FISCAL UPDATE Article

Fiscal Services Division

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ALCOHOLIC BEVERAGES COMMISSION MEETING — JUNE 2019

Commission Meeting. The Iowa Alcoholic Beverages Commission met on June 25, 2019, at the Iowa Alcoholic Beverages Division (ABD) headquarters in Ankeny.

Ruan Transportation Update. In April, there was a fleet and warehousing transition to Ruan for the warehousing and distribution of spirits products to over 1,600 private retailers across the State. In July, there will be a second transition from the ABD's tracking and operational system to Ruan's tracking and operational system. The ABD is currently paying operational expenses associated with the transition, as Ruan is not procuring items and instead is passing along costs to the Division. However, transition costs remain at the Division's estimated level. In terms of effects on employment as a result of the transition to Ruan, 90.0% of ABD's truck drivers were hired by the company.

Liquor Sales. While beer and wine consumption has decreased in comparison to previous years, liquor sales across the State continue to show a positive trend. The amount set to revert to the State General Fund and to the Iowa Department of Public Health for substance abuse and prevention programs for FY 2019 is projected at $124.0 million, a $4.0 million increase compared to FY 2018.

Legislative Update. Superintendent Steve Larson noted the Division does not intend to introduce any new legislation or seek technical corrections during the 2020 Legislative Session; however, the Division will continue to provide information as to how new proposals from stakeholders will be implemented by the Division.

Commission Update. John Pauli was elected chairperson of the Iowa Alcoholic Beverages Commission effective July 1, 2019, succeeding Rachel Eubank. Pauli will serve a one-year term as chairperson.

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