



TEXAS ALCOHOLIC BEVERAGE COMMISSION

Texans Helping Businesses & Protecting Communities

ANNUAL REPORT OF NONFINANCIAL DATA FOR FISCAL YEAR 2020

KEVIN J. LILLY, Presiding Officer
JASON E. BOATRIGHT, Member
DEBORAH GRAY MARINO, Member
M. SCOTT ADKINS, Member
HASAN K. MACK, Member
A. BENTLEY NETTLES, Executive Director



TEXAS ALCOHOLIC BEVERAGE COMMISSION

Texans Helping Businesses & Protecting Communities

P.O. Box 13127
Austin, Texas 78711-3127
(512) 206-3333
www.tabc.texas.gov

December 31, 2020

The Honorable Greg Abbott, Governor
Lisa R. Collie, First Assistant State Auditor
Jerry McGinty, Director, Legislative Budget Board

Dear Sirs and Madam,

We are pleased to submit the Texas Alcoholic Beverage Commission's *Annual Report of Nonfinancial Data* for the fiscal year ending August 31, 2020, in compliance with the TEX. GOV'T CODE ANN. § 2101.0115 and in accordance with the instructions for completing the Annual Report of Nonfinancial Data.

The accompanying report has not been audited and is considered to be independent of the agency's *Annual Financial Report*.

If you have any questions, please contact Chief Financial Officer, Vanessa Mayo, at (512) 206-3290.

Sincerely,

A. Bentley Nettles
Executive Director

THIS PAGE INTENTIONALLY LEFT BLANK

**TEXAS ALCOHOLIC BEVERAGE COMMISSION
ANNUAL REPORT OF NONFINANCIAL DATA
For the Fiscal Year Ending August 31, 2020**

TABLE OF CONTENTS

I. SCHEDULES

Schedule 1 – Appropriation Item Transfers	2
Schedule 2 – HUB Strategic Plan Progress Report.....	3
Schedule 3 – Indirect Costs.....	4
Schedule 4 – Professional, Consulting Fees and Legal Service Fees.....	5
Schedule 5 – Space Occupied	
5A – State-Owned Buildings.....	6
5B – Free Space	7
5C – Leased Space.....	8
5D – Federal Lease Agreements.....	10
Schedule 6 – Exception Letters.....	11
Schedule 7 – Vehicle Purchases.....	18
Schedule 8 – State-Owned Vehicles	19
Schedule 9 – Schedule of Recycled, Remanufactured and Environmentally Sensitive Purchases.....	20

II. ADDENDA

Addendum A – Organization of the Texas Alcoholic Beverage Commission.....	24
Addendum B – Organizational Chart.....	26
Addendum C – Service Efforts and Accomplishments	27
1. Business and Revenue Operations	30
2. Enforcement.....	37
3. Chief of Staff.....	41
4. General Counsel and Legal Services	45
5. Other Agency Operating Units	47
Addendum D – Wet-Dry Status of Texas Counties.....	51
Addendum E – Local Option Elections	53
Addendum F – Statement of Collections	
1. Detail Statement of Collections	55
2. Per Capita Consumption	56
3. Historical Summary of Revenue Collections.....	56
Addendum G – Inventory of Confiscated Alcoholic Beverages.....	57

I. SCHEDULES

I. SCHEDULES

- Schedule 1.....Appropriation Item Transfers
- Schedule 2.....HUB Strategic Plan Progress Report
- Schedule 3.....Indirect Costs
- Schedule 4.....Professional, Consulting Fees and Legal Service Fees
- Schedule 5.....Space Occupied
- Schedule 6.....Exception Letters
- Schedule 7.....Vehicle Purchases
- Schedule 8.....Personal Use of State Vehicles
- Schedule 9.....Schedule of Recycled, Remanufactured and
Environmentally Sensitive Purchases

UNAUDITED

TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)

SCHEDULE 1

APPROPRIATION ITEM TRANSFERS*

For the Fiscal Year Ending August 31, 2020

ITEM OF APPROPRIATION - AY 2020

	Transfers In	Transfers Out	Net Transfers
A. Goal: Regulate Distribution Strategy	\$	\$	\$
A.1.1 13016 Public Enforcement	0	(2,548,876)	(2,548,876)
Total, Goal A: Regulate Distribution	0	(2,548,876)	(2,548,876)
B. Goal: Process TABC Applications Strategy			
B.1.1 13017 Business Compliance	0	(171,071)	(171,071)
Total, Goal B: Process TABC Applications	0	(171,071)	(171,071)
C. Goal: Collect Fees and Taxes Strategy			
C.1.1 13018 Inspections and Compliance	315,000	(35,604)	279,396
C.2.1 13007 Ports of Entry	70,000	(8,638)	61,362
Total, Goal C: Collect Fees and Taxes	385,000	(44,242)	340,758
D. Goal: Indirect Administration Strategies			
D.1.1 13800 Central Administration	0	(85,658)	(85,658)
D.1.2 13801 Information Resources	0	(6,680,622)	(6,680,622)
D.1.3 13802 Other Support Services	0	(2,715)	(2,715)
Total, Goal D: Indirect Administration	0	(6,768,995)	(6,768,995)
Capital Budget Appropriations			
56001 PC Replacements & Tablet Computers	275,813	0	275,813
56002 Hardware/Software Acquisitions	339,292	0	339,292
56003 Public Safety Technology - Replacement	1,353,269	(23,960)	1,329,309
56004 Licensing & Tax Tech Replacement	4,177,273	0	4,177,273
56005 Acquisition of Rep-Vehicle for Fleet	1,962,726	0	1,962,726
56006 Public Safety Equipment - Replacement	179,419	0	179,419
56007 CAPPS Support	80,241	0	80,241
56150 Data Center Consolidation	805,111	(5,000)	800,111
Total, Capital Budget Appropriations	9,173,144	(28,960)	9,144,184
Contingency Appropriations			
26813 Sec 18.13 Contingency for HB1545	4,000	0	4,000
24802 Salary Increase	0	0	0
24705 Schedule C Pay Raise	0	0	0
Total, Contingency Appropriations	4,000	0	4,000
NET APPROPRIATION ITEM TRANSFERS	9,562,144	(9,562,144)	0

*This schedule does not include Benefit Replacement Pay Transfers.

UNAUDITED

TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)

SCHEDULE 2
HUB STRATEGIC PLAN PROGRESS REPORT
For the Fiscal Year Ending August 31, 2020

CATEGORY	Actual for FY 2019*	Actual for FY 2020*	Goal for FY 2020**
Heavy construction other than building contracts	0.00%	0.00%	11.20%
Building construction	0.00%	0.00%	21.10%
Special trade construction contracts	2.31%	0.73%	32.90%
Professional services contracts	0.00%	0.00%	23.70%
Other services contracts	14.97%	22.96%	26.00%
Commodities contracts	26.17%	14.60%	21.10%

*Actual = Percent spent with HUBS from Comptroller's HUB report. The agency had no spending for Heavy Construction or Building Construction in FY 2019 and only \$59 in FY 2020.

**Goal = Strategic Plan HUB goals

UNAUDITED

TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)

SCHEDULE 3

INDIRECT COSTS

For the Fiscal Year Ended August 31, 2020

Payroll Related Costs

FICA Employer Matching Contribution	\$2,875,342
Payroll Retirement Contribution	182,875
Group Health Insurance	5,063,782
Payroll Health Insurance Contribution	349,170
Retirement	3,561,102
Retirement-Other	96,041
Unemployment	32,935

Total Payroll Related Costs \$12,161,247

Benefit Replacement Pay (BRP)	<u>\$19,986</u>
-------------------------------	-----------------

Total Benefit Replacement Pay \$19,986

Indirect Costs - Statewide Full Cost Allocation Plan

- Building Depreciation
- (304) CPA Administration
- CPA Fiscal and ITD
- CPA Statewide Procurement
- CPA Rebates
- TFC Planning & Real Estate Management
- OOG Budget, Policy, & Planning Division
- (101) State Senate
- (102) Hse of Representatives
- (103) Legislative Council
- (104) Legislative Budget
- (105) Reference Library
- (116) Sunset Advisory Brd

Total Indirect Costs - Statewide Full Cost Allocation Plan \$0

TOTAL INDIRECT COSTS \$12,181,234

At the time of report submission, the Statewide Full Cost Allocation Plan for FY 2020 had not yet been published by the Office of the Governor

UNAUDITED

TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)

SCHEDULE 4
PROFESSIONAL, CONSULTING FEES AND LEGAL SERVICE FEES
For the Fiscal Year Ended August 31, 2020

NAME	TYPE OF SERVICE RENDERED	AMOUNT
Alamo Area Council of Governments	Employee Training	\$150.00
ASEM Properties	Architectural/Engineering Services	\$8,561.63
Asset Panda	Training E-Learning	\$600.00
BKC&G Consulting Inc	Employee Training (Internal Investigations)	\$3,990.00
Bob Daemmrch Photography	Photography/Framing	\$930.00*
CPS HR Consulting	Employee Testing	\$3,565.00
Dept of Licensing Regulation	Polygraph Renewal	\$350.00*
GTS Technology Solutions	Employee Training (New Device)	\$18,901.08
Holmsten Family & Occupational Medicine	Medical Services	\$55.00
Info-Tech Research Group Inc	Subscription Services/Advisory	\$43,073.05
Life Languages International Unlimited LP	Employee Training Development	\$35,170.00
Loblolly Consulting LLC	Program Management Oversight	\$462,700.00
Neubus	Computer Programming	\$99,052.50
Premier Protection and Investigations LP	Expert Witness	\$12,120.60
Presidio 19-41207	Computer Programming	\$3,581.94
Red River Consulting Services Inc	Website Development	\$44,200.00
Sandersen & Scheffer PLLC	Auditing Services	\$36,085.60
Softchoice Corporation	Computer Programming	\$9,400.00
Texas A&M Engineering Extension Service	Employee Training Development	\$36,662.00
Texas Department of Information Resources	Data Center Services	\$684,988.49
UT Austin School of Social Work	Employee Surveying	\$3,919.00
Workers Assistance Program Inc.	Professional Fees - Client Visits	\$5,100.00
Total Professional / Consulting Fees	EXH II – AFR	\$1,513,155.89
Total Legal Fees	EXH II – AFR	\$0
Pending Adjustments	FY21 Adjustments	-\$1,280.00
Total Professional / Consulting and Legal Fees	EXH II - AFR	\$1,511,875.89

*Adjustment values in red represent pending reclassification of prior year expenditures to the correct comptroller object code. The adjustments are included to tie to TABC's FY2020 Annual Financial Report Exhibit II.

UNAUDITED

TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)

SCHEDULE 5A

SPACE OCCUPIED – STATE-OWNED BUILDINGS

For the Fiscal Year Ending August 31, 2020

Space occupied by the Commission in state-owned buildings as of August 31, 2020, was as follows:

LOCATION	ADDRESS	SQ FT
Austin- Warehouse	4044 Promontory Point, Austin, TX 78744	6,200.00
El Paso- State Tax Office	401 E. Franklin Ave, Suite 120, El Paso, TX 79901	2,884.00

UNAUDITED

TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)

SCHEDULE 5B
SPACE OCCUPIED - FREE SPACE
For the Fiscal Year Ending August 31, 2020

Free space occupied by the Commission as of August 31, 2020, was as follows:

Location (TX)	Building	Address	Sq Ft
Austin	Warehouse	4044 Promontory Point, Austin, TX 78744	6,200
Belton	Belton Annex Building	550 E. 2nd Street, Belton, TX 76513	640
Denton	Denton County Annex	121 N. Woodrow, Suite 100, Denton, TX 76205	700
Dickinson	City Hall	4403 Highway 3, Dickinson, TX 77539	50
El Paso	State Tax Office	401 E. Franklin Ave, Suite 120, El Paso, TX 79901	2,884
Huntsville	Huntsville Police Department	1220 11th St., Huntsville, TX 77340	100
Laredo	Laredo PD Substation	1601 Ortiz Street, Laredo, TX 78041	864
Llano	Llano County Sheriff's Office	2001 N. State Hwy 16, Suite A, Llano, TX 78643	190
Longview	Gregg County Adult Probation	103 W. Whaley Street, Suite 22, Longview, TX 75601	300
Lufkin	Angelina County Sheriff's Office	2311 E. Lufkin Ave., Lufkin, TX 75901	300
McKinney	McKinney County Annex - McKinney Plaza	825 N. McDonald, Suite 180, McKinney, TX 75069	600
New Braunfels	Comal County Annex Building	1297 Church Hill Drive, New Braunfels, TX 78130	275
San Marcos	Hays County Annex Building	111 East San Antonio St., Ste 100, San Marcos, TX 78666	570
Sherman	Grayson County Courthouse	100 W. Houston St., 3rd Floor, Sherman, TX 75090	300

UNAUDITED

TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)

**SCHEDULE 5C
SPACE OCCUPIED – LEASED SPACE
For Fiscal Year Ended August 31, 2020**

Rent space occupied by the Commission as of August 31, 2020, was as follows

OFFICE	LOCATION	LESSOR
Abilene Office	500 Chesnut Street, STE 1573	Abilene Tower LLC
Amarillo Office	3131 Bell Street	JSW Properties
Arlington Regional Office	2225 E. Randol Mill Road	J & F Investments/Arlington Downs Twr
Austin HQ	5806 Mesa Drive	ASEM Properties
Austin Regional Office	7700 Chevy Chase Drive, Ste 1.200	Omninet Chase Park
Beaumont Office	3535 Calder Road, Ste 238	Mobiloil Credit Union
Brownsville POE	USBS B&M TABC Booth	General Services Admin
Brownsville POE	USBS Gateway Prim/Sec Insp	General Services Admin
Brownsville POE	USBS Los Tomates TABC Booth	General Services Admin
Bryan Office	1716 Briarcrest Drive, Ste 508	GGE LTD
Conroe Office	702 North Thompson	Five Star Interest
Corpus Christi Office	2820 S. Padre Island Drive, Ste 120	Zeba LLC
Del Rio POE	USBS Del Rio New TABC Booth	General Services Admin
Donna Bridge POE	9000 International Blvd	City of Donna
Eagle Pass POE	USBS Eagle Pass II TABC Booth	General Services Admin
Eagle Pass POE	USBS Eagle Pass TABC Booth	General Services Admin
El Paso POE	USBS BOTA Bldg. A Administration	General Services Admin
El Paso POE	USBS BOTA Bldg. C Headhouse	General Services Admin
El Paso POE	USBS PDN (Paso Del Norte) Headhouse	General Services Admin
El Paso POE	USBS Ysleta Cargo Entry Canopy	General Services Admin
EL Paso	5450 Hurd Court Place	Mesa Hills Court LLC
Galveston Sea Port POE	2502 Harborside Drive, Terminal 1	Galveston Port Facilities Corp
Hidalgo Int'l Bridge POE	929 International Blvd	City of McAllen
Houston Regional Office	427 West 20th.	Heights Medical Tower
Laredo POE	USBS Convent Laredo TABC Booth	General Services Admin
Laredo POE	USBS Convent	General Services Admin
Laredo POE	USBS J&L Bldg. 3 Secondary Inspection	General Services Admin
Los Indios POE	USBS Los Indios TABC Booth	General Services Admin
Lubbock Office	612 W. Loop 289, Ste 100	Epic Sky Properties/Alliance Realty
McAllen Office	6521 North 10th Street # D	Eventide Ventures LLC
Mission POE	USBS Anzalduas TABC Booth	General Services Admin
Odessa Office	6010 E. Highway 191, Ste 234	Westwind/Haven Group
Pharr Int'l Bridge POE	9901 S. Cage Blvd	City of Pharr
Presidio Int'l Bridge POE	Old Hwy 67	RCS
Progreso Int'l Bridge POE	251 S. International Blvd	Sam R. Sparks LP (B&P)
Richmond Office	1521 Eugene Heimann Circle	Fort Bend County
Roma POE	USBS Roma Admin Bldg.	General Services Admin
San Angelo Office	622 S. Oakes Street	City of San Angelo
San Antonio Regional Ofc.	4203 Woodcock Drive	Brass Centerview LLC
Tyler Office	3800 Paluxy Drive, Ste 501 & 502	Genecov Investments
Waco Office	900 Washington Street, 6th Floor	Brazos River Capital TLIC LLC
Wichita Falls Office	624 Indiana Street, STE 302	MWH Group PC

UNAUDITED

LEASE NO	TYPE	USABLE SQ FT	FTE'S	MO. RENT	COST/SQ FT	ANNUAL COST	COMMENTS
ABC-066	Office	2,802.00	4	\$3,093.88	\$1.10	\$37,126.56	Expires 08/31/2023
ABC-078	Office	2,432.00	5	\$2,700.00	\$1.11	\$32,400.00	Expires 08/31/2022
ABC-015A	Office	4,666.00	56	\$21,387.92	\$1.46	\$183,415.97	Expires 12/31/2023
ABC-092	Office	48,237.00	207	\$80,986.30	\$1.68	\$793,575.81	Expires 08/31/2024
ABC-053	Office	5,378.00	1	\$12,478.16	\$2.32	\$149,737.92	Termed 08/31/2020
ABC-060	Office	361.00	4	\$901.00	\$2.50	\$22,811.80	Expires 08/31/2023
GS-07P-OTX02462	Tax Booth	148.37	4	\$346.93	\$2.34	\$4,163.16	Expires 12/31/2024
GS-07P-OTX02463	Tax Booth	246.26	4	\$490.06	\$1.99	\$5,880.72	Expires 12/31/2024
GS-07P-OTX02469	Tax Booth	138.88	4	\$181.78	\$1.31	\$2,181.36	Expires 04/16/2023
ABC-073	Office	1,830.00	6	\$3,050.85	\$1.67	\$36,610.20	Expires 08/31/2021
ABC-016	Office	2,414.00	8	\$2,966.01	\$1.23	\$35,592.12	Expires 08/31/2021
L-20-00030	Office	2,996.00	12	\$3,035.00	\$1.01	\$36,420.00	Expires 08/31/2023
GS-07P-OTX02406	Tax Booth	165.00	3	\$524.15	\$3.18	\$6,289.80	Expires 12/22/2024
ABC-091	Tax Booth	877.00	1	\$2,250.00	\$2.57	\$27,000.00	Expires 12/14/2020
GS-07P-OTX02403	Tax Booth	97.11	4	\$127.42	\$1.31	\$1,529.04	Expires 10/31/2023
GS-07P-OTX02470	Tax Booth	162.08	4	\$177.75	\$1.10	\$2,133.00	Expires 03/31/2025
GS-07P-OTX02404	Tax Booth	112.00	2	\$162.94	\$1.45	\$1,642.44	Expires 06/30/2025
GS-07P-OTX02407	Tax Booth	305.05	1	\$286.24	\$0.94	\$3,434.88	Expires 08/31/2024
GS-07P-OTX02466	Tax Booth	634.00	8	\$1,796.33	\$2.83	\$21,555.96	Expires 04/30/2025
GS-07P-OTX02476	Tax Booth	71.12	8	\$68.63	\$0.96	\$823.56	Expires 03/31/2024
ABC-098	Office	1,200.00	14	\$2,015.21	\$1.68	\$24,182.52	Termed 08/31/2020
ABC-096	Tax Booth	181.00	5	\$524.57	\$2.90	\$6,294.84	Expires 08/31/2025
ABC-055	Tax Booth	650.00	15	\$2,306.27	\$3.55	\$27,675.24	Expires 08/31/2021
ABC-052	Office	9,787.00	78	\$12,723.00	\$1.30	\$152,676.00	Mo-Mo
GS-07P-OTX00351	Tax Booth	37.00	2	\$218.91	\$5.92	\$2,626.92	Expires 06/30/2023
GS-07P-OTX02386	Tax Booth	162.27	19	\$1,328.41	\$8.19	\$15,940.92	Expires 09/30/2024
GS-07P-OTX02400	Tax Booth	166.00	2	\$426.66	\$2.57	\$5,119.92	Expires 09/30/2024
GS-07P-OTX02399	Tax Booth	79.32	4	\$162.61	\$2.05	\$1,951.32	Expires 08/31/2024
ABC-079	Office	3,000.00	12	\$4,565.17	\$1.52	\$54,782.04	Expires 08/31/2023
ABC-095	Office	4,553.00	21	\$7,326.61	\$1.61	\$87,919.32	Expires 08/31/2022
GS-07P-OTX02420	Tax Booth	86.00	1	\$1,104.56	\$12.84	\$13,254.72	Expires 11/30/2025
16-00006	Office	2,615.00	5	\$3,522.62	\$1.35	\$42,271.44	Expires 08/31/2025
16-00005	Tax Booth	198.00	2	\$550.00	\$2.78	\$6,600.00	Expires 08/31/2025
ABC-081P	Tax Booth	24.00	2	\$450.00	\$18.75	\$5,400.00	Mo-Mo
ABC-049	Tax Booth	374.00	13	\$4,959.00	\$13.26	\$59,508.00	Expires 08/31/2022
ABC-097	Office	1,390.00	8	\$2,085.00	\$1.50	\$25,020.00	Expires 12/31/2022
GS-07P-OTX02405	Tax Booth	104.00	4	\$120.00	\$1.15	\$1,440.00	Expires 12/22/2024
ABC-303-9918	Office	425.00	3	\$435.27	\$1.02	\$5,184.30	Expires 07/31/2024
ABC-076	Office	8,024.00	31	\$12,794.02	\$1.59	\$152,410.32	Expires 11/30/2021
ABC-062	Office	2,182.00	8	\$3,273.00	\$1.50	\$39,276.00	Mo-Mo
ABC-068A	Office	2,681.42	8	\$3,351.77	\$1.25	\$40,221.24	Expires 08/31/2021
21-00002	Office	1,033.00	1	\$765.00	\$0.74	\$9,180.00	Expires 08/31/2023

UNAUDITED

TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)

SCHEDULE 5D

SPACE OCCUPIED – FEDERAL LEASE AGREEMENTS

For the Fiscal Year Ending August 31, 2020

As of August 31, 2020, the Commission holds the following license agreements for lease space at bridge sites into Mexico. The General Services Administration of the Federal Government issues the licenses*.

GSA LICENSE NUMBER	LOCATION	MONTHLY FEE	LEASE EXPIRES
GS-07P-OTX02386	USBS J&L Bldg. 3 Secondary Inspection	\$426.66	9/30/2024
GS-07P-OTX02399	USBS Los Indios TABC Booth	\$162.61	8/31/2024
GS-07P-OTX02400	USBS Convent	\$1,328.41	9/30/2024
GS-07P-OTX02403	USBS Eagle Pass TABC Booth	\$177.75	3/31/2025
GS-07P-OTX02404	USBS Ysleta Cargo Entry Canopy	\$68.63	3/31/2024
GS-07P-OTX02405	USBS Roma Admin Bldg.	\$120.00	12/22/2024
GS-07P-OTX02406	USBS Del Rio New TABC Booth	\$524.15	12/22/2024
GS-07P-OTX02407	USBS PDN (Paso Del Norte) Headhouse	\$1,796.33	4/30/2025
GS-07P-OTX02420	USBS Anzalduas TABC Booth	\$1,104.56	11/30/2025
GS-07P-OTX02462	USBS Gateway Prim/Sec Insp	\$490.06	12/31/2024
GS-07P-OTX02463	USBS B&M TABC Booth	\$346.93	12/31/2024
GS-07P-OTX02466	USBS BOTA Bldg. C Headhouse	\$286.24	8/31/2024
GS-07P-OTX02469	USBS Los Tomates TABC Booth	\$181.78	4/16/2023
GS-07P-OTX02470	USBS Eagle Pass II TABC Booth	\$127.42	10/31/2023
GS-07P-OTX00351	USBS Convent Laredo TABC Booth	\$218.91	6/30/2023
GS-07P-OTX02476	USBS BOTA Bldg. A Administration	\$148.72	6/30/2025

*The above license agreements allow the Commission to operate at federal sites. The monthly fee is based on the cost of utilities, new construction amortization, and/or rental fees associated with providing space to the agency by the General Services Administration. The fees may be adjusted based on increases in utilities, maintenance, and construction costs.

UNAUDITED

TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)

SCHEDULE 6
EXCEPTION LETTERS

For the Fiscal Year Ending August 31, 2020

During the fiscal year ending August 31, 2020, the Texas Alcoholic Beverage Commission prepared the following exception letters.

Vendor	Product	Justification	Amount
ACTIONABLE INTELLIGENCE TECHNOLOGIES INC	Maintenance/Upgrade Services	<p>Purchase order 20-40270</p> <p>These specifications and/or requirements are being advertised under Section 2155.067, Texas Government Code; and Administrative Code, Title 34, Part 1, Chapter 20, Subchapter C, Rule 20.209. The procuring agency has on file an approved justification for the specifications and the reasons why competing products are not satisfactory and are proprietary in nature. This is a software tool for forensic accountants in enforcement and federal crimes unit to investigate financial crimes.</p>	\$8,032.50
ANTON PAAR USA INC	Equipment/Maintenance Services	<p>Purchase order 20-40415</p> <p>These specifications and/or requirements are being advertised under Section 2155.067, Texas Government Code; and Administrative Code, Title 34, Part 1, Chapter 20, Subchapter C, Rule 20.209. The procuring agency has on file an approved justification for the specifications and the reasons why competing products are not satisfactory and are proprietary in nature. This instrument provides quantitative analysis on alcoholic beverages in support of label and marketing practices as well as field operations for determination of alcohol content found in alcoholic beverages and lessens the burden of sample processing with the current Alcoalyzer.</p>	\$28,357.60

UNAUDITED

SCHEDULE 6 CONTINUED

Vendor	Product	Justification	Amount
ANTON PAAR USA INC	Equipment/Maintenance Services	<p>Purchase order 20-40958</p> <p>These specifications and/or requirements are being advertised under Section 2155.067, Texas Government Code; and Administrative Code, Title 34, Part 1, Chapter 20, Subchapter C, Rule 20.209. The procuring agency has on file an approved justification for the specifications and the reasons why competing products are not satisfactory and are proprietary in nature. This instrument provides quantitative analysis on alcoholic beverages in support of label and marketing practices as well as field operations for determination of alcohol content found in alcoholic beverages and lessens the burden of sample processing with the current Alcoalyzer.</p>	\$11,271.00
APPEXTREMES LLC DBA CONGA	Contract Lifecycle Management	<p>Purchase order 20-40144</p> <p>These specifications and/or requirements are being advertised under Section 2155.067, Texas Government Code; and Administrative Code, Title 34, Part 1, Chapter 20, Subchapter C, Rule 20.209. The procuring agency has on file an approved justification for the specifications and the reasons why competing products are not satisfactory and are proprietary in nature. Administrative Code, Title 34, Part 1, Chapter 20, Subchapter C, Rule 20.206: Texas Procurement Methods. These goods and services are "Not available from any other source" and the vendor is Sole Source in nature as goods and services can only be obtained and distributed from said vendor. TABC implemented Conga Contract Lifecycle management system for compliance with state procurement and contract laws, rules, and regulations.</p>	\$13,005.50

UNAUDITED

SCHEDULE 6 CONTINUED

Vendor	Product	Justification	Amount
APPEXTREMES LLC DBA CONGA	Contract Lifecycle Management	<p>Purchase order 20-40953</p> <p>These specifications and/or requirements are being advertised under Section 2155.067, Texas Government Code; and Administrative Code, Title 34, Part 1, Chapter 20, Subchapter C, Rule 20.209. The procuring agency has on file an approved justification for the specifications and the reasons why competing products are not satisfactory and are proprietary in nature.</p> <p>Administrative Code, Title 34, Part 1, Chapter 20, Subchapter C, Rule 20.206: Texas Procurement Methods. These goods and services are "Not available from any other source" and the vendor is Sole Source in nature as goods and services can only be obtained and distributed from said vendor.</p> <p>TABC implemented Conga Contract Lifecycle management system for compliance with state procurement and contract laws, rules, and regulations.</p>	\$42,400.00
ASSET PANDA LLC	Software/Maintenance Services	<p>Purchase order 20-40479</p> <p>These specifications and/or requirements are being advertised under Section 2155.067, Texas Government Code; and Administrative Code, Title 34, Part 1, Chapter 20, Subchapter C, Rule 20.209. The procuring agency has on file an approved justification for the specifications and the reasons why competing products are not satisfactory and are proprietary in nature.</p> <p>Administrative Code, Title 34, Part 1, Chapter 20, Subchapter C, Rule 20.206: Texas Procurement Methods. These goods and services are "Not available from any other source" and the vendor is Sole Source in nature as goods and services can only be obtained and distributed from said vendor.</p> <p>Asset Panda provides a central location for the agency to track, access and audit data regarding inventory management.</p>	\$31,415.54

UNAUDITED

SCHEDULE 6 CONTINUED

Vendor	Product	Justification	Amount
BLUE LIGHT LLC	Software/Maintenance Services	<p>Purchase order 20-40537</p> <p>These specifications and/or requirements are being advertised under Section 2155.067, Texas Government Code; and Administrative Code, Title 34, Part 1, Chapter 20, Subchapter C, Rule 20.209. The procuring agency has on file an approved justification for the specifications and the reasons why competing products are not satisfactory and are proprietary in nature. Administrative Code, Title 34, Part 1, Chapter 20, Subchapter C, Rule 20.206: Texas Procurement Methods. These goods and services are "Not available from any other source" and the vendor is Sole Source in nature as goods and services can only be obtained and distributed from said vendor.</p> <p>Web based user interface to increase functionality of IBM i2 analyst notebooks. This software is in support of Texas Governor disruption of human trafficking in Texas.</p>	\$69,000.00
CALLYO 2009 CORP	Subscription Services	<p>Purchase order 20-40113</p> <p>These specifications and/or requirements are being advertised under Section 2155.067, Texas Government Code; and Administrative Code, Title 34, Part 1, Chapter 20, Subchapter C, Rule 20.209. The procuring agency has on file an approved justification for the specifications and the reasons why competing products are not satisfactory and are proprietary in nature. Administrative Code, Title 34, Part 1, Chapter 20, Subchapter C, Rule 20.206: Texas Procurement Methods. These goods and services are "Not available from any other source" and the vendor is Sole Source in nature as goods and services can only be obtained and distributed from said vendor.</p> <p>This software app and services are used by enforcement investigators. The package included 20 phone lines/ 4 Audio Accessories/ 4,000 Feature credits for MMS and VIP Call Monitoring/In-Person training.</p>	\$7,428.00

UNAUDITED

SCHEDULE 6 CONTINUED

Vendor	Product	Justification	Amount
CODETWO	Subscription Services	<p>Purchase order 20-40490</p> <p>These specifications and/or requirements are being advertised under Section 2155.067, Texas Government Code; and Administrative Code, Title 34, Part 1, Chapter 20, Subchapter C, Rule 20.209. The procuring agency has on file an approved justification for the specifications and the reasons why competing products are not satisfactory and are proprietary in nature. In accordance with Texas Government Code, 2155.062 (a) In purchasing goods and services the commission may use, but is not limited to, the: (1) contract purchase procedure Direct Publication Purchases (PCC K); and Administrative Code, Title 34, Part 1, Chapter 20, Subchapter C, Rule 20.206: Texas Procurement Methods. These goods and services are "Not available from any other source" and the vendor is Sole Source in nature as goods and services can only be obtained and distributed from said vendor. Email signature service for Office 365.</p>	\$2,895.75
INFO-TECH RESEARCH GROUP INC	Subscription Services	<p>Purchase order 20-40644</p> <p>These specifications and/or requirements are being advertised under Section 2155.067, Texas Government Code; and Administrative Code, Title 34, Part 1, Chapter 20, Subchapter C, Rule 20.209. The procuring agency has on file an approved justification for the specifications and the reasons why competing products are not satisfactory and are proprietary in nature. In accordance with Texas Government Code, 2155.062 (a) In purchasing goods and services the commission may use, but is not limited to, the: (1) contract purchase procedure Direct Publication Purchases (PCC K); and Administrative Code, Title 34, Part 1, Chapter 20, Subchapter C, Rule 20.206: Texas Procurement Methods. These goods and services are "Not available from any other source" and the vendor is Sole Source in nature as goods and services can only be obtained and distributed from said vendor. IT research and training.</p>	\$43,073.05

UNAUDITED

SCHEDULE 6 CONTINUED

Vendor	Product	Justification	Amount
MICRO FOCUS SOFTWARE INC	Subscription Services	<p>Purchase order 20-40227</p> <p>These specifications and/or requirements are being advertised under Section 2155.067, Texas Government Code; and Administrative Code, Title 34, Part 1, Chapter 20, Subchapter C, Rule 20.209. The procuring agency has on file an approved justification for the specifications and the reasons why competing products are not satisfactory and are proprietary in nature.</p> <p>In accordance with Texas Government Code, 2155.062 (a) In purchasing goods and services the commission may use, but is not limited to, the: (1) contract purchase procedure Direct Publication Purchases (PCC K); and Administrative Code, Title 34, Part 1, Chapter 20, Subchapter C, Rule 20.206: Texas Procurement Methods. These goods and services are "Not available from any other source" and the vendor is Sole Source in nature as goods and services can only be obtained and distributed from said vendor.</p> <p>This product has become sole source due to Cloud activities can only be purchases and distributed. This system provides a central location for the agency to archive, easily access and audit data found in social media, email, and mobile communications.</p>	\$38,285.00
PEN-LINK LTD	Software/Maintenance Services	<p>Purchase order 20-40538</p> <p>These specifications and/or requirements are being advertised under Section 2155.067, Texas Government Code; and Administrative Code, Title 34, Part 1, Chapter 20, Subchapter C, Rule 20.209. The procuring agency has on file an approved justification for the specifications and the reasons why competing products are not satisfactory and are proprietary in nature.</p> <p>Administrative Code, Title 34, Part 1, Chapter 20, Subchapter C, Rule 20.206: Texas Procurement Methods. These goods and services are "Not available from any other source" and the vendor is Sole Source in nature as goods and services can only be obtained and distributed from said vendor. Penlink software provides a comprehensive collection and analysis solution for judicially authorized real time and historic data. Supports Governor's disruption of human trafficking in Texas.</p>	\$40,593.75

UNAUDITED

SCHEDULE 6 CONTINUED

Vendor	Product	Justification	Amount
TELCORDIA TECHNOLOGIES INC	Subscription Services	<p>Purchase order 20-40971</p> <p>These specifications and/or requirements are being advertised under Section 2155.067, Texas Government Code; and Administrative Code, Title 34, Part 1, Chapter 20, Subchapter C, Rule 20.209. The procuring agency has on file an approved justification for the specifications and the reasons why competing products are not satisfactory and are proprietary in nature.</p> <p>Administrative Code, Title 34, Part 1, Chapter 20, Subchapter C, Rule 20.206: Texas Procurement Methods. These goods and services are "Not available from any other source" and the vendor is Sole Source in nature as goods and services can only be obtained and distributed from said vendor.</p> <p>The Enhanced Law Enforcement Platform (ELEP) is a subscription based online service. The ELEP allows law enforcement agencies to gather and search information on mobile telephone numbers. The ELEP provides a broad range of services including real time data, porting information and service providers to help in the efficacy of TABC investigations.</p>	\$1,500.00
THERMO ELECTRON NORTH AMERICA	Equipment/Maintenance Services	<p>Purchase order 20-40955</p> <p>These specifications and/or requirements are being advertised under Section 2155.067, Texas Government Code; and Administrative Code, Title 34, Part 1, Chapter 20, Subchapter C, Rule 20.209. The procuring agency has on file an approved justification for the specifications and the reasons why competing products are not satisfactory and are proprietary in nature.</p> <p>Trace 1310 Gas Chromatograph and ISQ LT Mass Spectrometer. This instrument provides qualitative analysis on alcoholic beverages in support of field operations for determination of authenticity and/or adulteration of alcoholic beverages.</p>	\$16,520.40

UNAUDITED

TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)
SCHEDULE 7
VEHICLE PURCHASES
For the Fiscal Year Ending August 31, 2020

During Fiscal Year 2020, the agency purchased 52 replacement vehicles.

Make & Model	Quantity	Purchase Price	Efficiency	Assigned Use
2020 Ram 1500 Truck 864C	2	\$48,240.00	20-27 MPG	General Purpose
2019 Impala Sedan 372C	1	\$23,740.00	22-29 MPG	Law Enforcement
2020 Impala Sedan 372C	5	\$134,035.00	19-28 MPG	Law Enforcement
2019 Dodge Charger Series 476CLE	19	\$420,888.00	24-36 MPG	Law Enforcement
2020 Dodge Durango Pursuit 466BLE	11	\$318,121.65	19-26 MPG	Law Enforcement
2020 Ford Ranger Super Crew 843C	2	\$49,604.00	21-26 MPG	General Purpose
2020 Jeep Grand Cherokee 864E	6	\$170,616.00	19-26 MPG	General Purpose
2020 Chevrolet Traverse 663C	4	\$99,604.00	18-27 MPG	General Purpose
2020 Chevrolet Tahoe 655C	2	\$75,633.00	15-22 MPG	Law Enforcement

TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)

**SCHEDULE 8
SCHEDULE OF STATE-OWNED VEHICLES
For the Fiscal Year Ended August 31, 2020**

Vehicles Assigned to Peace Officers

A Texas Alcoholic Beverage Commission vehicle is assigned to all agency commissioned peace officers. The officers who are assigned vehicles are subject to call twenty-four hours a day, and their duties may require immediate response to situations affecting the safety and wellbeing of the citizens of this state.

Austin Headquarters Vehicle Assignments

Listed below are the names and positions of personnel assigned to the Austin headquarters whose duties require the assignment of a state vehicle on a full-time basis. All headquarters personnel with assigned vehicles are commissioned peace officers.

Department: Name, Title	Description
<p>Enforcement Robert Saenz, Deputy Executive Director- Enforcement Victor Kuykendoll, Chief of Law Enforcement Ronald Swenson, Assistant Chief of Law Enforcement John Altum, Captain David Torsiello, Investigator</p> <p>Ports of Entry John Reney, Director</p> <p>Training Xavier Casares, Deputy Director Alberto Rodriguez, Captain Alejandra Nieto, Lieutenant Cristobal Martinez, Sergeant</p>	<p>Vehicle assignments to headquarters personnel are limited to commissioned peace officers. Officers are subject to call twenty-four hours a day and job duties may require immediate response to situations affecting the safety and wellbeing of the public and the effective administration of the agency. Other headquarters employees may use agency pool vehicles that are properly marked for business related travel. There are approximately 30 employees that use a pool vehicle on a regular basis.</p>

UNAUDITED

TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)

SCHEDULE 9

SCHEDULE OF RECYCLED, REMANUFACTURED AND ENVIRONMENTALLY SENSITIVE PURCHASES

For the Fiscal Year Ended August 21, 2020

FY 2020 Agency Report of Recycled, Remanufactured and Environmentally Sensitive Purchases	
Agency No.: 458	Agency Name: Texas Alcoholic Beverage Commission
Point of Contact:	Audrey Rosales, Procurement Manager
Phone Number:	(512) 206-3262
E-Mail Address:	audrey.rosales@tabc.texas.gov

E1, E2, or E3	Description	Non-Delegated	Delegated	Total
Total E1 Including 1 st Choice	Recycled	\$0	\$17,444.00	\$17,444.00
Total E2 Including 1 st Choice	Remanufactured	\$0	\$0	\$0
Total E3 Including 1 st Choice	Environmentally Sensitive	\$0	\$3,396.00	\$3,396.00
Total of E1, E2, and E3 includes Recycled 1st Choice Targeted Totals		\$0	\$20,840.00	\$20,840.00

FY 2020 1st Choice Targeted Commodities	Expenditures			% Spent on 1st Choice Products 100* [A/(A+B)]
	1 st Choice Products (A)	Virgin Counterpart (B)	Total (A+B)	
Motor Oil and Lubricants	\$16.00	\$0	\$16.00	100.00%
Toilet Paper, Toilet Seat Covers and Paper Towels	\$624.00	\$0	\$624.00	100.00%
Printing Paper, Copier Paper and Computer Paper	\$15,569.00	\$3,721.00	\$19,290.00	80.71%
Business Envelopes	\$1,405.00	\$0	\$1,405.00	100.00%
Plastic Trash Bags	\$2,622.00	\$0	\$2,622.00	100.00%
Plastic Cover Binders	\$470.00	\$0	\$470.00	100.00%
Recycling Containers	\$134.00	\$0	\$134.00	100.00%
Photocopiers	\$0	\$0	\$0	0.00%
Total 1st Choice Targeted Commodities	\$20,840.00	\$3,721.00	\$24,561.00	84.85%

UNAUDITED

SCHEDULE 9 (Continued)

Summary of Total Number of Justification Letters	Exception (1) Cost	Exception (2) Quality	Exception (3) Not Available	Exception (4) Other
Motor Oil and Lubricants	0	0	0	0
Toilet Paper, Toilet Seat Covers and Paper Towels	0	0	0	0
Printing Paper, Copier Paper, and Computer Paper	0	0	0	0
Business Envelopes	0	0	0	0
Plastic Trash Bags	0	0	0	0
Plastic Covered Binders	0	0	0	0
Recycling Containers	0	0	0	0
Photocopiers	0	0	0	0
Total Number(s)	0	0	0	0

UNAUDITED

II. ADDENDA

TABC-22

ADDENDA

Addendum A..... Organization of the Texas Alcoholic Beverage Commission

Addendum B..... Organizational Chart

Addendum C..... Service Efforts and Accomplishments

Addendum C.1..... Service Efforts and Accomplishments – Business and Revenue Operations

Addendum C.2..... Service Efforts and Accomplishments – Enforcement

Addendum C.3..... Service Efforts and Accomplishments – Chief of Staff

Addendum C.4..... Service Efforts and Accomplishments – General Counsel and Legal Services

Addendum C.5..... Service Efforts and Accomplishments – Executive Division Offices

Addendum D..... Wet-Dry Status of Texas Counties

Addendum E..... Local Option Elections

Addendum F.1..... Detail Statement of Collections

Addendum F.2..... Per Capita Consumption

Addendum F.3..... Historical Summary of Revenue Collections

Addendum G..... Inventory of Confiscated Alcoholic Beverages

UNAUDITED

TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)

ADDENDUM A

ORGANIZATION OF THE TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)

For the Fiscal Year Ended August 31, 2020

Created as the Texas Liquor Control Board by H.B. 77, 44th Legislature, 2nd Called Session (1935), the agency was organized and began functioning on November 16, 1935. The Texas Liquor Control Board remained the agency's name until January 1, 1970, when H.B. 379, 61st Legislature, Regular Session (1969) became effective, changing the name of the agency to the Texas Alcoholic Beverage Commission (the Commission).

The Commission is charged with the administration and enforcement of the Texas Alcoholic Beverage Code. As described in Title 2, Chapter 5, Subchapter B of the Alcoholic Beverage Code, the powers, and duties of the Commission are as follows:

"Sec. 5.31. GENERAL POWERS AND DUTIES. The Commission may exercise all powers, duties and functions conferred by this code, and all powers incidental, necessary, or convenient to the administration of this code. It shall inspect, supervise, and regulate every phase of the business of manufacturing, importing, exporting, transporting, storing, selling, advertising, labeling and distributing alcoholic beverages, and the possession of alcoholic beverages for the purpose of sale or otherwise. It may prescribe and publish rules necessary to carry out the provisions of this code."

Article IX, Section 5.07 of the Appropriations Act adopted by the 86th Legislature authorizes per diem for Commission members consisting of compensatory per diem at \$30 per day; actual expenses for meals and lodging at the rates specified in the Act for state employees; and transportation reimbursement at the rates specified in the Act for state employees.

The Commission members serving on August 31, 2020, are listed below:

Name	City of Residence	Term Expires*
Kevin J. Lilly, Presiding Officer	Houston, TX	11/15/2021
Jason E. Boatwright	Dallas, TX	11/15/023
M. Scott Adkins	El Paso, TX	11/15/2023
Deborah Gray Marino	San Antonio, TX	11/15/2025
Hasan K. Mack	Austin, TX	11/15/2025

*Commissioners continue to serve following the expiration of their terms until replaced by the Governor.

UNAUDITED

ADDENDUM A CONTINUED

An Executive Director, who is appointed by the Commissioners is responsible for managing the Commission's daily operations. Mr. A. Bentley Nettles was named Executive Director by the Commission on August 2, 2017. The Commission's key personnel as of August 31, 2020, are listed below:

Name	Title
A. Bentley Nettles	Executive Director
Matt Chaplin	Deputy Executive Director, Chief of Staff
Robert Saenz	Deputy Executive Director, Enforcement
Dennis Beal	Deputy Executive Director, Business & Revenue Operations
Clark Smith	General Counsel
Vanessa Mayo	Chief Financial Officer
Dexter Jones	Director, Audit & Investigation Division
Bryan Black	Director, Communications, Government Relations, & External Affairs
Jared Staples	Director, External Affairs
Nick Raymond	Director, Governmental Relations
Amanda Fletcher	Director, Human Resources Division
Rheda Moseley	Director, Innovation & Technology
Darrell Dement	Inspector General
Victor Kuykendoll	Chief of Law Enforcement
Jo Ann Joseph	Director, Licensing Division
John Reney, Jr	Director, Ports of Entry
Amy Cardona	Co-Director, Strategic Initiatives and Performance Improvement
Mariann Morelock	Co-Director, Strategic Initiatives and Performance Improvement
Thomas Graham	Director, Tax & Marketing Practices Division
Orlando Salinas	Director, Training Division

TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)

ADDENDUM B
 ORGANIZATIONAL CHART
 For the Fiscal Year Ended August 31, 2020



Organizational Chart
 Executive Division



TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)

**ADDENDUM C
SERVICE EFFORTS AND ACCOMPLISHMENTS**

For Fiscal year Ending August 31, 2020

For the Fiscal Years Ending
August 2019 August 2020

A. Goal: PROMOTE THE HEALTH, SAFETY & WELFARE

To protect the peace and safety of the public by taking positive steps to encourage voluntary compliance with the Texas Alcoholic Beverage Code and other state laws and by undertaking enforcement and regulatory actions that are fair and effective.

Outcomes:

Percentage of Priority Licensed Locations Inspected by Enforcement Agents	71.78%	51.72%
---	--------	--------

A.1.1 Strategy: ENFORCEMENT

Deter and detect violations of the Alcoholic Beverage Code by inspecting licensed establishments, by investigating complaints and by providing or sponsoring compliance and increase the public's awareness of the state's alcoholic educational programs that promote voluntary beverage laws.

Outputs:

Number of Inspections Conducted by Enforcement Agents	55,613	46,069
Number of OCA/Trafficking Investigations Closed	138	190
Number of Multiagency Joint Operations Targeting OCA/Trafficking in Border Region	599	1,027
Number of Undercover Operations Conducted	15,841	8,666

Efficiencies:

Average Cost Per Enforcement Inspection	\$362.74	\$431.06
Average Cost of Multi-Agency Join Operations Targeting Organized Crime & Trafficking Statewide	\$1,831.10	\$1,095.52

ADDENDUM C CONTINUED

For the Fiscal Years Ending
August 2019 August 2020

B. Goal: PROCESS APPLICATIONS & ISSUE ALCOHOLIC BEVERAGE LICENSES/PERMITS

Process alcoholic beverage license/permit applications and issue licenses/permits while ensuring compliance with the Alcoholic Beverage Code.

Outcomes:

Average Number of Days Required to Approve an Original Primary License or Permit	51.13	41.62
--	-------	-------

B.1.1 Strategy: LICENSING

Issue licenses and permits while ensuring compliance with laws regarding ownership, performance, tax securities, and other regulatory requirements.

Outputs

Number of Licenses/Permits Issued	80,835	66,811
-----------------------------------	--------	--------

Efficiencies

Average Cost Per License/Permit Processed	\$51.58	\$64.31
---	---------	---------

C. Goal: ENSURE COMPLIANCE WITH TAXES & FEES

To ensure compliance with the Alcoholic Beverage Code in the manufacturing, importing, exporting, transporting, storing, selling serving, and distributing of alcoholic beverages.

Outcomes:

Percent of Audits Found to Be in Full Compliance	83.84%	85.75%
--	--------	--------

Percent of Inspections Where Licensees Were in Full Compliance	99.71%	99.98%
--	--------	--------

UNAUDITED

ADDENDUM C CONTINUED

For the Fiscal Years Ending
August 2019 August 2020

C.1.1 Strategy: CONDUCT INSPECTIONS & MONITOR COMPLIANCE

Inspect, investigate and analyze all segments of the alcoholic beverage industry, verify the accuracy and timeliness of tax reporting payments, and initiate any necessary compliance and/or administrative actions for failure to comply, while providing instruction to promote voluntary compliance.

Outputs:

Number of Audits Conducted by Field Auditors	2,085	1,783
Number of Inspections Conducted by Auditors	6,205	41,919

Efficiencies

Average Cost of Audits Conducted	\$552.48	\$861.45
----------------------------------	----------	----------

C.1.2 Strategy: PORTS OF ENTRY

Identify high traffic loads and strategically place personnel or equipment at ports of entry to more effectively regulate the personal importation of alcoholic beverages and cigarettes.

Outputs

Number of Alcoholic Beverage Containers Stamped	1,872,208	1,471,289
Number of Cigarette Packages Stamped	409,504	375,304

TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)**ADDENDUM C.1****SERVICE EFFORTS AND ACCOMPLISHMENTS – BUSINESS & REVENUE OPERATIONS**

For the Fiscal Year Ended August 31, 2020

The Deputy Executive Director for Business & Revenue Operations oversees the agency's revenue generating divisions—Licensing, Tax & Marketing Practices, Ports of Entry, Education & Prevention-- and its Training Division. Key Service efforts and accomplishments for each of these divisions are described below.

LICENSING DIVISION

The Licensing Division investigates and processes applications for all phases of the alcoholic beverage industry, including the manufacture, sale, purchase, transportation, storage, and distribution of alcoholic beverages. The division must ensure that each applicant qualifies to hold such license/permit and adheres to all applicable regulatory requirements. Over the course of FY 2020, the Licensing Division processed a total of 80,275 original, renewal, and supplemental applications and issued a total of 66,811 licenses and permits. The state revenue from agency licensing fees and surcharges was approximately \$71,563,037.

The number of alcoholic beverage permits & licenses issued in FY 2020 in each license class were:

Licenses & Permits Issued – FY 2020

Class	Class Description	Nbr. Issued
AB	Airline Beverage Permit	14
AW	Manufacturer's Agent's Warehousing Permit	8
B	Brewer's Permit	84
BA	Manufacturer's License	65
BB	General Distributor's License	69
BC	Branch Distributor's License	59
BE	Beer Retailer's On Premise License	539
BF	Beer Retailer's Off Premise License	4,265
BG	Wine & Beer Retailer's On Premise Permit	6,498
BH	Temporary Beer License or Wine and Beer License (4 Day)	1,698
BI	Importer's License	120
BJ	Importer's Carrier's License	13
BL	Retailer's On Premise Late Hours	892
BP	Brewpub License	156
BQ	Wine & Beer Retailer's Off Premise Permit	12,731
BS	Non Resident Manufacturer's License	286
C	Carrier's Permit	271

UNAUDITED

ADDENDUM C.1 CONTINUED

Licenses & Permits Issued – FY 2020 (Continued)

Class	Class Description	Nbr. Issued
CA	Temporary License - Charitable Auction Permit (5 Day)	291
CB	Caterer's Permit	924
CD	Consumer Delivery Permit	15
D	Distiller's and Rectifier's Permit	87
DA	Self Distributor Permit	50
DB	Self Distributor License	31
DS	Direct Shipper's Permit	812
E	Local Cartage Permit	1,381
FB	Food and Beverage Certificate	7,181
FC	Forwarding Center Certificate	20
G	Winery Permit	326
GF	Winery Festival Permit	231
GS	Winery Storage Permit	3
HP	Temporary License - Special Wine and Beer Permit (4 Day)	7
J	Bonded Warehouse Permit	6
K	Public Storage Permit	21
L	Private Storage Permit	36
LB	Mixed Beverage Late Hours Permit	4,001
LP	Local Distributor's Permit	557
MB	Mixed Beverage Permit	6,048
MI	Minibar Permit	39
N	Private Club Registration Permit	366
NB	Private Club Beer & Wine Permit	19
NE	Private Club Exemption Certificate Permit	153
NL	Private Club Late Hours Permit	127
O	Private Carrier's Permit	636
P	Package Store Permit	1,831
PE	Beverage Cartage Permit	4,072
PR	Promotional Permit	35
PS	Package Store Tasting Permit	1,779
PT	Passenger Train Beverage Permit	1
Q	Wine Only Package Store Permit	2,274
RM	Mixed Beverage Restaurant Permit with FB	1,556
S	Non Resident Seller's Permit	1,839

ADDENDUM C.1 CONTINUED

Licenses & Permits Issued – FY 2020 (Continued)

Class	Class Description	Nbr. Issued
SB	Temporary License - Special 3 Day Wine and Beer Permit	989
TB	Daily Temporary Mixed Beverage Permit	778
TN	Daily Temporary Private Club Permit	30
U	Non Resident Brewer's Permit	281
V	Wine & Beer Retail Permit - Excursion Boat	5
W	Wholesaler's Permit	156
WP	Waterpark Permit	5
X	General Class B Wholesaler's Permit	44
Total - All Licenses & Permits Issued		66,811

In addition to the licenses and permits enumerated above, Licensing personnel issued 4,403 caterer's and wine festival certificates for temporary events.

The licenses and permits active on August 31, 2020 in each license class were:

Active Licenses & Permits – August 31, 2020

Class	Description	Total Active
A	Agent's Permit	6,450
AB	Airline Beverage Permit	22
AW	Agent's Manufacturing Warehousing Permit	13
B	Brewer's Permit	147
BA	Manufacturer's License	93
BB	General Distributor's License	90
BC	Branch Distributor's License	61
BE	Beer Retailer's On Premises License	716
BF	Beer Retailer's Off Premises License	6,180
BG	Wine and Beer Retailer's Permit	10,283
BI	Importer's License	135
BJ	Importer's Carrier's License	16
BK	Agent's Beer License	6,561
BL	Retail Dealer's On Premises Late Hours Permit	1,296
BP	Brewpub License	298
BQ	Wine and Beer Retailer's Off Premises Permit	19,492
BS	Nonresident Manufacturer's License	445
C	Carrier's Permit	586
CB	Caterer's Permit	1,991
CD	Consumer Delivery Permit	15
D	Distiller's & Rectifier's Permit	169

UNAUDITED

ADDENDUM C.1 CONTINUED

Licenses & Permits Active - August 31, 2020 (Continued)

Class	Description	Total Active
DA	Brewer's Self-Distribution Permit	94
DB	Manufacturer's Self-Distribution License	48
DK	Distiller's Agent's Permit	78
DS	Direct Shipper's Permit	1,753
E	Local Cartage Permit	2,011
ET	Local Cartage Transfer Permit	2
FB	Food and Beverage Certificate	12,869
FC	Forwarding Center Authority	43
G	Winery Permit	629
GF	Winery Festival Permit	433
GS	Winery Storage Permit	2
I	Industrial Permit	103
J	Bonded Warehouse Permit	15
K	Public Storage Permit	28
L	Private Storage Permit	60
LB	Mixed Beverage Late Hours	8,552
LI	Local Industrial Alcohol Manufacturer's Permit	5
LP	Local Distributor's Permit	796
MB	Mixed Beverage Permit	12,792
MI	Minibar Permit	86
N	Private Club Registration Permit	709
NB	Private Club Beer and Wine Permit	42
NE	Private Club Exception Certificate Permit	317
NL	Private Club Late Hours Permit	269
O	Private Carrier's Permit	1,107
P	Package Store Permit	2,735
PB	Passenger Bus Beverage Permit	3
PE	Beverage Cartage Permit	8,384
PR	Promotional Permit	72
PS	Package Store Tasting Permit	2,577
PT	Passenger Train Beverage Permit	3
Q	Wine Only Package Store Permit	3,288
RM	Mixed Beverage Permit with FB	3,086

ADDENDUM C.1 CONTINUED

Licenses & Permits Active – August 31, 2020 (Continued)

Class	Description	Total Active
S	Nonresident Seller's Permit	3,080
T	Manufacturer's Agent's Permit	621
U	Nonresident Brewer's Permit	457
V	Wine and Beer Retailer's Permit - Excursion Boat	7
W	Wholesaler's Permit	231
WP	Water Park Permit	4
X	General Class B Wholesaler's Permit	64
Grand Total		122,514

TAX & MARKETING PRACTICES DIVISION

The agency's Tax & Marketing Practices Division consists of three units— Excise Tax Reporting, Marketing Practices, and Label Approvals & Chemical Analyses.

Excise Tax Reporting

The Excise Tax Reporting unit is responsible for processing and reviewing excise tax payments and reports as well as other reports that are periodically due from members of the wholesale and manufacturing tiers of the alcoholic beverage industry. In FY 2020, assigned personnel processed \$250,882,689 in gross excise tax revenues and reviewed 57,817 tax and non-tax reports during the fiscal year. These reviews were conducted to verify the accuracy of the reports received and resulted in the collection of \$10,063 in tax underpayments and late fees.

Excise Tax Rates on Alcoholic Beverages

Type of Alcoholic Beverage	Tax Rate
Distilled Spirits	\$ 2.40 per gallon
Wine containing alcohol not more than 14% by volume	\$ 0.204 per gallon
Wine containing alcohol over 14%, but not more than 24% by volume	\$ 0.408 per gallon
Sparkling Wine	\$ 0.516 per gallon
Malt Liquor containing alcohol in excess of 4% by weight	\$ 0.198 per gallon
Beer containing not more than 4% alcohol by weight	\$ 6.00 per barrel

ADDENDUM C.1 CONTINUED

Revenue Collections

(These revenue figures do not include Ports of Entry Excise Stamp Sales. Excise tax figures reflect gross revenue collected. Net excise tax revenues would be approximately 2% less, assuming that all filers qualified for the 2% discount provided by statute for timely filing.)

Type of Revenue	Amount Collected
Excise Tax - Distilled Spirits	\$107,179,949
Excise Tax - Wine	\$18,357,549
Excise Tax - Malt Liquor	\$15,072,764
Excise Tax - Beer	\$110,272,427
Subtotal	\$250,882,689
Excise Tax - Collections from Report Verifications	\$10,062
Private Club Temporary Membership Fees	\$40,500
Total Collections – All Taxes & Fees	\$250,933,252

Marketing Practices

The Marketing Practices Section aids in the enforcement of laws regulating the marketing of alcoholic beverage products and marketing relationships among alcoholic beverage retailers, wholesalers, and manufacturers. During FY 2020, as part of her duties, the Marketing Practices Supervisor reviewed 473 advertising proposals submitted by various members of the alcoholic beverage industry and approved 268 of those proposals.

Label Approvals & Chemical Analyses

This unit processes and approves applications for product label approval and conducts product chemical testing as required for evidentiary purposes. During FY 2020, agency personnel reviewed and took action on product label applications as follows:

Labels Approved for Malt Beverages	4,595
Labels Approved for Distilled Spirits	3,545
Labels Approved for Wine	14,734
Total, All Approved Labels	22,874
Disapproved/Withdrawn Labels	933
Total, All Labels Approved, Disapproved or Withdrawn	23,807

Revenue from label approvals totaled to \$582,750 in FY 2020.

The unit's chemist also conducted various analyses on beverage samples submitted for testing during FY 2020. A summary of analyses conducted and determinations made is as follows:

Distilled Spirits	4
Malt Liquor	960
Beer	350
Miscellaneous	259
Total Analytical Determinations Made	1,573

ADDENDUM C.1 CONTINUED

PORTS OF ENTRY DIVISION

Personnel of the Ports of Entry Division monitor compliance with the personal importation laws of the State of Texas along the Texas-Mexico border and at cruise ship terminals in Galveston. Regulatory compliance officers with the program verify that persons importing alcoholic beverages meet all legal requirements regarding importation for personal consumption and collect the appropriate fees and taxes due. Through an agreement with the Comptroller of Public Accounts, Ports of Entry personnel are also responsible for determining compliance with the state laws governing the personal importation of cigarettes and the collection of any taxes due on these importations.

During Fiscal Year 2020, Ports of Entry regulatory compliance officers stamped and collected taxes and fees for 1,846,593 alcoholic beverage and cigarette containers. In the course of these duties, regulatory compliance officers also disallowed and observed the destruction of 34,072 alcoholic beverage and cigarette containers that were determined to have been imported in violation of state law. The containers were disallowed for the following reasons: Attempted importations by persons under 21 years of age, attempted importations by intoxicated persons, importations in excess of the legal limits, refusal to pay the taxes and fees owed on the alcoholic beverage and/or tobacco products imported, or when the product is illegally packaged or otherwise illicit.

Program staffing is currently maintained through seven Ports of Entry district offices, which monitor 28 international crossings along the Texas-Mexico border and two cruise ship terminals servicing Galveston Bay. Personnel are assigned to the Galveston Seaport and 21 major border crossings. The remaining seven border crossings are either strictly commercial/commuter traffic or considered low-volume and are monitored on a random basis to determine if traffic volume has increased and if full time staffing is warranted.

Employees collect an administrative fee of \$3.00 per container on personal importations of alcoholic beverages in addition to the excise taxes due on the alcoholic beverages imported. This administrative fee totaled \$4,413,867 for the 2020 fiscal year. Total gross revenue for the fiscal year from all fees and taxes collected for the personal importation of alcoholic beverages and cigarettes was \$5,936,082.

The total amounts of these fees and taxes collected by each ports-of-entry district are detailed below.

El Paso	\$ 594,980
Eagle Pass	736,100
Laredo	2,138,140
Hidalgo	608,467
Progreso	992,791
Brownsville	468,187
Seaport	397,417
Total	\$5,936,082

TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)

ADDENDUM C.2

SERVICE EFFORTS AND ACCOMPLISHMENTS – ENFORCEMENT

For the Fiscal Year Ended August 31, 2020

The Deputy Executive Director for Enforcement oversees the operation of the agency's Enforcement Division which includes the agency's Special Investigations Unit and Criminal Intelligence Unit.

ENFORCEMENT DIVISION

The Enforcement Division is agency's largest and most visible operating component. Staffing consists of a Chief of Law Enforcement, a Deputy Chief of Law Enforcement, 6 majors, and 251 additional commissioned peace officers' positions which includes 45 peace officers' positions assigned to the Special Investigations Unit (SIU). It also includes five Criminal Intelligence Analysts assigned to the Criminal Intelligence Unit (CIU). The division's primary mission is to detect and deter administrative and criminal violations occurring on or related to a TABC licensed premises that pose a threat to the safety of patrons and the public.

Organizational Structure

For the purposes of law enforcement operations, the Enforcement Division has divided the state into five regions. Each region is supervised by a major who oversees all law enforcement operations within the region. Two or more lieutenants, and several sergeants assist the major in the day-to-day management of regional operations.

Other personnel are assigned to each region based on need, with need largely defined by the number of licensed premises located within the geographic confines of the region.

Listed below are the agency's Enforcement Regions, the counties that are served by each, and the offices from which those counties are served.

Region 1 - Lubbock

The regional office is in Lubbock. Personnel are also stationed in Abilene, Amarillo, El Paso, Odessa, and San Angelo. This region serves the following Texas counties: Andrews, Armstrong, Bailey, Borden, Brewster, Briscoe, Brown, Callahan, Carson, Castro, Childress, Cochran, Coke, Coleman, Collingsworth, Comanche, Concho, Cottle, Crane, Crockett, Crosby, Culberson, Dallam, Dawson, Deaf Smith, Dickens, Donley, Eastland, Ector, El Paso, Fisher, Floyd, Foard, Gaines, Garza, Glasscock, Gray, Hale, Hall, Hansford, Hardeman, Hartley, Haskell, Hemphill, Hockley, Howard, Hudspeth, Hutchinson, Irion, Jeff Davis, Jones, Kent, Kimble, King, Knox, Lamb, Lipscomb, Loving, Lubbock, Lynn, Martin, McCulloch, Menard, Midland, Mitchell, Moore, Motley, Nolan, Ochilree, Oldham, Parmer, Pecos, Potter, Presidio, Randall, Reagan, Reeves, Roberts, Runnels, Schleicher, Scurry, Shackelford, Sherman, Stephens, Sterling, Stonewall, Sutton, Swisher, Taylor, Terrell, Terry, Tom Green, Upton, Ward, Wheeler, Winkler, and Yoakum.

Region 2 - Arlington

The regional office is in Arlington. Personnel are also stationed in Denton, Greenville, Longview, McKinney, and Tyler. This region serves the following Texas counties: Anderson, Archer, Baylor, Bowie, Camp, Cass, Cherokee, Clay, Collin, Cooke, Dallas, Delta, Denton, Ellis, Erath, Fannin, Franklin, Grayson, Gregg, Harrison, Henderson, Hood, Hopkins, Hunt, Jack, Johnson, Kaufman, Lamar, Marion, Montague, Morris, Navarro, Palo Pinto, Panola, Parker, Rains, Red River, Rockwall, Rusk, Smith, Somervell, Tarrant, Throckmorton, Titus, Upshur, Van Zandt, Wichita, Walbarger, Wise, Wood, and Young.

ADDENDUM C.2 CONTINUED

Region 3 - Houston

The regional office is in Houston. Personnel are also stationed in Beaumont, Brazoria, Conroe, Huntsville, Lufkin, Richmond, and Wharton. This region serves the following Texas counties: Angelina, Brazoria, Chambers, Colorado, Fort Bend, Galveston, Hardin, Harris, Houston, Jasper, Jefferson, Leon, Liberty, Madison, Matagorda, Montgomery, Nacogdoches, Newton, Orange, Polk, Sabine, San Augustine, San Jacinto, Shelby, Trinity, Tyler, Walker, Waller, and Wharton.

Region 4 - Austin

The regional office is in Austin. Personnel are also stationed in Belton, Bryan, Llano, New Braunfels, San Marcos, and Waco. This region serves the following Texas counties: Austin, Bastrop, Bell, Blanco, Bosque, Brazos, Bureson, Burnet, Caldwell, Comal, Coryell, Falls, Fayette, Freestone, Gillespie, Grimes, Guadalupe, Hamilton, Hays, Hill, Kendall, Kerr, Lampasas, Lee, Limestone, Llano, Mason, McLennan, Milam, Mills, Robertson, San Saba, Travis, Washington, and Williamson,

Region 5 – San Antonio

The regional office is in San Antonio. Personnel are also stationed in Corpus Christi, Laredo, McAllen, San Benito, and Victoria. This region serves the following Texas counties: Aransas, Atascosa, Bandera, Bee, Bexar, Brooks, Calhoun, Cameron, DeWitt, Dimmitt, Duval, Edwards, Frio, Goliad, Gonzales, Hidalgo, Jackson, Jim Hogg, Jim Wells, Karnes, Kenedy, Kinney, Kleberg, La Salle, Lavaca, Live Oak, Maverick, McMullen, Medina, Nueces, Real, Refugio, San Patricio, Starr, Uvalde, Val Verde, Victoria, Webb, Willacy, Wilson, Zapata, and Zavalla.

Enforcement Agent Activities in FY 2020

During FY 2020, enforcement agents conducted 46,069 inspections to verify compliance with the state's alcoholic beverage laws. Of these, 8,666 were either underage compliance operations or some other form of undercover operation, and almost three-fifths (26,676) targeted priority locations, retailers that were either within the first two years of operation, or that were, at the time of the inspection, the subject of an investigation involving allegations of public safety offenses, or that had a history of past public safety offenses. In addition to inspections, agency enforcement personnel also conducted and completed 6,467 complaint investigations involving 9,514 alleged violations of state alcoholic beverage laws. The allegations investigated came from the public, elected officials, other public agencies, law enforcement agencies, agency licensees, and even the agency's own employees.

**Administrative Enforcement Actions Initiated
By Enforcement Agents in FY 2020**

Enforcement agents issued 188 warnings, initiated 8 protests of original or renewal license applications, and filed 1,074 cases for administrative violations of the Alcoholic Beverage Code in FY 2020. Of the cases filed, 770 have been docketed to date (September 22, 2020). Of the docketed cases, 38 cases are yet to be resolved, 263 have been "restrained" as per the requirements of Section 106.14 of the Texas Alcoholic Beverage Code, and 14 have been combined and settled together with another case. As for the remainder, 427 have resulted in suspension of licensing privileges or payment of civil penalties in lieu of suspension, 14 have resulted in cancellation, and 14 were dismissed. Civil penalty payments received to date because of the administrative cases filed by Enforcement agents in FY 2020 total to \$494,300.

ADDENDUM C.2 CONTINUED

Docketed Enforcement Administrative Cases Originating in FY 2020	
Pending (No Disposition)	38
Restrained (Section 106.14)	263
Suspension or Civil Penalty Payment	427
Cancellation	14
Dismissed	14
Combined & Settled with Another Case	14
Total Docketed Cases	770

**Criminal Enforcement Actions Initiated
By Enforcement Agents in FY 2020**

Enforcement agents issued 74 criminal warnings in FY 2020 and filed 685 criminal cases.

FY 2020 Still Seizures

Enforcement agents seized one still in FY 2020.

The still was seized on November 7, 2019, in Cherokee County and had a cooker capacity of five gallons. No mash or moonshine whiskey was found at the site. The still was not in use at the time of the seizure.

SPECIAL INVESTIGATIONS UNIT

45 peace officers are assigned to the agency's Special Investigations Unit (SIU). SIU personnel are strategically stationed in various agency offices across the state and work together, often in conjunction with local, federal, other state law enforcement agencies and non-governmental agencies to investigate allegations of human and drug trafficking, organized criminal activity, and money laundering with a nexus to the alcoholic beverage industry. SIU agents are also assigned to various task forces and work closely with state and federal prosecutors to provide the most effective investigative response to criminal activity occurring within licensed premises.

The SIU team reports to a Major, who in turn reports directly to the Chief of Law Enforcement.

SIU Law Enforcement Activities

In FY 2020, SIU Investigators completed and closed 190 long-term investigations involving allegations of drug trafficking, human trafficking, money laundering, and street gang control of licensed businesses, and in conjunction with local, state, and federal law enforcement partners, conducted 3,090 joint operations to gather evidence and execute warrants.

**Administrative Enforcement Actions
Initiated by SIU in FY 2020**

In FY 2020, SIU law enforcement personnel filed 56 administrative cases for violations of the alcoholic beverage code observed and documented during their investigations and joints operations. To date (September 22, 2020), 18 administrative cases have been combined into 6 cases that produced 6 license/permit cancellations.

The others administrative cases initiated by SIU personnel in FY 2020 remain open pending final disposition.

ADDENDUM C.2 CONTINUED

**Criminal Enforcement Actions
Initiated by SIU in FY 2020**

SIU/FCU investigators filed 38 criminal cases in FY 2020, most involving felony offenses such as money laundering, human trafficking, or the sell or possession of narcotics or other dangerous drugs.

TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)

ADDENDUM C.3

SERVICE EFFORTS AND ACCOMPLISHMENTS – CHIEF OF STAFF

For the Fiscal Year Ended August 31, 2020

The agency's Chief of Staff, who is also a Deputy Executive Director, oversees the operation of the Audit & Investigations Division, and most of the agency's support services divisions, including Business Services, Innovation & Technology, and Human Resources.

AUDIT & INVESTIGATIONS DIVISION

Agency auditors conduct tax, financial, and investigative audits; inspections of licensed and proposed licensed locations; and applicant interviews during the initial phases of the licensing process. They also monitor cash law and credit law compliance, deal with local marketing practices issues, investigate regulatory complaints of the Alcoholic Beverage Code, and often assist enforcement agents with their investigations. In addition, Auditors are also in large part responsible for the delivery of the agency's educational programs for licenses and permittees, high school and college students, and the general public. Auditors also manage the seized liquor and evidence rooms in agency field offices.

Organizational Structure – Audit & Investigations Division

Audit operations are managed by the Director of the Audit & Investigations Division, aided by a Deputy Director, five Regional Audit Managers and two Assistant Regional Managers.

The Regional Audit Managers oversee division activities in their respective regions. As seen below, these regions cover the same geographic areas as the agency's Law Enforcement regions, and auditors share many of the same offices occupied by the agency's enforcement agents. At the end of FY 2020, there were 45 budgeted field auditor positions, and they were allocated to the various regions based on the geographic distribution of auditable accounts and other licensed businesses.

In addition, to the auditors who work under the direction of regional audit managers, there is also a specialized four auditor Marketing Investigations Unit (MIU) that investigates complaints involving three tier violations within the alcoholic beverage industry. These investigations are often highly complex and involve in depth analysis of accounting and financial records, contracts, and related business records. Additionally, the unit also specializes in direct shipper's audits and perform financial analysis of permits cancelled for Human Trafficking and other Organized Criminal Activity to identify illicit proceeds generated by Criminal Organizations. The unit includes a supervisor/team lead who reports directly to the Austin Regional Audit Manager.

The agency's Audit & Investigations regions, the counties that are served by each, and the offices from which those counties are served are listed below.

ADDENDUM C.3 CONTINUED

Region 1 - Lubbock

The regional office is located in Lubbock. Personnel are also stationed in Abilene, Amarillo, El Paso, and Odessa. This region serves the following Texas counties: Andrews, Armstrong, Bailey, Borden, Brewster, Briscoe, Brown, Callahan, Carson, Castro, Childress, Cochran, Coke, Coleman, Collingsworth, Comanche, Concho, Cottle, Crane, Crockett, Crosby, Culberson, Dallam, Dawson, Deaf Smith, Dickens, Donley, Eastland, Ector, El Paso, Fisher, Floyd, Foard, Gaines, Garza, Glasscock, Gray, Hale, Hall, Hansford, Hardeman, Hartley, Haskell, Hemphill, Hockley, Howard, Hudspeth, Hutchinson, Irion, Jeff Davis, Jones, Kent, Kimble, King, Knox, Lamb, Lipscomb, Loving, Lubbock, Lynn, Martin, McCulloch, Menard, Midland, Mitchell, Moore, Motley, Nolan, Ochiltree, Oldham, Parmer, Pecos, Potter, Presidio, Randall, Reagan, Reeves, Roberts, Runnels, Schleicher, Scurry, Shackelford, Sherman, Stephens, Sterling, Stonewall, Sutton, Swisher, Taylor, Terrell, Terry, Tom Green, Upton, Ward, Wheeler, Winkler, and Yoakum.

Region 2 - Arlington

The regional office is located in Arlington. Personnel are also stationed in Tyler. This region serves the following Texas counties: Anderson, Archer, Baylor, Bowie, Camp, Cass, Cherokee, Clay, Collin, Cooke, Dallas, Delta, Denton, Ellis, Erath, Fannin, Franklin, Grayson, Gregg, Harrison, Henderson, Hood, Hopkins, Hunt, Jack, Johnson, Kaufman, Lamar, Marion, Montague, Morris, Navarro, Palo Pinto, Panola, Parker, Rains, Red River, Rockwall, Rusk, Smith, Somervell, Tarrant, Throckmorton, Titus, Upshur, Van Zandt, Wichita, Walbarger, Wise, Wood, and Young.

Region 3 - Houston

The regional office is located in Houston. Personnel are also stationed in Beaumont, Conroe, Dickenson, and Richmond. This region serves the following Texas counties: Angelina, Brazoria, Chambers, Colorado, Fort Bend, Galveston, Hardin, Harris, Houston, Jasper, Jefferson, Leon, Liberty, Madison, Matagorda, Montgomery, Nacogdoches, Newton, Orange, Polk, Sabine, San Augustine, San Jacinto, Shelby, Trinity, Tyler, Walker, Waller, and Wharton.

Region 4 - Austin

The regional office is located in Austin. Personnel are also stationed in Bryan, San Marcos, and Waco. This region serves the following Texas counties: Austin, Bastrop, Bell, Blanco, Bosque, Brazos, Burleson, Burnet, Caldwell, Comal, Coryell, Falls, Fayette, Freestone, Gillespie, Grimes, Guadalupe, Hamilton, Hays, Hill, Kendall, Kerr, Lampasas, Lee, Limestone, Llano, Mason, McLennan, Milam, Mills, Robertson, San Saba, Travis, Washington, and Williamson,

Region 5 – San Antonio

The regional office is located in San Antonio. Personnel are also stationed in Corpus Christi, Laredo, and McAllen. This region serves the following Texas counties: Aransas, Atascosa, Bandera, Bee, Bexar, Brooks, Calhoun, Cameron, DeWitt, Dimmitt, Duval, Edwards, Frio, Goliad, Gonzales, Hidalgo, Jackson, Jim Hogg, Jim Wells, Karnes, Kenedy, Kinney, Kleberg, La Salle, Lavaca, Live Oak, Maverick, McMullen, Medina, Nueces, Real, Refugio, San Patricio, Starr, Uvalde, Val Verde, Victoria, Webb, Willacy, Wilson, Zapata, and Zavalla.

ADDENDUM C.3 CONTINUED

Auditor Activities

Auditors perform a wide range of activities to fulfill the division's goals. During FY 2020, auditors conducted 4,851 physical inspections of licensed or proposed licensed locations, reviewed 37,068 compliance reports submitted by licensed businesses as proof of detailed self-inspections, concluded 2,654 complaint investigations, and performed 1,783 audits. In the course of their audit activities, auditors audited and verified \$47,651,377 of tax revenue and fees and collected \$89,152 in delinquent taxes and fees. Auditors also provided information or instruction related to the Alcoholic Beverage Code to 33,913 persons.

Auditor Administrative Enforcement Actions

During the course of their duties in FY 2020, auditors issued 1,242 administrative warnings and filed 308 administrative cases for various violations of the Alcoholic Beverage Code and Rules. 209 of the administrative cases filed have been docketed to date (September 22, 2020). Of the docketed cases, 11 remain open pending final disposition and 23 have been combined and settled together with another case. As for the remainder, 136 have resulted in suspension of licensing privileges or payment of civil penalties in lieu of suspension, and 39 were dismissed. Civil penalty payments received to date for administrative cases filed by auditors in FY 2020 total to \$116,600.

Docketed Auditing Administrative Cases Originating in FY 2020	
Pending (No Disposition)	11
Suspension or Civil Penalty Payment	136
Cancellation	0
Dismissed	39
Combined & Settled with Another Case	23
Total Docketed Cases	209

BUSINESS SERVICES DIVISION

The Business Services Division (BSD) is responsible for all fiscal operations of the agency, including revenue processing, accounts payable, payroll, time and leave accounting, maintenance of the general ledger, research and planning, grants management, as well as preparation and oversight of the agency's legislative appropriation request, annual financial report, and performance reports. Other responsibilities assigned to the division include purchasing, contract management, coordination of the agency's historically underutilized business (HUB) program, management of the agency's property inventory, facilities leasing, and mail center operations

The division is managed by a Chief Financial Officer with the aid of a Deputy Chief Financial Officer and has a staff of 27, including 3 managers.

In FY 2020, Business Services personnel processed more almost \$329 million in revenue and expenditures totaling to almost \$57 million.

ADDENDUM C.3 CONTINUED

INNOVATION & TECHNOLOGY DIVISION

The Innovation & Technology Division (ITD) develops and maintains the agency's core technology applications and infrastructure. It is also charged with the responsibility of identifying new technologies that might solve existing and future agency business problems and determining how those new technologies can be best applied. The division has 25 budgeted positions, including its Director, Deputy Director, and Information Security Officer.

In FY 2020, ITD personnel completed the following major projects

- Deployed the new public website for the agency.
- Deployed significantly expanded and enhanced the Agency's Work from Home solution that includes broadband and VPN capabilities and redundancies, deployment of mobile Wi-Fi capabilities, deployment of Surface Pros, and Single Sign On capabilities for all web-based applications.
- Deployed Asset Panda, the agency's new SaaS inventory application.
- Deployed MyPolicies, the agency's new SaaS for review, electronic acknowledgement, and repository resource for all agency policies.
- Deployed automated onboarding workflow in SharePoint Online.
- Deployed Tableau Online for internal data analytics and business intelligence for Executive and Senior Management.

HUMAN RESOURCES DIVISION

The Human Resources Division (HRD) manages employment-related activities, including recruitment, selection, benefits and compensation, employee relations, classification, risk management, and implementation of the agency's equal employment opportunity program, and also ensures compliance with HR-related reporting requirements. The division has a staff of eight, including its director.

During FY 2020, HRD oversaw the hiring of 97 new agency employees, facilitated the departure (voluntary or otherwise) of 64 employees, and processed 19 Workers' Compensation Claims. Its personnel also coordinated with the Texas Workforce Commission Civil Rights Division to complete the review of the personnel policies and procedures system of TABC by August 31, 2020, under Texas Labor Code §§ 21.451 – 21.456. Based on that review and HRD's implementation of recommendations, the auditor certified that TABC's personnel policies and procedures system comply with Texas Labor Code Chapter 21.

TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)

ADDENDUM C.4

OFFICE OF THE GENERAL COUNSEL

The General Counsel provides legal advice related to agency business to the agency's commissioners and executive team, oversees the development and adoption of administrative rules and administrative rule revisions, and manages external litigation. The Office of the General Counsel is based at the agency's Austin headquarters and consists of the General Counsel, and one additional attorney.

LEGAL SERVICES DIVISION

The Legal Services Division is responsible for negotiation, preparation, mediation, and prosecution of contested administrative cases that are not settled by Field Enforcement, Auditing, and Licensing Supervisors. The Division also reviews all protests and responds to questions regarding the Alcoholic Beverage Code and Rules posed by local county and municipal authorities, members of the industry and the general public. Additional responsibilities for the Legal Division include management of the agency's response to open records requests and the review, approval, and administration of all agency contracts.

Legal Services personnel are stationed at the agency's Austin headquarters and in its Houston regional office. In addition to a Chief Deputy General Counsel, the division's staff consists of 11 attorneys, 4 legal assistants, and 2 legal secretaries.

A summary of the contested administrative cases and protests referred to the Legal Services Division in FY 2020 is found on the following page.

UNAUDITED

ADDENDUM C.4 CONTINUED

CONTESTED CASES & PROTESTS REFERRED TO LEGAL SERVICES IN FY 2020

Month	Number of Cases/Protests Docketed	Number of Violations Charged	Number of Hearings	Civil Penalties Collected	Suspension Days Assessed
September 2019	10	17	2	\$24,000	80
October 2019	13	19	0	\$12,300	30
November 2019	13	15	0	\$24,400	48
December 2019	14	14	1	\$19,200	115
January 2020	25	34	1	\$9,000	108
February 2020	2	2	0	\$45,000	0
March 2020	2	2	0	\$19,500	0
April 2020	4	5	1	\$0	18
May 2020	24	32	1	\$0	0
June 2020	25	47	2	\$0	168
July 2020	28	35	11	\$0	475
August 2020	39	39	13	\$0	318
Total	199	261	32	\$153,400	1,360

UNAUDITED

TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)

ADDENDUM C.5

Three specialized units within the Executive Division, the Office of the Inspector General, the Communications & External Relations Division, and the Strategic Initiatives & Performance Improvement Division report directly to the agency's Executive Director, and in the case of the Office of the Inspector General, report both to the TABC's Commissioners and to the Executive Director.

OFFICE OF THE INSPECTOR GENERAL

The Mission of the Office of the Inspector General (OIG) is to detect and prevent fraud, waste, and abuse as well as to promote efficient and effective use of public resources in order to safeguard public trust in our agency.

The OIG is led by the Inspector General (IG). The IG also serves as the TABC Strategic Plan FY 2021-2025 Goal 3 Chief. This goal focuses on Improving TABC's capability to serve the people of Texas by providing high-level training and education opportunities for new hires, existing employees, and external stakeholders. The directorate is comprised of the office of Internal Affairs (IA), office of Oversight & Review (O&R) and the Training Division. § 5.58 of the Texas Alcoholic Beverage Code specifies the powers and duties of IA.

Throughout FY 2020 the OIG provided training and developed products covering All Hazards Planning to include responses to the pandemic and hurricanes. Also, worked in conjunction with the Enforcement Division to improve operational dynamic risk assessments and design training programs to compliment improved human trafficking operations.

Additionally, IA received a total of 54 complaints against agency personnel. As of August 31, 2020, 39 of these have been closed and 15 remain open.

Throughout the year the O&R produced an interim report on Response to Resistance and updated the Commissioners Training Program.

Training Division

The Texas Alcoholic Beverage Commission Training Division identifies innovative initiatives to address and sustain all-inclusive education, training, research, leadership development, Alcoholic Beverage Code, human trafficking and other law enforcement, auditing, licensing training in our agency. The challenges we face in a rapidly evolving and asymmetric threat environment and the increasing population in our state, demands our leaders be adept in art and science of leadership practices in a 21st century interagency environment. The Training Division conducts a new agent academy and all training provided to Commissioned Peace Officers complies with the Texas Commission on Law Enforcement training standards.

In FY 2020, unit personnel reviewed and approved 5 new seller training programs, licensed or relicensed 28 training entities, and oversaw the delivery of instruction to 390,811 Texas retail clerks and servers. FY 2020 revenues from the agency's seller training program totaled to \$807,775. The Training Division is also responsible for the TABC's Seller/Server Certification Program, which oversees the activities of 67 private seller/server training schools that provide TABC approved instruction to retail clerks and servers.

The Training Division is managed by a director who reports to the agency's Inspector General and in addition to its director has a staff of 8 employees.

ADDENDUM C.5 CONTINUED

FY 2020 Training Highlights included:

- Developed and offered leadership training for all agency staff, including LEADS principles course and First Line Supervisor week long training.
- Developed and offered training for the agency on the topics of, Financial Crimes, Human Trafficking, Reality Based Training, Firearms Instruction
- Successful completion of New Agent Academy
- Completed In-Service training for agency divisions, including hosting all 72 Auditors in Houston for first collective In-Service offering in over 5 years and developing an in-serving training for Staff Service Officer job classifications
- Launched Veterans Empowerment Initiative

COMMUNICATIONS AND EXTERNAL RELATIONS DIVISION

The Communications and External Relations Division (Communications) of the Texas Alcoholic Beverage Commission (TABC) oversees internal and external communications for the agency. The division includes the Public Information Officer (PIO), Office of External Affairs (EA), Office of Government Relations (GR) and the Communications Services team. The division is responsible for communications with agency employees, industry stakeholders, the media and public, as well as the Texas Legislature and other governmental entities.

The division develops communications strategies that inform the public, communicate essential updates to industry, and highlight the agency's mission, vision, and priorities. By implementing these strategies, Communications engages employees, industry members, media outlets, state legislators and other agencies.

The team also supports crucial work for other divisions and programs, specifically those that are essential to the agency's strategic plan, such as combating human trafficking, modernizing information technology and training services, and coordinating efforts to implement legislative changes.

The PIO serves as the public face of the agency and is responsible for all interactions between TABC and members of the public, particularly the news media. The PIO writes, edits and publishes all agency news releases and media materials and is made available for interviews with the press across a variety of platforms, such as print, broadcast and online.

The Office of External Affairs is charged with ensuring a coordinated approach to engage all external stakeholders. This mission is accomplished by collaborating with all divisions of TABC to develop and execute outreach initiatives for the alcoholic beverage industry, operating as a liaison for stakeholders on agency and legislative matters, and representing the agency at external events.

The Office of Government Relations is responsible for communications with legislative offices and government agencies, including responses to inquiries for constituents or on bills and materials to inform or explain initiatives and budgetary requests. The office monitors legislation for agency impact; assigns and reviews bill analyses; and coordinates and synthesizes input for all fiscal note submissions, talking points for testimony, agency reports and presentations. GR continues to provide agency data and information related to House and Senate Committee Interim Charges while preparing for the 87th legislative session. The GR director also represents the agency as a member of the state's Human Trafficking Prevention Coordinating Council and Task Force.

ADDENDUM C.5 CONTINUED

Communications Services provides day-to-day support for every division of the agency, as well as the offices within the division. The team is responsible for maintaining the agency's new public website, developing or reviewing internal and external communications, creating and developing public safety educational materials, and coordinating public meetings, among various other duties. The five-person team includes the Communications Services managers and five specialists who provide the following services for the agency:

- Editorial
- Graphic design
- Video
- Web
- Social media

FISCAL YEAR 2020 HIGHLIGHTS**Communications Services**

- **New team:** Established a new team to streamline and clearly communicate information to staff, industry, the public and all external stakeholders.
- **New website:** Rewrote, redesigned and launched the new tabc.texas.gov, making it easier for Texas businesses and the public to locate vital information and accomplish their goals.
- **Protected Texans:** Printed or shared tens of thousands of materials as part of public safety and educational campaigns.

Public Information Office

- **Agency media exposure and engagement:** TABC participated in nearly 4,600 news stories or articles during FY 2020 (44% increase over FY 2019). PIO participated in more than 650 media interviews and inquiries.
- **Transparency and clear information:** Developed multiple talking points and speeches for agency leadership, resulting in numerous successful interviews and public appearances by the executive director and chairman.

Office of Government Relations

- **Priority No. 1**
 - Took a lead role in the Human Trafficking Prevention Coordinating Council and development of the state's Five-Year Strategic Plan to combat human trafficking.
 - Contributed to the Human Trafficking Task Force and development of the legislative recommendations.
 - Coordinated efforts for human trafficking prevention grant proposal by developing the framework and initiation of programs.
 - Increased human trafficking prevention engagement efforts by coordinating and collaborating with other agencies and stakeholders — including nongovernmental organizations — to provide awareness and resources.
- **Legislative Engagement**
 - Coordinated public testimony for Senate State Affairs Committee on human trafficking prevention efforts.
 - Provided information to the Texas Legislature for the development of interim charges and reports for the House Licensing Administrative Procedures Committee and Appropriations Committee.

ADDENDUM C.5 CONTINUED

- **Coronavirus Response**

- Constituent casework efforts increased 1,000% to address and support 181 legislators, local officials, and industry stakeholders.
- Developed all COVID-19 legislative waiver requests and guidance in coordination with Office of the Governor and agency subject matter experts.

Office of External Affairs

- **Stakeholder meetings:** Held 303 meetings with stakeholders (49% increase from FY 2019).
- **Stakeholder inquiries:** Addressed 697 stakeholder inquiries (95% increase).
- **TABC events:** Coordinated or conducted 42 events across Texas (600% increase).
- **Industry events:** Coordinated TABC participation in 24 events (8% decrease).
- **Industry newsletters:** Produced 6 bimonthly newsletters (14% decrease).
- **TABC Talks:** Produced 9 webcasts on regulatory compliance (18% decrease).
- **Industry notices:** Published 77 notices to update industry (141% increase).

STRATEGIC INITIATIVES & PERFORMANCE IMPROVEMENT DIVISION

Strategic Initiatives & Performance Division reports to the Chief of Staff and provides advice, analysis, and recommendations to TABC leadership to improve the agency's efficiency and effectiveness. The office also plans and manages strategic agency projects requiring cross-divisional collaboration and oversees development and periodic review of agency policies and procedures. The division's staff consists of three employees, including its two co-directors.

In FY 2020 the division managed the implementation of new provisions in the Alcoholic Beverage Code and management action items as a result of the Sunset process. Activities included a multi-year plan to review and reorganize more than 200 existing rules; the elimination, consolidation, and transition of licenses and permits; the update, revision and implementation of nearly 70 new or revised policies and 35 procedures; and the construction of new processes for reviewing applications and handling application protests.

TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)

ADDENDUM D

WET-DRY STATUS OF TEXAS COUNTIES

For the Fiscal Year Ended August 31, 2020

+The sale of mixed beverages is legal in all or part of county as is the sale of distilled spirits for off-premises consumption. (195)

+¹The sale of mixed beverages in restaurants by holders of FB certificates is legal in all or part of the county but the county is "dry" for the sale of distilled spirits for off-premises consumption. (6)

*County "wet" throughout for the sale of distilled spirits for off premises consumption (78). Note: 150 counties are "wet" in part for the sale of distilled spirits for off-premises consumption.

COUNTIES IN WHICH DISTILLED SPIRITS ARE LEGAL: 234

Anderson+	Chambers+	Falls+	Hill+	Leon+	Parmer	Titus+
Andrews+ ¹	Cherokee+	Fannin+	Hockley+	Liberty+	Pecos+	Tom Green+
Angelina+ ¹	Childress+*	Fayette+*	Hood+	Live Oak+	Polk+	Travis+
Aransas+*	Clay+*	Fisher+*	Hopkins+	Llano+	Potter+	Trinity*
Archer+	Cochran	Floyd+	Houston+ ¹	Lubbock+*	Presidio+*	Tyler+
Armstrong*	Coleman+	Foard+*	Howard+	Lynn+	Rains+	Upshur+
Atascosa+	Collin+	Fort Bend+*	Hudspeth+*	Madison+ ¹	Randall+	Upton*
Austin+*	Collingsworth+*	Franklin+ ¹	Hunt+	Marion+	Reagan*	Uvalde+
Bailey+	Colorado+*	Freestone+	Hutchinson+	Matagorda+	Real+	Val Verde+*
Bandera+	Comal+*	Frio+	Jack+	Maverick+	Red River	Van Zandt+
Bastrop+*	Comanche+	Galveston+	Jackson+	McCulloch+	Reeves+*	Victoria+*
Baylor	Cooke+	Garza+	Jasper+	McLennan+	Refugio*	Walker+
Bee+	Coryell+	Gillespie+	Jeff Davis+	Medina+	Robertson+	Waller+*
Bell+	Cottle+*	Glasscock	Jefferson+	Menard*	Rockwall+	Ward*
Bexar+*	Crane+*	Goliad+*	Jim Hogg+*	Midland+*	Runnels+	Washington+*
Blanco+	Crockett*	Gonzales+*	Jim Wells+	Milam+	Rusk+	Webb+*
Bosque+	Crosby+*	Gray+	Johnson+	Mills+	Sabine+	Wharton+*
Bowie+	Culberson+*	Grayson+	Jones+	Mitchell+*	San Augustine	Wheeler+
Brazoria+	Dallam*	Gregg+	Karnes+*	Montague+	San Jacinto	Wichita+
Brazos+*	Dallas+	Grimes+	Kaufman+	Montgomery+	San Patricio+	Wilbarger+*
Brewster+*	Dawson+	Guadalupe+*	Kendall+*	Moore+*	San Saba+*	Willacy+
Briscoe	Deaf Smith*	Hale+	Kenedy+*	Morris+	Schleicher*	Williamson+
Brooks+*	Denton+	Hall+	Kerr+	Motley+	Scurry+*	Wilson+
Brown+	DeWitt+	Hamilton+	Kimble*	Nacogdoches+	Shackelford	Winkler*
Burleson+	Dickens	Hansford+	King	Navarro+	Shelby	Wise+
Burnet+*	Dimmitt+*	Hardeman+*	Kinney+*	Newton	Sherman+*	Wood+
Caldwell+	Donley+*	Hardin+	Kleberg+*	Nolan+*	Smith+	Yoakum+
Calhoun+	Duval+*	Harris+	Knox	Nueces+*	Star+*	Young
Callahan+	Eastland+	Harrison+	Lamar+	Ochiltree+*	Stonewall+	Zapata+*
Cameron+*	Ector+*	Hartley	Lamb+	Oldham+	Sutton+*	Zavala+*
Camp+	Edwards	Haskell+	Lampasas+	Orange+	Swisher	
Carson+	El Paso+*	Hays+	La Salle+*	Palo Pinto+	Tarrant+	
Cass+	Ellis+	Henderson+	Lavaca+	Panola+ ¹	Taylor+	
Castro	Erath+	Hidalgo+*	Lee+*	Parker+	Terrell*	

ADDENDUM D (Continued)

COUNTIES IN WHICH ONLY 4% BEER IS LEGAL: 2

Some counties are only partially wet.

Irion Mason

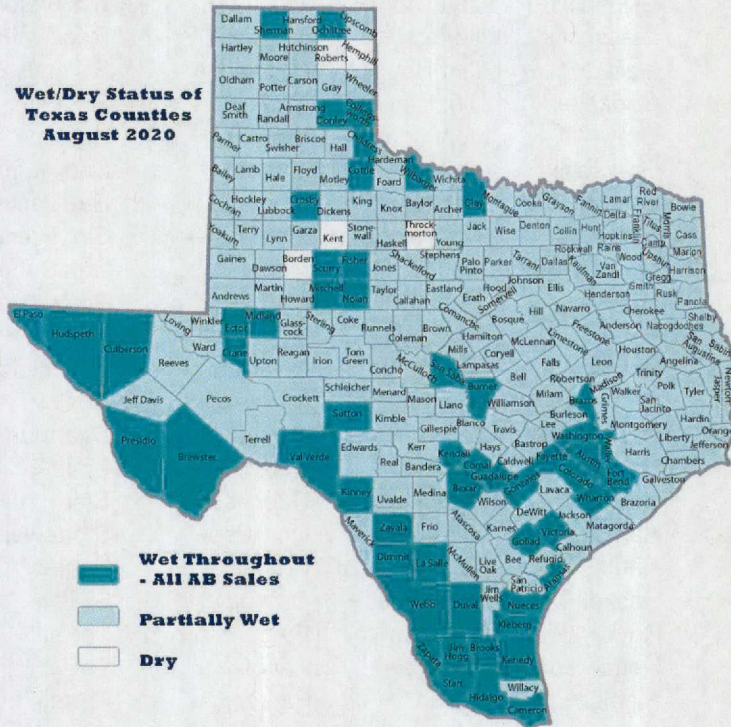
COUNTIES IN WHICH 14% - 17% OR LESS ALCOHOLIC BEVERAGES ARE LEGAL: 13

Some counties are only partially wet.

Coke	Limestone	McMullen	Terry
Concho	Lipscomb	Somervell	
Gaines	Loving	Stephens	
Delta	Martin	Sterling	

COUNTIES ENTIRELY DRY: 5

Borden	Kent	Throckmorton
Hemphill	Roberts	



TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)**ADDENDUM E****LOCAL OPTION ELECTIONS****For the Fiscal Year Ended August 31, 2020**

Nine (9) local option elections were held for nine (9) jurisdictions in FY 2020. All nine (9) of the election issues passed. None (0) failed to win voter approval. Of the jurisdictions holding elections, three (3) became "wet" for the first time as a result of the elections, and six (6) expanded the area of alcoholic beverage sales or authorized additional sales. Issues for which elections were held included "the legal sale of beer and wine" (1 ea.), "the legal sale of beer and wine for off-premises consumption only" (1 ea.), "the legal sale of all alcoholic beverages for off-premises consumption only" (1 ea.), "the legal sale of all alcoholic beverages including mixed beverages" (4 ea.), "the legal sale of mixed beverages in restaurants by food and beverage certificate holders only" (1 ea.), and "the legal sale of mixed beverages" (1 ea.). A summary of each election held and its outcome is provided below.

Elections Held November 5, 2019

An election was held for Baylor County Justice of the Peace Precinct 2 (Formerly JP Precincts 2 and 3) on November 5, 2019, on the issue of "the legal sale of all alcoholic beverages for off-premises consumption only." The issue PASSED by a vote of 173 FOR and 65 AGAINST. Justice of the Peace Precinct 2, Baylor County, was "wet" only for the sale of beer for off-premises consumption before the election and after the election is now "wet" for the sale of all alcoholic beverages for off-premises consumption.

A countywide election was held for Crane County, on November 5, 2019, on the issue of "the legal sale of mixed beverages." The issue PASSED by a vote of 222 FOR and 137 AGAINST. Crane County was "wet" for the sale of all alcoholic beverages except mixed beverages before the election and after the election, is now "wet" for the sale of all alcoholic beverages including mixed beverages.

An election was held for the City of Evant, Coryell and Hamilton Counties, on November 5, 2019, on the issue of "the legal sale of beer and wine." The issue PASSED by a vote of 28 FOR and 10 AGAINST. The City of Evant, Coryell and Hamilton Counties, was "dry" for all alcoholic beverage sales before the election and after the election is now "wet" for the sale of beer and wine.

An election was held for the City of Rising Star, Eastland County, on November 5, 2019, on the issue of "the legal sale of all alcoholic beverages including mixed beverages." The issue PASSED by a vote of 83 FOR and 30 AGAINST. The City of Rising Star, Eastland County, was "wet" only for the sale of beer and wine for off-premises consumption before the election and after the election is now "wet" for sale of all alcoholic beverages including mixed beverages.

An election was held for the City of Bailey, Fannin County, on November 5, 2019, on the issue of "the legal sale of beer and wine for off-premises consumption only." The issue PASSED by a vote of 20 FOR and 17 AGAINST. The City of Bailey, Fannin County, was "dry" for all alcoholic beverage sales before the election and after the election is now "wet" for the sale of beer and wine for off-premises consumption.

An election was held for Justice of the Peace Precinct 5, Jasper County, on November 5, 2019, on the issue of "the legal sale of mixed beverages in restaurants by food and beverage certificate holders only." The issue PASSED by a vote of 244 FOR and 72 AGAINST. Justice of the Peace Precinct 5, Jasper County, was "wet" for the sale of all alcoholic beverages for off-premises consumption and after the election remains "wet" for such sales as well as for the sale in mixed beverages in restaurants by food and beverage certificate holders.

An election was held for the City of Olton, Lamb County, on November 5, 2019, on the issue of "the legal sale of all alcoholic beverages including mixed beverages." The issue PASSED by a vote of 260 FOR and 84 AGAINST. The City of Olton, Lamb County, was "dry" for all alcoholic beverage sales before the election and after the election is now "wet" for the sale of all alcoholic beverages including mixed beverages.

ADDENDUM E CONTINUED

An election was held for Justice of the Peace Precinct 6, Liberty County, on November 5, 2019 on the issue of "the legal sale of all alcoholic beverages including mixed beverages." The issue PASSED by a vote of 771 FOR and 521 AGAINST. Justice of the Peace Precinct 6, Liberty County, was "wet" in part for the sale of all alcoholic beverages for off-premises consumption and for the sale in mixed beverages in restaurants by food and beverage certificate holders before the election and after the election is now "wet" for the sale of all alcoholic beverages including mixed beverages.

An election was held for the City of Keller, Tarrant County, on November 5, 2019, on the issue of "the legal sale of all alcoholic beverages including mixed beverages." The issue PASSED by a vote of 4,798 FOR and 2,076 AGAINST. Before the election, the City of Keller, Tarrant County, was "wet" only for the sale of beer and wine for off-premises consumption and for the sale mixed beverages. After the election, the City of Keller, Tarrant County, was "wet" for the sale of all alcoholic beverages including mixed beverages.

NOTE: No local option elections were held in May 2020 due to the COVID-19 pandemic. All elections originally scheduled for May 2020 were rescheduled for November 2020 (FY 2021), TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)

UNAUDITED

TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)

ADDENDUM F.1

DETAIL STATEMENT OF COLLECTIONS

For the Fiscal Years Ended August 31, 2019 and August 31, 2020

	2019	2020	Increase (Decrease)
LICENSE & PERMIT FEES			
Alcoholic Beverage Permits	\$69,707,952	\$71,563,037	\$1,855,085
TAXES			
Collected on Audits	\$247,166.00	\$120,762.00	(\$126,404.00)
Direct Liquor Tax	0	0	0
Excise Tax-Distilled Spirits	100,377,801	107,957,659	7,579,858
Excise Tax-Wine	15,418,039	17,254,835	1,836,796
Excise Tax-Malt Liquor	14,828,637	14,661,435	(167,202)
Excise Tax-Beer	102,777,145	108,176,707	5,399,562
Airline Beverage Tax	0	0	0
TOTAL TAXES	\$233,648,788.00	\$248,171,398.00	\$14,522,610
CONFISCATED LIQUOR SALES	\$672	\$150	(\$522)
MISCELLANEOUS			
Fines	\$2,304,200.00	\$1,153,200.00	(\$1,151,000.00)
Admin Fees-Ports	5,601,074	4,617,891	(983,183)
Admin Fees-Licensing	20,900	19,450	(1,450)
Server Training Fees	915,430	817,945	(97,485)
Label Approval	659,899	662,025	2,126
Bond Forfeitures	220,225	249,774	29,549
Other Miscellaneous Revenue	116,176	119,390	3,214
TOTAL MISCELLANEOUS	\$9,837,904	\$7,639,675	(\$2,198,229)
Unassigned Revenue*	\$878,509	\$798,782	(\$79,727)
TOTAL REVENUE	\$314,073,825	\$328,173,042	\$14,099,217
Cigarette Tax	606,873	579,389	(27,484)
TOTAL REVENUE COLLECTED	\$314,680,698	\$328,752,431	\$14,071,733

TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)

**ADDENDUM F.2
PER CAPITA CONSUMPTION
For Fiscal Year Ending August 31, 2020**

	Total Tax Collections	Total Gallons	Per Capita Consumption
Distilled Spirits	\$107,179,949	44,658,312	1.49
Wine	18,357,549	71,474,093	2.39
Malt Liquor	15,072,764	76,125,071	2.54
Beer	110,272,427	569,742,012	19.02
Total	\$250,882,689	761,999,488	25.44

NOTE: Statistics based on tax collections by the Tax Section and population estimates from the Texas Comptroller of Public Accounts 'Economic and Population Forecast Summary for fiscal year 2020 of 29,948,091 Texas inhabitants.

**ADDENDUM F.3
HISTORICAL SUMMARY OF REVENUE COLLECTIONS
For the Fiscal Year Ended August 31, 2020**

Fiscal Year	Revenue
1935 - 2011	\$10,599,493,845
2012	279,502,043
2013	271,319,662
2014	290,913,091
2015	289,415,513
2016	306,266,319
2017	302,533,024
2018	317,808,468
2019	314,680,698
2020	328,752,431
TOTAL REVENUE	\$13,300,685,094

UNAUDITED

TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)

ADDENDUM G
 INVENTORY OF CONFISCATED ALCOHOLIC BEVERAGES
 For Fiscal Year Ending August 31, 2020

ENFORCEMENT REGION	Distilled Spirits					Wine		Malt Liquor		Beer		
	200 ml	375 ml	750 ml	Liter	Other	750 ml or Less	Other	12 oz	Other	12 oz	16 oz	Other
Lubbock	5	2	25	50	37	7	1	12	21	921	72	275
Arlington	3	4	114	69	133	29	14	25	38	261	22	317
Houston	0	12	88	20	98	44	0	6	33	746	283	215
Austin	3	0	58	21	28	14	2	12	67	540	110	142
San Antonio	12	2	40	60	158	16	3	1	34	797	124	565
Total	23	20	325	220	454	110	20	56	193	3,265	611	1,514

THIS PAGE INTENTIONALLY LEFT BLANK



**TEXAS ALCOHOLIC
BEVERAGE COMMISSION**

Texans Helping Businesses & Protecting Communities

Please visit our web site at www.tabc.texas.gov for more information about the Texas Alcoholic Beverage Commission.