

§41.22 Compliance Reporting by License and Permit Holders

(a) This rule implements Alcoholic Beverage Code §§5.31 and 5.361. The purpose of this rule is to allow the commission to better utilize resources in meeting its charge to inspect, supervise, and regulate members of the alcoholic beverage industry; to reduce unnecessary physical inspections of industry locations; and to utilize automation to better and more efficiently protect public safety and serve the alcoholic beverage industry.

(b) Each permittee and licensee must prepare and file an automated compliance report with the commission as instructed by the commission. The commission may require that the report be filed using a specified mobile application.

(c) The commission will annually notify each permittee and licensee of the requirement to file its compliance report. The license or permit holder will have 90 days from the date of notification to file the report.

(d) The commission may issue a written warning to a permittee or licensee who fails to file the mandated compliance report within 90 days of being notified by the commission. The commission may initiate an administrative case to cancel or suspend the license or permit of any permittee or licensee who does not file the compliance report within 30 days following issuance of the written warning. The commission may also assess a surcharge in the amount of \$250 to recover the commission's costs associated with a physical open inspection necessitated by the failure to timely file the required report.

(e) Failure to pay the \$250 cost recovery surcharge for failure to timely file a compliance report can result in denial of a renewal application.

(f) A compliance report does not replace or substitute for any physical open inspection or investigation of a licensed or permitted location based on a complaint, a noted violation of the Alcoholic Beverage Code or rules, or a public safety-related education initiative.