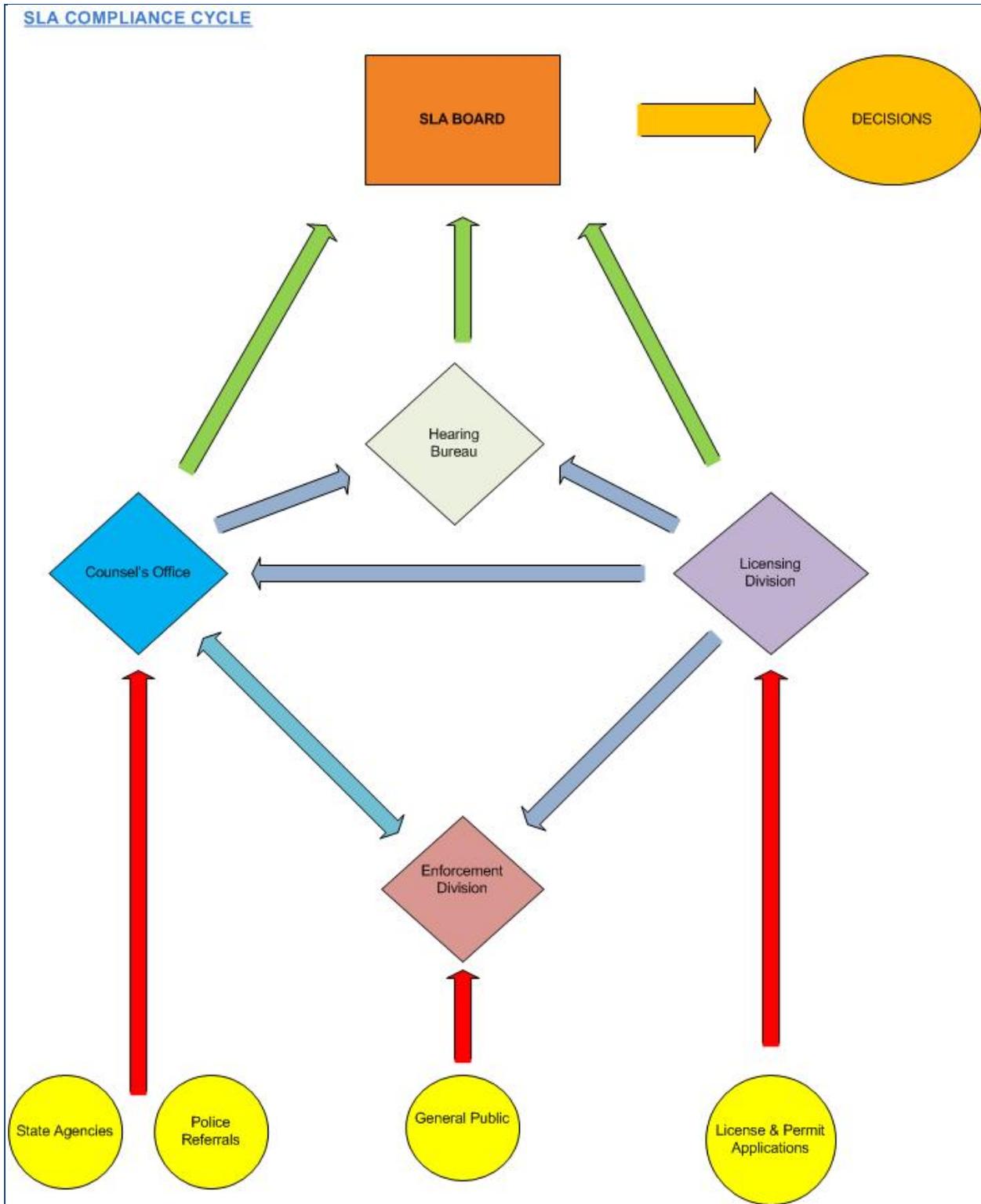


Fig. 11 SLA Compliance

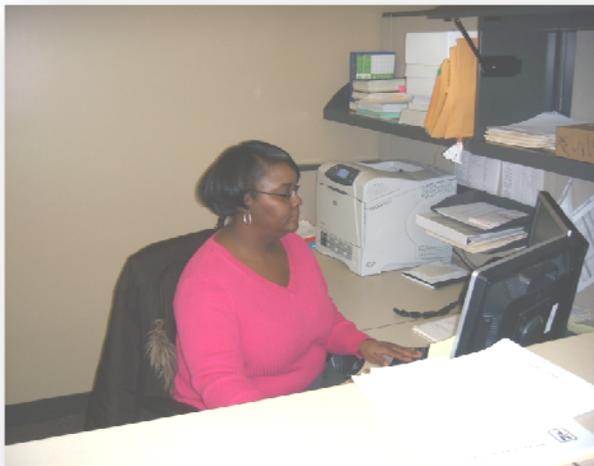
The SLA's Enforcement Bureau works in tandem with law enforcement agencies across the state on an ongoing basis, taking part in joint task forces and operations such as the Multi Agency Response to Chronic Hotspots ("MARCH" Program), which includes New York City agencies such as the NYPD and Health, Buildings and Fire departments, and the Integrated Municipal Police Action Community Team ("IMPACT" Program), which includes various federal, state and local law enforcement agencies that share intelligence and work together to address problems in high crime areas across the state. The SLA Enforcement Bureau is also a partner in the New York State Intelligence Center ("NYSIC"), the central repository responsible for the collection, analysis, and maintenance of criminal intelligence for New York State.

In addition to collaborating with other law enforcement agencies, the Enforcement Bureau conducts training for police departments, licensees, servers and other industry members. Enforcement personnel also act as agency liaisons with numerous university and community groups that address issues such as underage drinking.

The Hearing Process

Licensees charged with violations have the right to an impartial hearing. Hearings are adjudicatory proceedings, presided over by agency administrative law judges ("ALJs")²⁶ and governed by the State Administrative Procedure Act. The Hearing Bureau conducts all such disciplinary proceedings, which are prosecuted by the SLA's Office of Counsel.

Upon completion of a hearing, the ALJ renders a written decision, including findings of fact, a review of the applicable law, and a conclusion as to whether the charges have been sustained. The record of a hearing, which is recorded, constitutes the basis upon which all succeeding reviews, including reviews by the SLA Board or the courts are conducted.



Zone 3 Office Manager, Michele McCullough

²⁶ Due to agency cost cutting measures all agency ALJs are now part-time hourly.

The Hearing Bureau also conducts 500 Foot Law Hearings. These hearings are mandated by statute where applicants are seeking on-premises liquor licenses in municipalities with populations of 20,000 or more, where three or more on-premises liquor licenses already exist within 500 feet of the proposed establishment. The purpose of a 500 foot hearing is to solicit input from the community and applicant on whether granting another license in such an area would be in the public interest.

The Alcohol Training and Awareness Program (“ATAP”)

ATAP is a voluntary program that trains licensees and their employees in the proper sale of alcoholic beverages. Its purpose is to lower the incidence of underage drinking and sales to intoxicated persons. Staff from the Enforcement Bureau oversee the certification and monitoring of ATAP programs, which focus on practical skills, such as how to discern fraudulent IDs, and also inform participants of the legal consequences of improper sales of alcohol.

The SLA sets minimum standards for two different types of ATAP programs: one for off-premises licensees and their employees, and one for on-premises licensees and their employees. The SLA has issued Certificates of Approval to nine training programs that regularly provide instruction to retail licensees. ATAP is a valuable resource in the effort to provide safe environments at licensed establishments.



Chairman Rosen addresses convenience store industry members

ATAP Program	2009	2010
Students Instructed	3,840	5,014
Number of Classes Held	240	360

Fig. 12 ATAP Program

Counsel's Office

Counsel's Office is responsible for providing legal services to the SLA, and is comprised of the General Counsel, Deputy Counsel, Special Counsel, three Associate Attorneys, five Senior Attorneys and nine administrative and legal support positions.

Clearing Up the Backlog of Legal Casework

Over the past several years, Counsel's Office had a backlog of referrals from law enforcement agencies and agency enforcement staff that had not been reviewed by a prosecutor. This meant that violations of the ABC Law referred to the agency by police departments, many of which were substantial, would linger for years before charges were brought by the SLA. At year-end 2009 there were 681 such referrals. Despite staff reductions, that number was reduced to 323 by the end of 2010. As a result, cases are being prosecuted more expeditiously.

Disciplinary Proceedings

As indicated previously, Counsel's Office prosecutes licensees in administrative proceedings for violations of the ABC Law and Rules of the SLA. An investigation into a disciplinary matter typically begins with one or more of the following:

- An on-site, announced inspection of a licensed establishment;
- An on-site, undercover investigation by SLA investigators and other law enforcement agencies;
- A review of reports or investigations by other law enforcement and regulatory agencies; and/or
- Interviewing witnesses and collecting evidence.

A disciplinary proceeding is commenced by the issuance of a Notice of Pleading setting forth the alleged violations. The licensee may enter one of the following pleas:

- Not Guilty;
- No Contest; or Conditional No Contest.

If a licensee pleads “not guilty,” a hearing date is scheduled with an ALJ. At the hearing, the SLA and the licensee may produce witnesses, which are subject to cross-examination, and submit documentary evidence. Findings are made by the ALJ and presented to the SLA Board for final approval. If the licensee admits to committing the violation with a “no contest” plea, the Board imposes an appropriate penalty. If the licensee submits a “conditional no contest” plea the licensee's offer of settlement is forwarded to the Board for acceptance. If the offer is rejected by the Board, the matter is returned to Counsel's Office to schedule an administrative hearing.



Deputy CEO Michael Jones and General Counsel Jean Marie Cho

Each case brought to the Board is examined on its individual merits. If a disciplinary charge is sustained, the Board may impose one or more of the following:

Suspension The license is seized for a specified number of days;

Cancellation The license is terminated, but there are no time restrictions on reapplying for another license;

Revocation The license is terminated, and the licensee cannot apply for a license for two years;

Proscription A two-year ban is imposed on the issuance of a license to any part of the building containing the revoked licensed premises;

Civil Fine A monetary penalty is imposed;

Bond Claim A claim for payment is made against the surety bond filed with the license application;

Letter of Warning An adjudicated letter of warning is sent, as directed by the Members of the Authority which notes that, although the licensee has committed a violation, only a warning is warranted by the circumstances;

Letter of Advice A letter of advice is sent when the SLA is notified of an arrest or other violation which, under certain circumstances, do not warrant institution of disciplinary proceedings. In such instance, the Authority's Enforcement Bureau cautions the licensee to avoid a recurrence of the incident.

Other Litigation

Counsel's Office also represents the agency in administrative proceedings requested by applicants whose license or renewal applications have been disapproved. In addition, Counsel's Office represents the agency in litigation not handled by the Office of the New York State Attorney General. There were 26 such cases filed against the SLA in 2010.

Counsel's Office Work Towards Regulatory Reform

Priorities of the new administration included reviewing all divisional orders and regulations, and overhauling the outdated ABC Law. Although there is still work to be done, Counsel's Office has accomplished the following:

Bulletin, Divisional Order and Circular Review As noted previously, in 2010 the SLA reviewed 1,700 Divisional Orders, Bulletins and Circulars. By August, the SLA Board voted to rescind 1,592 of the outdated directives, many dating back over 70 years. In order to increase transparency and encourage public comment, the remaining directives have been posted on the agency website.

Regulations Review The SLA invited comments from regulated entities and interested parties to identify existing rules that impose unnecessary, duplicative or unduly burdensome costs, paperwork, or restrictions. We are currently well into the process of repealing, updating or modifying approximately 70 rules.

Increasing Efficiency in Counsel's Office

Counsel's Office advises on procedural and legal matters in connection with Full Board meetings. Counsel's Office also responds to requests for legal opinions from units within the agency as well as from other agencies, licensees, industry and the general public. In addition, Counsel's Office drafts legislation and comments on proposed changes to the ABC Law.

In 2010, Counsel's Office improved internal processes for disciplinary proceedings. This included the review of prosecutor workflow, implementation of consistent practices statewide, and prioritizing enforcement efforts so as to best protect public health and safety. These actions have brought greater efficiency to Counsel's Office. While the number of cases has declined, the quality and magnitude of cases brought by Counsel's Office has increased, leading to enhanced revenue from penalties and increased revocations and cancellations.

Legal Matters Submitted to the SLA Board

Year	Calendared Items	Non-Calendared Items ²⁷	Review: Circulars/Bulletins and Divisional Orders	Total
2009	3,918	307	NA	4,225
2010	2,729	920	1,592	5,241

Fig. 13 Number of Legal Matters Submitted to Board

Disciplinary Penalties Imposed by the SLA Board

(By Penalty Due Date)

Year	Civil Penalties Imposed	Bond Claims Imposed	Revocations and Cancellations	Number of Days of Imposed Suspension
2009	\$6,761,925	\$389,350	426	3,765
2010	\$6,879,975	\$461,650	499	2,489

Fig. 14 Disciplinary Penalties Imposed by Board

A decision by the Board to reduce suspension days and increase monetary penalties, cancellations and revocations reflected a determination that, in serious cases, suspensions for a *de*

²⁷ In order to allow the Full Board more time to focus on serious disciplinary offenses at their bi-weekly meetings, in September 2009, the Board delegated the authority to the individual members, on a rotating basis, to make final determinations on certain minor disciplinary matters.

minimus number of days is a relatively weak compliance tool. Similarly, the decrease in the number of cases brought, as shown in the charts above, is due to an effort by the agency to work with licensees to obtain voluntary compliance on minor offenses, while simultaneously focusing our reduced resources on serious offenses. In addition, our agency has moved to eliminate archaic charges that the agency brought against licensees in the past. For example, the agency used to bring charges against grocery stores with beer licenses for not having at least 50% of their floor space devoted to the sale of “food and food products.” This outdated policy did not take into account that modern convenience stores often stock many non-alcoholic products other than food, such as paper products, car care products, etc. Consequently, the SLA Board passed a Divisional Order in March 2010 that updated this policy by including various consumer commodities other than food in the computation of the 50%.

The SLA Board & Secretary to the Board



Meeting of the SLA Board (from left to right): Secretary Jacqueline Held, Deputy Commissioner Kerri O'Brien, Commissioner Noreen Healey, Chairman Dennis Rosen, Commissioner Jeanique Greene, Special Counsel Thomas Donohue, and General Counsel Jean Marie Cho

The SLA Board consists of the Chairman and two Commissioners. Meetings are generally scheduled every other Wednesday and held at the agency's New York City office. Members of the public who wish to attend a Board meeting may do so in person in New York City or from the SLA offices in Albany or Buffalo via video conferencing. All meetings are webcast and archived for viewing on the agency website.

The Board held 26 regularly scheduled meetings and ten special meetings in 2009. In 2010, the Board held 25 regular meetings and 11 special meetings.

Streamlining Board Functions

In order to enable the SLA to focus on serious disciplinary offenses, the Board, in September, 2009, delegated the authority to the individual members, on a rotating basis, to individually make final determinations on certain minor disciplinary matters.

Under the new process, 307 determinations generating \$210,000 in fines, 81 Adjudicated Letters of Warning, and two license cancellations, were issued in 2009. In 2010, 920 determinations, generating \$637,850 in fines, 108 Adjudicated Letters of Warning, and 12 license cancellations were issued.

The Office of the Secretary

The Office of the Secretary to the SLA is the administrative arm of the SLA Board. The Secretary's Office receives matters from the Licensing Bureau, Counsel's Office, Hearing Bureau, and Administration, and prepares the Board agendas.

The Secretary's office is also responsible for processing all agency revenue as well as all refunds for surrendered licenses, overpayments and disapprovals.

Total Agency Revenue

Revenue Type	2009	2010	2011 Projected
Licensing: New & Changes Retail & Wholesale	\$10,060,274	\$10,888,851	
Permits Processed	\$2,185,342	\$2,167,045	
Renewals: Permits and Licenses	\$41,643,647	\$33,340,391 ²⁸	\$45,948,450
Fines and Penalties	\$7,151,275	\$7,341,625	
Total Agency Revenue	\$61,040,538	\$53,737,912²⁹	\$66,345,971

Fig. 15 Agency Revenue



SLA Board Secretary Jacqueline Held (seated) reviews revenues with staff member Rose Doyle

²⁸ Decline in number and revenue due to irregular three year renewal cycle.

²⁹ Decline in number and revenue due to irregular three year renewal cycle.

Office Directory – Phone Numbers and Email Addresses

Albany – Agency Headquarters - Zone 2 Office

Main Number: (518) 474-3114#
80 South Swan St.
Albany, New York 12210

New York City - Zone 1 Office

Main Number: (212) 961-8385#
317 Lenox Ave.
New York, New York 10027

Buffalo - Zone 3 Office

Main Number: (716) 847-3035#
535 Washington St.
Buffalo, New York 14203

Program Email Addresses

Counsel's Office: Legal@sla.ny.gov

Enforcement Bureau: Enforcement@sla.ny.gov

FOIL Requests: FOIL@sla.ny.gov

Licensing Bureau (Includes Permits & Renewals): Licensing.Information@sla.ny.gov

Office of Public & Legislative Affairs: Press.Office@sla.ny.gov

Office of the Secretary: Secretarys.Office@sla.ny.gov

Refunds: Refunds@sla.ny.gov

Wholesale Bureau: Wholesale.Bureau@sla.ny.gov