



TEXAS ALCOHOLIC BEVERAGE COMMISSION

Texans Helping Businesses & Protecting Communities

ANNUAL REPORT OF NONFINANCIAL DATA FOR FISCAL YEAR 2021

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



TEXAS ALCOHOLIC BEVERAGE COMMISSION

Texans Helping Businesses & Protecting Communities

P.O. Box 13127
Austin, Texas 78711-3127
(512) 206-3333
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December 31, 2021

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

Dear Sirs and Madam,

We are pleased to submit the Texas Alcoholic Beverage Commission's *Annual Report of Nonfinancial Data* for the fiscal year ending August 31, 2021, in compliance with the TEX. GOV'T CODE ANN. § 2101.0115 and in accordance with the instructions for completing the Annual Report of Nonfinancial Data.

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

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

Sincerely,

DocuSigned by:

CD8B5A89DC0846A...

A. Bentley Nettles
Executive Director

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**TEXAS ALCOHOLIC BEVERAGE COMMISSION
ANNUAL REPORT OF NONFINANCIAL DATA
For the Fiscal Year Ending August 31, 2021**

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I. SCHEDULES

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I. SCHEDULES

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Environmentally Sensitive Purchases

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TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)

SCHEDULE 1
APPROPRIATION ITEM TRANSFERS*
For the Fiscal Year Ending August 31, 2021

ITEM OF APPROPRIATION - AY 2021

| | Transfers In | Transfers Out | Net Transfers |
|-----------------------------------------------------|--------------------------|----------------------------|--------------------|
| A. Goal: Regulate Distribution Strategy | \$ | \$ | \$ |
| A.1.1 13016 Public Enforcement | 1,500 | (9,280,943) | (9,279,443) |
| Total, Goal A: Regulate Distribution | <u>1,500</u> | <u>(9,280,943)</u> | <u>(9,279,443)</u> |
| B. Goal: Process TABC Applications Strategy | | | |
| B.1.1 13017 Business Compliance | 0 | (621,097) | (621,097) |
| Total, Goal B: Process TABC Applications | <u>0</u> | <u>(621,097)</u> | <u>(621,097)</u> |
| C. Goal: Collect Fees and Taxes Strategy | | | |
| C.1.1 13018 Inspections and Compliance | 200,000 | (35,604) | 164,396 |
| C.2.1 13007 Ports of Entry | 120,000 | (2,467,970) | (2,347,970) |
| Total, Goal C: Collect Fees and Taxes | <u>320,000</u> | <u>(2,503,574)</u> | <u>(2,183,574)</u> |
| D. Goal: Indirect Administration Strategies | | | |
| D.1.1 13800 Central Administration | 0 | (84,914) | (84,914) |
| D.1.2 13801 Information Resources | 0 | (5,499,888) | (5,499,888) |
| D.1.3 13802 Other Support Services | 0 | (2,715) | (2,715) |
| Total, Goal D: Indirect Administration | <u>0</u> | <u>(5,587,517)</u> | <u>(5,587,517)</u> |
| Capital Budget Appropriations | | | |
| 56001 PC Replacements & Tablet Computers | 251,853 | (20,523) | 231,331 |
| 56002 Hardware/Software Acquisitions | 339,292 | (42,921) | 296,371 |
| 56003 Public Safety Technology - Replacement | 1,101,179 | (446,930) | 654,249 |
| 56004 Licensing & Tax Tech Replacement | 3,299,773 | (1,012,196) | 2,287,577 |
| 56005 Acquisition of Rep-Vehicle for Fleet | 738,619 | (703,878) | 34,741 |
| 56006 Public Safety Equipment - Replacement | 179,419 | (179,796) | (377) |
| 56007 CAPPs Support | 75,600 | 0 | 75,600 |
| 56150 Data Center Consolidation | 826,967 | (47,101) | 779,866 |
| Total, Capital Budget Appropriations | <u>6,812,702</u> | <u>(2,453,344)</u> | <u>4,359,357</u> |
| Contingency Appropriations | | | |
| 26813 Sec 18.13 Contingency for HB1545 | 0 | 0 | 0 |
| 37101 Reduction H.B.2, 87th L.S.. | 5,329,741 | 0 | 5,329,741 |
| 37301 Savings from CARES Act, 87 th L.S. | 7,982,533 | 0 | 7,982,533 |
| Total, Contingency Appropriations | <u>13,312,274</u> | <u>0</u> | <u>13,312,274</u> |
| NET APPROPRIATION ITEM TRANSFERS | <u><u>20,446,476</u></u> | <u><u>(20,446,476)</u></u> | <u><u>0</u></u> |

*This schedule does not include Benefit Replacement Pay Transfers.

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TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)**SCHEDULE 2
HUB STRATEGIC PLAN PROGRESS REPORT
For the Fiscal Year Ending August 31, 2021**

| CATEGORY | Actual for FY 2020* | Actual for FY 2021* | Goal for FY 2021** |
|--------------------------------------------------|--------------------------------|--------------------------------|-------------------------------|
| Heavy construction other than building contracts | 0.00% | 0.00% | 11.20% |
| Building construction | 0.00% | 0.00% | 21.10% |
| Special trade construction contracts | 0.73% | 11.14% | 32.90% |
| Professional services contracts | 0.00% | 0.00% | 23.70% |
| Other services contracts | 22.96% | 64.00% | 26.00% |
| Commodities contracts | 14.60% | 16.61% | 21.10% |

*Actual = Percent spent with HUBS from Comptroller's HUB report. The agency had no spending for Heavy Construction or Building Construction in FY 2020 or in FY 2021.

**Goal = Strategic Plan HUB goals

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TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)**SCHEDULE 3****INDIRECT COSTS****For the Fiscal Year Ended August 31, 2021****Payroll Related Costs**

| | |
|---------------------------------------|-------------|
| FICA Employer Matching Contribution | \$2,780,664 |
| Payroll Retirement Contribution | 178,367 |
| Group Health Insurance | 4,879,564 |
| Payroll Health Insurance Contribution | 345,018 |
| Retirement | 3,446,275 |
| Retirement-Other | 115,498 |
| Unemployment | 24,711 |

Total Payroll Related Costs**\$11,770,097**

Benefit Replacement Pay (BRP)

\$ 13,310**Total Benefit Replacement Pay****\$ 13,310****Indirect Costs - Statewide Full Cost Allocation Plan**

| | |
|-----------------------------------------|----------|
| Building Depreciation | \$41,102 |
| (304) CPA Administration | 268,829 |
| CPA Fiscal and ITD | 296,670 |
| CPA Statewide Procurement | 28,157 |
| CPA Rebates | -34,945 |
| TFC Planning & Real Estate Management | 50,691 |
| OOG Budget, Policy, & Planning Division | 2,235 |
| (101) State Senate | 1,291 |
| (102) House of Representatives | 1,655 |
| (103) Legislative Council | 1,159 |
| (104) Legislative Budget | 8,299 |
| (105) Reference Library | 1,067 |
| (116) Sunset Advisory Board | 1,437 |

Total Indirect Costs - Statewide Full Cost Allocation Plan**\$667,647****TOTAL INDIRECT COSTS****\$12,451,054**

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TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)

SCHEDULE 4

PROFESSIONAL, CONSULTING FEES AND LEGAL SERVICE FEES

For the Fiscal Year Ended August 31, 2021

| NAME | TYPE OF SERVICE RENDERED | AMOUNT |
|-------------------------------------------------------|-----------------------------------------------|-----------------------|
| Alfred Deham | Legal – Mediation | \$600.00 |
| Allison Franklin | Employee Training Development | \$13,800.00 |
| Antonio Gracia | Employee Training Development | \$13,800.00 |
| Bob Daemmrch Photography | Photography/Framing | (\$930.00) |
| CPS HR Consulting | Employee Testing | \$2,800.00 |
| Cressida Kwolek, PHD | Psychological Testing | \$250.00 |
| David Lunan | Employee Training/Speaker | \$220.64 |
| Dept of Licensing Regulation | Polygraph Renewal | (\$350.00) |
| Gary Morgan | Legal – Mediation | \$500.00 |
| Justin Wood | Employee Training/Speaker | \$288.88 |
| Loblolly Consulting LLC | Program Management/Oversight | \$620,451.00 |
| Loblolly Consulting LLC | Project Management/Business Analysis Services | \$956,548.40 |
| Luis Acuna | Employee Training/Speaker | \$288.88 |
| Neely Counseling Center PLLC | Professional Fees - Client Visits | \$8,061.37 |
| Nicolas Gutierrez III | Employee Training Development | \$13,800.00 |
| Sandersen & Scheffer PLLC | Auditing Services | \$21,517.48 |
| Sistema Technologies | Alcohol Industry Management System | \$1,989,201.00 |
| Texas A&M Engineering Extension Service | Employee Training Development | \$72,762.00 |
| Texas Comptroller of Public Accounts | Employee Training | *\$375.00 |
| Texas Department of Information Resources | Data Center Services | \$868,731.61 |
| Texas Department of Information Resources | Website Development/Redesign | \$353,478.20 |
| Texas Workforce Commission | Auditing Services | \$2,887.24 |
| Workers Assistance Program Inc. | Professional Fees - Client Visits | \$4,550.00 |
| Total Professional / Consulting Fees | EXH II – AFR | \$4,943,631.70 |
| Total Legal Fees | EXH II – AFR | \$1,100.00 |
| Pending Adjustments | FY21 Adjustments | -\$375.00 |
| Total Professional / Consulting and Legal Fees | EXH II - AFR | \$4,944,356.70 |

*Adjustment represents pending reclassification of prior year expenditures to the correct comptroller object code. The adjustments are included to tie to TABC's FY2021 Annual Financial Report Exhibit II.

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TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)**SCHEDULE 5A****SPACE OCCUPIED – STATE-OWNED BUILDINGS****For the Fiscal Year Ending August 31, 2021**

Space occupied by the Commission in state-owned buildings as of August 31, 2021, was as follows:

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

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TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)**SCHEDULE 5B
SPACE OCCUPIED - FREE SPACE
For the Fiscal Year Ending August 31, 2021**

Free space occupied by the Commission as of August 31, 2021, was as follows:

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

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TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)**SCHEDULE 5C
SPACE OCCUPIED – LEASED SPACE
For Fiscal Year Ended August 31, 2021**

Rent space occupied by the Commission as of August 31, 2021, was as follows

| OFFICE | LOCATION | LESSOR |
|---------------------------|--------------------------------------|---------------------------------------|
| Abilene Office | 500 Chestnut Street, STE 1573 | Abilene Tower LLC |
| Amarillo Office | 3131 Bell Street | JSW Properties |
| Arlington Regional Office | 2225 E. Randol Mill Road | J & F Investments/Arlington Downs Twr |
| Austin HQ | 5806 Mesa Drive | ASEM Properties |
| Austin Office | Confidential | Canyon Hills Realty LTD |
| Austin Regional Office | 7700 Chevy Chase Drive, Ste 1.200 | Omninet Chase Park |
| Beaumont Office | 3535 Calder Road, Ste 238 | Mobiloil Credit Union |
| Brownsville POE | USBS B&M TABC Booth | General Services Admin |
| Brownsville POE | USBS Gateway Prim/Sec Insp | General Services Admin |
| Brownsville POE | USBS Los Tomates TABC Booth | General Services Admin |
| Bryan Office | 1716 Briarcrest Drive, Ste 508 | GGE LTD |
| Conroe Office | 702 North Thompson | Five Star Interest |
| Corpus Christi Office | 2820 S. Padre Island Drive, Ste 120 | Zeba LLC |
| Del Rio POE | USBS Del Rio New TABC Booth | General Services Admin |
| Donna Bridge POE | 9000 International Blvd | City of Donna |
| Eagle Pass POE | USBS Eagle Pass II TABC Booth | General Services Admin |
| Eagle Pass POE | USBS Eagle Pass TABC Booth | General Services Admin |
| El Paso POE | USBS BOTA Bldg A Administration | General Services Admin |
| El Paso POE | USBS BOTA Bldg C Headhouse | General Services Admin |
| El Paso POE | USBS PDN (Paso Del Norte) Headhouse | General Services Admin |
| El Paso POE | USBS Ysleta Cargo Entry Canopy | General Services Admin |
| EL Paso- SIU Office | 5450 Hurd Court Place | Mesa Hills Court LLC |
| Galveston Sea Port POE | 2502 Harborside Drive, Terminal 1 | Galveston Port Facilities Corp |
| Hidalgo Int'l Bridge POE | 929 International Blvd | City of McAllen |
| Houston Regional Office | 427 West 20th. | Heights Medical Tower |
| Laredo POE | USBS Convent Laredo TABC Booth | General Services Admin |
| Laredo POE | USBS Convent | General Services Admin |
| Laredo POE | USBS J&L Bldg 3 Secondary Inspection | General Services Admin |
| Los Indios POE | USBS Los Indios TABC Booth | General Services Admin |
| Lubbock Office | 612 W. Loop 289, Ste 100 | Epic Sky Properties/Alliance Realty |
| McAllen Office | 6521 North 10th Street # D | Eventide Ventures LLC |
| Mission POE | USBS Anzalduas TABC Booth | General Services Admin |
| Odessa Office | 6010 E. Highway 191, Ste 234 | Westwind/Haven Group |
| Pharr Int'l Bridge POE | 9901 S. Cage Blvd | City of Pharr |
| Presidio Int'l Bridge POE | PO Box 2829 | RCS |
| Progreso Int'l Bridge POE | 251 S. International Blvd | Sam R. Sparks LP (B&P) |
| Richmond Office | 1521 Eugene Heimann Circle | Fort Bend County |
| Roma POE | USBS Roma Admin Bldg | General Services Admin |
| San Angelo Office | 622 S. Oakes Street | City of San Angelo |
| San Antonio Regional Ofc. | 4203 Woodcock Drive | Brass Centerview LLC |
| Tyler Office | 3800 Paluxy Drive, Ste 501 & 502 | Genecov Investments |
| Waco Office | 900 Washington Street, 6th Floor | Brazos River Capital TLIC LLC |
| Wichita Falls Office | 624 Indiana Street, STE 302 | MWH Group PC |

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| LEASE NO | TYPE | USABLE SQ FT | FTE'S | MO. RENT | COST/SQ FT * | ANNUAL COST | COMMENTS |
|-----------------|-----------|--------------|-------|-------------|--------------|--------------|--------------------|
| ABC-066 | Office | 2,802.00 | 4 | \$3,093.88 | \$1.10 | \$37,126.56 | Expires 08/31/2023 |
| ABC-078 | Office | 2,432.00 | 5 | \$2,700.00 | \$1.11 | \$32,400.00 | Expires 08/31/2022 |
| ABC-015A | Office | 14,666.00 | 56 | \$21,387.92 | \$1.46 | \$256,655.04 | Expires 12/31/2023 |
| ABC-092 | Office | 48,237.00 | 207 | \$80,986.30 | \$1.68 | \$971,835.60 | Expires 08/31/2024 |
| 20-00014 | Office | 3,073.00 | 3 | \$7,682.50 | \$2.50 | \$92,190.00 | Expires 10/31/2022 |
| ABC-053 | Office | 5,378.00 | 1 | \$12,478.16 | \$2.32 | \$149,737.92 | Termed 08/31/2020 |
| ABC-060 | Office | 361.00 | 4 | \$901.00 | \$2.50 | \$10,812.00 | Expires 08/31/2023 |
| GS-07P-OTX02462 | Tax Booth | 148.37 | 4 | \$346.93 | \$2.34 | \$4,163.16 | Expires 12/31/2024 |
| GS-07P-OTX02463 | Tax Booth | 246.26 | 4 | \$490.06 | \$1.99 | \$5,880.72 | Expires 12/31/2024 |
| GS-07P-OTX02469 | Tax Booth | 138.88 | 4 | \$181.78 | \$1.31 | \$2,181.36 | Expires 04/16/2023 |
| ABC-073 | Office | 1,830.00 | 6 | \$3,050.85 | \$1.67 | \$36,610.20 | Expires 08/31/2021 |
| ABC-016 | Office | 2,414.00 | 8 | \$2,966.01 | \$1.23 | \$35,592.12 | Expires 08/31/2021 |
| L-20-00030 | Office | 2,996.00 | 12 | \$3,035.00 | \$1.01 | \$36,420.00 | Expires 08/31/2023 |
| GS-07P-OTX02406 | Tax Booth | 165.00 | 3 | \$524.15 | \$3.18 | \$6,289.80 | Expires 12/22/2024 |
| ABC-091 | Tax Booth | 877.00 | 1 | \$2,250.00 | \$2.57 | \$27,000.00 | Expires 12/14/2020 |
| GS-07P-OTX02403 | Tax Booth | 97.11 | 4 | \$127.42 | \$1.31 | \$1,529.04 | Expires 10/31/2023 |
| GS-07P-OTX02470 | Tax Booth | 162.08 | 4 | \$177.75 | \$1.10 | \$2,133.00 | Expires 03/31/2025 |
| GS-07P-OTX02404 | Tax Booth | 112.00 | 2 | \$162.94 | \$1.45 | \$1,955.28 | Expires 06/30/2025 |
| GS-07P-OTX02407 | Tax Booth | 305.05 | 1 | \$286.24 | \$0.94 | \$3,434.88 | Expires 08/31/2024 |
| GS-07P-OTX02466 | Tax Booth | 634.00 | 8 | \$1,796.33 | \$2.83 | \$21,555.96 | Expires 04/30/2025 |
| GS-07P-OTX02476 | Tax Booth | 71.12 | 8 | \$68.63 | \$0.96 | \$823.56 | Expires 03/31/2024 |
| ABC-098 | Office | 1,200.00 | 14 | \$2,015.21 | \$1.68 | \$24,182.52 | Termed 08/31/2020 |
| ABC-096 | Tax Booth | 181.00 | 5 | \$524.57 | \$2.90 | \$6,294.84 | Expires 08/31/2025 |
| ABC-055 | Tax Booth | 650.00 | 15 | \$2,306.27 | \$3.55 | \$27,675.24 | Expires 08/31/2021 |
| ABC-052 | Office | 9,787.00 | 78 | \$12,723.00 | \$1.30 | \$152,676.00 | Mo-Mo |
| GS-07P-OTX00351 | Tax Booth | 37.00 | 2 | \$218.91 | \$5.92 | \$2,626.92 | Expires 06/30/2023 |
| GS-07P-OTX02386 | Tax Booth | 162.27 | 19 | \$1,328.41 | \$8.19 | \$15,940.92 | Expires 09/30/2024 |
| GS-07P-OTX02400 | Tax Booth | 166.00 | 2 | \$426.66 | \$2.57 | \$5,119.92 | Expires 09/30/2024 |
| GS-07P-OTX02399 | Tax Booth | 79.32 | 4 | \$162.61 | \$2.05 | \$1,951.32 | Expires 08/31/2024 |
| ABC-079 | Office | 3,000.00 | 12 | \$4,565.17 | \$1.52 | \$54,782.04 | Expires 08/31/2023 |
| ABC-095 | Office | 4,553.00 | 21 | \$7,326.61 | \$1.61 | \$87,919.32 | Expires 08/31/2022 |
| GS-07P-OTX02420 | Tax Booth | 86.00 | 1 | \$1,104.56 | \$12.84 | \$13,254.72 | Expires 11/30/2025 |
| 16-00006 | Office | 2,615.00 | 5 | \$3,522.62 | \$1.35 | \$42,271.44 | Expires 08/31/2025 |
| 16-00005 | Tax Booth | 198.00 | 2 | \$550.00 | \$2.78 | \$6,600.00 | Expires 08/31/2025 |
| ABC-081P | Tax Booth | 24.00 | 2 | \$450.00 | \$18.75 | \$5,400.00 | Mo-Mo |
| ABC-049 | Tax Booth | 374.00 | 13 | \$4,959.00 | \$13.26 | \$59,508.00 | Expires 08/31/2022 |
| ABC-097 | Office | 1,390.00 | 8 | \$2,085.00 | \$1.50 | \$25,020.00 | Expires 12/31/2022 |
| GS-07P-OTX02405 | Tax Booth | 104.00 | 4 | \$120.00 | \$1.15 | \$1,440.00 | Expires 12/22/2024 |
| ABC-303-9918 | Office | 425.00 | 3 | \$435.27 | \$1.02 | \$5,223.24 | Expires 07/31/2024 |
| ABC-076 | Office | 8,024.00 | 31 | \$12,794.02 | \$1.59 | \$153,528.24 | Expires 11/30/2021 |
| ABC-062 | Office | 2,182.00 | 8 | \$3,273.00 | \$1.50 | \$39,276.00 | Mo-Mo |
| ABC-068A | Office | 2,681.42 | 8 | \$3,351.77 | \$1.25 | \$40,221.24 | Expires 08/31/2021 |
| 21-00002 | Office | 1,033.00 | 1 | \$765.00 | \$0.74 | \$9,180.00 | Expires 08/31/2023 |

*Cost per square foot is calculated by contracted monthly rent divided by square footage and rounded to the nearest hundredth.

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TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)**SCHEDULE 5D
SPACE OCCUPIED – FEDERAL LEASE AGREEMENTS
For the Fiscal Year Ending August 31, 2021**

As of August 31, 2021, the Commission holds the following license agreements for lease space at bridge sites into Mexico. The General Services Administration of the Federal Government issues the licenses*.

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

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

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TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)**SCHEDULE 6****EXCEPTION LETTERS****For the Fiscal Year Ending August 31, 2021**

During the fiscal year ending August 31, 2021, the Texas Alcoholic Beverage Commission prepared the following exception letters.

| Vendor | Product | Justification | Amount |
|------------------------------------------|------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|
| ACTIONABLE INTELLIGENCE TECHNOLOGIES INC | Maintenance/Upgrade Services | <p>Purchase order 21-40172</p> <p>These specifications and/or requirements are being advertised under Section 2155.067, Texas Government Code; and Administrative Code, Title 34, Part 1, Chapter 20, Subchapter C, Rule 20.209. The procuring agency has on file an approved justification for the specifications and the reasons why competing products are not satisfactory and are proprietary in nature.</p> <p>This is a software tool for forensic accountants in enforcement and federal crimes unit to investigate financial crimes.</p> | \$8,032.50 |
| APPEXTREMES LLC DBA CONGA | Subscription Services | <p>Purchase order 21-40483</p> <p>These specifications and/or requirements are being advertised under Section 2155.067, Texas Government Code; and Administrative Code, Title 34, Part 1, Chapter 20, Subchapter C, Rule 20.209. The procuring agency has on file an approved justification for the specifications and the reasons why competing products are not satisfactory and are proprietary in nature. Administrative Code, Title 34, Part 1, Chapter 20, Subchapter C, Rule 20.206: Texas Procurement Methods. These goods and services are "Not available from any other source" and the vendor is Sole Source in nature as goods and services can only be obtained and distributed from said vendor.</p> <p>TABC implemented Conga Contract Lifecycle management system for compliance with state procurement and contract laws, rules, and regulations.</p> | \$12,131.47 |

UNAUDITED

SCHEDULE 6 CONTINUED

| Vendor | Product | Justification | Amount |
|------------------|-------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|
| BLUE LIGHT LLC | Software/Maintenance Services | <p>Purchase order 21-40441</p> <p>These specifications and/or requirements are being advertised under Section 2155.067, Texas Government Code; and Administrative Code, Title 34, Part 1, Chapter 20, Subchapter C, Rule 20.209. The procuring agency has on file an approved justification for the specifications and the reasons why competing products are not satisfactory and are proprietary in nature. Administrative Code, Title 34, Part 1, Chapter 20, Subchapter C, Rule 20.206: Texas Procurement Methods. These goods and services are "Not available from any other source" and the vendor is Sole Source in nature as goods and services can only be obtained and distributed from said vendor.</p> <p>Web based user interface to increase functionality of IBM i2 analyst notebooks. This software is in support of Texas Governor disruption of human trafficking in Texas.</p> | \$11,353.35 |
| CALLYO 2009 CORP | Subscription Services | <p>Purchase order 21-40166</p> <p>These specifications and/or requirements are being advertised under Section 2155.067, Texas Government Code; and Administrative Code, Title 34, Part 1, Chapter 20, Subchapter C, Rule 20.209. The procuring agency has on file an approved justification for the specifications and the reasons why competing products are not satisfactory and are proprietary in nature. Administrative Code, Title 34, Part 1, Chapter 20, Subchapter C, Rule 20.206: Texas Procurement Methods. These goods and services are "Not available from any other source" and the vendor is Sole Source in nature as goods and services can only be obtained and distributed from said vendor.</p> <p>This software app and services are used by enforcement investigators. The package included 20 phone lines/ 4 Audio Accessories/ 4,000 Feature credits for MMS and VIP Call Monitoring/In-Person training.</p> | \$7,428.00 |

UNAUDITED

SCHEDULE 6 CONTINUED

| Vendor | Product | Justification | Amount |
|---------------------|-----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| CI TECHNOLOGIES INC | Subscription Services | <p>Purchase order 21-40150</p> <p>DIR Blanket exemption - Publication - Subscription</p> <p>In accordance with Texas Government Code, Title 10, Subtitle D, Chapter 2155.062 (a) In purchasing goods and services the commission may use, but is not limited to, the:(1) contract purchase procedure Direct Publication Purchases (PCC K); and Administrative Code, Title 34, Part 1, Chapter 20, Subchapter C, Rule 20.41: Texas Procurement and Support Services.</p> <p>"Not available from any other source."</p> <p>Texas Government Code, Title 10, Subtitle D, Chapter §2155.083. If Texas Procurement and Support Services, other agencies or local governments believe that the solicited goods or services may be proprietary to one vendor under Government Code, §2155.067, that procuring entity shall include the following statement in the request for offers: "The issuing office believes that the requested items in this request for offers may be proprietary to one vendor under Government Code, §2155.067</p> <p>IAPro is used by TABC Office of Inspector General to support their specialized needs of internal affairs and professional standards.</p> | \$1,273.45 |

UNAUDITED

SCHEDULE 6 CONTINUED

| Vendor | Product | Justification | Amount |
|----------------------|-----------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|
| CODETWO | Subscription Services | <p>Purchase order 21-40320</p> <p>These specifications and/or requirements are being advertised under Section 2155.067, Texas Government Code; and Administrative Code, Title 34, Part 1, Chapter 20, Subchapter C, Rule 20.209. The procuring agency has on file an approved justification for the specifications and the reasons why competing products are not satisfactory and are proprietary in nature. In accordance with Texas Government Code, 2155.062 (a) In purchasing goods and services the commission may use, but is not limited to, the:(1) contract purchase procedure Direct Publication Purchases (PCC K); and Administrative Code, Title 34, Part 1, Chapter 20, Subchapter C, Rule 20.206: Texas Procurement Methods. These goods and services are "Not available from any other source" and the vendor is Sole Source in nature as goods and services can only be obtained and distributed from said vendor.</p> <p>Email signature service for Office 365.</p> | \$2,895.75 |
| DILIGENT CORPORATION | Subscription Services | <p>Purchase order 21-40019</p> <p>DIR Blanket Exemption - Publication - Subscription</p> <p>In accordance with Texas Government Code, Title 10, Subtitle D, Chapter 2155.062 (a) In purchasing goods and services the commission may use, but is not limited to, the:(1) contract purchase procedure Direct Publication Purchases (PCC K); and Administrative Code, Title 34, Part 1, Chapter 20, Subchapter C, Rule 20.41: Texas Procurement and Support Services.</p> <p>"Direct Publication - Not available from any other source."</p> <p>BoardDocs is used to prepare for and execute TABC Commission Meetings.</p> | \$10,000.00 |

UNAUDITED

SCHEDULE 6 CONTINUED

| | Product | Justification | Amount |
|--------------------|-----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|
| FISH FISH AND LONG | Subscription Services | <p>Purchase order 21-40312</p> <p>DIR blanket exemption - Publication - Subscription</p> <p>In accordance with Texas Government Code, Title 10, Subtitle D, Chapter 2155.062 (a) In purchasing goods and services the commission may use, but is not limited to, the:(1) contract purchase procedure Direct Publication Purchases (PCC K); and Administrative Code, Title 34, Part 1, Chapter 20, Subchapter C, Rule 20.41: Texas Procurement and Support Services.</p> <p>"Not available from any other source." Texas Government Code, Title 10, Subtitle D, Chapter §2155.083. If Texas Procurement and Support Services, other agencies or local governments believe that the solicited goods or services may be proprietary to one vendor under Government Code, §2155.067, that procuring entity shall include the following statement in the request for offers: "The issuing office believes that the requested items in this request for offers may be proprietary to one vendor under Government Code, §2155.067</p> <p>Online Texas Legislative Information and Service.</p> | \$8,307.25 |

UNAUDITED

SCHEDULE 6 CONTINUED

| Vendor | Product | Justification | Amount |
|-----------------------|-----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| MARINUS ANALYTICS LLC | Subscription Services | <p>Purchase order 21-40230 DIR blanket exemption - Publication - Subscription In accordance with Texas Government Code, Title 10, Subtitle D, Chapter 2155.062 (a) In purchasing goods and services the commission may use, but is not limited to, the:(1) contract purchase procedure Direct Publication Purchases (PCC K); and Administrative Code, Title 34, Part 1, Chapter 20, Subchapter C, Rule 20.41: Texas Procurement and Support Services. "Not available from any other source." Texas Government Code, Title 10, Subtitle D, Chapter §2155.083. If Texas Procurement and Support Services, other agencies or local governments believe that the solicited goods or services may be proprietary to one vendor under Government Code, §2155.067, that procuring entity shall include the following statement in the request for offers: "The issuing office believes that the requested items in this request for offers may be proprietary to one vendor under Government Code, §2155.067 Marinus Analytics provides the Traffic Jam software that uses facial recognition to decrease investigations and find victims quickly and take down organized criminal networks. The procurement of this software is essential in support of Texas Governor's and TABC's goal to disrupt and dismantle human trafficking in Texas.</p> | \$9,933.00 |

UNAUDITED

SCHEDULE 6 CONTINUED

| Vendor | Product | Justification | Amount |
|--------------------------|-----------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|
| MELTWATER NEWS US INC | Subscription Services | <p>Purchase order 21-40018</p> <p>DIR Blanket exemption - Publication - Subscription Services</p> <p>In accordance with Texas Government Code, Title 10, Subtitle D, Chapter 2155.062 (a) In purchasing goods and services the commission may use, but is not limited to, the:(1) contract purchase procedure Direct Publication Purchases (PCC K); and Administrative Code, Title 34, Part 1, Chapter 20, Subchapter C, Rule 20.41: Texas Procurement and Support Services.</p> <p>"Direct Publication - Not available from any other source."</p> <p>Meltwater allows the agency to monitor news, produce daily news clips, to develop media contact lists and is the system used to send out news releases.</p> | \$11,025.00 |
| MICRO FOCUS SOFTWARE INC | Subscription Services | <p>Purchase order 21-40135</p> <p>These specifications and/or requirements are being advertised under Section 2155.067, Texas Government Code; and Administrative Code, Title 34, Part 1, Chapter 20, Subchapter C, Rule 20.209. The procuring agency has on file an approved justification for the specifications and the reasons why competing products are not satisfactory and are proprietary in nature.</p> <p>In accordance with Texas Government Code, 2155.062 (a) In purchasing goods and services the commission may use, but is not limited to, the:(1) contract purchase procedure Direct Publication Purchases (PCC K); and Administrative Code, Title 34, Part 1, Chapter 20, Subchapter C, Rule 20.206: Texas Procurement Methods. These goods and services are "Not available from any other source" and the vendor is Sole Source in nature as goods and services can only be obtained and distributed from said vendor.</p> <p>This product has become sole source due to Cloud activities can only be purchases and distributed. This system provides a central location for the agency to archive, easily access and audit data found in social media, email, and mobile communications.</p> | \$35,913.50 |

UNAUDITED

SCHEDULE 6 CONTINUED

| Vendor | Product | Justification | Amount |
|---------------------------|-------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|
| MYNDBEND MULTIMEDIA, INC. | Subscription Services | <p>Purchase order 21-40327</p> <p>DIR blanket exemption - Publication - Subscription</p> <p>In accordance with Texas Government Code, Title 10, Subtitle D, Chapter 2155.062 (a) In purchasing goods and services the commission may use, but is not limited to, the:(1) contract purchase procedure Direct Publication Purchases (PCC K); and Administrative Code, Title 34, Part 1, Chapter 20, Subchapter C, Rule 20.41: Texas Procurement and Support Services.</p> <p>"Not available from any other source."</p> <p>Texas Government Code, Title 10, Subtitle D, Chapter §2155.083. If Texas Procurement and Support Services, other agencies or local governments believe that the solicited goods or services may be proprietary to one vendor under Government Code, §2155.067, that procuring entity shall include the following statement in the request for offers: "The issuing office believes that the requested items in this request for offers may be proprietary to one vendor under Government Code, §2155.067</p> <p>Workflow Module for Zendesk</p> | \$1,836.00 |
| PEN-LINK LTD | Software/Maintenance Services | <p>Purchase order 21-40372</p> <p>These specifications and/or requirements are being advertised under Section 2155.067, Texas Government Code; and Administrative Code, Title 34, Part 1, Chapter 20, Subchapter C, Rule 20.209. The procuring agency has on file an approved justification for the specifications and the reasons why competing products are not satisfactory and are proprietary in nature.</p> <p>Administrative Code, Title 34, Part 1, Chapter 20, Subchapter C, Rule 20.206: Texas Procurement Methods. These goods and services are "Not available from any other source" and the vendor is Sole Source in nature as goods and services can only be obtained and distributed from said vendor.</p> <p>Penlink software provides a comprehensive collection and analysis solution for judicially authorized real time and historic data. This software is in support of Texas Governor disruption of human trafficking in Texas.</p> | \$10,780.63 |

UNAUDITED

SCHEDULE 6 CONTINUED

| Vendor | Product | Justification | Amount |
|---------------------|-----------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| QUORUM REPORT | Subscription Services | <p>Purchase order 21-40061</p> <p>DIR Blanket exemption - Publication - Subscription</p> <p>In accordance with Texas Government Code, Title 10, Subtitle D, Chapter 2155.062 (a) In purchasing goods and services the commission may use, but is not limited to, the:(1) contract purchase procedure Direct Publication Purchases (PCC K); and Administrative Code, Title 34, Part 1, Chapter 20, Subchapter C, Rule 20.41: Texas Procurement and Support Services.</p> <p>"Not available from any other source."</p> <p>Texas Government Code, Title 10, Subtitle D, Chapter §2155.083. If Texas Procurement and Support Services, other agencies or local governments believe that the solicited goods or services may be proprietary to one vendor under Government Code, §2155.067, that procuring entity shall include the following statement in the request for offers: "The issuing office believes that the requested items in this request for offers may be proprietary to one vendor under Government Code, §2155.067</p> <p>Texas Politics Subscription</p> | \$360.00 |
| SEVENTH COMPASS INC | Subscription Services | <p>Purchase order 21-40148</p> <p>DIR Publication Subscription Exemption</p> <p>In accordance with Texas Government Code, Title 10, Subtitle D, Chapter 2155.062 (a) In purchasing goods and services the commission may use, but is not limited to, the:(1) contract purchase procedure Direct Publication Purchases (PCC K); and Administrative Code, Title 34, Part 1, Chapter 20, Subchapter C, Rule 20.41: Texas Procurement and Support Services.</p> <p>"Not available from any other source."</p> <p>Texas Government Code, Title 10, Subtitle D, Chapter §2155.083. If Texas Procurement and Support Services, other agencies or local governments believe that the solicited goods or services may be proprietary to one vendor under Government Code, §2155.067, that procuring entity shall include the following statement in the request for offers: "The issuing office believes that the requested items in this request for offers may be proprietary to one vendor under Government Code, §2155.067</p> <p>Agency Messaging.</p> | \$1,813.00 |

UNAUDITED

SCHEDULE 6 CONTINUED

| Vendor | Product | Justification | Amount |
|--------------|-----------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| SKOPENOW INC | Subscription Services | <p>Purchase order 21-40487</p> <p>DIR Blanket Exemption Texas Government Code, Title 10, Subtitle D, Section 2155.140 PURCHASE FROM GIFT OR GRANT NOT WITHIN COMMISSION'S PURCHASING AUTHORITY. The commission's authority does not apply to a purchase of goods or services from a gift or grant, including an industrial or federal grant or contract in support of research. In accordance with Texas Government Code, Title 10, Subtitle D, Chapter 2155.062 (a) In purchasing goods and services the commission may use, but is not limited to, the:(1) contract purchase procedure Direct Publication Purchases (PCC K); and Administrative Code, Title 34, Part 1, Chapter 20, Subchapter C, Rule 20.41: Texas Procurement and Support Services.</p> <p>"Not available from any other source." Texas Government Code, Title 10, Subtitle D, Chapter §2155.083. If Texas Procurement and Support Services, other agencies or local governments believe that the solicited goods or services may be proprietary to one vendor under Government Code, §2155.067, that procuring entity shall include the following statement in the request for offers: "The issuing office believes that the requested items in this request for offers may be proprietary to one vendor under Government Code, §2155.067</p> <p>To assist Intelligence group with gathering and organizing social media for open-source investigations</p> | \$2,333.60 |

UNAUDITED

SCHEDULE 6 CONTINUED

| Vendor | Product | Justification | Amount |
|---------------------------------|-----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| TRANSUNION RISK AND ALTERNATIVE | Subscription Services | <p>Purchase order 21-40062 and 21-40375</p> <p>DIR Blanket exemption - Publication - Subscription</p> <p>In accordance with Texas Government Code, Title 10, Subtitle D, Chapter 2155.062 (a) In purchasing goods and services the commission may use, but is not limited to, the:(1) contract purchase procedure Direct Publication Purchases (PCC K); and Administrative Code, Title 34, Part 1, Chapter 20, Subchapter C, Rule 20.41: Texas Procurement and Support Services.</p> <p>"Not available from any other source."</p> <p>Texas Government Code, Title 10, Subtitle D, Chapter §2155.083. If Texas Procurement and Support Services, other agencies or local governments believe that the solicited goods or services may be proprietary to one vendor under Government Code, §2155.067, that procuring entity shall include the following statement in the request for offers: "The issuing office believes that the requested items in this request for offers may be proprietary to one vendor under Government Code, §2155.067</p> <p>TLOxp Database - Vehicle Searches</p> | \$1,673.50 |

UNAUDITED

SCHEDULE 6 CONTINUED

| Vendor | Product | Justification | Amount |
|----------------|-----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|
| WHOOSTER, INC. | Subscription Services | <p>Purchase order 21-40249</p> <p>DIR blanket exemption - Publication - Subscription</p> <p>In accordance with Texas Government Code, Title 10, Subtitle D, Chapter 2155.062 (a) In purchasing goods and services the commission may use, but is not limited to, the:(1) contract purchase procedure Direct Publication Purchases (PCC K); and Administrative Code, Title 34, Part 1, Chapter 20, Subchapter C, Rule 20.41: Texas Procurement and Support Services.</p> <p>"Not available from any other source."</p> <p>Texas Government Code, Title 10, Subtitle D, Chapter §2155.083. If Texas Procurement and Support Services, other agencies or local governments believe that the solicited goods or services may be proprietary to one vendor under Government Code, §2155.067, that procuring entity shall include the following statement in the request for offers: "The issuing office believes that the requested items in this request for offers may be proprietary to one vendor under Government Code, §2155.067</p> <p>Whooster is a Data Service company whose mission is to provide real-time actionable intelligence related to persons of interest to reduce investigation time and increase investigation accuracy. Our data is utilized for both preventative and post-incident response.</p> | \$4,200.00 |

UNAUDITED

SCHEDULE 6 CONTINUED

| Vendor | Product | Justification | Amount |
|--------------|-----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|
| ZENDESK INC. | Subscription Services | <p>Purchase order 21-40158</p> <p>DIR Blanket exemption - Publication - Subscription</p> <p>In accordance with Texas Government Code, Title 10, Subtitle D, Chapter 2155.062 (a) In purchasing goods and services the commission may use, but is not limited to, the:(1) contract purchase procedure Direct Publication Purchases (PCC K); and Administrative Code, Title 34, Part 1, Chapter 20, Subchapter C, Rule 20.41: Texas Procurement and Support Services.</p> <p>"Not available from any other source."</p> <p>Texas Government Code, Title 10, Subtitle D, Chapter §2155.083. If Texas Procurement and Support Services, other agencies or local governments believe that the solicited goods or services may be proprietary to one vendor under Government Code, §2155.067, that procuring entity shall include the following statement in the request for offers: "The issuing office believes that the requested items in this request for offers may be proprietary to one vendor under Government Code, §2155.067</p> <p>Agency-wide integrated customer support ticketing system used by ITD Help Desk.</p> | \$26,640.00 |

UNAUDITED

SCHEDULE 7
VEHICLE PURCHASES
For the Fiscal Year Ended August 31, 2021

During fiscal year 2021, the agency purchased **0** replacement vehicles.

UNAUDITED

TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)**SCHEDULE 8****SCHEDULE OF STATE-OWNED VEHICLES****For the Fiscal Year Ended August 31, 2021**Vehicles Assigned to Peace Officers

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

Austin Headquarters Vehicle Assignments

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

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

UNAUDITED

TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)

SCHEDULE 9

SCHEDULE OF RECYCLED, REMANUFACTURED AND ENVIRONMENTALLY SENSITIVE PURCHASES

For the Fiscal Year Ended August 31, 2021

| FY 2021 Agency Report of Recycled, Remanufactured and Environmentally Sensitive Purchases | |
|-------------------------------------------------------------------------------------------|---------------------------------------------------------------|
| Agency No. 458 | Agency Name: Texas Alcoholic Beverage Commission |
| Point of Contact: | Audrey Rosales, General Services Manager of Business Services |
| Phone Number: | (512) 206-3262 |
| E-Mail Address: | audrey.rosales@tabc.texas.gov |

| E1, E2, or E3 | Description | Non-Delegated | Delegated | Total |
|-----------------------------------------------------------------------------|---------------------------|---------------|-------------------|-------------------|
| Total E1 Including 1 st Choice | Recycled | \$0 | \$6,646.00 | \$6,646.00 |
| Total E2 Including 1 st Choice | Remanufactured | \$0 | \$52.00 | \$52.00 |
| Total E3 Including 1 st Choice | Environmentally Sensitive | \$0 | \$1,943.00 | \$1,943.00 |
| Total of E1, E2, and E3 includes Recycled 1st Choice Targeted Totals | | \$0 | \$8,641.00 | \$8,641.00 |

| FY 2021 1st Choice Targeted Commodities | Expenditures | | | % Spent on 1st Choice Products 100* [A/(A+B)] |
|---------------------------------------------------------|-------------------------------------|------------------------|-------------------|--------------------------------------------------|
| | 1 st Choice Products (A) | Virgin Counterpart (B) | Total (A+B) | |
| Motor Oil & Lubricants | \$32.00 | \$0 | \$32.00 | 100% |
| Toilet Paper, Toilet Seat Covers & Paper Towels | \$439.00 | \$116.00 | \$555.00 | 79.10% |
| Printing Paper, Copier Paper, & Computer Paper | \$6,252.00 | \$0 | \$6,252.00 | 100% |
| Business Envelopes | \$549.00 | \$0 | \$549.00 | 100% |
| Plastic Trash Bags | \$1,177.00 | \$0 | \$1,177.00 | 100% |
| Plastic Cover Binders | \$192.00 | \$0 | \$192.00 | 100% |
| Recycling Containers | \$0 | \$0 | \$0 | 0% |
| Photocopiers | \$0 | \$0 | \$0 | 0% |
| Total 1st Choice Targeted Commodities | \$8,641.00 | \$116.00 | \$8,757.00 | 98.67% |

UNAUDITED

SCHEDULE 9 (Continued)

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

UNAUDITED

II. ADDENDA

UNAUDITED

ADDENDA

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

Addendum B..... Organizational Chart

Addendum C..... Service Efforts and Accomplishments

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

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

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

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

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

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

Addendum E..... Local Option Elections

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

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

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

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

UNAUDITED

TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)**ADDENDUM A****ORGANIZATION OF THE TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)****For the Fiscal Year Ended August 31, 2021**

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

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

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

Article IX, Section 5.09 of the Appropriations Act adopted by the 86th Legislature authorizes per diem for Commission members consisting of compensatory per diem at \$30 per day; actual expenses for meals and lodging at the rates specified in the Act for state employees; and transportation reimbursement at the rates specified in the Act for state employees.

The Commission members serving on August 31, 2021, are listed below:

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

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

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ADDENDUM A CONTINUED
ORGANIZATION OF THE TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)
For the Fiscal Year Ended August 31, 2021

An Executive Director, who is appointed by the Commissioners, is responsible for managing the Commission's daily operations. Mr. A. Bentley Nettles was named Executive Director by the Commission on August 2, 2017. The Commission's key personnel as of August 31, 2021, are listed below:

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

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TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)

ADDENDUM B
ORGANIZATIONAL CHART
For the Fiscal Year Ended August 31, 2021



Organizational Chart
Executive Division



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TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)

ADDENDUM C

SERVICE EFFORTS AND ACCOMPLISHMENTS

For Fiscal year Ending August 31, 2021

| <u>For the Fiscal Years Ending</u> | |
|------------------------------------|--------------------|
| <u>August 2020</u> | <u>August 2021</u> |

A. Goal: PROMOTE THE HEALTH, SAFETY & WELFARE

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

Outcomes:

| | | |
|---------------------------------------------------------------------------|--------|--------|
| Percentage of Priority Licensed Locations Inspected by Enforcement Agents | 51.72% | 55.44% |
|---------------------------------------------------------------------------|--------|--------|

A.1.1 Strategy: ENFORCEMENT

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

Outputs:

| | | |
|-----------------------------------------------------------------------------------|--------|--------|
| Number of Inspections Conducted by Enforcement Agents | 46,069 | 47,895 |
| Number of OCA/Trafficking Investigations Closed | 190 | 129 |
| Number of Multiagency Joint Operations Targeting OCA/Trafficking in Border Region | 1,027 | 1,234 |
| Number of Undercover Operations Conducted | 8,666 | 4,329 |

Efficiencies:

| | | |
|-------------------------------------------------------------------------------------------------|------------|----------|
| Average Cost Per Enforcement Inspection | \$579.21 | \$484.89 |
| Average Cost of Multi-Agency Joint Operations Targeting Organized Crime & Trafficking Statewide | \$1,095.52 | \$476.75 |

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ADDENDUM C CONTINUED

For the Fiscal Years Ending
August 2020 August 2021

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

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

Outcomes:

| | | |
|----------------------------------------------------------------------------------|-------|-------|
| Average Number of Days Required to Approve an Original Primary License or Permit | 41.62 | 37.49 |
|----------------------------------------------------------------------------------|-------|-------|

B.1.1 Strategy: LICENSING

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

Outputs

| | | |
|-----------------------------------|--------|--------|
| Number of Licenses/Permits Issued | 66,811 | 65,219 |
|-----------------------------------|--------|--------|

Efficiencies

| | | |
|-------------------------------------------|---------|---------|
| Average Cost Per License/Permit Processed | \$64.31 | \$63.64 |
|-------------------------------------------|---------|---------|

C. Goal: ENSURE COMPLIANCE WITH TAXES & FEES

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

Outcomes:

| | | |
|--------------------------------------------------|--------|--------|
| Percent of Audits Found to Be in Full Compliance | 85.75% | 86.50% |
|--------------------------------------------------|--------|--------|

| | | |
|----------------------------------------------------------------|--------|--------|
| Percent of Inspections Where Licensees Were in Full Compliance | 99.98% | 99.99% |
|----------------------------------------------------------------|--------|--------|

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ADDENDUM C CONTINUED

| | For the Fiscal Years Ending | |
|--|------------------------------------|--------------------|
| | August 2020 | August 2021 |

C.1.1 Strategy: CONDUCT INSPECTIONS & MONITOR COMPLIANCE

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

Outputs:

| | | |
|----------------------------------------------|--------|--------|
| Number of Audits Conducted by Field Auditors | 1,783 | 2,148 |
| Number of Inspections Conducted by Auditors | 41,919 | 44,990 |

Efficiencies

| | | |
|----------------------------------|----------|----------|
| Average Cost of Audits Conducted | \$861.45 | \$732.30 |
|----------------------------------|----------|----------|

C.1.2 Strategy: PORTS OF ENTRY

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

Outputs

| | | |
|-------------------------------------------------|-----------|-----------|
| Number of Alcoholic Beverage Containers Stamped | 1,471,289 | 1,521,916 |
| Number of Cigarette Packages Stamped | 375,304 | 327,166 |

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TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)**ADDENDUM C.1****SERVICE EFFORTS AND ACCOMPLISHMENTS – BUSINESS & REVENUE OPERATIONS****For the Fiscal Year Ended August 31, 2021**

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

LICENSING DIVISION

The Licensing Division investigates and processes applications for all phases of the alcoholic beverage industry, including the manufacture, sale, purchase, transportation, storage, and distribution of alcoholic beverages. The division must ensure that each applicant qualifies to hold such license/permit and adheres to all applicable regulatory requirements. Over the course of FY 2021, the Licensing Division processed a total of 78,365 original, renewal, and supplemental applications and issued a total of 61,684 licenses and permits. The state revenue from agency licensing fees and surcharges was approximately \$75,008,631.

The number of alcoholic beverage permits & licenses issued in FY 2021 in each license class were:

Licenses & Permits Issued – FY 2021

| Class | Class Description | Nbr. Issued |
|--------------|---------------------------------------------------------|--------------------|
| AB | Airline Beverage Permit | 10 |
| AW | Manufacturer's Agent's Warehousing Permit | 7 |
| B | Brewer's Permit | 81 |
| BA | Manufacturer's License | 43 |
| BB | General Distributor's License | 39 |
| BC | Branch Distributor's License | 8 |
| BE | Beer Retailer's On Premise License | 207 |
| BF | Beer Retailer's Off Premise License | 2,879 |
| BG | Wine & Beer Retailer's On Premise Permit | 5,090 |
| BH | Temporary Beer License or Wine and Beer License (4 Day) | 827 |
| BI | Importer's License | 24 |
| BJ | Importer's Carrier's License | 3 |
| BL | Retailer's On Premise Late Hours | 464 |
| BP | Brewpub License | 211 |
| BQ | Wine & Beer Retailer's Off Premise Permit | 8,469 |
| BK | Beer Agent | 6 |
| BS | Non Resident Manufacturer's License | 241 |
| C | Carrier's Permit | 343 |

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ADDENDUM C.1 CONTINUED

Licenses & Permits Issued – FY 2021 (Continued)

| Class | Class Description | Nbr. Issued |
|--------------|----------------------------------------------------------|--------------------|
| CA | Temporary License - Charitable Auction Permit (5 Day) | 181 |
| CB | Caterer's Permit | 1,311 |
| CD | Consumer Delivery Permit | 3 |
| D | Distiller's and Rectifier's Permit | 112 |
| DA | Self Distributor Permit | 50 |
| DB | Self Distributor License | 0 |
| DS | Direct Shipper's Permit | 1,010 |
| E | Local Cartage Permit | 934 |
| ET | Local Cartage Permit (Warehouse/Transfer Company) | 2 |
| FB | Food and Beverage Certificate | 9,152 |
| FC | Forwarding Center Certificate | 37 |
| G | Winery Permit | 429 |
| GF | Winery Festival Permit | 267 |
| GS | Winery Storage Permit | 1 |
| HP | Temporary License - Special Wine and Beer Permit (4 Day) | 9 |
| J | Bonded Warehouse Permit | 14 |
| K | Public Storage Permit | 12 |
| L | Private Storage Permit | 35 |
| LB | Mixed Beverage Late Hours Permit | 5,377 |
| LP | Local Distributor's Permit | 431 |
| MB | Mixed Beverage Permit | 8,215 |
| MI | Minibar Permit | 61 |
| N | Private Club Registration Permit | 397 |
| NB | Private Club Beer & Wine Permit | 23 |
| NE | Private Club Exemption Certificate Permit | 168 |
| NL | Private Club Late Hours Permit | 151 |
| O | Private Carrier's Permit | 403 |
| P | Package Store Permit | 1,418 |
| PE | Beverage Cartage Permit | 5,069 |
| PB | Passenger Bus Beverage Permit | 3 |
| PR | Promotional Permit | 41 |
| PS | Package Store Tasting Permit | 1,267 |
| PT | Passenger Train Beverage Permit | 2 |
| Q | Wine Only Package Store Permit | 1,477 |
| RM | Mixed Beverage Restaurant Permit with FB | 2,023 |
| S | Non Resident Seller's Permit | 1,435 |

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ADDENDUM C.1 CONTINUED

Licenses & Permits Issued – FY 2021 (Continued)

| Class | Class Description | Nbr. Issued |
|--------------------------------------------------|--------------------------------------------------------|---------------|
| SB | Temporary License - Special 3 Day Wine and Beer Permit | 142 |
| T | Nonresident Seller's Permit | 1 |
| TB | Daily Temporary Mixed Beverage Permit | 667 |
| TN | Daily Temporary Private Club Permit | 46 |
| U | Non Resident Brewer's Permit | 209 |
| V | Wine & Beer Retail Permit - Excursion Boat | 5 |
| W | Wholesaler's Permit | 115 |
| WP | Waterpark Permit | 0 |
| X | General Class B Wholesaler's Permit | 27 |
| Total - All Licenses & Permits Issued | | 61,684 |

In addition to the licenses and permits enumerated above, Licensing personnel issued 3,123 caterer's and wine festival certificates for temporary events.

The licenses and permits active on August 31, 2021 in each license class were:

Active Licenses & Permits – August 31, 2021

| Class | Description | Total Active |
|-------|-----------------------------------------------|--------------|
| A | Agent's Permit | 142 |
| AB | Airline Beverage Permit | 24 |
| AW | Agent's Manufacturing Warehousing Permit | 15 |
| B | Brewer's Permit | 157 |
| BA | Manufacturer's License | 102 |
| BB | General Distributor's License | 103 |
| BC | Branch Distributor's License | 67 |
| BE | Beer Retailer's On Premises License | 695 |
| BF | Beer Retailer's Off Premises License | 6,768 |
| BG | Wine and Beer Retailer's Permit | 10,742 |
| BI | Importer's License | 142 |
| BJ | Importer's Carrier's License | 15 |
| BK | Agent's Beer License | 173 |
| BL | Retail Dealer's On Premises Late Hours Permit | 1,237 |
| BP | Brewpub License | 338 |
| BQ | Wine and Beer Retailer's Off Premises Permit | 19,808 |
| BS | Nonresident Manufacturer's License | 516 |
| C | Carrier's Permit | 621 |
| CB | Caterer's Permit | 2,073 |
| CD | Consumer Delivery Permit | 18 |
| D | Distiller's & Rectifier's Permit | 195 |

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ADDENDUM C.1 CONTINUED

Licenses & Permits Active - August 31, 2021 (Continued)

| Class | Description | Total Active |
|--------------|------------------------------------------------|---------------------|
| DA | Brewer's Self-Distribution Permit | 94 |
| DB | Manufacturer's Self-Distribution License | 53 |
| DK | Distiller's Agent's Permit | 2 |
| DS | Direct Shipper's Permit | 1,854 |
| E | Local Cartage Permit | 2,245 |
| ET | Local Cartage Transfer Permit | 2 |
| FB | Food and Beverage Certificate | 16,950 |
| FC | Forwarding Center Authority | 59 |
| G | Winery Permit | 721 |
| GF | Winery Festival Permit | 466 |
| GS | Winery Storage Permit | 3 |
| I | Industrial Permit | 12 |
| J | Bonded Warehouse Permit | 20 |
| K | Public Storage Permit | 29 |
| L | Private Storage Permit | 61 |
| LB | Mixed Beverage Late Hours | 8,773 |
| LI | Local Industrial Alcohol Manufacturer's Permit | 0 |
| LP | Local Distributor's Permit | 902 |
| MB | Mixed Beverage Permit | 13,378 |
| MI | Minibar Permit | 90 |
| N | Private Club Registration Permit | 681 |
| NB | Private Club Beer and Wine Permit | 37 |
| NE | Private Club Exception Certificate Permit | 306 |
| NL | Private Club Late Hours Permit | 250 |
| O | Private Carrier's Permit | 1,200 |
| P | Package Store Permit | 3,028 |
| PB | Passenger Bus Beverage Permit | 3 |
| PE | Beverage Cartage Permit | 8,535 |
| PR | Promotional Permit | 77 |
| PS | Package Store Tasting Permit | 2,936 |
| PT | Passenger Train Beverage Permit | 3 |
| Q | Wine Only Package Store Permit | 3,612 |
| RM | Mixed Beverage Permit with FB | 3,350 |

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ADDENDUM C.1 CONTINUED

Licenses & Permits Active – August 31, 2021 (Continued)

| Class | Description | Total Active |
|--------------------|--------------------------------------------------|----------------|
| S | Nonresident Seller's Permit | 3,216 |
| T | Manufacturer's Agent's Permit | 26 |
| U | Nonresident Brewer's Permit | 477 |
| V | Wine and Beer Retailer's Permit - Excursion Boat | 10 |
| W | Wholesaler's Permit | 258 |
| WP | Water Park Permit | 4 |
| X | General Class B Wholesaler's Permit | 63 |
| Grand Total | | 117,737 |

TAX & MARKETING PRACTICES DIVISION

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

Excise Tax Reporting

The Excise Tax Reporting unit is responsible for processing and reviewing excise tax payments and reports as well as other reports that are periodically due from members of the wholesale and manufacturing tiers of the alcoholic beverage industry. In FY 2021, assigned personnel processed \$263,174,926 in gross excise tax revenues and reviewed 61,841 tax and non-tax reports during the fiscal year.

Excise Tax Rates on Alcoholic Beverages

| Type of Alcoholic Beverage | Tax Rate |
|-------------------------------------------------------------------|---------------------|
| Distilled Spirits | \$ 2.40 per gallon |
| Wine containing alcohol not more than 14% by volume | \$ 0.204 per gallon |
| Wine containing alcohol over 14%, but not more than 24% by volume | \$ 0.408 per gallon |
| Sparkling Wine | \$ 0.516 per gallon |
| Malt Liquor containing alcohol in excess of 4% by weight | \$ 0.194 per gallon |
| Beer containing not more than 4% alcohol by weight | \$ 6.00 per barrel |

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ADDENDUM C.1 CONTINUED**Revenue Collections**

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

| | |
|-------------------------------------------------------------|---------------|
| Labels Approved for Malt Beverages | 4,887 |
| Labels Approved for Distilled Spirits | 4,775 |
| Labels Approved for Wine | 15,147 |
| Total, All Approved Labels | 24,809 |
| Disapproved/Withdrawn Labels | 1,044 |
| Total, All Labels Approved, Disapproved or Withdrawn | 25,853 |

Marketing Practices

The Marketing Practices Section aids in the enforcement of laws regulating the marketing of alcoholic beverage products and marketing relationships among alcoholic beverage retailers, wholesalers, and manufacturers. During FY 2021, as part of her duties, the Marketing Practices Specialist reviewed 540 advertising proposals submitted by various members of the alcoholic beverage industry and approved 118 of those proposals.

Label Approvals & Chemical Analyses

This unit processes and approves applications for product label approval and conducts product chemical testing as required for evidentiary purposes. During FY 2021, agency personnel reviewed and took action on product label applications as follows:

| | |
|-------------------------------------------------------------|---------------|
| Labels Approved for Malt Beverages | 4,887 |
| Labels Approved for Distilled Spirits | 4,775 |
| Labels Approved for Wine | 15,147 |
| Total, All Approved Labels | 24,809 |
| Disapproved/Withdrawn Labels | 1,044 |
| Total, All Labels Approved, Disapproved or Withdrawn | 25,853 |

Revenue from label approvals totaled to \$ 713,150 in FY 2021.

The unit's chemist also conducted various analyses on beverage samples submitted for testing during FY 2021. A summary of analyses conducted and determinations made is as follows:

| | |
|---------------------------------------------|------------|
| Distilled Spirits | 0 |
| Malt Liquor | 407 |
| Beer | 201 |
| Miscellaneous | 57 |
| Total Analytical Determinations Made | 665 |

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ADDENDUM C.1 CONTINUED**PORTS OF ENTRY DIVISION**

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

During Fiscal Year 2021, Ports of Entry regulatory compliance officers stamped and collected taxes and fees for 1,846,593 alcoholic beverage and cigarette containers. In the course of these duties, regulatory compliance officers also disallowed and observed the destruction of 34,072 alcoholic beverage and cigarette containers that were determined to have been imported in violation of state law. The containers were disallowed for the following reasons: Attempted importations by persons under 21 years of age, attempted importations by intoxicated persons, importations in excess of the legal limits, refusal to pay the taxes and fees owed on the alcoholic beverage and/or tobacco products imported, or when the product is illegally packaged or otherwise illicit.

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

Employees collect an administrative fee of \$3.00 per container on personal importations of alcoholic beverages in addition to the excise taxes due on the alcoholic beverages imported. This administrative fee totaled \$ 4,442,238 for the 2021 fiscal year. Total gross revenue for the fiscal year from all fees and taxes collected for the personal importation of alcoholic beverages and cigarettes was \$5,936,082.

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

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

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TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)**ADDENDUM C.2****SERVICE EFFORTS AND ACCOMPLISHMENTS – ENFORCEMENT****For the Fiscal Year Ended August 31, 2021**

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

ENFORCEMENT DIVISION

The Enforcement Division is agency's largest and most visible operating component. Staffing consists of a Chief of Law Enforcement, a Deputy Chief of Law Enforcement, 6 majors, and 260 additional commissioned peace officers' positions which includes 52 peace officers' positions assigned to the Special Investigations Unit (SIU). There are four Criminal Intelligence Analysts assigned to the Criminal Intelligence Unit (CIU). The division's primary mission is to detect and deter administrative and criminal violations occurring on or related to a TABC licensed premises that pose a threat to the safety of patrons and the public.

Organizational Structure

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

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

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

Region 1 - Lubbock

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

Region 2 - Arlington

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

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ADDENDUM C.2 CONTINUEDRegion 3 - Houston

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

Region 4 - Austin

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

Region 5 – San Antonio

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

Enforcement Agent Activities in FY 2021

During FY 2021, enforcement agents conducted 47,896 inspections to verify compliance with the state's alcoholic beverage laws. Of these, 1,617 were either underage compliance operations or some other form of undercover operation, and 58% (27,729) targeted priority locations, retailers that were either within the first two years of operation, or that were, at the time of the inspection, the subject of an investigation involving allegations of public safety offenses, or that had a history of past public safety offenses. In addition to inspections, agency enforcement personnel also conducted and completed 6,084 complaint investigations involving 9,651 alleged violations of state alcoholic beverage laws. The allegations investigated came from the public, elected officials, other public agencies, law enforcement agencies, agency licensees, and even the agency's own employees.

**Administrative Enforcement Actions Initiated
By Enforcement Agents in FY 2021**

Enforcement agents issued 680 warnings, initiated 35 protests of original or renewal license applications, and filed 767 cases for administrative violations of the Alcoholic Beverage Code in FY 2021. Of the cases filed, 767 have been docketed to date (December 7, 2021). Of the docketed cases, 265 cases are yet to be resolved, 102 have been "restrained" as per the requirements of Section 106.14 of the Texas Alcoholic Beverage Code, and 6 have been combined and settled together with another case. As for the remainder, 366 have resulted in suspension of licensing privileges or payment of civil penalties in lieu of suspension, 6 have resulted in cancellation, and 22 were dismissed. Civil penalty payments received to date because of the administrative cases filed by Enforcement agents in FY 2021 total to \$328,100.

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ADDENDUM C.2 CONTINUED

| Docketed Enforcement Administrative Cases Originating in FY 2021 | |
|-------------------------------------------------------------------------|------------|
| Pending (No Disposition) | 265 |
| Restrained (Section 106.14) | 102 |
| Suspension or Civil Penalty Payment | 366 |
| Cancellation | 6 |
| Dismissed | 22 |
| Combined & Settled with Another Case | 6 |
| Total Docketed Cases | 767 |

**Criminal Enforcement Actions Initiated
By Enforcement Agents in FY 2021**

Enforcement agents issued 28 criminal warnings in FY 2021 and filed 524 criminal cases.

FY 2021 Still Seizures

Enforcement agents seized one still in FY 2021.

The still was seized on May 12, 2021, in Tyler County and was a stove-top cooker with one stainless steel ten-quart container and three smaller containers with copper tubing. No mash or moonshine whiskey was found at the site. The still was not in use at the time of the seizure.

SPECIAL INVESTIGATIONS UNIT

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

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

SIU Law Enforcement Activities

In FY 2021, SIU Investigators completed and closed 593 long-term investigations involving allegations of drug trafficking, human trafficking, money laundering, and street gang control of licensed businesses, and in conjunction with local, state, and federal law enforcement partners, conducted 393 joint operations to gather evidence and execute warrants.

**Administrative Enforcement Actions
Initiated by SIU in FY 2021**

In FY 2021, SIU law enforcement personnel filed 65 administrative cases for violations of the alcoholic beverage code observed and documented during their investigations and joints operations. Of the cases filed, 65 have been docketed to date (December 7, 2021). Of the docketed cases, 55 cases are yet to be resolved, and 1 has been combined and settled together with another case. As for the remainder, 7 have resulted in suspension of licensing privileges or payment of civil penalties in lieu of suspension, 2 have resulted in cancellation and none have been dismissed.

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ADDENDUM C.2 CONTINUED

**Criminal Enforcement Actions
Initiated by SIU in FY 2021**

SIU investigators filed 100 criminal cases in FY 2021, most involving felony offenses such as money laundering, human trafficking, or the sell or possession of narcotics or other dangerous drugs.

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TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)**ADDENDUM C.3****SERVICE EFFORTS AND ACCOMPLISHMENTS – CHIEF OF STAFF****For the Fiscal Year Ended August 31, 2021**

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

AUDIT & INVESTIGATIONS DIVISION

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

Organizational Structure – Audit & Investigations Division

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

The Regional Audit Managers oversee division activities in their respective regions. As seen below, these regions cover the same geographic areas as the agency's Law Enforcement regions, and auditors share many of the same offices occupied by the agency's enforcement agents. At the end of FY 2021, there were 45 budgeted field auditor positions, and they were allocated to the various regions based on the geographic distribution of auditable accounts and other licensed businesses.

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

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

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ADDENDUM C.3 CONTINUEDRegion 1 - Lubbock

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

Region 2 - Arlington

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

Region 3 - Houston

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

Region 4 - Austin

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

Region 5 – San Antonio

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

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ADDENDUM C.3 CONTINUED**Auditor Activities**

Auditors perform a wide range of activities to fulfill the division's goals. During FY 2021, auditors conducted 5,656 physical inspections of licensed or proposed licensed locations, reviewed 39,334 compliance reports submitted by licensed businesses as proof of detailed self-inspections, concluded 2,099 complaint investigations, and performed 1,974 audits. In the course of their audit activities, auditors audited and verified \$37,788,582 of tax revenue and fees and collected \$101,970.33 in delinquent taxes and fees. Auditors also provided information or instruction related to the Alcoholic Beverage Code to 2,872 persons.

Auditor Administrative Enforcement Actions

During the course of their duties in FY 2021, auditors issued 553 administrative warnings and filed 25 administrative cases for various violations of the Alcoholic Beverage Code and Rules. All 25 of the administrative cases filed have been docketed to date (December 7, 2021). Of the docketed cases, 2 remain open pending final disposition. As for the remainder, 9 have resulted in suspension of licensing privileges or payment of civil penalties in lieu of suspension, 1 resulted in a cancellation and 13 were dismissed.

| Docketed Auditing Administrative Cases Originating in FY 2021 | |
|----------------------------------------------------------------------|-----------|
| Pending (No Disposition) | 2 |
| Suspension or Civil Penalty Payment | 9 |
| Cancellation | 1 |
| Dismissed | 13 |
| Combined & Settled with Another Case | 0 |
| Total Docketed Cases | 25 |

BUSINESS SERVICES DIVISION

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

The division is managed by a Chief Financial Officer with the aid of a Deputy Chief Financial Officer and has a staff of 27, including 4 managers.

In FY 2021, Business Services personnel processed more than \$346 million in revenue and expenditures totaling to almost \$52 million.

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ADDENDUM C.3 CONTINUED

INNOVATION & TECHNOLOGY DIVISION

The Innovation & Technology Division (ITD) develops and maintains the agency's core technology applications and infrastructure. It is also charged with the responsibility of identifying new technologies that might solve existing and future agency business problems and determining how those new technologies can be best applied. The division has 28 budgeted positions, including its Director, Deputy Director, three Managers and Information Security Officer.

In FY 2021, ITD personnel completed the following major projects

- Transferred all VPN capabilities to DIR's onsite solution to ensure continued operations when headquarters loses power.
- Deployed new Enterprise Data Solution within the Google Cloud Platform.
- Deployed Phase 1 of the Alcohol Industry Management Systems (AIMS) including modules for licensing, excise tax, product registration, enforcement, payment processing, and app administration.

HUMAN RESOURCES DIVISION

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

During FY 2021, HRD oversaw the hiring of 11 new agency employees, facilitated the departure (voluntary or otherwise) of 78 employees, and processed 15 Workers' Compensation Claims.

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TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)

ADDENDUM C.4

OFFICE OF THE GENERAL COUNSEL

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

LEGAL SERVICES DIVISION

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

Legal Services personnel are stationed at the agency's Austin headquarters and in its Houston regional office. In addition to a Chief Deputy General Counsel, the division's staff consists of 12 attorneys, 3 legal assistants, and 2 legal secretaries.

A summary of the contested administrative cases and protests referred to the Legal Services Division in FY 2021 is found on the following page.

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ADDENDUM C.4 CONTINUED**CONTESTED CASES & PROTESTS REFERRED TO LEGAL SERVICES IN FY 2021**

| Month | Number of Cases/Protests Docketed | Number of Violations Charged | Number of Hearings | Civil Penalties Collected | Suspension Days Assessed |
|----------------|------------------------------------------|-------------------------------------|---------------------------|----------------------------------|---------------------------------|
| September 2020 | 45 | 46 | 5 | 0 | 939 |
| October 2020 | 18 | 23 | 3 | \$900 | 299 |
| November 2020 | 37 | 40 | 4 | 0 | 488 |
| December 2020 | 24 | 34 | 2 | 0 | 228 |
| January 2021 | 43 | 44 | 3 | \$900 | 180 |
| February 2021 | 14 | 16 | 4 | \$4,500 | 278 |
| March 2021 | 13 | 13 | 0 | \$4,200 | 125 |
| April 2021 | 33 | 48 | 0 | 0 | 2 |
| May 2021 | 7 | 8 | 0 | \$1,500 | 62 |
| June 2021 | 9 | 10 | 0 | 0 | 41 |
| July 2021 | 34 | 46 | 0 | \$3,600 | 10 |
| August 2021 | 1 | 3 | 0 | \$10,000 | 12 |
| Total | 278 | 331 | 21 | \$25,600 | 2,664 |

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TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)**ADDENDUM C.5**

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

OFFICE OF THE INSPECTOR GENERAL

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

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

Throughout FY 2021 the OIG provided training and had the second advanced victim centric undercover course preparation that included outside agencies. OIG worked in conjunction with Strategic Initiatives and Performance Improvement (SIPI) to study the structure of the Enforcement Division.

Additionally, IA received a total of 30 complaints against agency personnel. As of August 31, 2021, all complaints are closed.

Training Division

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

In FY 2021, unit personnel reviewed and approved 4 new seller training programs, licensed, or relicensed 20 training entities, and oversaw the delivery of instruction to 411,922 Texas retail clerks and servers. FY 2021 revenues from the agency's seller training program totaled to \$882,765. The Training Division is also responsible for the TABC's Seller/Server Certification Program, which oversees the activities of 64 private seller/server training schools that provide TABC approved instruction to retail clerks and servers.

The Training Division is managed by a director who reports to the agency's Inspector General and in addition to its director has a staff of 7 employees.

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ADDENDUM C.5 CONTINUED

FY 2021 Training Highlights included:

- Developed and offered training for the agency on the topics of Financial Crimes, Human Trafficking, Reality Based Training, and Firearms Instruction.
- Completed In-Service training for agency divisions, including 46 Auditors and 220 CPO's.

COMMUNICATIONS AND EXTERNAL RELATIONS DIVISION

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

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

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

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

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

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

UNAUDITED

ADDENDUM C.5 CONTINUED

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

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

FISCAL YEAR 2021 HIGHLIGHTS**Communications Services**

- **Agency communication:** Supported internal and external communications to support the entire division and all agency divisions. The team completed 1,500 job tasks and projects.
- **Legislative implementation:** Supported the implementation of historic legislative changes including license consolidation, consolidation of beer and ale into the new malt beverage category, and other updates. Developed numerous materials, website updates, email campaigns, webinars, and strategies to reach agency staff, the Texas alcoholic beverage industry and other stakeholders.
- **Commission meeting transparency:** Implemented new technology and processes to allow remote participation from stakeholders in agency commission meetings.
- **Alcohol Industry Management System (AIMS):** Supported the release of TABC's new online hub for applying for and managing TABC licenses and permits. Communication Services created training videos and supported the publication of training guides, FAQs, webinars, and other content for stakeholders.
- **New website:** Launched the new tabc.texas.gov, making it easier for Texas businesses and the public to locate vital information and accomplish their goals.
- **Protected Texans:** Printed or shared tens of thousands of materials as part of public safety and educational campaigns, released new training videos for sellers and servers across Texas, and conducted public safety social media awareness campaigns.

Public Information Office

- **Agency media exposure and engagement:** TABC participated in more than 3,200 news stories or articles during FY 2021. PIO participated in more than 639 media interviews and inquiries. Total number of TABC mentions in news stories topped 23,000, with a potential reach of nearly 7 billion views.
- **Transparency and clear information:** Developed multiple talking points and speeches for agency leadership, resulting in numerous successful interviews and public appearances by the executive director and chairman.
- **Interagency Partnerships:** Represented TABC on weekly cross-agency coordination calls with the Office of the Governor.
- **News Releases:** Issued 44 news releases and media advisories during FY 2021.

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ADDENDUM C.5 CONTINUED**Office of Government Relations**

- **87th Legislative Session** — Government Relations led all legislative engagement strategies, including meetings, public testimony, and accurate and timely reporting to the Legislature and executive agencies. The following are some of the key bills that affect the agency:
 - **Senate Bill 1**
 - Schedule C pay increases and clothing allowances.
 - Hardship stations for peace officers in certain areas, improving employee recruitment and retention.
 - **House Bill 2**
 - Received an additional \$4.3 million and five (5) FTEs for Licensing and Tax Technology, which will further the implementation of AIMS.
 - **Senate Bill 195 and House Bill 1540**
 - Adds drink solicitation as an offense for which TABC can deny a license application.
 - Defines coercion as destroying, concealing, confiscating, or withholding from a trafficked person, or threatening to destroy, conceal, confiscate, or withhold from a trafficked person, the person's actual or purported government records, identifying information or documents.
 - Defines solicitation of prostitution to distinguish offense of purchasing sex from selling sex.
 - Increases penalty for purchasing sex to a state jail felony.
 - **Senate Bill 911**
 - Defines “restaurant” as a business that operates its own permanent food service facility with commercial cooking equipment on its premises and prepared and offered to sell multiple entrees for on- or off-premise consumption.
 - Defines “third-party food delivery service” as a website, mobile application or other service that acts as an intermediary between consumers and multiple restaurants not owned or operated by the service to arrange for the delivery or pickup of food or beverages from those restaurants.
 - **House Bill 1024**
 - Authorizes Mixed Beverage (MB) and Private Club Registration (N) permit holders with a Food and Beverage Certificate (FB) to sell alcohol to go in tamper-proof containers with a food order.
 - Wine and beer must be in sealed containers.
 - Distilled spirits are limited to 375 mL unless mixed or garnished and in a tamper-proof container.
 - Defines “tamper-proof” and requires the alcoholic beverage container to be labeled with the retailer's name and the words "alcoholic beverage."
 - MBs or a TABC-licensed third party (licensed under Chapter 57) can deliver the alcohol to go.
 - **House Bill 1518**
 - A hotel bar may sell alcoholic beverages at any time to a registered guest of the hotel, and the guest may consume or possess an alcoholic beverage in the hotel bar, at any time.
 - Wine and malt beverages may be sold and consumed on Sundays beginning at 10 a.m. instead of noon. This includes grocery stores, gas stations, and all beer and wine on-premise locations.

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ADDENDUM C.5 CONTINUED**Office of External Affairs**

- **Stakeholder meetings:** Held 383 meetings with stakeholders.
- **Stakeholder inquiries:** Addressed 640 stakeholder inquiries.
- **TABC events:** Coordinated or conducted 40 events across Texas.
- **Industry events:** Coordinated TABC participation in 24 events.
- **Industry newsletters:** Produced 5 bimonthly newsletters.
- **TABC Talks:** Produced 11 webcasts on regulatory compliance.
- **Industry notices:** Published 104 notices to update industry.
- **Alcohol Industry Management System (AIMS):** Coordinated with TABC's Communications, Innovation and Technology, and Licensing divisions to understand the new AIMS system, ensure proper communications are disseminated to TABC's stakeholders, and ensure that stakeholders have an avenue to communicate with TABC about the system.
- **Legislative:** Provided a TABC presence at the Texas Capitol during the legislative session to give accurate information and reliable assistance on core TABC issues as requested by various legislators and their staff. Developed a clear summary for TABC's stakeholders to explain the legislative changes adopted that impact their businesses.

STRATEGIC INITIATIVES & PERFORMANCE IMPROVEMENT DIVISION

The Office of Strategic Initiatives & Performance Improvement (SIPI) reports to the Executive Director and provides advice, analysis, and recommendations to TABC leadership to improve the agency's efficiency and effectiveness. The office also plans and oversees strategic agency projects requiring cross-divisional collaboration and manages the review of rules, policies and procedures, and marketing practices advisories. The division's staff consists of three employees, including its two co-directors.

In FY 2021 SIPI planned for the transition to new license and permit fees, the consolidation of beer and ale to malt beverages, and the elimination and consolidation of certain licenses and permits on September 1, 2021. Multiple variables were involved including extensive rulemaking, changes to applications and forms, staff training, coordination with rollout of new technology system, new policies and procedures, and communication with license and permit holders, the industry, and the public through multiple media. SIPI led the task force to analyze data and ultimately recommend fees for licenses, permits, and certificates issued by the commission. The team applied its understanding of law changes to identify anomalies, explain individual license transitions, recognize needed communication strategies, identify coding and reporting issues, and more. SIPI assisted with the development of a rule, policy, and worksheet to calculate penalties for regulatory violations. The team prepared and presented materials to educate staff and the public on all topics. In FY 2021 nearly 100 administrative rules were revised or created. Nearly 30 agency policies and 37 procedures were reviewed, updated, or created. Additionally, 13 marketing practices advisories were repealed, two were revised, and a new advisory was published.

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TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)**ADDENDUM D****WET-DRY STATUS OF TEXAS COUNTIES****For the Fiscal Year Ended August 31, 2021**

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

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

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

COUNTIES IN WHICH DISTILLED SPIRITS ARE LEGAL: 235

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

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ADDENDUM D (Continued)

COUNTIES IN WHICH ONLY 4% BEER IS LEGAL: 1

Some counties are only partially wet.

Irion

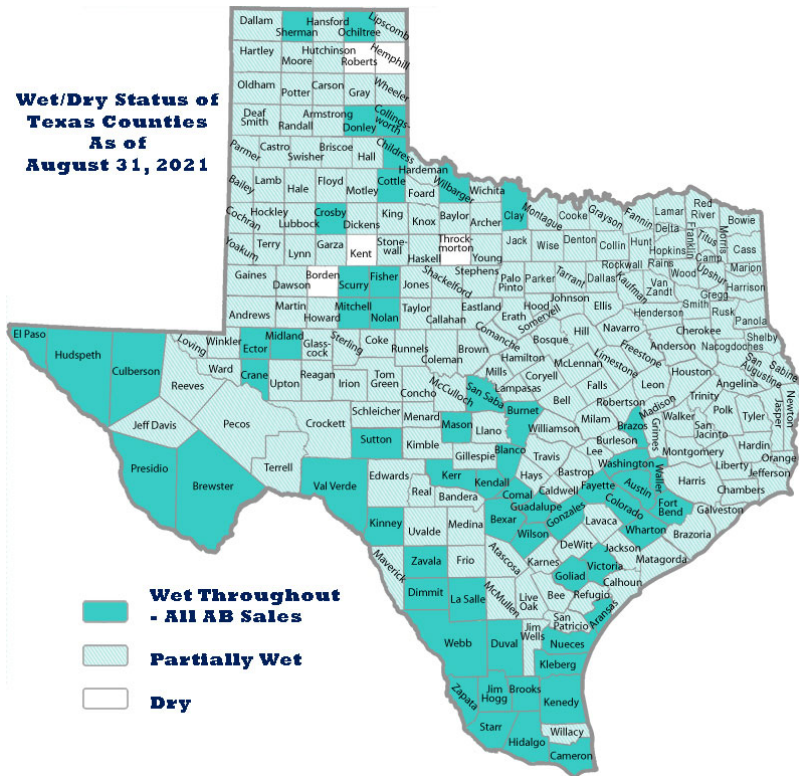
COUNTIES IN WHICH 14% - 17% OR LESS ALCOHOLIC BEVERAGES ARE LEGAL: 13

Some counties are only partially wet.

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

COUNTIES ENTIRELY DRY: 5

| | | |
|----------|---------|--------------|
| Borden | Kent | Throckmorton |
| Hemphill | Roberts | |



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TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)**ADDENDUM E****LOCAL OPTION ELECTIONS****For the Fiscal Year Ended August 31, 2021**

Forty (40) local option elections were held for thirty-five (35) jurisdictions in FY 2021. All forty (40) of the election issues passed. None (0) failed to win voter approval. Of the jurisdictions holding elections, eighteen (18) became “wet” for the first time as a result of the elections, and seventeen (17) expanded the area of alcoholic beverage sales or authorized additional sales. Issues for which elections were held included “the legal sale of beer and wine” (1 ea.), “the legal sale of beer and wine for off-premises consumption only” (9 ea.), “the legal sale of all alcoholic beverages for off-premises consumption only” (6 ea.), “the legal sale of all alcoholic beverages including mixed beverages” (18 ea.), and “the legal sale of mixed beverages in restaurants by food and beverage certificate holders only” (6 ea.). A summary of each election held, and its outcome is provided below.

Elections Held November 3, 2020

An election was held for the City of Lytle, Atascosa, Bexar, and Medina Counties, on November 3, 2020 on the issue of “the legal sale of mixed beverages in restaurants by food and beverage certificate holders only.” The issue PASSED by a vote of 895 FOR and 243 AGAINST. Before the election, the City of Lytle, Atascosa, Bexar, and Medina Counties, was “wet” only in its Bexar County parts for the sale of mixed beverages and after the election is now “wet” throughout for the sale of mixed beverages in restaurants by food and beverage certificate holders.

An election was held for Justice of the Peace Precinct 2, Bell County, on November 3, 2020, on the issue of “the legal sale of beer and wine for off-premises consumption only.” The issue PASSED by a vote of 4,677 FOR and 1,771 AGAINST. Before the election, Justice of the Peace Precinct 2, Bell County, was “wet” only in part for the sale of beer and wine for off-premises consumption and after the election is “wet” throughout for such sales. (Various parts of Justice of the Peace Precinct 2 remain “wet” for other alcoholic beverage sales.)

An election was held for the City of Leary, Bowie County, on November 3, 2020, on the issue of “the legal sale of beer and wine for off-premises consumption only.” The issue PASSED by a vote of 133 FOR and 59 AGAINST. Before the election, the City of Leary, Bowie County, was “dry” for all alcoholic beverage sales and after the election is now “wet” for the sale of beer and wine for off-premises consumption.

An election was held for the City of Queen City, Cass County, on November 3, 2020, on the issue of “the legal sale of all alcoholic beverages for off-premises consumption only.” The issue PASSED by a vote of 358 FOR and 193 AGAINST. Before the election, the City of Queen City, Cass County, was “dry” for all alcoholic beverage sales and after the election is now “wet” for the sale of all alcoholic beverages for off-premises consumption.

An election was held for the City of Hart, Castro County, on November 3, 2020, on the issue of “the legal sale of all alcoholic beverages for off-premises consumption only.” The issue PASSED by a vote 123 FOR and 12 AGAINST. Before the election, City of Hart, Castro County, was “dry” for all alcoholic beverage sales and after the election is now “wet” for the sale of all alcoholic beverages for off-premises consumption.

An election was held for the City of Fairview, Collin County, on November 3, 2020, on the issue of “the legal sale of all alcoholic beverages including mixed beverages.” The issue PASSED by a vote of 4,865 FOR and 1,408 AGAINST. Before the election, City of Fairview, Collin County, was “wet” only for the sale of beer and wine for off-premises consumption and for the sale of mixed beverages in restaurants by food and beverage certificate holders and after the election is now “wet” for the all alcoholic beverage sales including the sale of mixed beverages.

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ADDENDUM E (Continued)

An election was held for the City of Prosper, Collin and Denton Counties, on November 3, 2020, on the issue of “the legal sale of all alcoholic beverages for off-premises consumption only.” The issue PASSED by a vote of 8,166 FOR and 6,273 AGAINST. Before the election, the City of Prosper, Collin and Denton Counties, “wet” in large part for the sale of beer and wine for off-premises consumption and after the election is now “wet” for the sale of all alcoholic beverages for off-premises consumption.

An election was held for the City of Prosper, Collin and Denton Counties, on November 3, 2020, on the issue of “legal sale of mixed beverages in restaurants by food and beverage certificate holders only.” The issue PASSED by a vote of 11,620 FOR and 2,783 AGAINST. Before the election, the City of Prosper, Collin and Denton Counties, “wet” in large part for the sale of mixed beverages in restaurants by Food and Beverage certificate holders and after the election is now “wet” throughout for such sales.

An election was held for the City of Dublin, Erath County, on November 2, 2020, on the issue of “the legal sale of all alcoholic beverages including mixed beverages.” The issue PASSED by a vote of 254 FOR and 166 AGAINST. The City of Dublin, Erath County, was “wet” only for the sale of beer and wine for off-premises consumption before the election and after the election is now “wet” for the sale of all alcoholic beverages including mixed beverages.

An election was held for the City of Honey Grove, Fannin County, on November 3, 2020, on the issue of “the legal sale of beer and wine for off premises consumption only.” The issue PASSED by a vote of 279 FOR and 168 AGAINST. Before the election, the City of Honey Grove, Fannin County, was “dry” for all alcoholic beverage sales before the election and after the election is now “wet” for the sale of beer and wine for off-premises consumption.

A countywide election was held for Garza County on November 3, 2020, on the issue of “the legal sale of mixed beverages in restaurants by food and beverage certificate holders only.” The issue PASSED by a vote of 1,149 FOR and 324 AGAINST. Before the election, Garza was “wet” in part for other types of alcoholic beverage sales but after the election is now “wet” for the sale of mixed beverages in restaurants by food and beverage certificate holders. (Various parts of Garza County remain “wet” for other types of alcoholic beverage sales.)

An election was held for Justice of the Peace Precinct 2, Gillespie County, on November 3, 2020, on the issue of “the legal sale of all alcoholic beverages including mixed beverages.” The issue PASSED by a vote of 3,030 FOR and 647 AGAINST. Before the election, Justice of the Peace Precinct 2, Gillespie County, was “wet” only for the sale of beer and wine for off-premises consumption and after the election is now “wet” for all alcoholic beverage sales including the sale of mixed beverages.

An election was held for the City of Memphis, Hall County, on November 3, 2020, on the issue of “the legal sale of all alcoholic beverages including mixed beverages.” The issue PASSED by a vote of 502 FOR and 235 AGAINST. Before the election, the City of Memphis, Hall County, was “dry” for all alcoholic beverage sales and after the election is now “wet” for all alcoholic beverage sales including the sale of mixed beverages.

An election was held for the City of Ropesville, Hockley County, on November 3, 2020, on the issue of “the legal sale of beer and wine for off-premises consumption only.” The issue PASSED by a vote of 95 FOR and 51 AGAINST. Before the election, the City of Ropesville, Hockley County, was “dry” for all alcoholic beverage sales and after the election is now “wet” for the sale of beer and wine for off-premises consumption.

An election was held for the City of Campbell, Hunt County, on November 3, 2020, on the issue of “the legal sale of beer and wine for off-premises consumption only.” The issue PASSED by a vote of 157 FOR and 122 AGAINST. Before the election, the City of Campbell, Hunt County, was “dry” for all alcoholic beverage sales and after the election is now “wet” for the sale of beer and wine for off-premises consumption.

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ADDENDUM E (Continued)

An election was held for the City of Greenville, Hunt County, on November 3, 2020, on the issue of “the legal sale of all alcoholic beverages for off-premises consumption only.” The issue PASSED by a vote of 5,626 FOR and 2,686 AGAINST. Before the election, the City of Greenville, Hunt County, was for the most part “wet” for the sale of all alcoholic beverages for off-premises consumption and after the election is now “wet” throughout for such sales.

An election was held for the City of Stinnett, Hutchinson County, on November 3, 2020, on the issue of “the legal sale of all alcoholic beverages for off-premises consumption only.” The issue PASSED by a vote of 513 FOR and 235 AGAINST. Before the election, the City of Stinnett, Hutchinson County, was “dry” for all alcoholic beverage sales and after the election is now “wet” for the sale of all alcoholic beverages for off-premises consumption.

An election was held for the City of Stinnett, Hutchinson County, on November 3, 2020, on the issue of “the legal sale of all alcoholic beverages including mixed beverages.” The issue PASSED by a vote of 544 FOR and 207 AGAINST. Before the election, the City of Stinnett, Hutchinson County, was “dry” for all alcoholic beverage sales and after the election is now “wet” for the sale of all alcoholic beverages including mixed beverages.

An election was held for the City of Crandall, Kaufman County, on November 3, 2020, on the issue of “the legal sale of beer and wine for off-premises consumption only.” The issue PASSED by a vote of 1,108 FOR and 606 AGAINST. Before the election, the City of Crandall, Kaufman County, was “dry” for all alcoholic beverage sales and after the election is now “wet” for the sale of beer and wine for off-premises consumption.

An election was held for the City of Crandall, Kaufman County, on November 3, 2020, on the issue of “the legal sale of mixed beverages in restaurants by food and beverage certificate holders only.” The issue PASSED by a vote of 1,324 FOR and 381 AGAINST. Before the election, the City of Crandall, Kaufman County, was “dry” for all alcoholic beverage sales and after the election is now “wet” for the sale of mixed beverages in restaurants by food and beverage certificate holders.

An election was held for Justice of the Peace Precinct 2, Kerr County, on November 3, 2020 on the issue of “the legal sale of all alcoholic beverages including mixed beverages.” The issue PASSED by a vote of 5,636 FOR and 1,226 AGAINST. Before the election, Justice of the Peace Precinct 2, Kerr County, was “wet” only for the sale of beer and wine for off-premises consumption and after the election is now “wet” for all alcoholic beverage sales including mixed beverages.

A countywide election was held for Mason County, on November 3, 2020, on the issue of “the legal sale of all alcoholic beverages, including mixed beverages.” The issue PASSED by a vote of 1,781 FOR and 641 AGAINST. Before the election, Mason County was “wet” only for the sale of “beer” for off-premises consumption and after the election is now “wet” for the sale of all alcoholic beverages including mixed beverages.

An election was held for the City of Appleby, Nacogdoches County, on November 3, 2020, on the issue of “the legal sale of all alcoholic beverages including mixed beverages.” The issue PASSED by a vote of 187 FOR and 82 AGAINST. Before the election, the City of Appleby, Nacogdoches County, was “dry” for all alcoholic beverage sales and after the election is now “wet” for all alcoholic beverage sales including the sale of mixed beverages.

An election was held for the City of Frost, Navarro County, on November 3, 2020, on the issue of “the legal sale of all alcoholic beverages including mixed beverages.” The issue PASSED by a vote of 166 FOR and 56 AGAINST. Before the election, the City of Frost, Navarro County, was “dry” for all alcoholic beverage sales and after the election is now “wet” for all alcoholic beverage sales including the sale of mixed beverages.

UNAUDITED

ADDENDUM E (Continued)

An election was held for the City of Franklin, Robertson County, on November 3, 2020, on the issue of “the legal sale of beer and wine for off-premises consumption only.” The issue PASSED by a vote of 447 FOR and 180 AGAINST. Before the election, the City of Franklin, Robertson County, was “dry” for all alcoholic beverage sales and after the election is now “wet” for the sale of beer or wine for off-premises consumption.

An election was held for the City of Franklin, Robertson County, on November 3, 2020, on the issue of “the legal sale of mixed beverages in restaurants by food and beverage certificate holders only.” The issue PASSED by a vote of 478 FOR and 150 AGAINST. Before the election, the City of Franklin, Robertson County, was “dry” for all alcoholic beverage sales and after the election is now “wet” for the sale of mixed beverages in restaurants by food and beverage certificate holders.

An election was held for the City of Mount Enterprise, Rusk County, on November 3, 2020, on the issue of “the legal sale of beer and wine for off-premises consumption only.” The issue PASSED by a vote of 146 FOR and 85 AGAINST. Before the election, the City of Mount Enterprise, Rusk County, was “dry” for all alcoholic beverage sales and after the election is now “wet” for the sale of beer and wine for off-premises consumption.

An election was held for the City of Bedford, Tarrant County, on November 3, 2020, on the issue of “the legal sale of all alcoholic beverages including mixed beverages.” The issue PASSED by a vote of 19,403 FOR and 4,708 AGAINST. Before the election, the City of Bedford, Tarrant County, was only “wet” for the sale of mixed beverages and for the sale of beer and wine for off-premises consumption and after the election is “wet” for all alcoholic beverage sales including mixed beverages.

An election was held for the City of Hurst, Tarrant County, on November 3, 2020, on the issue of “the legal sale of all alcoholic beverages for off-premises consumption only. The issue PASSED by a vote of 11,865 FOR and 5,012 AGAINST. Before the election, the City of Hurst, Tarrant County, was “wet” for the sale of beer and wine for off-premises consumption and for the sale of mixed beverages in restaurants by holders of food and beverage certificates, and after the election remains “wet” for the sale of mixed beverages in restaurants by holders of food and beverage certificates but is now “wet” for the sale of all alcoholic beverages for off-premises consumption.

An election has held for Justice of the Peace Precinct 3, Uvalde County, on November 3, 2020, on the issue of “the legal sale of all alcoholic beverages including mixed beverages.” The issue PASSED by a vote of 463 FOR and 427 AGAINST. Before the election, Justice of the Peace Precinct 3, Uvalde County, was “dry” for all alcoholic beverage sales and after the election is now “wet” for all alcoholic beverage sales including the sale of mixed beverages.

An election was held for Justice of the Peace Precinct 3, Wilson County, on November 3, 2020, on the issue of “the legal sale of all alcoholic beverages including mixed beverages.” The issue PASSED by a vote of 405 FOR and 77 AGAINST. Before the election, Justice of the Peace Precinct 3, Wilson County, was “wet” in part of the sale of all alcoholic beverages, and after the election is now “wet” throughout for such sales.

An election was held for Justice of the Peace Precinct 4, Wilson County, on November 3, 2020, on the issue of “the legal sale of all alcoholic beverages including mixed beverages.” The issue PASSED by a vote of 1,378 FOR and 257 AGAINST. Before the election, Justice of the Peace Precinct 4, Wilson County, was “wet” in part of the sale of all alcoholic beverages, and after the election is now “wet” throughout for such sales.

An election was held for the City of Olney, Young County, on November 3, 2020, on the issue of “the legal sale of all alcoholic beverages including mixed beverages.” The issue PASSED by a vote of 728 FOR and 442 AGAINST. Before the election, the City of Olney, Young County, was “dry” for all alcoholic beverage sales and after the election is now “wet” for the sale of all alcoholic beverages including mixed beverages.

UNAUDITED

ADDENDUM E (Continued)**Elections Held May 1, 2021**

An election was held for the City of New Hope, Collin County, on May 1, 2021, on the issue of “the legal sale of beer and wine.” The issue PASSED by a vote of 86 FOR and 37 AGAINST. The City of New Hope, Collin County, was “dry” for all alcoholic beverage sale before the election and after the election is now “wet” for the sale of beer and wine.

An election was held for Justice of the Peace Precinct 4, Palo Pinto County, on May 1, 2021, on the issue of “the legal sale of all alcoholic beverages including mixed beverages.” The issue PASSED by a vote 316 FOR and 104 AGAINST. Justice of the Peace Precinct 4, Palo Pinto County, was “wet” in part for the sale of all alcoholic beverages except mixed beverages before the election and after the election is now “wet” for the sale of all alcoholic beverages including mixed beverages.”

An election was held for the City of Brock, Parker County, on May 1, 2021, on the issue of “the legal sale of all alcoholic beverages including mixed beverages.” The issue PASSED by a vote 79 FOR and 41 AGAINST. The City of Brock, Parker County, was “dry” for all alcoholic beverage sales before the election and after the election is now “wet” for the sale of all alcoholic beverages including the sale of mixed beverages.

An election was held for the City of Clarksville, Red River County, on May 1, 2021, on the issue of “the legal sale of beer and wine for off-premises consumption only.’ The issue PASSED by a vote of 262 FOR and 45 AGAINST. The City of Clarksville, Red River County, was “dry” for all alcoholic beverage sales before the election and after the election is now “wet” for the sale of beer and wine for off-premises consumption.

An election was held for the City of Clarksville, Red River County, on May 1, 2021, on the issue of “the legal sale of mixed beverages in restaurants by food and beverage certificate holders only.” The issue PASSED by a vote of 266 FOR and 42 AGAINST. The City of Clarksville, Red River County, was “dry” for all alcoholic beverage sales before the election and after the election is now “wet” for the sale of mixed beverages in restaurants by food and beverage certificate holders.

An election was held for the City of Center, Shelby County, on May 1, 2021, on the issue of “the legal sale of all alcoholic beverages including mixed beverages.” The issue PASSED by a vote of 67 FOR and 15 AGAINST. The City of Center, Shelby County, was wet for the sale of all alcoholic beverages for off-premises consumption before the election and after the election is now “wet” for the sale of all alcoholic beverages including mixed beverages.”

An election was held for the Village of Webberville, Travis County, on May 1, 2021, on the issue of “the legal sale of all alcoholic beverages including mixed beverages.” The issue PASSED by a vote of 17 FOR and 3 AGAINST. The Village of Webberville, Travis County, was “wet” only for the sale of beer before the election and after the election is now “wet” for the sale of all alcoholic beverages including mixed beverages.

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TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)**ADDENDUM F.1****DETAIL STATEMENT OF COLLECTIONS****For the Fiscal Years Ended August 31, 2020 and August 31, 2021**

| | 2020 | 2021 | Increase (Decrease) |
|----------------------------------|-----------------------|----------------------|--------------------------------|
| LICENSE & PERMIT FEES | | | |
| Alcoholic Beverage Permits | \$71,563,037 | \$75,008,631 | \$3,445,594 |
| TAXES | | | |
| Collected on Audits | \$120,762 | \$251,886 | \$131,124 |
| Direct Liquor Tax | 0 | 0 | 0 |
| Excise Tax-Distilled Spirits | 107,957,659 | 119,516,165 | 11,558,506 |
| Excise Tax-Wine | 17,254,835 | 18,701,865 | 1,447,030 |
| Excise Tax-Malt Liquor | 14,661,435 | 13,435,142 | (1,226,293) |
| Excise Tax-Beer | 108,176,707 | 111,269,868 | 3,093,161 |
| Airline Beverage Tax | 0 | 0 | 0 |
| TOTAL TAXES | \$ 248,171,398 | \$263,174,926 | \$15,003,528 |
| CONFISCATED LIQUOR SALES | \$150 | 0 | (\$150) |
| MISCELLANEOUS | | | |
| Fines | \$1,153,200 | \$322,700 | (\$830,500) |
| Admin Fees-Ports | 4,617,891 | 4,442,238 | (175,653) |
| Admin Fees-Licensing | 19,450 | 29,600 | 10,150 |
| Server Training Fees | 817,945 | 882,765 | 64,820 |
| Label Approval | 662,025 | 713,150 | 51,125 |
| Bond Forfeitures | 249,774 | 46,353 | (203,421) |
| Other Miscellaneous Revenue | 119,390 | 229,628 | 110,238 |
| TOTAL MISCELLANEOUS | \$7,639,675 | \$6,666,434 | (\$973,241) |
| Unassigned Revenue* | \$798,782 | \$692,431 | (\$106,351) |
| TOTAL REVENUE | \$328,173,042 | \$345,542,422 | \$17,369,380 |
| Cigarette Tax | 579,389 | 480,981 | (98,408) |
| TOTAL REVENUE COLLECTED | \$328,752,431 | \$346,023,403 | \$17,270,972 |

UNAUDITED

TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)**ADDENDUM F.2****PER CAPITA CONSUMPTION****For Fiscal Year Ending August 31, 2021**

| | Total Tax Collections | Total Gallons | Per Capita Consumption |
|-------------------|----------------------------------|--------------------------|-----------------------------------|
| Distilled Spirits | \$118,144,884 | 49,227,035 | 1.67 |
| Wine | 18,508,193 | 73,317,584 | 2.49 |
| Malt Liquor | 13,876,671 | 70,084,197 | 2.38 |
| Beer | 113,191,408 | 584,823,444 | 19.87 |
| Total | \$263,721,156 | 777,452,260 | 26.41 |

NOTE: Statistics based on tax collections by the Tax Section and population estimates from the Texas Comptroller of Public Accounts 'Economic and Population Forecast Summary for fiscal year 2021 of 29,438,040 Texas inhabitants.

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ADDENDUM F.3
HISTORICAL SUMMARY OF REVENUE COLLECTIONS
For the Fiscal Year Ended August 31, 2021

| Fiscal Year | Revenue |
|----------------------|-------------------------|
| 1935 - 2011 | \$10,599,493,845 |
| 2012 | 279,502,043 |
| 2013 | 271,319,662 |
| 2014 | 290,913,091 |
| 2015 | 289,415,513 |
| 2016 | 306,266,319 |
| 2017 | 302,533,024 |
| 2018 | 317,808,468 |
| 2019 | 314,680,698 |
| 2020 | 328,752,431 |
| 2021 | 346,083,476 |
| TOTAL REVENUE | \$13,646,768,570 |

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TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)

ADDENDUM G
INVENTORY OF CONFISCATED ALCOHOLIC BEVERAGES
For Fiscal Year Ending August 31, 2021

| ENFORCEMENT REGION | Distilled Spirits | | | | | Wine | | Malt Liquor | | Beer | | |
|--------------------|-------------------|-----------|------------|------------|------------|----------------|----------|-------------|-----------|--------------|-----------|------------|
| | 200 ml | 375 ml | 750 ml | Liter | Other | 750 ml or Less | Other | 12 oz | Other | 12 oz | 16 oz | Other |
| Lubbock | 3 | 0 | 25 | 47 | 30 | 2 | 1 | 6 | 8 | 799 | 0 | 31 |
| Arlington | 0 | 2 | 69 | 14 | 61 | 1 | 0 | 1 | 1 | 55 | 0 | 5 |
| Houston | 0 | 11 | 112 | 25 | 95 | 40 | 0 | 0 | 25 | 707 | 27 | 27 |
| Austin | 2 | 3 | 63 | 37 | 119 | 8 | 1 | 5 | 12 | 2315 | 10 | 24 |
| San Antonio | 0 | 0 | 27 | 42 | 52 | 6 | 3 | 0 | 12 | 521 | 0 | 18 |
| Total | 5 | 16 | 296 | 165 | 357 | 57 | 5 | 12 | 58 | 4,397 | 37 | 105 |

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**TEXAS ALCOHOLIC
BEVERAGE COMMISSION**

Texans Helping Businesses & Protecting Communities

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