

# Compromise Process for Resolving ABC Administrative Violations Lacks Policies and Procedures, Rationale, and Transparency, Resulting in Disproportionate Penalties

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# Our Charge

- Directed to examine
  - Proportionality of penalties to violations
  - Permittee activities not covered by violations
  - Effectiveness and efficiency
- Agency: Alcoholic Beverage Control (ABC) Commission
- Team: Sean Hamel, Jacob Ford, Sidney Thomas

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# Overview: Findings

1. ABC Commission has neither established rationale or policies and procedures for administrative penalty guidelines nor demonstrated sufficient transparency
2. Consequently, ABC Commission's compromise process results in disproportionate penalties for identical violations



# Overview: Findings

3. Decrease in consumption-related violations suggests penalties are generally effective, yet increased repeat offense rate indicates room for improvement
4. ABC Commission's procedure for settling administrative violations takes longer and costs more than administrative court; however, the two processes are complementary
5. Current law sufficiently covers all areas of permittee activities



# Overview: Recommendations

The General Assembly should

1. Direct the ABC Commission to create policies and procedures, improve transparency by publicizing guidelines, and consider moving to a throughput-based or sales-based system for penalties
2. Improve ABC Commission reporting requirements to include effectiveness measures

