



State Liquor Authority

ANDREW M. CUOMO
Governor

VINCENT G. BRADLEY
Chairman

LILY M. FAN
Commissioner

GREELEY FORD
Commissioner

ADVISORY #2020-5

To: All licensees

Subject: Pricing of beer under Alcoholic Beverage Control Law Section 55-b

The Authority is aware that the current situation regarding the coronavirus (also known as COVID-19) has adversely affected the ability of licensed beer manufacturers and distributors to sell current beer inventory, and that beer inventory remaining in stock faces issues of freshness and has financial implications. The Authority is further aware that under Alcoholic Beverage Control Law (“ABC Law”) section 55-b (the “180 Day Law”), a beer manufacturer or distributor that lowers the price of its beer cannot raise that price for 180 days unless the Authority grants a waiver upon showing of adverse effect, as expressly contemplated by Section 70.2 of the Rules of the Authority.

The law restricting price increases for the 180 Day Law shall therefore be applied during the period between March 15 and May 1 as follows:

(a) the 180 Day Law shall apply to any price reduction(s) made prior to March 15, 2020, limiting increases until 180 days after such reduction(s), unless such increase is made pursuant to paragraph (c) below.

(b) if prices are to be reduced between March 15, 2020 and May 1, 2020, the price immediately before any such reduction(s) shall be the “Post 3/15 Base Price.”

(c) price reductions made between March 15, 2020 and May 1, 2020 will not be subject to the restrictions of the 180 Day Law as long as the subsequent increase(s) is to a price no higher than the Post 3/15 Base Price.

(d) where permitted under paragraph (a), price increases made between March 15, 2020 and May 1, 2020, where the new price is higher than the price on March 14, 2020, shall subject any subsequent price reduction to the 180 Day Law

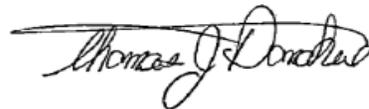
The above revisions, thus, are intended to allow the price of beer to float up and down during the identified period without going over the price immediately preceding this period. If the price is eligible to be raised above the immediately preceding price, (i.e., not subject to the 180 Day Law for a price reduction within the past 180 days), and is raised above such preceding

price, then it can no longer float, and is now subject to the 180 Day Law if/when it is lowered again.

This Advisory will be subject to further review by the Members of the Authority.

This matter was heard and determined by the Members of the Authority at a Full Board meeting held on April 15, 2020 before Chairman Vincent Bradley, Commissioner Lily Fan and Commissioner Greeley Ford. The above written advisory was approved by Chairman Bradley on behalf of the Members of the Authority on April 15, 2020.

Dated: 4/15/20

A handwritten signature in black ink, reading "Thomas J. Donohue". The signature is written in a cursive style with a long horizontal line extending to the left of the first letter.

Thomas J. Donohue
Secretary to the Authority