Moving Ahead ...

A Report of the
Texas Alcoholic Beverage Commission

From The Chairman

Chairman
John T. Steen, Jr.

Commissioner
Gail Madden

Commissioner
Kel Seliger

Our mission statement captures the essence of who we are and what we do: we supervise and regulate all phases of the alcoholic beverage industry to ensure the welfare, health, peace, temperance and safety of Texans while facilitating fairness, balanced competition and responsible behavior through voluntary compliance. Since my appointment to our three-member governing board in 1997, I have viewed TABC's role as a demanding and worthwhile challenge.

Dating back to the agency's inception in 1935, ours is a history rich in tradition and notable accomplishment. Interestingly, a constant throughout our agency's history has been the inevitability of change and its far-reaching impact on our role and mission. Change has impacted the alcoholic beverage industry as well as the TABC's regulatory and administrative role and responsibilities. The demand for quality, however, remains ever present and meeting that demand is critical to the successful operation of the Texas Alcoholic Beverage Commission.

We at TABC will continue to dedicate ourselves to the progressive administration of the laws which we are charged to enforce while never losing sight of the fact that our attentiveness to professionalism, uncommon courtesy and fairness will forever mark our effectiveness. With a look at our past, we can take pride in how far we have come as an organization. With a glimpse at the future, we can find new motivation to see how much more we can accomplish by working together with other state agencies, community organizations, law enforcement entities, concerned individuals and the alcoholic beverage industry.

Time and time again experience teaches us that our regulatory and administrative role can be greatly aided through honest, open dialogue with all concerned and affected parties. By examining common areas of concern and exploring new and innovative approaches to our varied challenges, we learn more about the work we do and the industry we regulate. And through it all, Commissioners Gail Madden, Kel Seliger and I pledge our continued determination to work diligently with TABC staff as we "move ahead" and find common ground to meet the challenges of the future.

John T. Steen, Jr.

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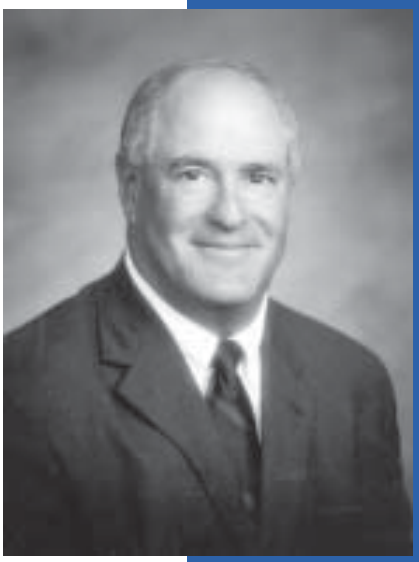
The Commissioners

John T. Steen, Jr., Chairman
San Antonio, Texas

John Steen, Jr., who was appointed to the commission in 1998, holds an undergraduate degree from Princeton University, a certificate in Modern English Law from the London School of Economics and a JD degree from the University of Texas Law School.

Gail Madden, Commissioner
Dallas, Texas

Appointed to the commission in 2000, Gail Madden is a graduate of Southern Methodist University and co-founder of Community Connection. She serves on a number of boards and committees, including YMCA of Metropolitan Dallas, the Leadership Alumni and Charter 100.



Kel Seliger, Commissioner
Amarillo, Texas

Appointed to the commission in 2002, Mr. Seliger is a graduate of Dartmouth College and is the Executive Vice President of Lake Steel, Inc. He is a member of the Community and Economic Development Committee of the U.S. Conference of Mayors, Attorney General's Municipal Advisory Committee and Chair of the Texas Municipal League's Legislative Committee on Community Development.

Vision, Mission & Philosophy Statement

Vision

A safe and sober Texas served by the Texas Alcoholic Beverage Commission known for its innovation, efficiency, work ethic and fiscal responsibility.

Mission

The Alcoholic Beverage Code exists for the protection of the welfare, health, peace, temperance and safety of Texans. Thus, the agency pursues its vision of a safe and sober Texas not only through normal police activities, but also through licensing and regulation of commercial activity within the alcoholic beverage industry.

The mission of the Texas Alcoholic Beverage Commission is to supervise and regulate all phases of the alcoholic beverage industry to ensure the protection of the welfare, health, peace, temperance and safety of the people of Texas, while facilitating fairness, balanced competition and responsible behavior through voluntary compliance.

Philosophy

The Texas Alcoholic Beverage Commission will exemplify friendly, courteous, ethical and professional behavior in all areas of performance.

- We will provide the best possible services at the lowest possible cost to the people of Texas.
- We will apply the law and agency policy fairly and consistently throughout the state.
- We will communicate openly and provide timely, accurate information to the public we serve and to all our fellow employees.

The 77th Legislature: Assessing the Impact

The 77th regular session of the Texas Legislature concluded its business on May 28, 2001, and a number of bills amending the Alcoholic Beverage Code were passed and became law on September 1, 2001. Following is a complete list of bills that passed into law and a synopsis of each of them.

HB 269 Provides specific criminal penalties for selling alcoholic beverages without a permit (bootlegging).

HB 337 Requires the commission to cancel or deny renewals of certain original or renewal alcoholic beverage permits or licenses for nonpayment of ad valorem taxes.

HB 402 Abolishes medicinal and physician's permits.

HB 627 Relates to sale of wine by certain holders of a winery permit.

HB 688 Relates to the sale, possession, or consumption of alcoholic beverages near a private or parochial school.

HB 892 Promotes sales of wine by Texas wineries and creates a Texas Wine Marketing Assistance Program within the Texas Department of Agriculture.

HB 1222 Allows the sale of wine for off-premises consumption and certain local option elections in Southlake and Westlake between Tarrant and Denton Counties.

HB 1612 Allows the commission to accept different forms of payment for permit application fees.

HB 1614 Relates to requirements for the issuance of a food and beverage certificate to certain alcoholic beverage permit or license holders.

HB 1793 Relates to the application of certain alcoholic beverage regulations to the holder of a food and beverage certificate.

HB 1794 Relates to private club alcoholic beverage accounts.

HB 1806 Requires written notice to neighborhoods by certain applicants for original on-premise licenses and permits.

HB 1948 Authorizes a local option election to allow or prohibit the sale of wine by the holder of a winery permit.

HB 1989 Authorizes a judge of a statutory county court to hear certain alcoholic beverage permit or license applications for a county judge.

HB 2331 Increases civil and administrative penalties for making alcohol available to minors.

HB 2810 Updates statutes that classify political subdivisions according to population to reflect changes from the last census.

HB 3016 Allows the use of certain electronically readable information to check for age or for private club membership to comply with certain provisions of the Alcoholic Beverage Code; provides a penalty for misuse of collected information.

SB 377 Relates to a local option election for the sale of beer and wine in certain cities or towns located in more than one county.

SB 965 Relates to the sale of wine by the holder of a winery permit.

SB 1127 Allows 50 milliliter bottles of liquor.

> *"... a number of bills amending the Alcoholic Beverage Code were passed ... have become law."*

SB 1235 Allows the commission to waive performance bonds for certain alcoholic beverage permit holders and licensees.

SB 1236 Increases the grace period on renewal of an alcoholic beverage license or permit from 10 days to 30 days.

SB 1667 Allows certain records retained for taxation purposes by alcoholic beverage permittees to be kept away from the licensed premises.

SB 1684 Allows the removal of malt liquor, ale, and beer from the premises of a holder of a mixed beverage permit who also holds a brewpub license.

Time Capsule

September **October** **November** **December** **January** **February**

Spanish Language Seller Training Curriculum Developed
Approved first Spanish language seller training curriculum, which was designed to meet need of Spanish-speaking population.

UT Survey of Excellence Completed

Seller Training Offered Statewide Training
The Compliance Department offered seminars and training for school providers. Seminars were held in Laredo, El Paso, Ft. Worth, Mesquite, Lubbock, Austin, and Houston.

Spot Checks Continued
The ports of entry personnel begin conducting spot checks on non-staffed bridges along the Texas-Mexico border.

Testing for Seller Training Trainers
Implemented statewide testing in Compliance Offices for trainers. Potential trainers must pass standard test administered by TABC prior to being approved as a trainer.

Provided Internet Access to Certified Server Schools
Provided Internet access to seller training schools to verify certified school servers.

Developed Internet Printing of Delinquent List
Solicited input from industry on feasibility of providing the bi-monthly printed delinquent list by means of Internet. Submitting the delinquent list by electronic means would reduce agency costs for printing and postage.

Seller Training Brochure Developed
Seller training information brochures were developed to stress the importance of retailers requiring their employees to take seller training classes.

Heightened Security along Border
September 11, 2001 had an adverse impact on the Ports of Entry operations. Several ports were closed due to the terrorist attacks. Security along the Texas-Mexico border was heightened.

Licensing Updates
TABC's Licensing Department updated instructional booklets provided to permittees and licensees.

September 1, 2001 - August 31, 2002

March | April | May | June | July | August

Progreso Port of Entry (POE) Broke Record
Record tax collection made by Progreso POE. Progreso POE collected over $147,000 this month. Largest collection for bridge within single month.

Brownsville Port of Entry (POE) Expanded Hours of Operation during Spring Break
Hours of operation at the Brownsville POE were expanded during spring break weeks.

Promotional Process
Promotional process for captain, lieutenant and sergeant positions completed and eligibility list distributed.

Poly-com System
Implementation of Poly-com audio video system for tele-conferencing is begun. This process saves agency travel costs.

Ports of Entry (POE) Study
POE's conducted study of the quantity of items imported from Mexico into Texas.

CrisNet Case Management
This highly sophisticated computerized case-management system became effective.

New Excise Tax Manual
The Compliance Department's extensive review of the excise tax audit procedures resulted in the implementation of a new excise tax audit manual.

Investigations
The Compliance Department conducted in-depth direct shipment investigations into whether current permit holders authorized to ship alcoholic beverages into Texas were shipping to persons not authorized to import. Money laundering and subterfuge investigations of private clubs were also initiated by the Compliance Department.

Seller Training
Began development of and published standard penalty chart for seller training program and trainer violations.

Licensing
The Licensing Department completed Alcoholic Beverage Retailer's Guide.

Historically Underutilized Business (HUB) Percentage Increased
The purchasing section of the General Services Department ended the year with increases in its HUB percentages over FY 2001. The TABC awarded 14.4% of its "other" services contracts and 35.7% of its commodities contracts to HUB's.

Licensing Department
The Licensing Department issued a record number of licenses and permits surpassing 100,000 licenses and permits per year for the first time.

Law Enforcement Programs

The Texas Alcoholic Beverage Commission (TABC) is charged with the responsibility of regulating all aspects of the state's alcoholic beverage industry and enforcing the state's Alcoholic Beverage Code. Age law enforcement—enforcing those aspects of the Alcoholic Beverage Code that prohibit underage drinking and the sale, service, or delivery of alcoholic beverages to those who are under 21—has long been a priority for the agency and its 225 enforcement agents.

In the past, the agency relied on a system of open inspections, roving patrols, and covert surveillances as its primary method of combating underage drinking. Although tens of thousands of minor-in-possesion (MIP) tickets resulted from these activities, little headway was made towards resolving the actual problem. Alcohol remained readily available to most minors, and no change was seen in either the proportion of young people involved in underage drinking or in the amounts they would normally consume.

In response to this lack of progress, the TABC in the late 1980's began to change and expand its program mix, seeking new ways and new combinations of programs to reduce both the underage demand for alcoholic beverages and the degree to which those beverages were available to young people. It retained and continued to use inspections, patrols, and covert surveillances as means of addressing the underage drinking problem, but added a host of new law enforcement and educational programs. A summary of these follows.

TABC Programs

Minor Stings

Minor stings are undercover compliance checks in which obviously underage buyers, closely supervised by TABC enforcement agents, are sent into retail establishments to attempt to buy alcoholic beverages. The minors used in these operations are volunteers, usually from civic, church, or school groups or from the families of agency personnel. They are youthful in appearance, usually 16 to 18 years of age, and are dressed and groomed appropriately for their age group.

Establishments are either randomly selected or targeted based on complaints or geographic location.

At the start of each operation, the minors are searched for false ID's. They are then instructed to present valid personal ID's if asked and to respond honestly to any questions about their age.

Agents are usually pre-positioned within the establishments to observe the transactions and to provide security for the minors. Whenever possible, audio and visual recordings are also made of the attempted buys.

When an illegal sale is made, the clerk or server is arrested and criminally charged. His or her employer, the actual license holder, becomes the target of an administrative case that is likely to result in license suspension or revocation.

When the clerk or server complies with the law and refuses to sell, he or she is personally congratulated by a follow-up team of agents and a letter is sent to his or her employer that identifies the employee and praises both the license holder and the employee for the employee's compliance with the law. Some employers have actually framed these letters and posted them in a prominent place within their establishment. Many give the employee special recognition or a reward.

Compliance rates were found to be as low as 20 percent in some areas when the agency started its minor sting program in the early 1990's. Today, slightly more a decade later, the average compliance rate is in excess of 80 percent.

Cops In Shops

Cops In Shops is a cooperative program that requires the willing participation of alcoholic beverage retailers. Agents, posing as either employees of the retailer or customers, are stationed inside the retailer's premises to apprehend underage persons when they attempt to buy alcoholic beverages. The agents also have a secondary, educational role,

Law Enforcement Programs

which is to share their expertise with the retailer's employees on such subjects as false or fake ID's, the signs of intoxication, and the physical and behavioral characteristics of minors.

The objective of the program is not just to apprehend underage buyers and hold them accountable for their acts. It is also to leave the retailer's employees with a better understanding of their legal responsibilities and with the knowledge necessary to fulfill them.

Operation Fake Out

The vast majority of alcoholic beverage retailers want to do the right thing and avoid sales to underage persons. Youngsters, however, particularly those of college age, can be devious when in pursuit of alcohol. Many don't hesitate to use false or fake ID's, and unfortunately, technological advances have made high quality fake ID's relatively easy to create and even easier to acquire. The use of fake ID's to misrepresent one's age while attempting to buy an alcoholic beverage is a violation of the Alcoholic Beverage Code. The possession, use, manufacture, or distribution of fake ID's is a violation of other state laws. The possession, use, manufacture, or distribution of counterfeit ID's — some of the high quality fake ID's cross that line — violate both state and federal law.

To counter the use of fake ID's by underage drinkers, the TABC has developed Operation Fake Out**.** Operation Fake Out is a cooperative venture involving the alcoholic beverage retailers, the TABC, the Texas Department of Public Safety, U.S. Secret Service and, whenever possible, local law enforcement. Typically, TABC agents or other officers with expertise in detecting fake ID's are stationed just inside the door of one or more participating on-premises retailers. The establishment's doormen stationed outside the door conduct a cursory visual scan of the ID's presented by those seeking admission and pass the customers inside to the waiting police officers. The police officers re-check the ID's using magnetic strip readers and ultraviolet light to detect tell-tale imperfections and then closely compare the physical descriptions and pictures found on the ID's that pass these tests with the actual physical appearance of the presenters. Those found to be using fake, false or altered ID's are arrested and eventually transported to jail. In jail, those detained with fake ID's are interrogated as to the source of their ID's, and that information is forwarded to the DPS or the Secret Service as leads for further investigation. The operation is concluded with a wrap-up news conference in which representatives of the TABC and the other participating agencies announce the results.

The beauty of Operation Fake Out is that it allows retailers and law enforcement to work together as a team to do something about the problem of underage drinking. It also holds underage drinkers, especially those who use false, fake or altered ID's to obtain alcoholic beverages, responsible for their own acts and does so in such a public way that other young people might be deterred from acting in a similar fashion. In addition, Operation Fake Out also generates operational intelligence that can help authorities identify and root out those who are endangering our children and undermining our national security by flooding the country with high quality fake ID's. All this combined, makes Operation Fake Out a winning solution to a significant problem!

Underage Drinking Hotline

Underage drinking has long been a special interest of the TABC and tips from the public have always been an important source of information for TABC enforcement agents concerning underage drinking and other alcohol violations. The TABC has sponsored a toll-free phone number for reporting alcohol violations since 1994. However, except for small signs required to be posted on the premises of alcoholic beverage retailers, the toll-free phone number was never really publicized. That is to say... not really publicized until November 1999.

In November 1999, the toll-free complaint number, 1–888–THE–TABC, received a new name – Texas Underage Drinking Hotline – and became the subject of a statewide publicity campaign. Made possible by funding from the Texas Department of Transportation and billboard space donated by Eller Media, Lamar Advertising, and Reagan Advertising, the campaign used local media events, highway billboards, and cards and posters distributed at Texas high schools to publicize the hotline's toll-free number and to push a simple message – "Report Underage Drinking. Call the TABC."

Law Enforcement Programs

Underage Drinking Hotline (cont'd)

Knowing that underage drinking and related alcohol violations were usually nighttime and weekend events, the TABC, also with grant funding, contracted with an answering service to ensure that calls placed outside of normal business hours were answered and promptly referred to the appropriate local authorities for immediate response.

Grant funding and the free billboard space ended after the first year. However, because of the success of the campaign – traffic on the toll-free line increased by 50 percent – the TABC has continued to advertise the Texas Underage Drinking Hotline through its web site, posters, and cards and has also retained the after-hours answering service.

At the present time, approximately 172 complaints concerning underage drinking or other alcohol violations are received each month through the toll-free hotline.

Spring Break, Mardi Gras, & Special Events

Outdoor concerts, livestock shows, rodeos and local festivals are huge affairs in Texas and typically attract large crowds. Young people are especially drawn to these events.

Because they are called upon to sell alcoholic beverages only once or twice a year and have little experience in recognizing illegal sales, beverage vendors at special events are often targeted by underage drinkers. The TABC is well aware of this and typically responds by having as many of its enforcement agents present at special events as scheduling and manpower constraints permit.

Events such as Spring Break at South Padre Island, Mardi Gras celebrations in Galveston and Austin, Fiesta in San Antonio, and OU weekend in Dallas require especially large manpower commitments from the TABC. During Spring Break on South Padre Island, for example, when local police are overwhelmed by more than 150,000 students who flock to the island from college campuses across North America, the TABC sends in enforcement agents from all over the state to assist the local police for the two busiest weeks of the three-week celebration. While on station, in addition to enforcing the state's alcoholic beverage laws during special events, enforcement agents also help the local police to control crowds and to maintain public order.

Border Initiatives

Texas, like New Mexico, Arizona, and California, faces special challenges due to a shared border with an international neighbor (Mexico) that has a lower drinking age (18). These challenges are further complicated by cultures on both sides of the border that tend to view underage drinking as more a harmless "rite of passage" than a social problem. As a result, young Texans and underage visitors to the state have been crossing the border to take advantage of Mexico's lower drinking age for generations and have experienced few legal consequences for doing so. Also, because Mexico's enforcement of its own underage drinking laws has been notoriously slack, the age of those slipping across the border to partake of alcoholic beverages can be well under 18.

With most of its staff having been Texas teenagers at one time or another, the TABC is well aware of the problem and is attacking it on several fronts. During Spring Break, the TABC increases the coordination between its enforcement personnel and its taxpayer compliance personnel. The taxpayer compliance officers are responsible for collecting the alcohol and tobacco excise taxes on the personal importation of alcohol and tobacco products brought into Texas from Mexico at the various international bridges. This action is particularly important at the Brownsville-Matamoros location because of its proximity to South Padre Island. Spring breakers often stay until closing at most of the bars in Matamoros, Mexico, and then stagger back across the border into Texas during the early morning hours. The TABC ports of entry facilities now have to stay operational longer because of such special occasions. The tax compliance officers have increased their efforts to seize any illicit beverages or tobacco products from the minors who attempt to bring them into Texas from Mexico. In addition, agency enforcement personnel must be present at these locations during these extended hours.

In conjunction with the federal Office of Juvenile Justice and Delinquency Prevention (OJJPD) and the Pacific Institute for Research and Evaluation (PIRE), the TABC has also organized training seminars for border area peace officers and prosecutors. The

Law Enforcement Programs

TABC has formed working partnerships with many of the local agencies that have been represented at these seminars and now regularly conducts joint age-law enforcement operations with them.

TABC has also developed working relationships with police officials on the other side of the border. Coordination of police activity is now possible, at least to a limited degree, and a number of Mexican police officers have received training in the methods and tactics normally employed by the TABC for age-law enforcement purposes.

These initiatives have not eliminated the problem of cross-border underage drinking, but they do represent movement towards a solution. The TABC will continue to work with agencies and organizations on both sides of the international border to reduce the incidence and adverse social consequences of underage drinking in the border areas.

Alcohol Violation Enforcement Response Teams (AVERT)

Alcohol Violation Enforcement Response Teams are multi-jurisdictional alcohol enforcement task forces. Peace officers from various jurisdictions within a given area join together on a regular basis to plan and execute area-wide alcohol enforcement activities, usually under the supervision of a TABC enforcement agent. The concept was piloted by the TABC's Longview Enforcement District during FY 2002 and, due to the success of the pilot, will soon be replicated across the state.

Public Education & Public Information Initiatives

Project SAVE

Project SAVE is a collective name for the TABC's public education initiatives. Those initiatives include four multi-lesson prevention education curriculums for school children in grades 4 – 9; the Shattered Dreams, Safe Prom/Safe Graduation, MADD/TABC Power Camp programs for high school students; educational programs for various classes of licensees and permittees; alcohol enforcement training programs for police officers, judges, and public officials; programs for college students and college officials; and formal presentations made to parents' and civic groups.

In FY 2002, TABC enforcement agents conducted educational presentations to more than 460,600 Texans, including 377,500 school children, 14,100 college students, 10,500 police officers, 43,400 members of civic and parents groups, and 15,100 Texas retailers and their employees.

Additional discussions concerning the high school programs follow:

Safe Prom/Safe Graduation

Prom and graduation parties are common in Texas during April and May. The TABC, along with local law enforcement authorities, makes a special effort to keep these parties safe and alcohol-free. Agents and local officers visit the area high schools to discuss options and consequences with the youngsters and their parents. They heavily promote the concept of alcohol-free parties and do every thing they can to publicize enforcement efforts planned for the party season.

At the same time, however, TABC agents and local police officers also coordinate with the managers of local hotels where prom and post-graduation events are scheduled to be held. TABC agents are on hand or in close proximity on event nights in order to be able to respond to incidents as they arise. This program helps to give young people alternatives to the drunken bashes and therefore ensure that bad choices will have immediate consequences.

The Safe Prom/Safe Graduation program is co-sponsored by the Texas Hotel & Motel Association, the Texas Petroleum Marketers & Convenience Store Operators Association, and MADD.

MADD/TABC Power Camps

MADD/TABC Power Camps are held at various sites across the state each summer to provide leadership and team-building skills training to high school students who are interested in underage drinking and DWI prevention issues. The objective of these camps is to prepare young people for leadership roles in community prevention efforts and to give them the skills needed to help build sustainable broad-based coalitions in their communities.

Two or more camps are held each summer in various parts of the state.

Law Enforcement Programs

MADD/TABC Power Camps (cont'd)

Scholarships are available for lower income students through the TABC thanks to a grant from the Texas Department of Transportation.

CRISNet®'s Police Records Management System (NetRMS™)

The Texas Alcoholic Beverage Commission obtained CRISNet®'s Police Records Management System (NetRMS™) in May 2000 with funding from the Governor's Office. NetRMS™ is a complete records management system that uses the Internet. NetRMS™ is web-based and can be accessed from any computer on the agency's network. It provides many tools our agency needs to properly record, store, and retrieve agency case records. NetRMS™ combines intelligent document management with a sound relational database structure to provide an extremely intuitive and highly functional records management system. NetRMS™ is the most powerful web-based records management system available to law enforcement.

Shortly after obtaining NetRMS™ the Enforcement Division began using the system to complete, store and track all administrative and criminal reports. We have expanded the use of NetRMS™ to include cash law and other investigative initiatives by the Compliance Division. Currently, all district offices and a select number of outposts are utilizing NetRMS™ to manage all case records.

Bringing each area of the state on-line with NetRMS™ was no small task. Because NetRMS™ drastically changed the way we managed case records, each office required a site visit by the NetRMS™ system administrator and all personnel using the system required some type of computer hardware or software training. Case records and other investigative initiatives were no longer typed on a form and managed manually. All case records are now automated and accompanying evidence is "scanned" as digital images into the system.

The benefits of NetRMS™ are many. Storage, retrieval, and analysis of data collected by agency personnel are completely automated and secure, regardless of their location within the state.

Data instantly becomes available to all personnel involved in the regulatory functions or analysis, permitting more effective communication and coordination of the regulatory process.

Open records requests are responded to faster and more effectively because case reports are computerized and accessible to the user in real time. User no longer has to track down hard copies of case reports and rely on faxed information from the field.

TABC's Legal Department is able to retrieve case reports and attachments as the case is entered into NetRMS™, decreasing processing time.

At a glance, management can "drill-down" to access and analyze data and determine trends or where to utilize resources more effectively. Complex data searches can be executed against every module in NetRMS™, providing maximum query capability.

NetRMS™ uses a department metaphor. Functions are found in the same place they would be in a physical department. The design makes users more productive in less time.

Based on the Microsoft SQL Server and Internet Information Server, NetRMS™ serves up millions of records at mainframe speed, saving time while making more information available to the field, where it is most needed.

Agency case reports and records are standardized across the state, and the designed output templates allow each document to be printed in an attractive and organized manner.

Future expansion of this system will be to migrate all agency complaint-tracking functions from the mainframe to NetRMS™ and automating the seized property and evidence storage and tracking process.

In fitting with the TABC's moving ahead goal, NetRMS™ will be an invaluable vehicle to automate many agency functions that are presently being accomplished manually, saving both time and money.

Law Enforcement Programs

Partnerships

Valero Shamrock

Valero Shamrock, a major Texas gas station chain, collaborated with the TABC to create pump topper signs that carry an anti-underage drinking message. The signs, which read "Underage drinking: You can't afford the buzz. Underage drinking is no minor offense. Call 1-888-THE-TABC to report underage drinking toll-free on the anonymous TABC hotline," went up at 485 Diamond Shamrock locations across the state in August 2002.

Texas Cowboys Radio Network/Texas Package Stores Association

TABC has partnered with the Texas Package Stores Association and the Texas Cowboys Radio Network to produce a series of underage drinking public service announcements that were played during coverage of Dallas Cowboys football games during the 2002 season.

Century Council

The Century Council provides the TABC with posters, buttons, and bumper stickers communicating various underage drinking messages. The TABC, in turn, distributes these materials to alcoholic beverage retailers across the state through its network of field offices. This partnership is responsible for a large portion of the "We Card," "Don't Even Try It" point-of-sale signage in use in the state.

Alliance Against Underage Drinking

The alliance is a coalition of state agencies, non-profits, and industry associations that have joined together to address the problem of underage drinking in Texas. While members range from Texas MADD at one end of the spectrum to the Wholesale Beer Distributors of Texas at the other, the alliance has proven that diverse stakeholders can come together, set aside their differences, and work together to develop common strategies to achieve public good. One product of the alliance has been the 2young2drink website *www.2young2drink.com* which provides information and referrals for parents, educators, and young people who are concerned about underage drinking.

Leadership Forums

The TABC has joined with the Texas Department of Health, the Governor's Criminal Justice Division, and Texans Standing Tall to sponsor forums addressing issues related to underage drinking in college communities. Forums for college presidents and local judicial officials have been held. Both were well attended, and much information was shared concerning local initiatives and their effectiveness.

Other Public Information Initiatives

Agency Web Site

Probably the most visible and on-going of the agency's public information initiatives is *www.tabc.state.tx.us*, the agency's public website. With respect to underage drinking, the website provides descriptions of agency programs; contact information for specific programs and offices; and a host of referral links. Also accessible from the website are the laws pertaining to underage drinking in whole and in summary form; responses to frequently asked questions (FAQs) concerning underage drinking; and an e-mail interface for transmitting specific questions and complaints to the agency.

Seasonal Public Information Campaigns

The TABC uses press releases and public service announcements to publicize and support its seasonal law enforcement pushes. There are specific publicity and enforcement campaigns for the start of school; the Christmas/New Year holiday season; Spring Break; Youth Alcohol Awareness Month (April); the prom and graduation season; and the start of the summer vacation for high school and college students.

Law Enforcement Programs

Positive Community Involvement

Governor Perry has recently designated the Texas Alcoholic Beverage Commission as the state clearinghouse for grant monies, which can make a positive impact on the enforcement of underage drinking laws in Texas. The TABC will now be able to help local communities help themselves. This is especially wonderful news for the college communities. As the TABC receives proposals, mini-grants of up to $100,000 will be able to reach local organizations and coalitions in every part of the state. This process, although new, is expected to have a most positive impact on the enforcement of underage drinking laws. Furthermore, it is expected to greatly improve the effectiveness that most local organizations and coalitions will have on their communities and their citizens. With these funds, local organizations and communities can now proceed from the planning room to the classroom. In the past, some organizations were only able to dream about such possibilities; now they can begin to realize their dreams and make a difference. Community-based programs have always been effective programs and now these programs can be even stronger with the assistance of grant monies. Now, the TABC can not only aggressively pursue grants, it can diligently direct these funds to the local communities and empower citizens to improve their youth. This program's possibilities are endless.

2002 MADD Mini-Power Camp in El Paso, Texas.

Summary

Since the late 1980s, the TABC has greatly expanded the contents of its program "toolbox." In the past, it relied on standard enforcement techniques such as inspections, patrol, and covert surveillances to combat underage drinking and measured success in terms of the number of citations issued for minor-in-possession (MIP). Today, the agency realizes catching underage drinkers is only part of the solution and relies on a wide range of law enforcement and educational initiatives to affect both the demand and supply sides of the underage drinking equation.

The TABC also became more open to cooperative ventures and now actively works with a broad cross-section of partners. These partners range from state, local, and federal agencies to issue-oriented non-profits, and from there on to elements of the alcoholic beverage industry.

The TABC has discovered that each group brings a different perspective to the table, along with its separate resources, and that each of these perspectives has value. The agency has also learned that despite differences in motives and goals these diverse groups can work together and that by working together, they can achieve far more collectively than they can individually. Because of its experiences, TABC believes that a collective approach involving a broad cross-section of interests will be required to achieve any significant reduction in underage drinking.

Fetal Alcohol Syndrome

Decals warning women of the dangers associated with drinking alcoholic beverages during pregnancy due to the risk of birth defects were distributed during the first part of November to every business in Texas licensed to sell alcoholic beverages. In addition to the decals, the Texas Alcoholic Beverage Commission (TABC) furnishes an informative brochure on the Fetal Alcohol Syndrome produced by the Texas Department of Health (TDH).

Through the support of Governor Rick Perry, the public information campaign has featured the involvement of such state agencies as the Texas Department of Mental Health and Mental Retardation (TxMHMR), the Texas Commission on Alcohol and Drug Abuse (TCADA), the Texas Office of Prevention of Developmental Disabilities (TOP), Texas Department of Health (TDH) and TABC. In addition, the campaign will also involve members of the alcoholic beverage industry and other support organizations associated with FAS/FAE initiatives such as the Texas Medical Association and the March of Dimes.

The TABC has also contributed to this campaign by requiring seller/server schools to offer a mandatory section on FAS/FAE as part of their training on the sale and service of alcoholic beverages.

Though voluntary in nature, license/permit holders are encouraged to display the decal in a location where it can be seen easily by the public. By providing this critical information to pregnant women, the State of Texas is making an effort to help safeguard the lives of the youngest of Texans.

Fetal Alcohol Syndrome (FAS) is the name given to a pattern of physical and mental birth defects caused by drinking alcohol during pregnancy.

Fetal Alcohol Syndrome is one of the leading preventable causes of mental retardation in the United States. About 8,000 infants are born with FAS in the U.S. each year, or approximately two out of every 1,000 births. About 700 babies are born with FAS in Texas each year.

Babies with Fetal Alcohol Syndrome can have many problems that last all their lives. The baby's face and brain may not be normal. The growth of the baby can be slowed and the baby's heart, skeletal system, kidneys, eyes and ears can be damaged because of the alcohol the mother drank during pregnancy.

The most serious effect of alcohol is on the unborn baby's developing brain. As a result, most people with Fetal Alcohol Syndrome have below-average intelligence. Children with FAS have trouble listening, learning, and paying attention. They can have emotional problems, behavioral problems and poor judgment. They often need special help at home and in school. Because people with Fetal Alcohol Syndrome can have problems all their lives, they may always need special help, even as adults.

Fetal Alcohol Syndrome can be prevented by not drinking alcohol during pregnancy.

Drinking when Pregnant could result in

Fetal Alcohol Syndrome

WARNING

According to the surgeon general, women should not drink alcoholic beverages, including distilled spirits, beer, coolers and wine during pregnancy because of the risk of birth defects.

Shattered Dreams

Dreams . . .

Texas High Schools

Abilene H.S.
Albany H.S.
Alice H.S.
Anderson H.S.
Andrews H.S.
Antonian College Prep
Arlington H.S.
Beckner H.S.
Big Lake H.S.
Big Springs H.S.
Boerne H.S.
Brenham H.S.
Calallen H.S.
Calvert H.S.
Carroll H.S.
Carrollton H.S.
Cedar Park H.S.
Center H.S.
Centerville H.S.
Central Catholic H.S.
Central H.S.
Cisco H.S.
Clear Creek H.S.
Clear Lake H.S.
Clyde H.S.
Coahoma H.S.
Coleman H.S.
Colorado H.S.
Connally H.S.
Cooper H.S.
Cooperas Cove H.S.
Corpus Christi King H.S.
Corpus Christi Miller H.S.
Corpus Christi Ray H.S.
Crane H.S.
Del Rio H.S.
Denison H.S.
Diboll H.S.
Dickinson H.S.
Duncanville H.S.
Ebbert L. Furr H.S.
Eden H.S.
Floresville H.S.
Floydada H.S.
Forsan H.S.
Franklin H.S.
Ft. Stockton H.S.
G.C. Scarborough H.S.
Gatesville H.S.
Gladys Porter H.S.
Goliad H.S.
Granbury H.S.
Grapecreek H.S.
Greenwood H.S.
Greenville H.S.
Hallsville H.S.
Harker Heights H.S.
Harper H.S.
Hays H.S.
Hudson H.S.
Idalou H.S.
Ingram H.S.
Jefferson H.S.
Jefferson Magnet H.S.
Judson Sr. H.S.
Kelly H.S.
Kingwood H.S.
La Joya H.S.
Lakeview H.S.
La Porte H.S.
La Poynor ISD

Unique in its design and powerful in its impact, Shattered Dreams is an educational experience that reminds participants of the dangers associated with underage drinking and driving.

The program targets high school students and involves the dramatization of an alcohol-related crash on or near a high school campus, complete with police and EMS response, ER treatment, family notifications, and the arrest and booking of the driver. The crash scene drama is played out before the student body during a school day. Throughout the day the other elements of the "docu-drama" unfold. To give students a better understanding of the number of DWI-related deaths, an individual dressed as the "Grim Reaper" appears in a different classroom every 15 minutes to select a new victim (every 30 minutes someone in the United States is injured or killed by a drunk driver). The victims are taken out of class, made-up in white faces and dressed in black t-shirts to symbolize death, and then returned to their classrooms to continue their day. By the end of the day, every student has one more "dead" classmate present in the classroom with him, and, on this note, the school day ends. This dramatization affords professionals an opportunity to work with selected students in an overnight youth leadership retreat immediately concluding the first day's activities. This retreat provides training in skills needed by youth to make good, sound, healthy decisions regarding alcohol, and to re-evaluate past decisions and relationships in their lives. These students are also challenged to return to their campuses to become catalysts for change among their peers regarding underage drinking.

Montwood High School, El Paso, Texas, October 2001

. . . Shattered Lives

The next morning a wrap-up assembly is held featuring those who played roles in the previous day's drama, including the "crash" victims, the drunk driver, their parents, and participating law enforcement and medical personnel. Their comments and impact statements from community members whose lives have been affected by teenage alcohol use and teenage DWI bring a closure to the program and reinforce its dual message for the teenage audience -- ***Don't drink until you are 21, and never drink and drive.***

An intense de-briefing led by crisis de-briefers is held immediately after the assembly to provide closure to the raw emotions felt during the project for all direct participant students, their parent(s) and volunteers.

"every 30 minutes someone in the United States is injured or killed by a drunk driver,"*

* Source: National Center Highway Traffic Safety Administration (2001) Traffic Safety Facts: Alcohol Publication No. DOT HS 809 470

Texas High Schools

Lamar H.S.
Laredo Martin H.S.
Laredo Nixon H.S.
Laredo United H.S.
Lee Freshman H.S.
Levelland H.S.
Littlefield H.S.
Lockhart H.S.
Lometa H.S.
Lorenzo H.S.
Los Fresnos H.S.
Lutheran North H.S.
Madisonville H.S.
Mansfield H.S.
Marlin H.S.
McCollum H.S.
Merkel H.S.
Memorial H.S.
Mesquite H.S.
Midland Christian School
Midland Freshman H.S.
Midland H.S.
Midland Lee H.S.
Monahans H.S.
Montwood H.S.
Nacogdoches H.S.
Navasota H.S.
Newman Smith H.S.
North Zulch H.S.
Oakridge School
Odessa Career Center
Odessa H.S.
Paris H.S.
Parkland H.S.
Pearland H.S.
Pecos H.S.
Permian H.S.
Post H.S.
Poteet H.S.
Poynor H.S.
Providence H.S.
PSJA North H.S.
Ralls H.S.
Refugio H.S.
Ronald Reagan H.S.
Rosebud-Lott H.S.
Sam Houston H.S.
San Marcos H.S.
Santa Fe H.S.
Seminole H.S.
Shallowater H.S.
Sherman H.S.
Silva Magnet Health
Smithson Valley H.S.
Smithville H.S.
Snyder H.S.
Socorro H.S.
Spur H.S.
St. Mary's Hall
Summit H.S.
Texas City H.S.
Travis H.S.
Tuloso-Midway H.S.
Vernon H.S.
Waltrip H.S.
Weslaco H.S.
West Oso H.S.
Wimberly H.S.
Winston Churchill H.S.
Woodsboro H.S.
Ysleta H.S.

Excellence In Public Service

The Allan Shivers, Jr.

AWARD

FOR

EXCELLENCE

IN

PUBLIC SERVICE

Allan Shivers, Jr.

A True Texan

It is called the Allan Shivers, Jr. Award For Excellence In Public Service. Beginning in February 2003, the agency's governing board will recognize the outstanding performance and accomplishments of agency employees with the annual presentation of this award. Named in honor of Allan "Bud" Shivers, Jr., former chairman of the TABC, the award will be presented to high performing employees in each of the agency's three divisions: Regulatory, Enforcement, and Resource Management. First appointed to the commission in February 1988, Shivers served as chairman from December 20, 1995 to April 30, 2002. In a resolution adopted by the commission, Shivers was recognized for his able leadership, guidance, unyielding dedication and professionalism. "Chairman Shivers' admirable integrity, commitment and passion for public service have marked his contributions to the State of Texas as a true Texan," notes Chairman John T. Steen, Jr.

Our employees are truly our greatest and most valued assets. By creating a work environment in which all employees have the opportunity to reach their full potential, we can all benefit from the creative intelligence and contributions of each employee. To each employee who makes a daily contribution to the TABC and strives for excellence throughout the agency, I offer a sincere "thanks."

Our Compact With Texans

Dedicated professionals serving citizens in an honest, efficient and friendly way. If I had to describe the driving philosophy behind our *Compact with Texans,* it would be in this manner. Commitment. Quality. Honesty. Efficiency. Friendliness. When it comes down to it, these are pretty much universal guiding principles that we all have come to expect of any service provider. We believe you deserve no less from us.

Our Customer Service Standards

We recognize that quality service is essential in meeting our mission, goals, and responsibilities. We pledge to:

- Treat you with professional courtesy and respect at all times.
- Provide you with accurate, timely, and complete information.
- Respond to all inquiries within three to five working days of receipt.
- Process new applications within 45-60 working days and renewal applications within 30-45 working days.
- Acknowledge receipt of complaints within three working days.
- Resolve most complaints within 60 working days and notify you if any situations arise that may require additional time for complaint resolution.
- Provide helpful and up-to-date information on our website.
- Ensure our facilities are easily accessible and clean.
- Provide you with our *Compact with Texans'* Customer Satisfaction Survey results and continually strive to improve our services.

Efficiency Friendliness Honesty Quality Commitment

"We recognize that quality service is essential in meeting our mission, goals, and responsibilities."

Oldest Existing Alcohol Permit

In scattered stores around the country, somewhere near the white Kaopectate and the pink Pepto Bismol bottles sits a throwback Percy Medicine box the unusual color of a ripe tangerine.

On the front, a boy cured of diarrhea more than 100 years ago promises mercy to anyone willing to pass up mass-marketed drugs for a little-known elixir from Waco.

"It's Americana, a 19th-century product still here in the 21st," said shareholder Guion Trau Taylor of Pittsburgh, Penn. "It's amazing. The whole idea of patent medicine is an anachronism, an antiquity."

Merrick Medicine Co. has made Percy Medicine here for nearly a century. It holds the Texas Alcoholic Beverage Commission's oldest continuously active industrial alcohol permit, No. 10, issued in 1939. The over-the-counter drug contains 5 percent ethyl alcohol, used as a preservative.

Percy Medicine, also recommended for indigestion and heartburn, may not have the "space-age" appeal of the pink stuff, Merrick president Reese Killion said, but people swear by it.

"I am of the notion that if it can't be cured with Bayer aspirin, jalapeno peppers or Baby Percy Medicine, you're just in an awful lot of trouble," said faithful customer Leo Bradshaw, owner of Cogdell's used gun shop. "I've got a bottle of it here, I've got a bottle in my car, I've got a bottle at home."

In 1898, young Albert Percy took ill on a train ride from New York to Texas. His father, A.W. Percy, a traveling buggy whip salesman, took him to see a country doctor in Kentucky who prescribed a bismuth subnitrate-based medication. The boy recovered, and his father kept a copy of the formula.

Albert became sick with diarrhea again in Waco, and the elder Percy asked druggist, W.S. Merrick to mix the concoction. Again, the boy's health improved quickly.

Percy and Merrick soon began selling Baby Percy Medicine, a name that lingers even though "Baby" was dropped in 1938. In 1904, the men signed a handwritten contract to split the interest in the product. They were joined in the Merrick Medicine Co. by two employees of Behren's Drug Co., Frank J. Trau and Louis Collie.

"That was the way medicine was dispensed before modern pharmacies. The doctor or pharmacist would concoct something, with a little bit of this and a little of that," said Taylor, Trau's granddaughter. "This whole patent medicine thing, it was quite the rage in the 90's -- not our "90s but the other 90's -- before sulfa drugs and penicillin."

Within a few years, the company built an $8,000 two-story brick building at Eighth Street and Webster Avenue. The building, also a deep orange hue much like the product's box, remains the home of Percy Medicine.

Reese Killion, Merrick Medicine Co. president, and daughter Ruth Miller are part of the small group still producing Percy Medicine, an elixir that got its start in Waco in the 19th century.

Staff photo — Duane A. Laverty

(Reprinted with permission from the Waco Tribune-Herald. Story by Jen Sansbury/ Photo by Duane Laverty)

Sticking with what works

The bottle and packaging have kept the same basic look for years, though the bar code at the bottom of the carton shows it has kept up with the times as necessary.

The stainless steel equipment used to make the medicine is more than 50 years old. Most of the handful of Merrick shareholders are descended from the original officers of the company.

After Collie and Trau died in 1946, two other men ran the company for several years. William Clayton, Collie's son-in-law, took over from 1955 until his death about five years ago.

Killion, a distant relation, bought Clayton's shares and took over operations. His daughter, Ruth Miller, left her job as headmistress at St. Paul's Episcopal Day School three years ago to help with the company. Her husband, Jeff is the sales director.

Now business is starting to look up

"Last year, the Killions managed a profit," Taylor said. "Within the last decades, there were a couple of years where things were not profitable. But it's never been big."

About 6,000 bottles of the small-volume medicine are produced on Saturdays about once every three or four weeks.

"We want it to be a fresh product. It has a shelf life of three years, but there's no reason to make a year's supply," Killion said. "For anything to last 100 years and be profitable, it's got to be a good product. We wouldn't exist if it wasn't."

A tiny, loyal team of workers manufactures Percy on a small production line on the second floor of the building. Some have helped with Percy production for nearly 20 years.
"If we didn't have the other people here, we'd have had to lock the door," Killion said.

The medicine is shipped in cases of 12 bottles through several wholesale drug distributors. Killion said he doesn't know exactly who the distributors sell to, but the product can be found in a variety of cities outside Texas, including Albuquerque, Atlanta, Chicago, Denver, Phoenix, Oklahoma City, Sacramento, San Diego and San Francisco.

It is available around the state and does its best business in South Texas. The company advertises in several Spanish-language newspapers because Percy is popular among Hispanics.

In fact, years ago, Merrick Medicine licensed a Mexico City plant to make "Medicina Percy," which accounted for about half the company's sales. Merrick lost control of it in the late 1960's and legal efforts to get the plant back failed.

Miller and Killion said they do not know whether the Mexican product is still made.

Hard to find

The bigger problem, they said, is that American customers have trouble finding it. Miller said the company gets several calls and letters each month.

"I bought four bottles about four years ago. I gave one to my daughter and my mom. We just finished the last bottle, that is why I am so desperate," a California woman wrote in November.

Miller sent her a case and received a prompt thank-you note reading "P.S. If you move, please let me know."

Leo Bradshaw, the longtime Waco customer, said he thinks a little more marketing and modernization could boost Percy Medicine's prominence.

The most high-tech piece of equipment at Merrick is a fax machine.

"It's very quaint but, as I say, it's still there. It's mind boggling," Taylor said.

She said she's not sure it would be worthwhile to modernize the business.

"Ideally, what we had hoped for was maybe one of the larger companies might incorporate it and buy the formula and the trademarks because they'd have the wherewithal to invest in it, " she said.

For now, the stakeholders plan to keep plugging away, making 3-ounce bottles of Percy Medicine that retail for about $3 -- if you can find it.

"Everytime I go to the grocery store, I look to see how many bottles are on the shelf and I pull them to the front. People probably wonder what I'm doing," Miller said, "I think it's pretty neat to see something I'm part of on the shelves with everything else."

A Look Inside Our Agency

Executive Division

Executive staff and division directors within the agency implement and administer all agency programs as directed by the commission. The staff and directors bring their extensive experience in innovative management and field work to the job. Most of the staff have proven state and local experience. Many have worked their way up while still possessing a grassroots knowledge of the agency. Their knowledge of the laws and the rules is a very valuable resource.

Legal Section

The Texas Alcoholic Beverage Commission Legal Section is staffed by three attorneys and three support staff. The staff reviews and prosecutes administrative violations of the Texas Alcoholic Beverage Code by permittees and licensees. It also reviews and prosecutes application protests filed by the Commission, local authorities and citizens to the issuance of original and renewal licenses and permits. The director of this section is Gayle Gordon. For information call (512) 206-3490.

Regulatory Division

The Regulatory Division consists of the Licensing Department, the Compliance Department, the Ports of Entry Section and the Seller/Server Training Section. These departments and sections are described below in further detail.

Licensing Department

The Licensing Department is responsible for issuing 100,000 licenses and permits throughout the state and the world. It is through the process of issuing the 61 different licenses and permits that regulatory control is established. An individual must hold the proper license or permit to be able to operate in the alcoholic beverage business. The acting director of this department is Amy Harrison. For information call (512) 206-3360.

Compliance Department

The Compliance Department is responsible for the performance of compliance audits and preparation of written reports to ensure adherence with the Alcoholic Beverage Code and for ensuring the proper amount of tax/fee has been reported and paid. It processes and verifies excise tax reports for correctness and oversees compliance with financial requirements of the Alcoholic Beverage Code. This department also investigates money-laundering and subterfuge operations. The director of this department is Buck Fuller. For information call (512) 206-3300.

Ports of Entry Section

Ports of Entry Section is responsible for assuring compliance with personal importation laws and for collecting taxes and administrative fees on alcoholic beverages imported into Texas from Mexico. They also monitor compliance with laws regarding importation of cigarettes into Texas and collect the applicable taxes. Agency personnel are stationed at all major bridges along the Texas-Mexico border. The supervisor of this section is Santos Saldaña. For information call (512) 206-3351.

Seller/Server Training

Separate and distinct from programs taught by agency personnel, the TABC also sponsors a voluntary certification program for retail employees who successfully complete in-house or third-party training courses that have been approved by the commission. These courses teach retail employees and their managers how to recognize and avoid illegal sales involving minors and intoxicated persons.

State law provides a limited shield to administrative prosecution for those employers who require their employees to attend the TABC approved courses. At the present time, approximately half the state's retailers require such training as a condition of employment and over 326,000 retail employees hold current certification. The supervisor of this section is Debbie Dixon. For information call (512) 206-3420.

Resource Management Division

The Resource Management Division is responsible for services provided to the other divisions and the executive level of the agency. The director is Denise Hudson. For information call (512) 206-3202. This includes several departments:

Human Resources Department

The Human Resources Department handles all employment-related activities, including but not limited to the following areas: recruitment and selection, benefits and compensation, employee relations, classification, training, and equal employment/ affirmative action. The director of this department is Vivian Rowe. For information call (512) 206-3220.

General Services Department

The General Services Department is responsible for staff support services in the areas of mail operations, supply and forms distribution, maintenance contracts, purchasing, real and personal property management, facilities leasing, fleet management, telecommunications, police radio repair, and warehouse operations. The director of this department is Gene Bowman. For information call (512) 206-3254.

Information Resources Department

The Information Resources Department is responsible for maintaining the data processing activities of the agency and assisting other divisions in processing their workload. Additionally, this department is responsible for printing and reconciling all of the various licenses and permits and other agency reports. The director of this department is Jim Johnson. For information call (512) 206-3457.

Fiscal Services Department

The Fiscal Services Department is responsible for all fiscal operations of the agency from revenue processing, accounts payable, payroll, time and leave accounting, and maintenance of the general ledger to preparation and oversight of the agency's Legislative Appropriations Request (Budget), Annual Report, and performance reports. The director of this department is Charlie Kerr. For information call (512) 206-3225.

Grants and Planning Section

The agency has long strived to enhance its current programs and initiate new programs through the attainment of grants. From the Cops In Shops Program to the start-up of the Underage Hotline, Border Initiatives, EUDL Mini-Grants and Shattered Dreams, the agency has moved ahead in an aggressive effort to educate the state's youth and to curb underage drinking. Not only has the Texas Alcoholic Beverage Commission been successful in acquiring grant monies, the agency's grant programs have been implemented successfully, especially at the grassroots and community level. The coordinator of this section is Andrea Luna. For information call (512) 206-3430.

Enforcement Division

The Enforcement Division is the largest and the most visible division of the agency. This division is responsible for the actual enforcement of the alcoholic beverage laws. Individuals employed in this division are either state commissioned peace officers or administrative personnel who perform technical licensing functions. Enforcement agents are charged with enforcing the Alcoholic Beverage Code and other laws of the state. Activities include investigations for minors in possession, public intoxication, bootlegging, prostitution, gambling, narcotics, weapons, and organized criminal activities. Enforcement agents also provide regular instruction to school children, licensees and their employees, and to members of civic groups to promote a better understanding of the law and voluntary compliance. The Chief of Enforcement is Gregory Hamilton. For more information call (512) 206-3400.

Marketing Practices Section

The Marketing Practices Section of the Enforcement Division has recently acquired an Anton Paar DMA 4500 Density Meter-Beer Alcolyzer and a SP-1m Sample Changer. This equipment is capable of analyzing malt beverage samples in approximately three minutes. This process is much faster than before and will certainly shorten the time that is required to issue the certificates of label approval for malt beverages. This is another example of how the Texas Alcoholic Beverage Commission is moving ahead. The Assistant Chief of Enforcement and Marketing Practices is Sam Smelser. For information call (512) 206-3410 or (512) 206-3402.

The Bert Ford Commendation

"for the efforts that exemplify the Texas Alcoholic Beverage Commission *tradition of diligence and cooperation forged by Bert Ford, Administrator (1936 - 1947)"*

Diligence and cooperation. For former TABC Administrator Bert Ford, there was no better way for an organization to foster and merit the confidence and respect of the public it served. Throughout his tenure (1936-1947), Bert Ford promoted a spirit of cooperation which paved the way for fairness and efficiency in the enforcement of the alcoholic beverage laws in the State of Texas. With an unyielding diligence, he molded a state agency which valued customer service while conducting its operations with a total commitment to professionalism and integrity.

Today, more than 50 years later, Bert Ford's imprint remains. In an era of heightened concern for legendary customer service, the Texas Alcoholic Beverage Commission remains committed to the values carved out by one of its former leaders. Our guiding philosophy and organizational values embrace Bert Ford's vision and reflect his untiring vigor and determination.

Sheriff Mark Gilliam exemplifies all of the great attributes the Bert Ford Commendation has come to symbolize. Sheriff Gilliam's involvement in numerous programs that promote safety among young people has sent a positive message to the citizens of his community. He consistently labors to bring the members of the law enforcement community together to coordinate their efforts and their resources on behalf of Aransas County and the State of Texas.

Sheriff Gilliam has been actively involved in the coordination and implementation of numerous initiatives to combat underage drinking throughout his area. Sheriff Gilliam's vision is one which recognizes early intervention as a beginning for new solutions to these problems.

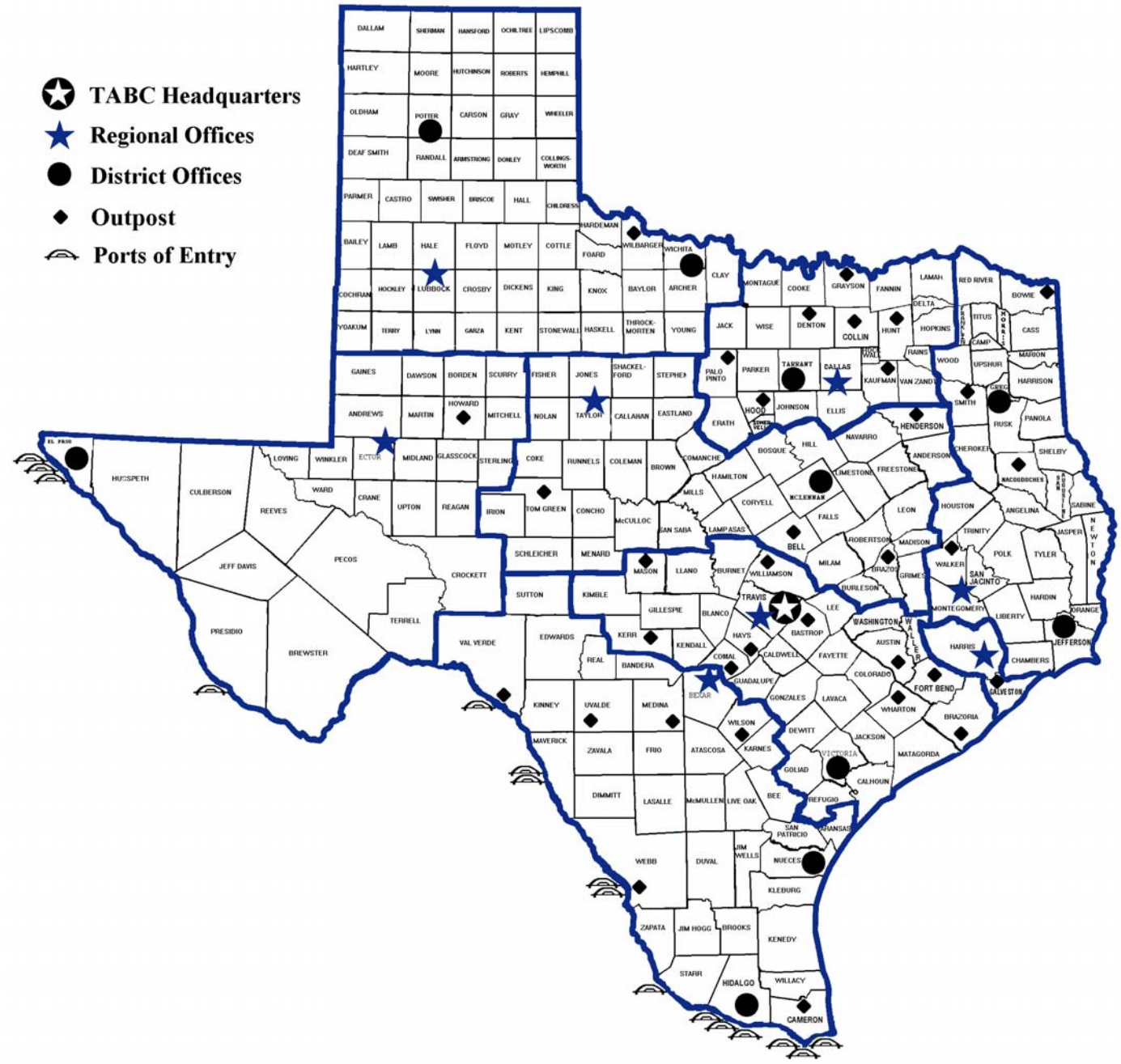
We salute Sheriff Mark Gilliam for his vision, his integrity, his courageous efforts and we honor him with the presentation of this award.

Pictured (L to R): Chief of Enforcement Greg Hamilton, Sheriff Mark Gilliam, Captain Richard Jauregui, and Lieutenant Christopher Champion.

Sheriff Mark Gilliam

2002 Bert Ford Award Recipient

Moving Across Texas



Accountability Measures

Topic	Responsible[1] Area	FY 01	FY 02
Public Safety and Welfare			
Number of Inspections made	ENF	97,063	109,632
Number of persons Instructed by the Agency	ENF	371,352	460,624
Number of Youth Instructed by Agency	ENF	298,537	377,451
Average Cost per inspection	ENF	$160.68	$142.09
Average Cost per instruction	ENF	$ 5.31	$ 4.78
Number of administrative cases settled	ENF	2,878	2,719
Number of criminal cases settled	ENF	11,468	9,103
Number of criminal violations found during inspections	ENF	22,549	22,223
Number of licensed establishments subject to inspection	ENF	38,255	38,373
Number of Investigations opened	ENF	5,771	5,818
Number of administrative violations found during inspections	ENF	8,194	10,977
Licenses and Permits Processed/Issued			
Number of applications processed	L&P	99,653	109,436
Number of licenses/permits issued	L&P	93,400	100,748
Average Cost per license/permit issued	L&P	$ 20.30	$ 21.72
Compliance Requirements			
Number of inspections, analyses and compliance activities	COM	86,160	84,702
Number of compliance actions and/or administrative actions	COM	32,308	35,492
Number of inter/intra state reports analyzed	COM	27,708	28,210
Average Cost of compliance activities	COM	$ 24.14	$ 32.45
Number of licensees/permittees subject to inspection	COM	39,649	39,880
Number of alcoholic bev. containers/cigarette pkg. stamped	POE	4,866,446	5,084,960
Number-alcoholic bev. containers/cigarette pkg. confiscated	POE	15,232	10,708
Average Cost per container of alcoholic bev./cigarette pkg.	POE	$ 0.59	$ 0.65

[1] Abbreviations as follows: Enforcement and Marketing Practices (ENF), Compliance (COM), Licensing & Permits (L&P), Ports of Entry (POE),

Financial Information

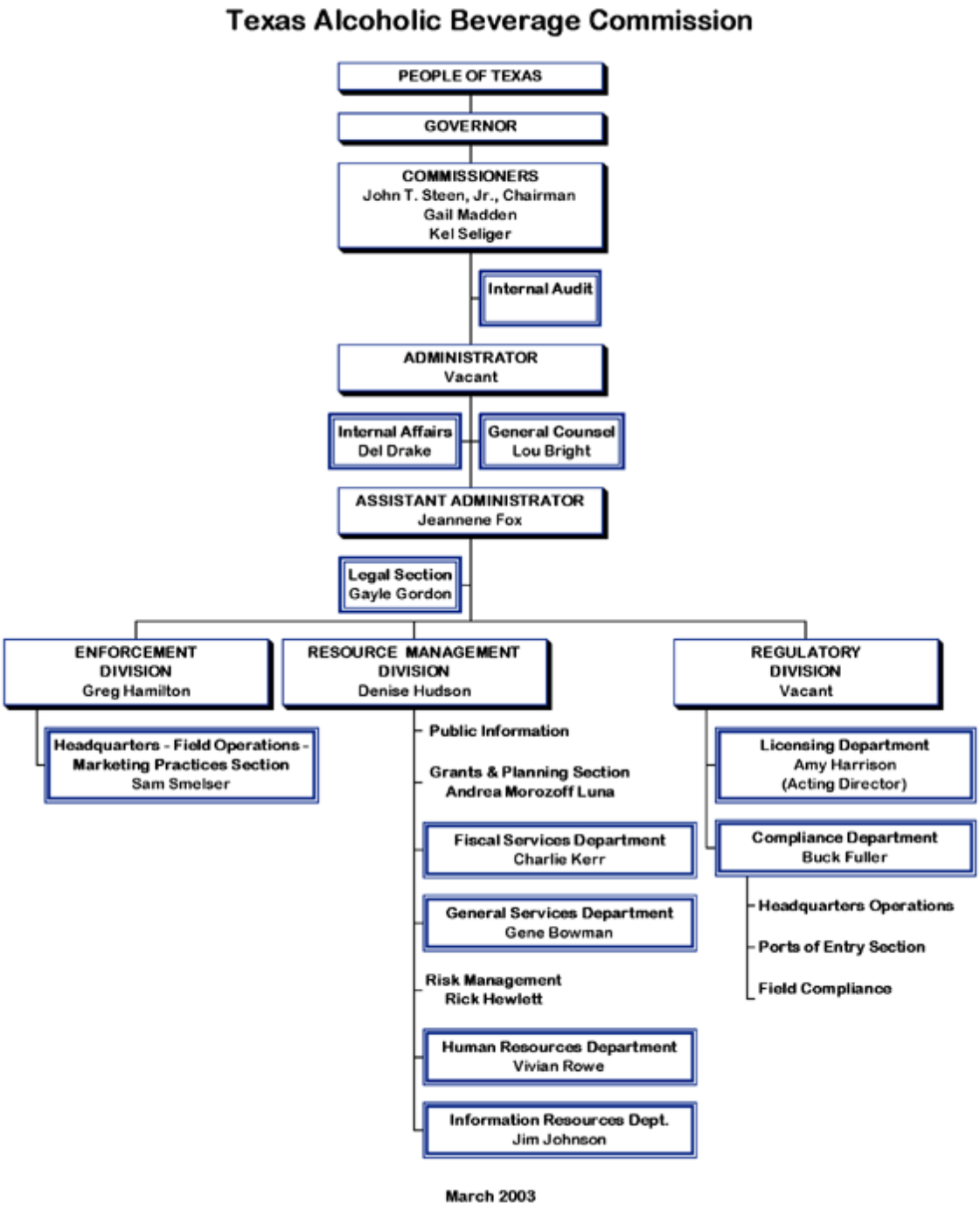
Where the Money Comes From . . .

Taxes	$ 164,723,590
License and Permit Fees	27,338,604
Fines	3,032,303
Grants/Interagency Contracts	343,326
Appropriated Receipts	108,660
Miscellaneous	2,386,985
Total	**$197,933,468**

Where the Money Goes . . .

Enforcement Activity	$ 17,160,457	
Licensing Activity	2,421,579	
Compliance Activity	2,999,400	
Ports of Entry Program	3,587,887	
Other Direct & Indirect Costs	7,031,456	
TABC		$ 33,200,779
General Revenue Fund		$164,732,689
Total		**$197,933,468**

Organizational Chart



About This Report

For more information

You may visit, write, or call the Texas Alcoholic Beverage Commission (TABC) for more information. If you wish to visit the TABC in person, please call in advance and make an appointment with the person you wish to see. The office is open from 8 a.m. until 5 p.m., Monday through Friday, except on holidays. Visit the TABC website for information at anytime - day or night at *www.tabc.state.tx.us*

To visit in person:

Texas Alcoholic Beverage Commission
5806 Mesa Drive
Austin, TX 78731
(Free parking is available in front of the building)

To write:

Texas Alcoholic Beverage Commission
P.O. Box 13127
Austin, TX 78711-3127

To call:

Information Line	(512) 206-3333
TDD Line	(512) 206-3270
Complaint Line	1-888-THE-TABC (843-8222)

You can find the telephone numbers of the Division Directors and Department Directors listed under each individual section of this report (see pages 20-21).

This is a report of the Texas Alcoholic Beverage Commission for the fiscal year ending August 31, 2002 (FY 2002). This report is one of several documents the Texas Alcoholic Beverage Commission produces to provide information to our employees and the public. More information can be found on the Texas Alcoholic Beverage Commission website at *www.tabc.state.tx.us*.

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TABC (03/03)
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