

ANDREW M. CUOMO Governor

VINCENT G. BRADLEY
Chairman

LILY M. FAN Commissioner

GREELEY FORD
Commissioner

ADVISORY #2020-1

To: All licensees

Subject: Statutory/Regulatory relief regarding the Coronavirus

The Authority is aware that the current situation regarding the coronavirus (also known as COVID-19) will have an impact on retail licensees. Governor Cuomo has declared a State of Emergency and, among actions, has placed restrictions on gatherings of large numbers of persons and has also placed occupancy limits on smaller venues. In addition, retailers are anticipating a decrease in patronage during this situation. As a result, retailers may have a larger inventory on hand than what will reasonably be needed to meet anticipated demand. In many cases, this inventory was purchased prior to the imposition of these restrictions.

Accordingly, the Members of the Authority find that it would not be a violation of the Gifts and Services Law for licensed wholesalers (and licensed manufacturers who sold directly to retailers) to accept, under the conditions stated below, return of product from licensed retailers.

- Only product purchased on or after March 1, 2020 may be returned by the retailer to the wholesaler or manufacturer.
- Only product purchased on or before March 17, 2020 may be returned by the retailer to the manufacturer.
- Wholesalers and manufacturers are not required to accept returns. However, if a
 wholesaler or manufacturer opts to accept returns, it must accept returns: from all retailers
 who purchased product from the wholesaler or manufacturer; and without regard to the
 amount of product the retailer wishes to return.
- For purposes of determining the credit due to the retailer, the credit will be the actual price
 paid by the retailer, regardless of whether the retailer obtained a volume discount. If the
 retailer seeks to return a portion of a purchase that was subject to a volume discount, it
 will still be entitled to such discount on the product it retains.

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In addition, for those establishments that have, or will be required, the Members of the Authority waive the requirement that any such licensee place its license in safekeeping until the establishment reopens. This waiver shall remain in effect for ninety days, unless extended by subsequent action by the Authority.

This matter was heard and determined by the Members of the Authority at a Special Full Board meeting held on March 16, 2020 before Chairman Vincent Bradley and Commissioner Greeley Ford. The above written advisory was approved by Chairman Bradley on behalf of the Members of the Authority on March 16, 2020.

Dated: 3/16/20

Thomas J. Donohue Secretary to the Authority