

Liquor Control System Modernization Study Committee Report

Pursuant to 2015 Acts and Resolves No. 51

December 2015

Legislative Council
State House
115 State Street
Montpelier, VT 05633-5301
(802) 828-2231
www.leg.state.vt.us

Liquor Control System Modernization Study Committee Report

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Liquor Control System Modernization Study Committee Members

Two members of the House of RepresentativesRep. Tom Stevens (co-chair)

Rep. Janet Ancel

Two members of the Senate.....Sen. Philip Baruth (co-chair)

Sen. Dustin Degree

Chair of the Liquor Control Board or designee.....Stephanie O'Brien, Chair of the
Liquor Control Board

Commissioner of Taxes or designee.....Candace Morgan, Director of
Policy, Outreach and Legislative
Affairs, Department of Taxes

A Member Appointed by the Governor.....Lawrence Miller, Senior Advisor
to the Governor and Chief of
Health Care Reform

I. Authority and Duties of the Liquor Control System Modernization Study Committee

The Vermont Liquor Control System Modernization Study Committee was established by 2015 Acts and Resolves No. 51, Sec. A.16. The Act directed the Committee's seven members to "study and evaluate Vermont's liquor control system and the Department of Liquor Control and determine whether and how the system and the Department can be made more efficient, effective, and profitable for the Vermont economy while protecting the public health and safety." 2015 Acts and Resolves No. 51, Sec. A.16(c). The Committee is required to report on its findings, its proposed changes to the Department and Vermont's liquor control system, and any recommendations for legislative action on or before December 15, 2015. *Id.*, at Sec. A.16(e). The report of the Committee is permitted to take the form of draft legislation. *Id.*

II. Summary of Committee Activities

The Liquor Control System Modernization Study Committee met six times, on July 27, August 17, September 21, October 19, November 6, and December 14. During these meetings, the Committee heard testimony and reviewed information related to:

- the provisions of Title 7 of the Vermont Statutes Annotated governing Vermont's liquor control system
- the administration and operation of the Department of Liquor Control, including its organizational structure; its duties with respect to licensing, enforcement, education, and sale of spirits; tax revenues and other income generated through the sales of spirits; and the number of licenses issued and the amount of licensing fees collected

- possible administrative and operational measures that could be employed to enhance the profitability and efficiency of the Department of Liquor Control
- possible changes to the appointment and duties of the Commissioner of Liquor Control
- the Department of Liquor Control’s warehouse and distribution operations, including the capacity, operation, and limitations of the existing warehouse; the projected need for a new warehouse; previous efforts to improve operational capacity, efficiency, and safety; and ongoing and potential future efforts to improve operational capacity, efficiency, and safety
- whether the Department of Liquor Control’s purchasing, transportation, warehousing, and distribution functions could be handled more cost effectively by contracting out or leasing those functions to a private entity
- the Vermont Liquor Control Board, including its composition, and its duties in relation to Vermont’s liquor control system and the Department of Liquor Control
- possible changes to the composition and duties of the Liquor Control Board, including changing the number of Board members and professionalizing the Board
- Vermont’s agency liquor stores, including the location and establishment of agency stores, as well as their day-to-day operation, business and operational challenges, and relationship with the Department of Liquor Control and Liquor Control Board
- the “control” and “licensing” models for statewide alcohol regulation
- the possibility of privatizing the Vermont liquor control system, including the potential fiscal impact of privatization on the State

- the Maine liquor control system, including the governance and operation of the Maine Bureau of Alcoholic Beverages & Lottery Operations, and Maine's experience in contracting out the operation of its wholesale spirits business
- the New Hampshire liquor control system, including the governance and operation of the New Hampshire Liquor Commission, and New Hampshire's experience in using a private contractor to warehouse and distribute spirits and wine

III. Findings and Recommendations

A. The Department of Liquor Control

Findings:

Under the leadership of the Liquor Control Board, the Department of Liquor Control has made ongoing efforts to improve its efficiency and profitability. During the tenure of the prior Commissioner, the Department implemented changes to improve the warehouse management system based on the recommendations made in a 2005 study required pursuant to 2004 Acts and Resolves No. 122, Sec. 76a. More recently, following the retirement of the previous Commissioner, the Liquor Control Board hired Interim Commissioner James Giffin to oversee the Department while the Board seeks a permanent Commissioner. During the past year, the Board retained David Jackson, a well-respected industry consultant, to review and recommend improvements to its business operations. It also used a grant from the National Alcoholic Beverage Control Association to commission a study of the warehouse by Chet Willey Associates that resulted in recommendations to extend the life of the warehouse, as well as improve the efficiency of the picking and delivery process. The Department is in the process of implementing the recommendations provided by Mr. Jackson and the Chet Willey Associates

study. In addition, the Department is currently developing a new point-of-sale system for the State's agency liquor stores and expects to introduce the system in 2016.

Despite these efforts, however, the Department has historically been underfunded and has struggled to keep pace with rapidly advancing technology that could enhance its efficiency and profitability. The Department's chronic budgetary constraints have prevented it from being able to invest in measures to grow and modernize its sales operations.

Currently, the State's agency liquor stores are unable to place orders online, and most agents still use a dial-up credit card connection to complete sales. In addition, Department staff must manually approve more than 10,000 license applications per year.

In contrast to Vermont, liquor outlets and agents in New Hampshire and Maine are able to place orders and check warehouse inventory on-line. In New Hampshire, the state's warehouse systems are integrated with the point-of-sale systems in the state's Liquor and Wine Outlets.

The Department of Liquor Control would benefit from improved business expertise and focus to enhance its efficiency and profitability. To help address this, the Department has recently received authorization to hire a deputy commissioner who will focus on the Department's governmental relations and help to ensure that the Department remains accountable to the Administration. It is anticipated this will allow the Commissioner to focus more closely on growing and managing the Department's business activities. The Deputy Commissioner's position is expected to be filled once a new Commissioner is in place.

In spite of all the challenges that the Department has faced, it has continued to provide a significant and growing source of revenue for the State.

Recommendations

The Study Committee recommends that the committees of jurisdiction:

- Consider amending the Vermont Statutes Annotated to create a special fund or enterprise fund comprising retained earnings designated for reinvestment by the Department in infrastructural, IT, point of sale, staffing, marketing, and other business improvements
- The retained earnings that would comprise such a fund could be derived from:
 - a fixed set-aside of two percent from the Department’s annual receipts; or
 - a procedure to allow annually the Department, with legislative oversight, to reinvest a portion of the revenues that it generates
- Consider providing funding to create a stronger Internet presence for the Department to enhance retail operations by creating a website that will permit State agency liquor stores and other customers to check inventory and place orders online
- Alternatively, the committees of jurisdiction could examine industry guidelines for budgetary reinvestment targets, and consider statutory changes to impose budgetary reinvestment targets with respect to the Department
- Consider adopting as the Department’s sales objective, “Consumed in Vermont? Purchased in Vermont!”

B. Liquor Control Board

Findings:

The Liquor Control Board is a citizen board comprising five members. The members are appointed by the Governor biennially for staggered five-year terms. 7 V.S.A. § 101. The Board is charged with broad responsibilities for Vermont’s liquor control system. These

responsibilities include supervising and managing the sale of spirits and fortified wines through the Department and the State's agency liquor stores, adopting rules necessary to implement Vermont's alcoholic beverage laws, and enforcing those laws through the Board's quasijudicial and licensing functions. *See* 7 V.S.A. §§ 101, 104, and 108. The Board oversees approximately 9,000 liquor licensees, as well as the State's 80 agency liquor stores. In addition to its duties in relation to alcoholic beverages, the Board has oversight responsibilities with respect to tobacco licensing, compliance, and enforcement.

The Board meets a minimum of 11 times per year. Board members receive a per diem of \$50.00 per meeting plus mileage expenses and incidental costs. *See* 32 V.S.A. § 1010.

Each Board meeting includes enforcement proceedings, an opportunity for the public to address the Board, and a meeting with the Commissioner. The Board spends a significant portion of each meeting conducting hearings and enforcement proceedings in its quasijudicial role. In that role, the Board is responsible for adjudicating alleged violations of the liquor control and tobacco statutes and rules.

Recommendations:

The Study Committee recommends that the committees of jurisdiction:

- Consider whether or not to limit the Board's participation in the day-to-day business decisions of the Department so that it can focus on its rulemaking and quasijudicial roles.
- Work with the Board to help it continue to develop better direct relationships with the agency liquor stores by improving communication, and refining the contracts between the Department and each Agent.

Some members of the Study Committee recommend that the General Assembly:

- Pass the Study Committee’s bill, which will impose a two–term limit on Board members and clarify the requirements for the Board to take action at a meeting

Some members of the Study Committee recommend that the committees of jurisdiction:

- Consider legislative changes to professionalize the Liquor Control Board to enable it to better carry out its statutory duties. This could include:
 - making Board membership a paid, part-time position; or
 - making some or all of the positions on the Board full-time, salaried positions so that the members could focus on the governance of the Vermont’s liquor control system without needing a second job to support themselves

C. Commissioner of Liquor Control

Findings:

The Commissioner of Liquor Control is the executive officer of the Department of Liquor Control. 7 V.S.A. § 106. He or she is appointed by the Liquor Control Board for an indefinite period of time, and may be removed by a majority vote of the Board. 7 V.S.A. § 106. The Commissioner is charged with reporting to the Board regarding the State’s liquor control system, establishing agency liquor stores as directed by the Board, supervising the operation of the Department’s warehouse and the agency liquor stores, making regulations subject to the approval of the Board in relation to the operation of the agency liquor stores, and administering Title 7. *See* 7 V.S.A. §§ 107, 110.

The last Commissioner of the Department served in that role for approximately 16 years before he retired in June. At present, the Department is headed by Interim Commissioner James

Giffin while the Liquor Control Board works through the process of interviewing candidates to serve as the next Commissioner.

The Committee finds that the Commissioner would be more effective and better able to draw on the resources of the State if the position was appointed by the Governor and, therefore, more closely tied to each Governor's administration. In addition, the position of Commissioner should become more responsive without unduly harming the stability that continuity in the position provides. A future Commissioner of Liquor Control must have relevant business experience that will enable him or her to manage effectively the State's multi-million dollar liquor business.

Recommendations:

The Study Committee recommends that the General Assembly:

- Pass the Study Committee's bill, which will establish job criteria and a fixed term of office for the Commissioner of Liquor Control, and will also provide for his or her appointment and removal at the pleasure of the Governor. In addition, the bill will ensure that the Liquor Control Board retains a crucial role in the selection of the Commissioner, by requiring that the Governor select the Commissioner from a pool of candidates proposed by the Board

D. Vermont Department of Liquor Control Warehouse

Findings:

Compared to those of New Hampshire and Maine, Vermont's liquor control warehouse is relatively small. It is also unique among the three in that it is operated by the State instead of by a private company under a contract with the State.

New Hampshire's 243,000-square-foot warehouse is located in Bow and is operated by a private company pursuant to a 20-year warehousing contract. New Hampshire elected to contract for warehousing services when its former warehouse ran out of space and there was insufficient funding available to construct a new warehouse of sufficient size to serve the needs of New Hampshire's liquor business. New Hampshire's warehouse systems are integrated with the point of sale systems in the New Hampshire Wine and Liquor Outlets.

Maine's warehousing and distribution operations are operated by the Pine State Spirits Company pursuant to a 10-year contract that began in 2014. Before the present contract, from 2004 through 2014, Maine leased its spirits business to the Maine Beverage Company in exchange for an up-front cash payment and annual profit sharing. Maine's current warehouse is an 115,000-square-foot facility located in Augusta.

In contrast, Vermont's warehouse is only about 30,000 square feet and is nearing capacity. In recent years, it has experienced structural issues and problems with its furnaces, and its floors are damaged. The warehouse is located in the flood plain of the Winooski River at the end of Green Mountain Drive in Montpelier. The warehouse fills most of the space between Green Mountain Drive and the bike path adjacent to the river, with its parking lot squeezed into an irregularly shaped piece of land that wraps around the Department's current offices. The shape and small size of the parking lot create challenges for trucks that are delivering to and picking up from the warehouse.

At the present time, the warehouse contains roughly 1,800 stock-keeping units, or SKUs. The number of SKUs in the warehouse is increasing at an annual rate of 4.4 percent, or about 74 new SKUs per year. While the Department is in the process of implementing changes recommended by the Chet Willey Associates study that will increase the warehouse's SKU capacity, the ongoing increase in the number of SKUs will cause it to run out of space in the next four to five years. Thus, in order for the Department to continue growing its sales, it will need to move to a larger warehouse within five years. The significant amount of time required to locate and design a new warehouse means that planning must begin immediately to ensure that the Department does not run out of space before the new facility is completed.

Assuming the warehouse will be completed in approximately 2020, it is estimated that the size of the new warehouse will need to be at least 60,000 square feet in order to accommodate 10 years of growth for the Department. It is important to note that this does not include the space necessary to house the Department's offices.

Recommendations:

The Study Committee recommends that the committees of jurisdiction:

- Immediately begin the process of replacing the Department's warehouse with a new operational facility for the Department that would include a replacement warehouse meeting the requirements identified in the Chet Willey Associates study
- As part of this process, consider the following:
 - Whether to invest in a State-owned warehouse or to begin the process of drafting legislation to enable the Department to contract with a company or companies to operate its warehousing and distribution functions

- Whether any savings in expenses or increases in revenue can be achieved by any of the different options identified for the replacement of the warehouse

E. Spirits Sales in Vermont

Findings:

The Study Committee considered the volume of liquor sales and the models for liquor control in Vermont, New Hampshire, and Maine. While Vermont's sales volume does not match the sales volume of New Hampshire or Maine, the amount of revenue that Vermont generates per gallon of ethanol sold is higher than either of the other states.

Regardless of what changes may be imposed by the General Assembly to Vermont's liquor control system, there is only so much that can be done to increase the State's revenues from the sales of spirits and fortified wines. Vermont is unlikely to ever match the volume or total revenue from alcoholic beverage sales in a state like New Hampshire. This is due to a variety of factors, including Vermont's location, small population, and the fact that Vermont only controls the sales of spirits and fortified wines, rather than spirits, fortified wines, and wine. Likewise, the fluctuating price differential between Vermont and New Hampshire is unlikely to change without a significant reduction in the Department's revenues because New Hampshire's liquor business is modelled on a low markup, high volume approach to alcohol sales.

Recommendations:

F. Statutory Language of Title 7 of the Vermont Statutes Annotated

Findings:

In reviewing Title 7, the Study Committee found that a significant portion of the statutory language is antiquated or may not accurately reflect existing practices. Some of the statutes have not been updated in approximately 50 years.

Many provisions in Title 7 are not set forth in a manner that is consistent or easily understandable. For example, there is significant variation in how the provisions governing different types of licenses are set forth. Some are found in a separate, clearly labeled section, while others might be found in the definitions section or haphazardly split between the definitions section and one or more other sections. In addition to the organizational issues, much of the language is overly dense or written in a manner that can be difficult to understand.

Recommendations:

The Study Committee recommends that the General Assembly pass the draft legislation put forth by the Study Committee. The bill directs Legislative Council, in consultation with the Commissioner of Liquor Control, the Liquor Control Board, and the Office of the Attorney General, to prepare and submit a draft bill to make statutory amendments to improve the clarity of Title 7 through the reorganization of its provisions and the modernization of its statutory language, as well as to identify all sections of Title 7 that the General Assembly must amend substantively in order to remove out-of-date and obsolete provisions.

G. State Agency Liquor Stores

Findings:

The models for and scale of retail liquor sales in Vermont, New Hampshire, and Maine vary in certain significant ways.

The State of Vermont currently has 80 State agency liquor stores. Vermont's agency liquor stores are operated by private agents. However, the spirits and fortified wines sold by the stores are owned by the State until they are sold to the consumer. The stores operate under a contract with the Department of Liquor Control and utilize Department-owned registers and software to track sales and inventory. Vermont liquor agents receive a commission that ranges from 6.7 to 8.2 percent of the agent's gross sales of spirits and fortified wines.

Vermont's agency stores sell spirits and fortified wines to consumers, as well as to licensed bars and restaurants. Depending on the agency, the clientele can vary greatly with some stores receiving the majority of their business from bars and restaurants, and others from walk-in customers.

The Liquor Control Board's duties include supervising existing agencies and locating and establishing new agency stores. *See 7 V.S.A. §§ 101, 104, and 107.* The Board decides whether to add a new agency store location based, in part, on whether the new location will increase the Department's revenues after the initial costs that the Department incurs in establishing the new agency are recouped. The Board has advertised for new agents in underserved parts of the State in the past. The Department's current warehouse and delivery system is projected to have sufficient capacity to serve between five and seven additional agency stores.

In contrast to Vermont, the New Hampshire Liquor Commission operates its wine and liquor outlets directly. At present, the Commission has 77 outlets spread around the State,

including new flagship stores along Interstate 93. Because New Hampshire does not tax the sales of wine and spirits, it generates its income from the retail markup on the beverages sold by its outlets. Bars and restaurants in New Hampshire can order wine and spirits to be shipped from the State's liquor warehouse in Bow, NH or picked up from a local outlet. Wine is also sold for off-premises consumption through licensed retailers.

As in Vermont, Maine operates on an agency liquor store model. However, its 510 agencies stand in stark contrast to Vermont's 80. The number of agencies in Maine has roughly doubled in the past ten years, with 22 agents added in the past year alone.

A second major difference is that the private businesses that operate Maine's liquor agencies own the liquor sold by their stores. Agencies purchase the liquor that they sell from the Pine State Spirits Company, which is the company that the Maine Bureau of Alcoholic Beverages and Lottery Operations ("BABLO") contracted with to operate the state's wholesale spirits business. The agencies decide which products to carry and how much to order, although BABLO does encourage the agencies to stock certain products. Agencies are required to stock a minimum number of products based on the size of the municipality in which the agency is located. 28-A M.R.S.A. § 461. Retail licensees that are licensed to sell alcoholic beverages for on-premises consumption are required to purchase spirits through an agency that is also licensed to resell spirits. *See* 28-A M.R.S.A. § 453-C.

Agencies purchase the products they carry from the State's contractor at a discount of between 12 and 14 percent off the retail price. Products that retail for \$24.99 or less have a discount of 12 percent, while products that sell for more than \$24.99 have a discount of 14 percent. Agents can also earn an additional 0.75 percent growth incentive if total case sales increase by at least 4.5 percent over the previous year. 18-553 C.M.R. ch. 2, § III.

Maine's statutes provide a population guideline that limits the maximum number of liquor agencies that may be located in a municipality based on its population. *See* 28-A M.R.S.A. § 453. When a municipality votes to request an additional agency, the Maine Liquor and Lottery Commission will review the issue and can decide to accept applications for a new agency license. BABLO considers the applications through a process that includes public notice and a hearing, and which takes into account several factors, including the potential impact of a proposed agency store location on existing agency stores. *See* 28-A M.R.S.A. § 453-A. Licenses are issued for a 12-month period and are renewable.

Recommendations:

The Study Committee recommends that the committees of jurisdiction:

- Study the issue of whether Vermont should increase the number of State agency liquor stores
- In considering that issue, the Study Committee further recommends that the committees of jurisdiction consider the following questions:
 - Would increasing the number of agents benefit Vermont by preventing liquor sales from leaving Vermont for neighboring states?
 - Would creating a system with different classes of agents benefit the State? For example, would it be beneficial to have a subclass of State agency liquor stores that operate similarly to the agency stores in Maine, in which the agent selects and purchases the products that it wishes to sell in its store from the State?

- If increasing the number of agents would be beneficial for Vermont, what is the best way to increase the number of agents within the parameters of Vermont's existing liquor control system?
- When considering legislation related to the agency stores, the Study Committee recommends that decisions regarding changes in the number of State agency liquor stores remain a business decision of the Liquor Control Board
- Examine whether statutory changes to implement standards for the geographic distribution of agents would be beneficial to the State. Such standards could include:
 - A maximum distance or amount of time that customers visiting an agency in a rural area would need to travel
 - A maximum number of agents per capita that would be permitted in larger municipalities or more densely settled regions of the State
- Examine whether statutory changes to provide for a more limited number of SKUs in agency stores located in less populated areas of the State could benefit those stores and the Department
- Consider directing the Liquor Control Board and Department to implement standards for the operation of agency stores. Such standards could provide that agencies that meet the standards would be permitted to retain or renew their contracts with the Department, while agencies that could not meet the standards would lose their contract, and that agency contract would be put out to bid in an RFP process
- Consider directing the Department to take steps to improve direct customer relations with the State's agency stores

APPENDIX A: Enabling Legislation

2015 Acts and Resolves No. 51

Sec. A.16. VERMONT LIQUOR CONTROL SYSTEM MODERNIZATION

STUDY COMMITTEE

(a) Creation. There is created a Vermont Liquor Control System Modernization Study Committee to evaluate Vermont's liquor control system and the Department of Liquor Control and determine whether and how the system and the Department can be made more efficient, effective, and profitable for the Vermont economy while protecting the public health and safety.

(b) Membership. The Commission shall be composed of the following seven members:

(1) two current members of the House of Representatives, who shall be appointed by the Speaker of the House;

(2) two current members of the Senate, who shall be appointed by the Committee on Committees;

(3) the Chair of the Liquor Control Board or designee;

(4) one member appointed by the Governor; and

(5) the Commissioner of Taxes or designee.

(c) Powers and duties. The Committee shall study and evaluate Vermont's liquor control system and the Department of Liquor Control and determine whether and how the system and the Department can be made more efficient, effective, and profitable for the Vermont economy while protecting the public health and safety. In particular, the Committee shall:

(1) examine and evaluate the governance and operation of the Department of Liquor Control, including the manner in which it warehouses and distributes spirits and fortified wines, in comparison with the governance and operation of liquor control agencies in other states, and

identify various measures by which the governance and operation of the Department of Liquor Control could be made more efficient, effective, and profitable for the Vermont economy while protecting the public health and safety;

(2) examine and evaluate any changes to licensing, enforcement, education, fees, and taxes related to the production, sale, warehousing, and distribution of alcoholic beverages that would be necessary to implement the various measures identified pursuant to subdivision (1) of this subsection;

(3) evaluate the impact of the various measures identified pursuant to subdivision (1) of this subsection with respect to:

(A) public health and safety;

(B) the tax revenue and income generated by the Department;

(C) any savings in the cost of the services provided by the Department;

(D) any economic impact on the businesses licensed by the Department; and

(E) the price and availability of alcoholic beverages for consumers in Vermont.

(4) examine and evaluate Vermont's regulatory system for the production, sale, warehousing, and distribution of spirits and fortified wines in comparison with the systems employed by other states, including systems in which spirits and fortified wines are warehoused or distributed, or both, by private entities, public entities, or a combination of private and public entities;

(5) identify various measures by which Vermont's regulatory system for the production, sale, warehousing, and distribution of spirits and fortified wines could be made more efficient, effective, and profitable for the Vermont economy while protecting the public health and safety;

(6) examine and evaluate any changes to licensing, enforcement, education, fees, and taxes related to the production, sale, warehousing, and distribution of alcoholic beverages that would be necessary to implement the various measures identified pursuant to subdivision (5) of this subsection; and

(7) evaluate the impact of the various measures identified pursuant to subdivision (5) of this subsection with respect to:

(A) public health and safety;

(B) the tax revenue and income generated by the Department;

(C) any savings in the cost of the services provided by the Department;

(D) any economic impact on the businesses licensed by the Department; and

(E) the price and availability of alcoholic beverages for consumers in Vermont.

(d) Assistance. The Committee shall have the administrative, technical, and legal assistance of the Office of Legislative Council and the Joint Fiscal Office.

(e) Report. On or before December 15, 2015, the Committee shall submit a report to the House Committees on Commerce and Economic Development; on General, Housing and Military Affairs; and on Government Operations and the Senate Committees on Economic Development, Housing and General Affairs and on Government Operations with its findings and proposed changes to the Department of Liquor Control and Vermont's liquor control system, as well as a recommendation for any legislative action necessary to implement the changes proposed by the Committee. The report of the Committee may take the form of draft legislation.

(f) Meetings.

(1) The Co-Chairs of the Committee shall call the first meeting of the Committee to occur on or before July 30, 2015.

(2) A member from the House of Representatives designated by the Speaker of the House and a member from the Senate designated by the Senate Committee on Committees shall be the Co-Chairs of the Committee.

(3) A majority of the membership of the Committee shall constitute a quorum.

(4) The Committee shall cease to exist on January 15, 2016.

(g) Reimbursement. For attendance at meetings during adjournment of the General Assembly, legislative members of the Committee shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 406 for no more than six meetings.

APPENDIX B: Witness List

- Candace Morgan ➤ Director of Policy, Outreach and Legislative Affairs, Vermont Department of Taxes
- Damien Leonard ➤ Legislative Counsel, Office of Legislative Council
- David Hall ➤ Legislative Counsel, Office of Legislative Council
- Doug Hoffer ➤ State Auditor, Vermont State Auditor's Office
- Gregg Mineo ➤ Director, Maine Bureau of Alcoholic Beverages & Lottery Operations
- Jim Griffin ➤ Interim Commissioner, Vermont Department of Liquor Control
- John Dubie ➤ Owner, Pearl Street Beverage
- Julian P. Sbardella ➤ Member, Vermont Liquor Control Board
- Nick Alberding ➤ President, Pine State Trading Company
- Paul Kerin ➤ Owner, Vergennes Wine
- Rebecca Sameroff ➤ Senior Fiscal Analyst, Vermont Department of Taxes
- Rick Gerrish ➤ Director, Division of Sales, Marketing, Merchandising and Warehousing, New Hampshire Liquor Commission
- Walter Freed ➤ Former Chair, Vermont Liquor Control Board

APPENDIX C: Draft Legislative Proposal