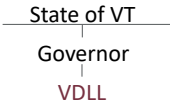


AGENCY

The **Vermont Department of Liquor and Lottery** is a state department governed by a five person board appointed by the Governor. It is responsible for retail operations of spirits and lottery products. The department serves the public by preventing the misuse of alcohol and tobacco through controlled distribution, enforcement and education.

The Vermont DLL employs 76 people in its warehouse; education, licensing and enforcement; and administrative and general departments.



WET and DRY COUNTIES

State law allows local jurisdictions to hold public referendums and/or approve local laws or regulations on alcohol sales.

Seventeen towns have voted at Town Meeting Day (held on the first Tuesday every year in March) over the years to forbid the sale of alcohol.

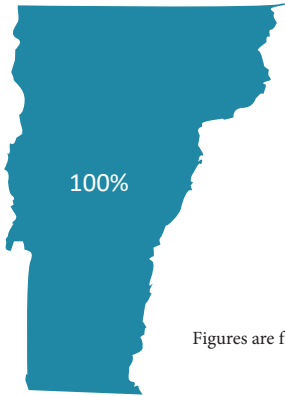
The 17 dry towns are: Addison, Albany, Corinth Center, Granby, Groton, Lincoln, Pomfret, Marshfield, Monkton, Rupert, Tunbridge, Vershire, Walden, Waterville, Wells, Wolcott and Worcester.

Population 21 and over (Estimate) (2017) **535,000**

NET REVENUE

VT distributes its net revenue into one category:

- General Fund (100%)



Figures are from 2017


HISTORY

The Vermont DLC was created in 1933. Conversion of state-run spirits stores to contracted agency stores began in 1986 and the concluded in 1996. In 2018, at the direction of the governor, the Department of Liquor Control was merged with the Department of Lottery to create the Department of Liquor and Lottery. All liquor agency stores sell spirits and the vast majority also sell beer, wine, and lottery products.

ENFORCEMENT

The Enforcement division is charged with investigating possible violations of liquor laws and regulations, and carrying out law enforcement activities related to these incidents. Comprising a team of investigators and supporting staff, and working closely with other law enforcement agencies, this division protects the public safety and ensures that laws and regulations are followed.

\$33,214,000
FY 2017 Net Revenue



From 2004 to 2017, the Vermont DLL has contributed more than \$230 million to the state.

DISTRIBUTION

Spirits are only sold in liquor stores operated and managed by state-appointed liquor agents who act as independent contractors. The DLL ships to its contract retail stores, though the retail stores may also pick up the product, if desired. Bars and restaurants purchase from the retail stores.

Beer and wine wholesalers in Vermont hold franchise contracts to deliver products to the retailers. Bars and restaurants also receive their goods from the distributors. Retail to retail or retail to bar is not allowed, as the seller would be acting as a wholesaler, an activity for which they do not hold a license.

Does jurisdiction allow direct shipping of wine?



Estimated tax per standard drink:

SPIRITS: \$0.019

WINE: \$0.021

BEER: \$0.025

OUTLETS AND GROCERY STORES

Vermont has control of spirits at wholesale and retail. It has 78 agency stores.

Training by the Vermont DLL is necessary to obtain a liquor license. The types of licenses offered include: Restaurant/Bar/Hotel/Club, Manufacturer of Malt or Vinous, Manufacturer of Spirits, and Wholesale Dealer License.

- Vermont does not have policies that regulate the density of off-premise outlets in a neighborhood/precinct/condensed area
- Jurisdiction does allow the sale of spirits in convenience stores
- Servers must be 18 years old and older to serve beer at on-premise outlets, and employees at off-premise outlets must be 16 years old to sell beer
- The sale of beer and wine are permitted in grocery stores
- Sunday sales are allowed
- Keg registration is required
- For every 100,000 residents ages 21 and older, there are 15 spirits outlets
- Beverage service training is mandatory

VERMONT DEPARTMENT OF LIQUOR CONTROL IN ACTION



Education is a vital part of the mission of the Vermont Department of Liquor and Lottery.

The Education Division helps bring training and seminars to consumers, businessmen, teenagers, parents, bartenders, and store owners, using in person classes as well as on-line training options.

The Department is in the process of creating an owner/manager class specific to that population that includes all laws/regulations that an owner/manager needs to know. This will free up resources to teach employees the crucial skills of carding techniques and refusal skills.

DEFINITIONS

Control systems -- jurisdictions that directly control the distribution and sale of beverage alcohol in their borders.

Three-tier system -- the method of alcohol distribution developed after Prohibition in the United States. Producers/manufacturers (first tier) can sell products only to wholesalers/distributors (second tier) who then sell to retailers (third tier).

Revenue Per Capita -- revenue per person.

Wet and dry counties -- Wet jurisdictions are those that permit the sale of spirits, wine, or beer for on-premise and off-premise consumption. Dry jurisdictions prohibit some or all alcohol sales, whether on- or off-premise.

Sources: 2018 Survey Database, State Alcohol Tax Rates (July 2017), Educational Awards Program Reports for 2016-2017, Vermont Department of Liquor and Lottery, The Beverage Information Group's 2016 Fact Book, Alcohol Policy Information System (APIS)