Vermont Board of Liquor & Lottery

March Minutes

Record of the Meeting of the Vermont Board of Liquor & Lottery held on March 9, 2022 via web and phone.

Members Present: Martin Manahan, Chair, Megan Cicio, Sam Guy, Ed Flanagan

Others Present: Wendy Knight, Commissioner Liquor Control; Andrew Collier, Deputy Commissioner Lottery; Wesley Lawrence; Jacob Humbert; Skyler Genest; Katie Fleury, Program Technician, Brian McLaughlin, Skip Whitman, Michael Welch, Jennifer Czachor, Randy Barnhart, Chelsea Curitti,

Meeting Start: 9:00 am.

Additions/Deletions to the Agenda:

- None

Board Actions on Consent Agenda Items:

- Approve minutes from February 2022 Board Meeting – Moved and approved. motion Sam Guy and Megan Cicio unanimous
- Approve licenses issued February 1, 2021 – February 28, 2021 – Sam Guy Moved Second Megan Cicio. Unanimous

Public Comment:

- Randy Barnhart of Southern Glaciers Spirits – following legislation – direct to consumer shipping of distilled spirits – bill contains dtc of distilled spirits – allows instate distillers to ship within state and out of state distillers to ship in state, this raises concerns about age verification and tax evasion– effort to control this – as designed would bypass the 802 spirits stores with direct ship to consumer spirits – bottle deposit issues with other states

Licensing:

- New licenses for February 2022 approved

Enforcement:

- None scheduled
Deputy Commissioner Comments:

Liquor Control:

- Russian made product – removed product via gov. Phil Scott all Russian products has been removed and is in the process of being brought back to the warehouse should be all back by Tuesday the 15th – monetary $13,000 reps about 700 bottles – sales since July 1 about $38,000 in Russian vodka, in total vodka 16 million in vodka sales - Russian products what happens with it – Russian made is brought to warehouse and will stay there figuring out what to do with product that is already in warehouse to see if they can be sent back but for now is in warehouse
- Seeing sustained sale increases 2/27-3/5 11.5% increase compared to last year at that time. On premise sales are ramping up, representing 30% of sales vs. 20-25% that they typically do.
- Liquor sales are 25% higher compared to 2019 - 9.7% higher than 2021
- While the spirits orders have been larger this has not affected deliveries yet. As a reminder, we added a Friday delivery during summer/fall 2021 as needed to delivery OOS product to stores as soon as it came in.
- Conducting user testing for release one of new online licensing system
- 32 out of 72 store audits completed by retail ops team
- April 1st is the next agency contract date for renewals
- License renewals are underway and being processed with 48 hours thanks to the addition of a new team member, Brendan
- No enforcement hearings recently because we are focused on compliance-first strategy working with hospitality businesses to be in compliance. Skyler is going to provide metrics for Board
- Budget for gas for deliveries - sufficient budget to cover gas – monitoring for now to see how it is going to impact.

Lottery:

- Insta tickets, Powerball, Megabucks - last week sales over previous year were down 10%, 11%, and 17% respectively. Sales for Lucky for Life and Fast Play were up 49% and 150% respectively.
- As gas prices increase, we are monitoring the lottery sale to see any impact.
- Muscle board voted for Powerball internationally
- 6 new Insta tickets released 3/4
- Talking about sponsorships with Lake Monsters and Thunder Road to reach new players
- Working with VT Trans on their Drive Well campaign
- Cleaning up websites and external forms to ensure information is current and accurate
- Integration is proceeding. Continuing talks with BGS about 4 options for new office space. Looking at shorter-term lease options.
- FY23 budget presentations have been going well; no concerns expressed by committees
- Senators in Senate Appropriations are very interested in sports betting
- Box store lottery – self checkout – Walmart – vending machine in view of employees
Other Business:
  - None

Meeting Adjourned: 9:31am

Exec session Begin: 9:32am
Executive Session End: 10am
Next Meeting: February 9, 2022