



# ***New Hampshire Liquor Commission***

**FY2026 / 2027 Budget**

**House Finance Division I  
Budget Hearing**

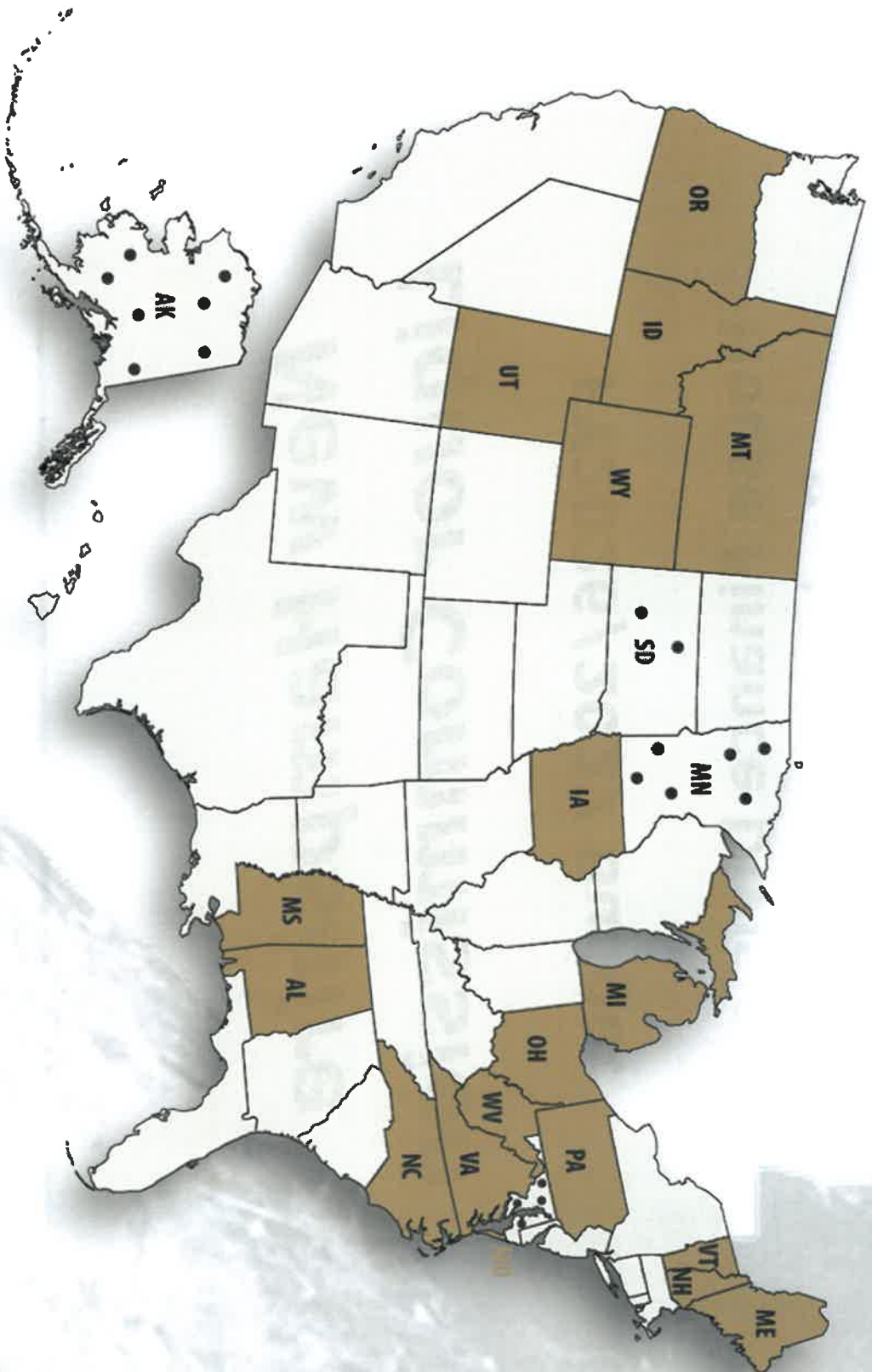
**January 22, 2025**





# Control Jurisdictions

## 17 Control States





# What is the Three-Tier System?



Tier 1

**MANUFACTURER**  
*(Wine, Spirits, Beer)*

Tier 2

**WHOLESALE/BROKER**

Tier 3

**RETAILER**



## Value of the Three-Tier System




- Financial Independence prevents business practices which promote increased and high-volume consumption through price reductions. (Ownership prohibited between sectors)
- Functional Independence protects the integrity of the alcohol beverage distribution system by prohibiting ways to circumvent it.
- Revenue Collection provides for an efficient revenue collection system.
- Product Tracking prevents sale of tainted and counterfeit product.
- Prohibitions against exclusivity allow many new products into the market and have fostered a flourishing craft and boutique alcohol business. Most other developed countries allow exclusive contracts between retailer and manufacturer and store selection is extremely limited and craft manufacturers can't get their product to market.

Source: NABCA "The three-tier system of alcohol control" 2015



## Competition

- 2011 – Governor Patrick signs bill increasing the number of liquor licenses a single owner can hold
- 2012 – Cap lifted on liquor license ownership from 3 to 5
- 2016 – Cap raised from 5 to 7 licenses
- 2020 – Cap raised from 7 to 9 licenses
- Nation’s largest independent wine and spirits retailer 
- \$6 billion in revenue, surpassing Costco as the top wine retailer
- 277 stores in 29 states with 11,000 employees
- 12 stores in New England; 4 in Connecticut & 8 in Massachusetts
- Braintree, Burlington, Danvers, Everett, Natick, Shrewsbury, Dorchester & Dedham





# National and global factors impacting beverage alcohol sales



- According to IWSR (which is the leading global drinks data and insight provider), the global beverage alcohol market is set for moderate recovery in 2025 after two challenging years. For the first time in nearly 30 years, IWSR recorded a decline (-2% in 2023) in the volume of spirits sold in the US market.
- While some positive signs are beginning to emerge in 2024, the global market remains subdued after several years of above-trend growth, with challenges expected to continue until 2025 as household spending rebalances after strong inflationary pressures of the past 2 years.
- Premiumization (the trend of customers purchasing more premium products) has slowed in spirits and wine. IWSR also reports continued volume declines in wine that are expected to last to 2028, with some bright spots in the rosé category.
- IWSR reports that RTDs (ready-to-drink cocktails) have grown by 2% over the previous year with expected growth of 3% between 2023 and 2028. Offerings are becoming more sophisticated and premium. Agave spirits (tequila and mezcal) are continuing to grow (4%).



# National and global factors impacting beverage alcohol sales



- Moderation trends are continuing in popularity with no-alcohol growth in beer (+6%), still/sparkling wine (+7%) and alcohol-free spirits (+15%). Added to this, there are now two months of the year dedicated to non-drinking – “Dry January” and “Sober October”.
- For the first time, more Americans are using marijuana on a daily or near-daily basis than alcohol. This is especially true for younger legal-drinking age consumers who are using cannabis more frequently and turning to alcohol less often. Recreational marijuana is available for sale throughout New England.
- Anti-alcohol organizations and neo-prohibitionists have emerged and are influencing public policy, evident in a January 2023 World Health Organization statement that “no level of alcohol consumption is safe” for human health.
- The potential of upcoming tariffs could positively impact US based wineries and distilleries but could have a significant impact on imported items.



# The Impact of Cannabis



The sales and use of recreational cannabis continue to grow, reflecting national trends which are impacting liquor and wine sales. New Hampshire is surrounded by states that have legalized sale of recreational cannabis:

- Massachusetts' 355 licensed retailers have raised \$6 billion in gross revenues since 2018, with three consecutive \$1 billion years through CY23. The state realized \$272 million in tax revenues in FY24.
- Maine's 218 licensed retailers made \$217 million in sales in CY23, up 36% from CY22, and generated \$21 million in tax revenue.
- The explosive growth of Vermont's 79 licensed retailers, with more than \$130 million taxable sales in FY24, has caused the state to pause reviewing new applications.



# OPERATIONAL OVERVIEW



# Introduction



**The Liquor Commission is self funded.**

**In a separate liquor fund outside of the general fund.**

**No General Fund appropriations are used to maintain operations.**

The Commission generated over \$744.4 million in net sales in FY24 through the operation of 65 retail outlets (9 state-owned and 56 leased), with product shipped through two warehouses; one is state-owned and the other contracted with DHL.

Liquor revenue is transferred to the New Hampshire General Fund and Other Funds in support of state programs. The amount transferred to the General Fund is net of administration costs and transfers to the Alcohol Abuse, Prevention and Treatment Fund (AAP&T) and the Granite Advantage Health Care Program (GAHCP).

Beer tax & permits revenue is transferred in a separate line item to the General Fund.

The budget presented is the level of funding necessary to accomplish the Commission's legislative duties, under RSA 176:3, which is to:

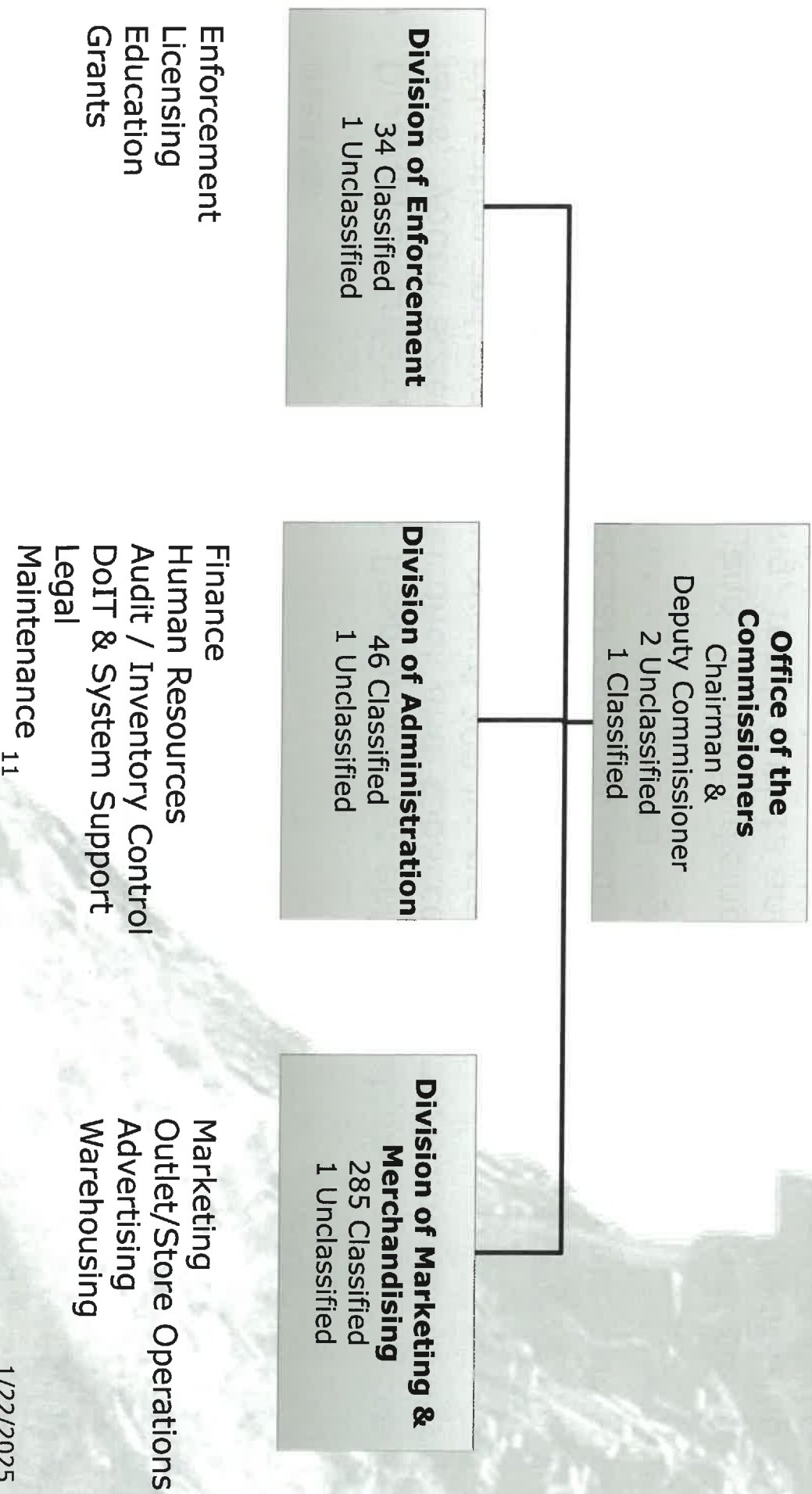
- I. Optimize the profitability of the commission.
- II. Maintain proper controls.
- III. Assume responsibility for the effective and efficient operation of the commission. And
- IV. Provide service to the customers of the commission.



# Organizational Structure



The Commission is made up of 3 Division that report to the Chairman and Deputy Commissioner  
Below are the divisions with the area of responsibilities listed and the number of unclassified and classified positions assigned to each.





## Divisions and Responsibilities



- Office of the Commission: The primary goals are to increase sales and maximize profits while operating in a cost effective and efficient manner.
- Division of Enforcement: Responsible for enforcing alcohol and tobacco laws, youth access to alcohol and tobacco, and providing licensing, education and support for over 6,200 licensees.
- Division of Administration: Provides support to all departments of the Commission through financial services, DoIT, human resources, audit, plant maintenance, inventory control and legal services.
- Division of Marketing and Merchandising: Includes marketing & merchandising, advertising, retail outlets and warehousing. Maximizing profits from the sale of liquor and wine through well-presented NHLC outlets and licensees (on/off premise) using aggressive and targeted marketing and merchandising techniques. Offering 14,000 products to 12 million annual customers from across North America



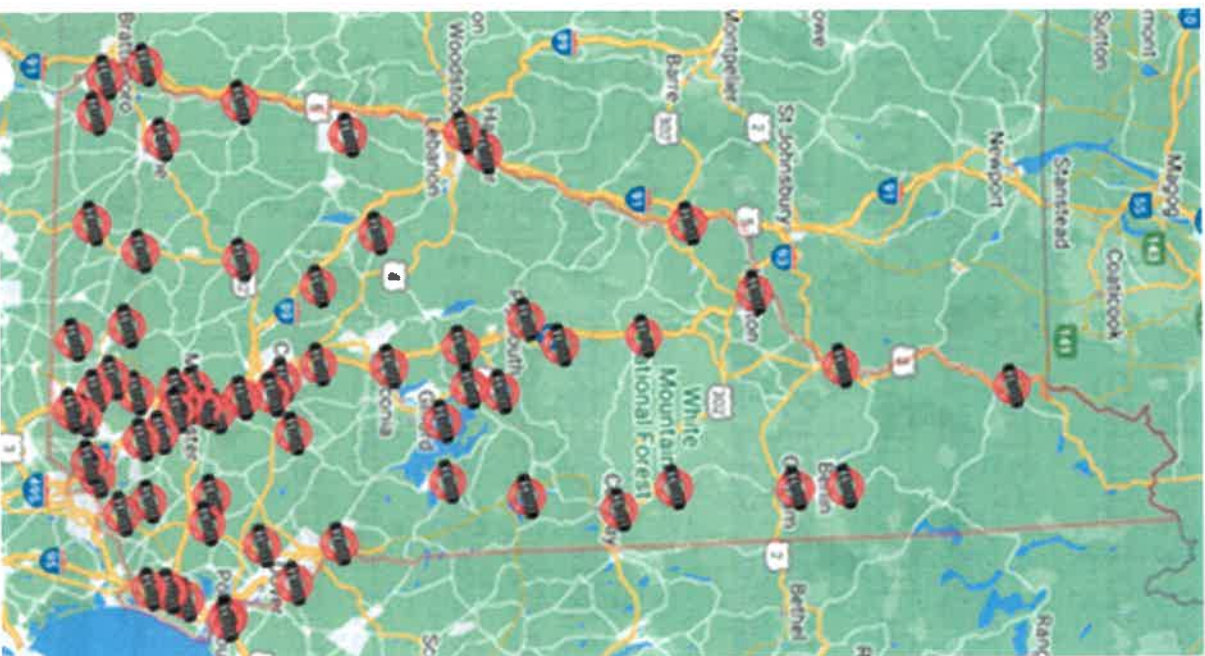
# NextGen Project Summary



- ✓ Electronic shelf tags rolled out in select retail locations in 2018
- ✓ NextGen B2C website went live with online sales in September of 2020 with curbside and in-store pickup
- ✓ New hardware was rolled out in all retail locations by end of 2023
- ✓ NHLC HQ and all retail locations went live with Microsoft D365 ERP on March 29, 2024
- ✓ D365 Outlet Commerce app (new POS) was rolled out to all retail locations by June 12th, 2024.
- ✓ NextGen B2B website and Enforcement Portal went live on April 2, 2024
- ✓ New system impacted all processes for the NHLC, as well as all employees and licensees.
- ✓ NHLC Departments continue to move forward with process transformation in the new system
- ✓ Over 4,500 licensee users of NextGen B2B site to date



## Retail Outlet Locations



As of December 31, 2024

- 9 state-owned outlet locations
- approximately 141,800 sq. ft.

- 
- 59 leased outlets
  - approximately 573,000 sq. ft.

- 
- 37 outlets with curbside pickup



## Outlet Changes



- Since 2012, NHLC has renovated, relocated or constructed 44 new Outlet locations in more than 35 communities.
- Recently the NHLC opened a new location in Derry and relocated the Outlets in Nashua and Keene.
- The NHLC continues the redevelopment of two state owned properties located alongside Interstate 95 north and southbound in Hampton, NH. Finalizing the Purchase and Sales and Master Development Agreement to bring selected bidder to Governor and Executive Council for approval.



# Marketing Goals



## **Marketing: Product, Merchandising, Promotion**

- Bring the best products and values to our customers through a positive shopping experience
- Engage with customers online and in-outlet
- Support our New Hampshire businesses
- Position NHLIC as Best-in-Class through:
  - World-class events that attract top industry professionals
  - Celebrity engagement for in-outlet events to drive sales
  - Execute cutting-edge marketing tactics
  - Provide excellent customer service
- Innovate in all areas



# Web & E-Commerce



## Website

- Easy navigation to find spirit and wine deals
- Prominent web banners – latest promos & campaigns
- Product info and pricing with inventory available at each outlet location
- New arrivals
- Tasting and events
- “Tasting Room” blog for consumers as well as on and off premise customers
- Curbside and in-store pickup

Over 125K  
visitors a  
month!

## Curbside/In-Store Pickup

- Currently 37 locations across the state
- Customers can place orders for 2-36 bottles
- \$3.2M in sales FY24 a 2.1% increase over FY23.
- \$12.2M year-to-date since implementation in September 2020
- Top Outlets Amount
  - Salem \$1.9M
  - West Lebanon \$1.5M
  - Hampton North \$1.1M





# Social Media & Email Marketing



## Instagram

- Followers: 10,728
- Follower gain: 2,878
- Impressions: 5,673,933



## Facebook

- Followers: 162,178
- Follower gain: 10,165
- Impressions: 22,380,000



## X

- Followers: 7,327
- Follower gain: 29
- Impressions: 141,301



## Email Marketing

- Reaching B2C subscribers with targeted messages based on beverage and event preferences, featuring coupons, sales, special events and consumer trends.
- Targeting B2B Licensees with relevant and timely exclusive sales and pricing by license type.
- 180k recipients, decrease from last year due to unengaged subscriber removal and natural attrition
- Over 10k new email signups across all sources



Seven targeted emails sent out monthly





# Monitoring & Responding to Customer Feedback



## Google Reviews

- Reviews are monitored and responded to daily.
- 1-star reviews: Comments surrounding expired IDs during the pandemic and some customer service issues
- Most reviewers were pleased with the wide selection, shop-ability and great prices in our outlets.

92% of reviews are 4 and 5 star ratings

Google Review  
January - December 2024

★★★★★	1,267
★★★★☆	248
★★★☆☆	59
★★☆☆☆	17
★☆☆☆☆	64
<b>Total</b>	<b>1,655</b>



# Charitable Contributions



NHLC supports dozens of nonprofits making an impact on New Hampshire and beyond. Since 2015, NHLC has worked with suppliers and brokers to raise nearly \$4.3 million for nonprofit organizations



CROTCHED MOUNTAIN





## Enforcement - Three Prong Approach



### Enforcement | Licensing | Education

**Enforcement:** Inspect & regulate the manufacture, distribution, and retail sales of alcohol and tobacco products

**License:** Provide guidance to businesses through the application and licensure process

**Education:** Partner with stakeholders on awareness and education of alcohol control laws, administrative rules and responsible business practices





# # of Liquor Licenses & Revenue Collected



## 2024 Fiscal Year

License Type	# of Licenses
<b>On-Premises</b> (restaurants, Clubs, Hotels, etc.)	2,183
<b>Off-Premises</b> (Grocery, Convenience Store, Retail Wine, etc.)	2,147
<b>Direct Shippers</b> (Out-of-State Wineries, Brewers, and Retailers)	1,369
<b>Manufacturers</b> (In-State & Out-of-State Beverage, Wine, Liquor, Rectifiers)	182
<b>Tobacco Only</b>	223
<b>Special One Day</b>	177
<b>Total</b>	<b>6,281</b>

## FY2024 Revenue

in millions

FY2024 Revenue	Amount
Beer & Wine Tax	\$ 12.8
Fees & Permits	\$ 4.9
Fines	\$ 0.1
Misc.	\$ 0.2
<b>Total</b>	<b>\$ 18.0</b>

## Education & Awareness

2024 Trainings
Licensee Training and Liquor Store Employee Training (L.O.T.S)
<b>Total persons trained = 11,155</b>
2024 Public Awareness Events
59 events statewide
<b>Est. total attendance/outreach = 135,500</b>



# Public Awareness & Education



- **Fatal Choices - Impaired Driving Simulator**
  - Underage Drinking & Driving presentation that educates participants on the dangers of underage drinking & driving; allows participants to operate a golf cart in a controlled environment **wearing Fatal Vision goggles** to simulate impaired vision
- **Mobile Community Outreach Unit (MCU)**
  - Mobile unit deployed for public awareness events; a NABCA-funded grant allowed for the installation of a **computerized Drunk Driving simulator** in the MCU
- **Buyers Beware**
  - Public awareness campaign to help educate adults about the danger & consequences of providing alcohol to minors
- **Alcohol Awareness Poster Contest**
  - Annual contest held at participating schools to provide the opportunity for students to turn around peer pressure and send their friends a positive message that alcohol doesn't have to be part of their lives
- **Presentations at schools/public forums, media contracts & press releases**
- **Good Morning New Hampshire with Jack Heath radio show**



# Licensee Educational Programs



- **Managers Training Seminar (MTS)**

- Mandatory (RSA 178:2) in-person course also offered online; completed within 45 days of acquiring new license
- Highlights the applicable Liquor Laws that business/licensee must follow during operation
- Material designed for those in management-level positions at on- and off-premise licensees

- **Grocers Education Training Seminar (GETS)**

- Training for employees of Off-Premise licensees provided both in-person & online
- Assists Off-Sale licensees and their employees to better understand and perform their job duties relevant to the sale of age restricted products

- **Total Education in Alcohol Management (TEAM)**

- Training for employees of On-Premise licensees provided by in-person & online
- Assists on-premise liquor licensees and their employees to better understand NH Alcohol, Beverage and Tobacco Laws and apply concepts of responsible sales and service of age restricted products

- **Liquor & Wine Outlet Training Seminar (LOTS)**

- Commission Policy for all outlet employees to complete upon obtaining employment; offer in-person & on-line
- Provides the most accurate information regarding NH Alcohol, Beverage Tobacco Laws, Administrative Rules and Commission Policies
- Employees will review outlet security policies, trends with false identification, ways to identify questionable age, and signs of intoxication in customers

- **Liquor Establishment Security Training (LEST)**

- Offered to management and security staff to help them better understand the conduct and roles that build relationships with businesses, local police and the community through policies that benefit public safety

- **Fictitious ID Training**

- Designed to equip officers with skills and knowledge needed to identify Fake IDs



# Awards



## The Eagle Tribune

Massachusetts Readers Name NH  
Liquor & Wine Outlets Best  
Liquor Store Two Years Running

## StateWays

- Best On-Premise Partnership: NH Mocktail Month/Live Free & Host Responsibly
- Best Technology Innovation: Customer Service Enhancements



WINEENTHUSIAST  
WINE STAR  
A W A R D S

Finalist: Wine  
Enthusiast Retailer  
of the Year

## BeverageDynamics

NH Liquor & Wine Outlets Named  
Top 10 Retailer 3 Years Running

*Beating out large, private and national competitors, the New Hampshire Liquor Commission has been named one of the country's top 10 retailers*

## StateWays

TWICE AS NICE!

NHLC named Nation's Top  
Control State for the  
second time



# Accolades



## MARKET WATCH

MARKET INTELLIGENCE ON WINE, SPIRITS AND BEER

### Modern MINDSET

AS CHAIRMAN OF THE NEW HAMPSHIRE LIQUOR COMMISSION, JOSEPH MOLLICA HAS TRANSFORMED THE CONTROL STATE MODEL

## NH BUSINESS REVIEW

Nicole Brassard Jordan,  
Outstanding Woman in Business

## The New York Times

A Popular Vacation Stop? This New  
Hampshire Liquor Store Beckons



Why a Control State Liquor Store Might  
Be Your Best Bet for Finding Rare and  
Interesting Spirits

## Forbes

Valuing The Work Of Women In Wine:  
Lessons From New Hampshire

## MEN'S JOURNAL

Featured in "Where to Buy Rare  
Whiskey" article



#3 – Best overall  
state to buy  
Bourbon

## The Washington Post

New Hampshire is the best state  
in America for wine drinkers



# Revenue Trends & Transfer Language



	A	B	C	D	E	F	G	H	I	J
	FY 2024 Actual	FY 2025 Estimates	FY25 vs FY24 \$	FY24 %	FY 2026 Estimates	FY26 vs FY25 \$	FY25 %	FY 2027 Estimates	FY27 vs FY26 \$	FY26 %
1 Gross Profit	207.4	206.1	(1.3)	-0.6%	209.3	3.2	1.5%	211.8	2.5	1.2%
2 Other Revenue	6.9	6.6	(0.3)	-4.7%	6.6	0.0	0.5%	6.7	0.1	1.0%
3 Expenses	(86.9)	(87.1)	0.2	0.2%	(89.8)	2.6	3.0%	(92.3)	2.6	2.9%
4 Net Revenue	\$ 127.4	\$ 125.6	\$ (1.8)	-1.4%	\$ 126.2	\$ 0.6	0.5%	\$ 126.2	\$ (0.0)	0.0%
5 Transfer for AAP&T fund	(10.7)	(10.7)	(0.1)	-0.6%	(10.7)	0.0	0.2%	(10.9)	0.2	1.9%
6 Transfer for GAHCP*	(7.2)	(13.3)	6.1	85.8%	(12.6)	(0.7)	-5.2%	(13.0)	0.4	3.0%
7 Total Transfer to Other Funds	(17.9)	(24.0)	6.1	33.9%	(23.3)	(0.7)	-2.8%	(23.9)	0.6	2.5%
8 Liquor Revenue Transfer to General Fund	109.5	101.7	(7.9)	-7.2%	102.9	1.2	1.2%	102.3	0.6	0.6%
9 Beer Tax	12.5	12.5	0.0	0.0%	13.0	0.5	3.8%	13.0	-	0.0%
10 Total Transfer to General Fund	\$ 122.0	\$ 114.2	(7.8)	-6.4%	\$ 115.9	1.7	1.5%	\$ 115.3	(0.6)	-0.5%

\*FY25 estimate for GAHCP includes an additional \$1.1M potential transfer to cover shortfall

Transfer language:

Section 176:16 Funds. (Governor's Comm.; Alcohol Abuse Prevention & Treatment (AAP&T) fund):

III. Five percent of the previous fiscal year gross profits derived by the commission from the sale of liquor shall be deposited into the alcohol abuse prevention and treatment fund established by RSA 176-A:1. For the purpose of this section, gross profit shall be defined as total operating revenue minus the cost of sales and services as presented in the state of New Hampshire comprehensive annual financial report, statement of revenues, expenses, and changes in net position for proprietary funds.

RSA 126-AA:3, Granite Advantage Health Care Program (GAHCP):

The Commissioner of the Department of Health and Human Services, is responsible for determining quarterly whether there is sufficient non-federal funding in the Fund to cover projected program costs for the following 6-month period. If at any time the Commissioner determines that a projected shortfall exists, then the sum necessary to cover such shortfall shall be transferred to the fund from the Liquor Commission Fund established in RSA 176:16.



# FY2026 - 2027 Budget Requests



	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	
	FY 2024	FY 2025	FY25 vs FY24	FY 2025	FY 2026	FY26 vs FY25	Adjusted	FY26	FY26 vs FY25	FY 2027	FY27 vs FY26	Adjusted	FY27	FY27 vs FY26	Adjusted	FY27	FY27 vs FY26		
	Expenses	Adj. Auth.	\$	%	Budget	\$	%	Revised Total	\$	%	Budget	\$	%	Revised Total	\$	%	Revised Total	\$	
<b>Salary &amp; Benefit Expenses:</b>																			
1	20,576,854	23,350,747	2,773,893	13.5%	24,205,225	854,478	3.7%	(459,314)	23,745,911	395,164	1.7%	24,756,407	551,182	2.3%	(468,414)	24,287,993	542,082	2.3%	
	12,097,652	12,381,219	283,567	2.3%	12,341,000	(40,219)	-0.3%	(100,000)	12,241,000	(140,219)	-1.1%	12,341,001	1	0.0%	(100,000)	12,241,001	1	0.0%	
	1,419,382	13,939,863	2,520,481	22.1%	14,950,890	1,011,027	7.3%	(326,548)	14,624,342	684,479	4.9%	15,705,841	755,051	5.1%	(341,216)	15,364,725	740,383	5.1%	
	1,203,751	1,476,400	272,639	22.6%	1,367,400	(109,000)	-7.9%	-	1,367,400	(109,000)	-7.4%	1,601,100	233,700	17.1%	-	1,601,100	233,700	17.1%	
	45,297,649	51,148,229	5,850,580	12.9%	52,864,515	1,716,286	3.4%	(855,862)	51,978,653	830,424	1.6%	54,404,449	1,539,934	2.9%	(909,630)	53,494,819	1,516,166	2.9%	
	% of Total Budget	51.0%	5,850,580	12.9%	52,864,515	1,716,286	3.4%	(855,862)	51,978,653	830,424	1.6%	54,404,449	1,539,934	2.9%	(909,630)	53,494,819	1,516,166	2.9%	
					52.7%							54.3%							
<b>Current Expenses:</b>																			
2	5,474,399	5,047,717	(426,682)	-7.8%	4,778,306	(271,411)	-5.4%	(100,000)	4,678,306	(371,411)	-7.4%	4,778,261	1,955	0.0%	(100,000)	4,678,261	1,955	0.0%	
	3 Rents & Leases	10,961,250	(164,197)	-1.5%	12,328,500	1,366,250	12.5%	(200,000)	12,128,500	1,165,250	10.6%	12,386,700	60,200	0.5%	(200,000)	12,186,700	60,200	0.5%	
	4 Utilities - Heat, Elec, Water & Telec	3,087,725	453,531	17.2%	2,602,317	(485,408)	-15.7%	(26,500)	2,575,817	(511,808)	-16.6%	2,670,154	67,837	2.6%	(26,500)	2,643,654	67,837	2.6%	
	5 Contracts for Operational Services	5,422,000	2,167,348	66.8%	6,081,700	659,700	12.2%	(350,000)	5,731,700	309,700	5.7%	5,981,700	(100,000)	-1.6%	(350,000)	5,631,700	(100,000)	-1.7%	
	6 Technology - Hardware & Software	2,634,254	1,802,377	216.7%	1,010,600	(1,623,654)	-61.6%	-	1,010,600	(1,623,654)	-61.6%	1,010,600	-	0.0%	-	1,010,600	-	0.0%	
	% of Total Budget	27.1%	3,882,377	26.7%	26,797,423	(355,523)	-1.3%	(676,500)	26,120,923	(1,032,023)	-3.8%	26,827,415	29,992	0.1%	(676,500)	26,150,915	29,992	0.1%	
					28.7%							28.8%							
7	4,652,236	5,905,043	1,252,807	26.9%	5,520,957	(384,086)	-6.5%	(1,374,052)	4,146,905	(1,758,138)	-29.8%	5,612,573	91,616	1.7%	(1,408,234)	4,204,339	57,434	1.4%	
	% of Total Budget	5.9%	1,252,807	26.9%	5,520,957	(384,086)	-6.5%	(1,374,052)	4,146,905	(1,758,138)	-29.8%	5,612,573	91,616	1.7%	(1,408,234)	4,204,339	57,434	1.4%	
					5.5%							5.6%							
8	540,673	1,237,700	697,027	128.9%	1,264,000	26,300	2.1%	(400,000)	864,000	(373,700)	-30.2%	1,264,000	-	0.0%	(400,000)	864,000	-	0.0%	
	% of Total Budget	1.2%	697,027	128.9%	1,264,000	26,300	2.1%	(400,000)	864,000	(373,700)	-30.2%	1,264,000	-	0.0%	(400,000)	864,000	-	0.0%	
					1.3%							1.3%							
9	345,566	251,210	(94,356)	-27.3%	395,500	144,290	57.4%	-	395,500	144,290	57.4%	395,500	-	0.0%	-	395,500	-	0.0%	
	% of Total Budget	0.3%	(94,356)	-27.3%	395,500	144,290	57.4%	-	395,500	144,290	57.4%	395,500	-	0.0%	-	395,500	-	0.0%	
					0.4%							0.4%							
<b>Other Expenses</b>																			
	123,020	131,000	7,980	6.5%	135,000	4,000	3.1%	-	135,000	4,000	3.1%	135,000	0.0%	-	135,000	(376,476)	-7.5%	0.0%	
	Audit Funds	5,700,000	1,011,089	21.6%	4,997,842	(702,158)	-12.3%	-	4,997,842	(702,158)	-12.3%	4,621,366	(376,476)	-7.5%	-	4,621,366	(376,476)	-7.5%	
	Debt Services	2,048,060	(378,410)	-15.6%	2,496,726	448,666	21.9%	-	2,496,726	448,666	21.9%	2,508,906	12,180	0.5%	-	2,508,906	12,180	0.5%	
	Indirect Costs to Admin Svcs	512,786	1,246,191	733,405	143.0%	346,416	(897,775)	-72.0%	-	346,416	(897,775)	-72.0%	370,944	22,528	6.5%	-	370,944	22,528	6.5%
	Workers & Unempl Comp.	9,125,251	1,374,044	17.7%	7,977,984	(1,147,267)	-12.8%	-	7,977,984	(1,147,267)	-12.8%	7,636,216	(341,768)	-4.3%	-	7,636,216	(341,768)	-4.3%	
	% of Total Budget	9.1%	1,374,044	17.7%	7,977,984	(1,147,267)	-12.8%	-	7,977,984	(1,147,267)	-12.8%	7,636,216	(341,768)	-4.3%	-	7,636,216	(341,768)	-4.3%	
					8.0%							7.6%							
11	81,907,900	94,820,379	12,912,479	15.8%	94,820,379	-	0.0%	(3,336,414)	91,483,965	(3,336,414)	-3.5%	96,140,153	1,319,774	1.4%	(3,394,364)	92,745,789	1,261,824	1.4%	
	TOTAL TARGET:	94,820,379	12,912,479	15.8%	94,820,379	-	0.0%	(3,336,414)	91,483,965	(3,336,414)	-3.5%	96,140,153	1,319,774	1.4%	(3,394,364)	92,745,789	1,261,824	1.4%	
12	460,878	648,840	187,962	40.8%	817,858	169,018	26.0%	-	817,858	169,018	26.0%	825,223	7,365	0.9%	-	825,223	7,365	0.9%	
	Grants & Other Funds	648,840	187,962	40.8%	817,858	169,018	26.0%	-	817,858	169,018	26.0%	825,223	7,365	0.9%	-	825,223	7,365	0.9%	
13	17,894,136	22,879,302	4,985,166	27.9%	23,300,000	420,898	1.8%	-	23,300,000	420,898	1.8%	23,800,000	500,000	2.1%	-	23,800,000	500,000	2.1%	
	Transfer for ADAPT & GANER	22,879,302	4,985,166	27.9%	23,300,000	420,898	1.8%	-	23,300,000	420,898	1.8%	23,800,000	500,000	2.1%	-	23,800,000	500,000	2.1%	
14	100,262,914	118,346,521	18,083,607	18.0%	118,938,237	589,716	0.5%	(3,336,414)	115,601,823	(2,746,898)	-2.4%	120,765,376	1,827,139	1.5%	(3,394,364)	117,371,012	1,769,189	1.5%	
	TOTAL:	118,346,521	18,083,607	18.0%	118,938,237	589,716	0.5%	(3,336,414)	115,601,823	(2,746,898)	-2.4%	120,765,376	1,827,139	1.5%	(3,394,364)	117,371,012	1,769,189	1.5%	
	% reduction																		

Over the last 5 years lapsed appropriations have been between \$1M and \$6M, an average of \$3.5M.



## Major Budget Categories



1. Salary & Benefits 45% of total budget. Increase in FY26 \$830k or 1.6% and \$1.5M or 2.9% in FY27. **Cut \$900k each year, unfund 7 positions, reduce overtime, part-time and associated benefits.**
2. Current Expense: FY26 is decreasing 7.4% or \$371k and FY27 is level funded. **Cut \$100k each year.**
3. Rents & Leases: Funding for current rent obligations and potential relocations. **Cut \$200k each year.**
4. Utilities: FY26 down \$512k or 16.6% and level funded for FY27. **Cut \$26k each year.**
5. Contracts for operational Services: Includes contracts for store maintenance such as electrical, HVAC, security systems, etc. along with maintenance and support contracts for the new NextGen system. Funding is based on current contracts and projected needs. **Cut \$350k each year.**
6. Technology Hardware & Software: FY26 decrease \$1.6M or 61% from changes in needs, moved some funds to contracts for support of new system and remaining funding is for subscriptions and cloud services based on current agreements.
7. DoIT: Funding for annual software requirements, replacement equipment such as laptops, printers and handheld devices. **Cut \$1.4M each year in collaboration with DoIT**
8. Equipment: Includes items such as shelving, checkouts and security cameras for new & updated outlets and a rotation plan for replacing existing equipment such as vehicles, floor cleaners and forklifts. **Cut \$400k each year.**
9. Travel: FY26 increase is to support current trends to maintain state vehicles, support shifting staff in retail outlets and outlet moves.
10. Other Expenses: FY26 decreases in Debt Services based on the current bond schedule and estimates for new debt and Workers' Compensation based on historical trends; and increase in Indirect Cost based on estimate provided by DAS. FY27 is level funded.
11. Grants: Increase based on available funds from FDA for Tobacco compliance.
12. Transfers to other Funds: For transparency purposes the transfers to HHS for the AAP&T fund and GAHCP have been added as budget line items.



# FY2026 Budget Breakdown

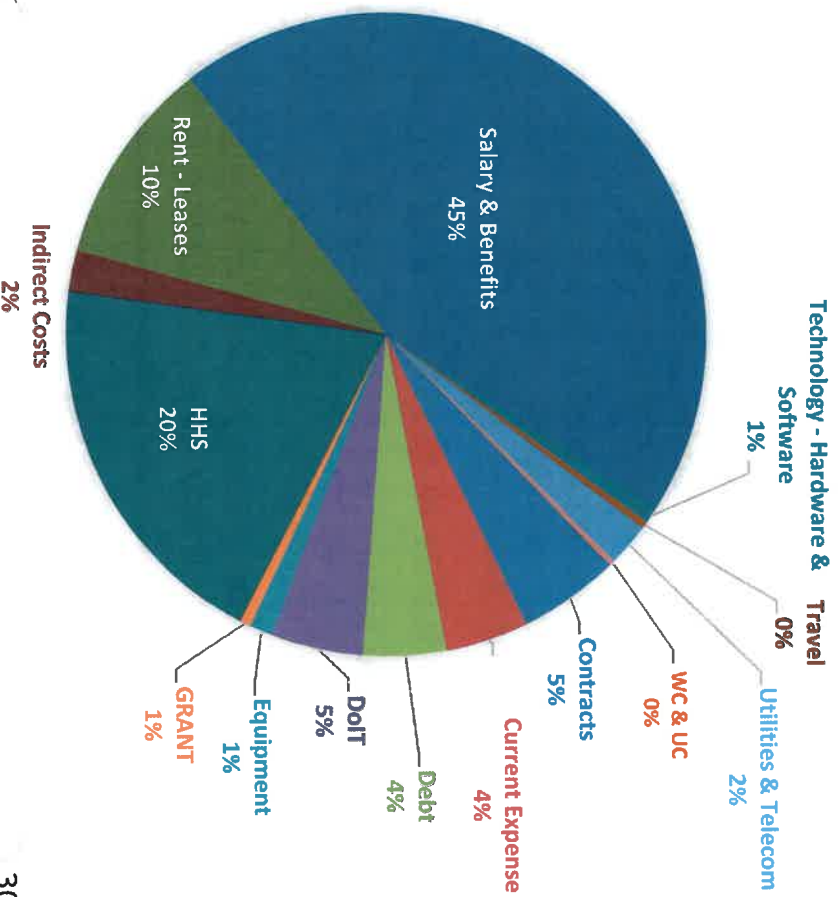


**FY26 Current proposed budget is \$3.3M or 2.8% less than FY25 and original FY26 Agency request before grants and transfers to other agencies.**

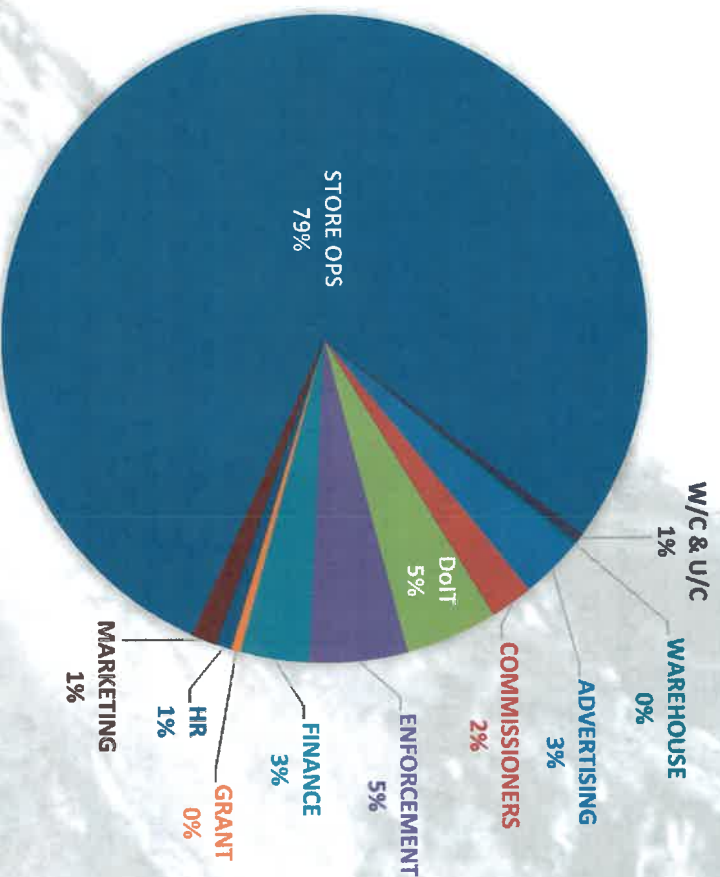
Funding source is primarily Liquor Funds with less than \$1M from Federal and Other Funds

By class, the largest categories are Salary & Benefits 45%, Transfers to HHS 20% and Rents-Leases 10%. By accounting unit Store Operations makes up 79% of the total budget.

## By Class



## By Accounting Unit





# FY2027 Budget Breakdown

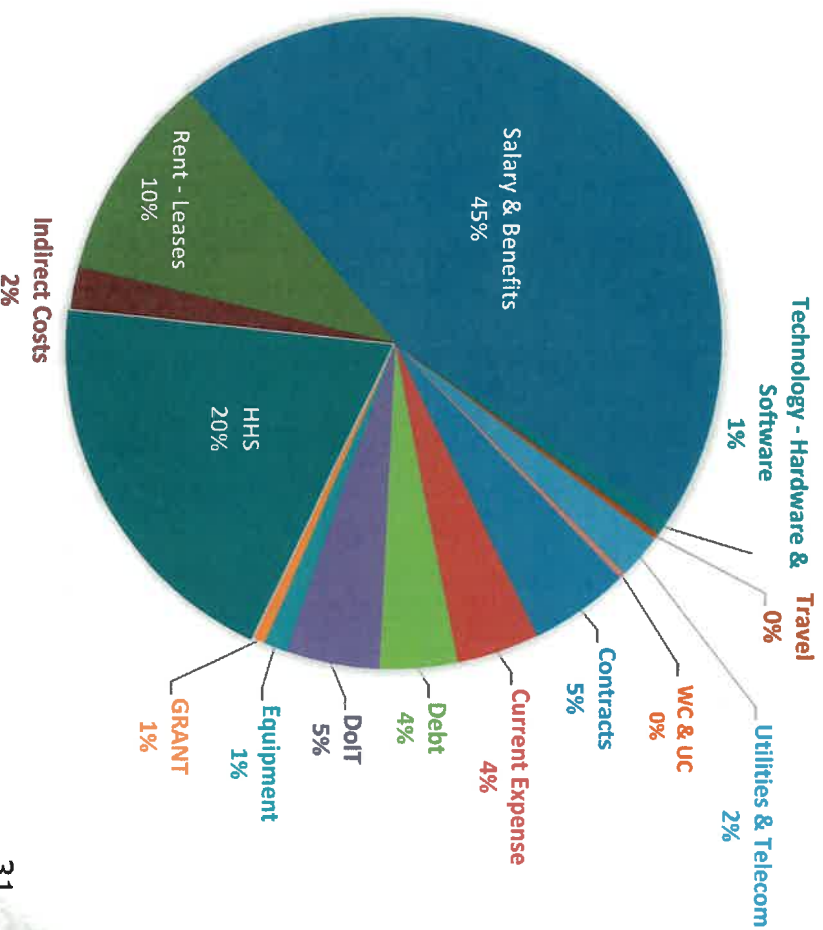


**FY27 Current proposed budget is \$3.4M or 2.8% less than original Agency request before grants and transfers to other agencies and \$1.3M or 1.4% increase over FY26 proposed budget**  
Increase is for salary step increases and benefits for positions and retiree health benefits.

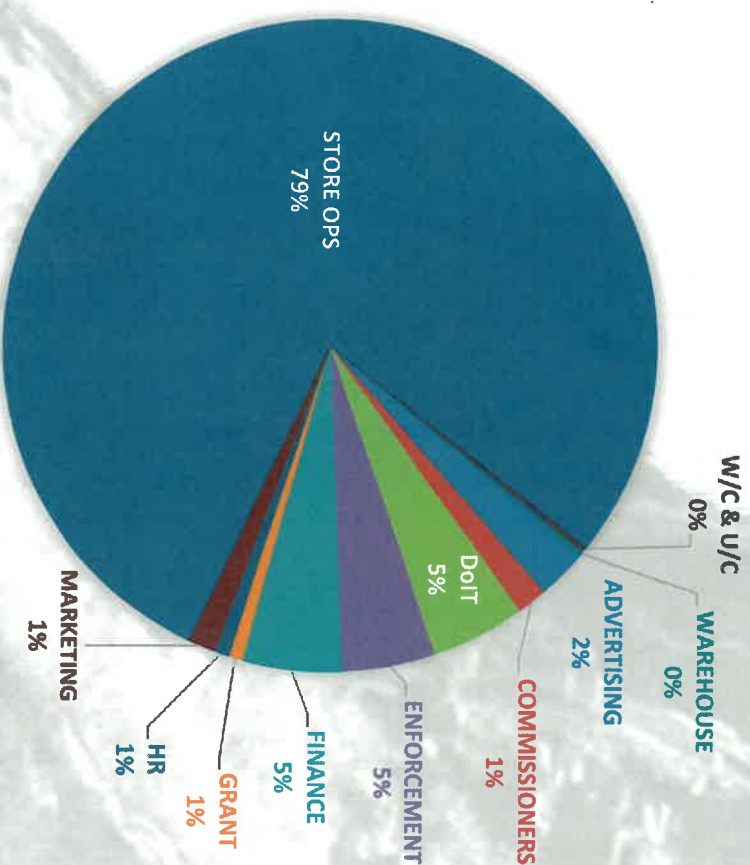
Funding source is primarily Liquor Funds with less than \$1M from Federal and Other Funds

By class, the largest categories are Salary & Benefits 45%, Transfers to HHS 20% and Rents-Leases 10%.  
By accounting unit Store Operations makes up 79% of the total budget.

## By Class



## By Accounting Unit





# Office of the Commissioners



## FY2026 & 2027 Budget

Office of the Commissioners  
(770012 – Budget Book Page 9-22)

FY26 decrease -2.8% or -\$51k  
FY27 increase 1% or \$12k

### Summary of Changes:

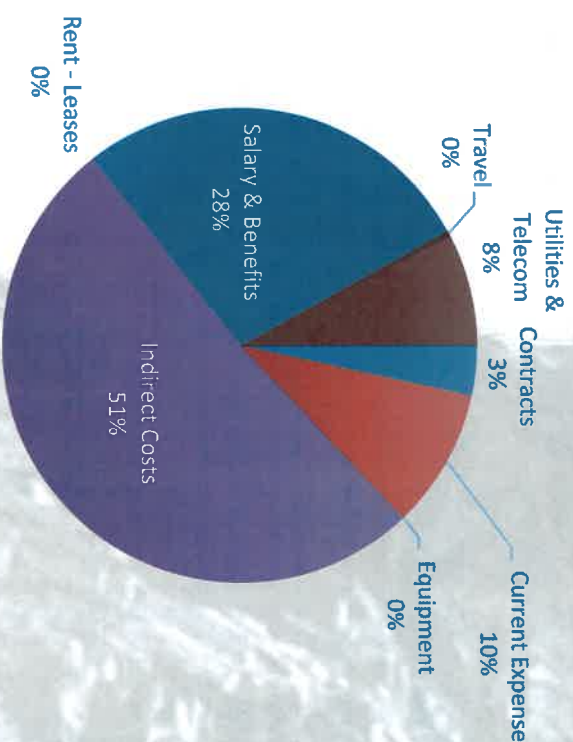
#### Salaries & Benefits:

FY26 -\$164k decrease; one position moved Admin Div.  
FY27 \$8k increase; salary step and benefits

#### Operations:

FY26 \$114k net increase; Indirect costs increase for change in Division allocation and decrease in contracts and current expense  
FY27 \$4k increase for indirect cost

### Budget Breakdown from Liquor Funds



### Authorized Full-Time Positions:

- 2 Unclassified
- 1 Classified



# Division of Enforcement



**FY2026 & 2027 Budget**  
Enforcement, Licensing, & Education  
(770512 – Budget Book Page 23-38)

FY26 increase 12.1% or \$579K  
FY27 increase 2.7% or \$143K

Summary of Changes:

Salaries & Benefits:

FY26 \$542K increase; moved 1 FT and 5 PT positions for loss prevention program  
FY27 \$143K increase for salary steps and benefits

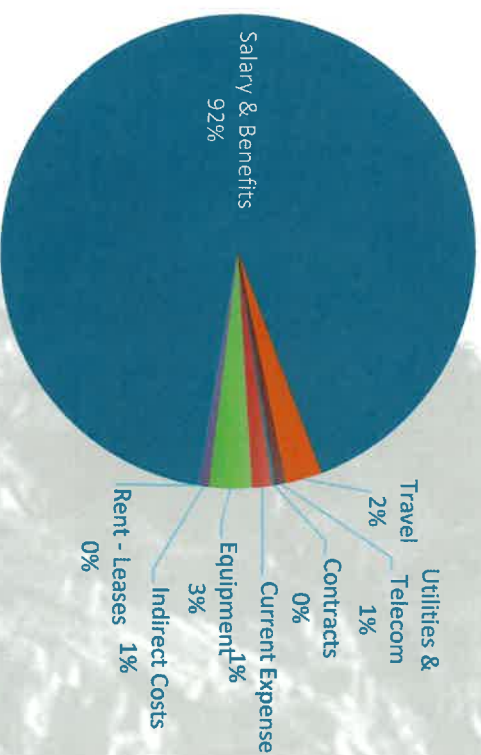
Operations:

FY26 \$37K increase for fuel and repairs to state vehicles  
FY27 level funded

Grants:

FY26 \$169K increase and FY27 \$7K increase

Budget Breakdown from  
Liquor Funds



Authorized Full-Time Positions:

- 1 Unclassified
- 20 Sworn
- 14 Civilian



# Division of Administration



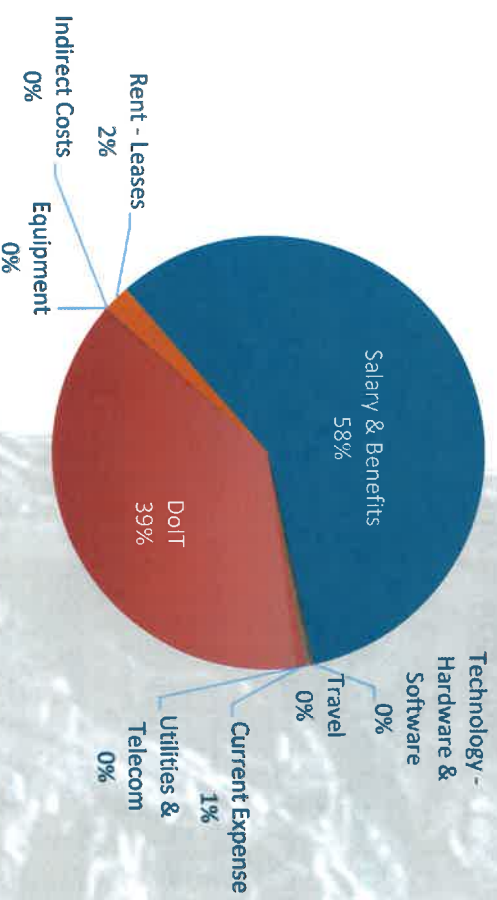
## FY2026 & 2027 Budget

Financial Management Div., DOIT, and Human Resources  
(771012 – Budget Book Page 39-57)

FY26 decrease 0.7% or \$72k  
FY27 increase 2.5% or \$271k

### Budget Breakdown from

### Liquor Funds



Salaries & Benefits:  
FY26 \$1.9M increase; 12 positions from other division for new system support group, real estate and maintenance department.  
FY27 \$213k increase for salary steps and benefits

### Authorized Full-Time Positions:

1 Unclassified

14 Finance

7 Human Resources

4 Outlet Auditors

3 Inventory Control

4 Legal & Internal controls

8 System support

1 Real Estate & 5 Maintenance

DOIT – Class 27

### Operations:

FY26 \$260k net decrease; Indirect costs decrease reallocate to Divisions, rent increase moving expense with maintenance move  
FY27 level funded

### DOIT:

FY26 \$1.8M decrease unfunding positions and non-labor cuts  
FY27 \$58k increase



# Division of Marketing & Merchandising



## FY2026 & 2027 Budget

Marketing & Merchandising, Store Ops, Advertising and Warehouse  
(771512 – Budget Book Page 58-72)

FY26 decrease -2.5% or -\$2.5M  
FY27 increase 1.4% or \$1.3M

### Summary of Changes:

#### Salaries & Benefits:

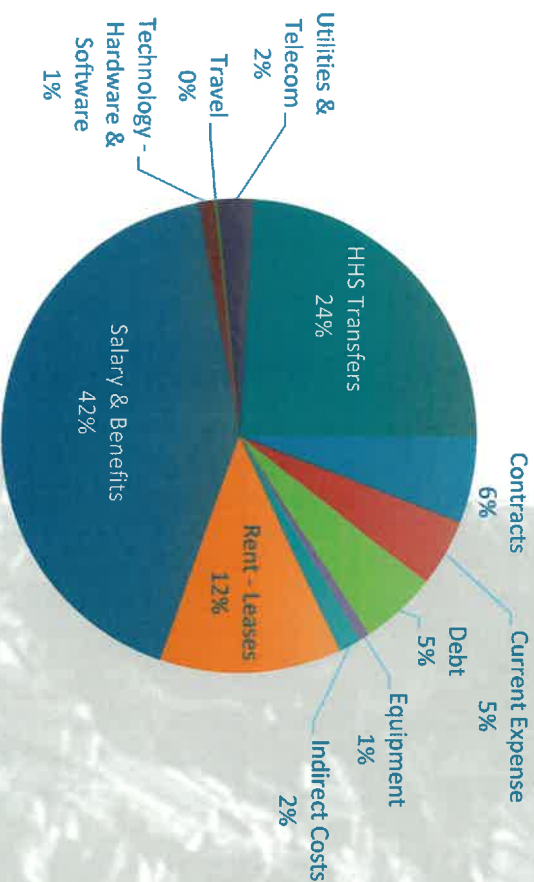
- FY26 -\$1.5M decrease from moving positions and unfunding seven positions
- FY27 \$1.1M increase for salary steps, benefits & Retiree health benefits

#### Operations:

- FY26 \$1.4M net decrease; decrease in debt, technology and utilities and increase in contracts, rent and indirect cost
- FY27 \$340K net decrease; decrease in debt and contracts and increase in utilities, rents and current expense
- Transfers to HHS increasing each year \$420k in FY26 and \$500k in FY27.

### Budget Breakdown from

#### Liquor Funds



### Authorized Full-Time Positions:

- 1 Unclassified
- 14 Marketing & Merchandising
- 268 Outlet/Store Operations
- 3 Warehouse



# Workers & Unemployment Comp.

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## **FY2026 & 2027 Budget**

Workers Compensation

(772012 – Budget Book Page 73-76)

FY26 decrease 71% or 817k provided by Risk Management and based on historical trends

FY27 increase 7% or \$23k

## **FY2026 & 2027 Budget**

Unemployment Compensation

(772512 – Budget Book Page 77-79)

FY26 & FY27 Budgets are level funded



# New Positions Established



FY 2024	ACCOUNT UNIT CODE NAME	ACCOUNTING UNIT	POS ID POSITION TITLE	STATUS	FY26	FY27
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### Division of Administration - 7710

LIQUOR COMMISSION	10230000	FINANCIAL ADMIN	44919 13-2010 ACCTS-AUDITORS-4	Filed	81,317.34	85,274.78
LIQUOR COMMISSION	10230000	FINANCIAL ADMIN	44921 13-2010 ACCTS-AUDITORS-3	Filed	121,406.94	124,334.03

### Division of Marketing - 7715

LIQUOR COMMISSION	10240000	MERCHANDISING-ADMIN	44920 13-1020 BUYERS-PURCH AGTS-5	Filed	146,266.49	150,339.90
LIQUOR COMMISSION	10240000	MERCHANDISING-ADMIN	44922 43-4050 CUSTOMER SVC REPS-3	Filed	84,542.62	89,015.46
LIQUOR COMMISSION	10300000	STORE OPERATIONS	44870 41-1010 SUPS OF SALES WKRS-1	Filed	62,829.46	65,849.16
LIQUOR COMMISSION	10300000	STORE OPERATIONS	44871 41-1010 SUPS OF SALES WKRS-1	Filed	64,656.52	65,849.16
LIQUOR COMMISSION	10300000	STORE OPERATIONS	44872 41-1010 SUPS OF SALES WKRS-1	Filed	64,656.52	67,794.65
LIQUOR COMMISSION	10300000	STORE OPERATIONS	44873 41-1010 SUPS OF SALES WKRS-1	Filed	75,051.28	78,983.78
LIQUOR COMMISSION	10300000	STORE OPERATIONS	44874 41-1010 SUPS OF SALES WKRS-1	Filed	62,586.08	65,608.67
LIQUOR COMMISSION	10300000	STORE OPERATIONS	44876 41-1010 SUPS OF SALES WKRS-1	Filed	58,738.41	61,586.66
LIQUOR COMMISSION	10300000	STORE OPERATIONS	44877 41-1010 SUPS OF SALES WKRS-1	Filed	69,477.82	72,455.00
LIQUOR COMMISSION	10300000	STORE OPERATIONS	44878 41-1010 SUPS OF SALES WKRS-1	vacant	74,889.04	78,823.45
LIQUOR COMMISSION	10300000	STORE OPERATIONS	44882 41-1010 SUPS OF SALES WKRS-1	Filed	69,408.84	72,804.29
LIQUOR COMMISSION	10300000	STORE OPERATIONS	44883 41-1010 SUPS OF SALES WKRS-1	Filed	71,041.35	72,804.29
LIQUOR COMMISSION	10300000	STORE OPERATIONS	44884 41-1010 SUPS OF SALES WKRS-1	vacant	62,829.48	65,849.19
LIQUOR COMMISSION	10300000	STORE OPERATIONS	44886 41-1010 SUPS OF SALES WKRS-1	Filed	69,408.84	72,804.29
LIQUOR COMMISSION	10300000	STORE OPERATIONS	44887 41-1010 SUPS OF SALES WKRS-1	vacant	58,738.41	61,586.66
LIQUOR COMMISSION	10300000	STORE OPERATIONS	44888 41-1010 SUPS OF SALES WKRS-1	Filed	69,408.84	72,804.29
LIQUOR COMMISSION	10300000	STORE OPERATIONS	44889 41-1010 SUPS OF SALES WKRS-1	Filed	69,408.84	72,804.29
LIQUOR COMMISSION	10300000	STORE OPERATIONS	44892 41-1010 SUPS OF SALES WKRS-1	Filed	66,198.00	69,317.80
LIQUOR COMMISSION	10300000	STORE OPERATIONS	44893 41-1010 SUPS OF SALES WKRS-1	Filed	62,667.21	65,688.85

1,565,528.33	1,632,378.65
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FY26	FY27
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LIQUOR COMMISSION	10300000	STORE OPERATIONS	44875 41-1010 SUPS OF SALES WKRS-1	"on hold"	69,408.84	72,804.29
LIQUOR COMMISSION	10300000	STORE OPERATIONS	44879 41-1010 SUPS OF SALES WKRS-1	"on hold"	69,408.84	72,804.29
LIQUOR COMMISSION	10300000	STORE OPERATIONS	44880 41-1010 SUPS OF SALES WKRS-1	"on hold"	69,408.84	72,804.29
LIQUOR COMMISSION	10300000	STORE OPERATIONS	44881 41-1010 SUPS OF SALES WKRS-1	"on hold"	69,408.84	72,804.29
LIQUOR COMMISSION	10300000	STORE OPERATIONS	44885 41-1010 SUPS OF SALES WKRS-1	"on hold"	69,408.84	72,804.29
LIQUOR COMMISSION	10300000	STORE OPERATIONS	44890 41-1010 SUPS OF SALES WKRS-1	"on hold"	69,408.84	72,804.29
LIQUOR COMMISSION	10300000	STORE OPERATIONS	44891 41-1010 SUPS OF SALES WKRS-1	"on hold"	69,408.84	72,804.29

untfund for FY26-27	485,861.88	509,630.03
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7 "On Hold"

28 new positions

