

# New York State Liquor Authority

Governor Kathy Hochul

Chairman Vincent G. Bradley

## 2021 ANNUAL REPORT



State Liquor  
Authority

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# INTRODUCTION

## Chairman's Letter

### DEAR GOVERNOR HOCHUL AND MEMBERS OF THE LEGISLATURE:

On behalf of the Division of Alcoholic Beverage Control, I present the 2021 Annual report of the New York State Liquor Authority ("SLA"). This report presents comprehensive information and statistical data on the agency's activities over the past year. We believe you will find this document to be informative in nature and comprehensive in scope.

The SLA is responsible for properly issuing licenses and ensuring those licensees comply with the Alcoholic Beverage Control Law (ABC Law). In order to carry out these functions, the SLA continuously works to raise public awareness, build statewide partnerships, and work with licensees, community groups and local law enforcement to ensure the protection of public health and safety while efficiently regulating the industry in a fair and consistent manner.

As the State Liquor Authority continues to move forward in meeting our objective to serve the citizens of New York State, I would like to thank the hardworking staff at the Authority who everyday remain vigilant in achieving our goals. As always, we welcome your comments and suggestions.

Sincerely,



Vincent G. Bradley  
Chairman

# INTRODUCTION

## Historical Overview

On December 5, 1933, President Franklin Delano Roosevelt signed Presidential Proclamation 2,065, officially declaring the 18th Amendment to the U.S. Constitution replaced by the 21st Amendment. The 21st Amendment repealed Prohibition and gave each state the power to regulate the trafficking of alcoholic beverages within its borders. Chapter 180 of the Laws of New York of 1933 provided for the manufacture of malt beverages and wine not exceeding 3.2 percent alcohol content under the guidance of an Alcoholic Beverage Control Board.



In May 1934, New York State enacted Chapter 478, known as the Alcoholic Beverage Control Law (“ABC Law”), creating the State Liquor Authority and the Division of Alcoholic Beverage Control effective July 1, 1934. The State Liquor Authority’s first Annual Report noted that Chapter 478 was enacted by the Legislature to provide for “the protection, health, welfare and safety of the people of the State.”

The agency consists of the following offices and bureaus which collectively ensure that the agency’s Mission Statement is met: Executive Office, Public Information Office, Licensing Bureau, Enforcement, Counsel’s Office, Hearing Bureau, and Secretary’s Office.

The agency currently operates three zone offices: New York City (Zone 1); Albany (Zone 2), which serves as the administrative headquarters, and Buffalo (Zone 3).

# INTRODUCTION

## Agency Overview

The State Liquor Authority (SLA) has two main functions; issuing licenses and permits and ensuring compliance with the ABC Law. The SLA's licensing activities focus on the timely processing of licenses and permits. The SLA's enforcement activities focus on the protection of the public by working with local law enforcement agencies and local communities to ensure compliance and to bring administrative actions against licensees who violate the law.

The SLA consists of three Members, or Commissioners. While statutorily "the Authority" refers to the three Members of the State Liquor Authority, the phrase is most often used to identify the entire agency: the Members and all agency staff. When the Members meet to take an action, or render a decision, they are often referred to as "the Full Board" and the meetings as "Full Board meetings." The Members of the Authority are nominated by the Governor and confirmed by the Senate for a term of three years. One of the Members is designated by the Governor to serve as the Chairman, with the two other Members serving on a "per diem" basis as Commissioners.



## Powers of the Full Board

Acting together, the Full Board is provided statutory powers in Section 17 of the ABC Law. The two most commonly exercised powers are making determinations on applications for licenses and permits and taking disciplinary action against licensees and permit holders accused of violating the ABC Law or the Rules of the Authority. Additional powers set forth in Section 17 include: developing minimum content and criteria for alcohol training and awareness programs; and restricting, at the request of a county's legislative body, the hours of sale in that county.

The Full Board can delegate its powers to the Chairman or agency staff. Exercising this option, as a matter of efficiency, the Full Board has delegated the power to act on routine applications to selected staff referred to collectively as Licensing Board. The Full Board has also delegated to individual Members the ability to act on certain requests for reconsideration and routine disciplinary matters.

# INTRODUCTION

## Powers of the Chairman of the Authority

Administrative control over the agency rests with the Chairman. The Chairman can perform any administrative duties that are not specifically vested by the ABC Law with the Full Board. Among the powers expressly given to the Chairman are presiding over Full Board meetings and prescribing the forms for license and permit applications. In 2012, amendments were made to the ABC Law regarding the respective powers of the Full Board and the Chairman. As a result, certain powers that had rested with the Full Board were transferred to the Chairman to increase administrative efficiency. Those powers include: hiring and dismissing staff; overseeing the Alcohol Training Awareness Program and the submission of annual reports.



## Meetings of the Full Board

Full Board meetings are conducted at one of the SLA's zone offices and video-conferenced to the agency's other zone offices, to allow statewide access. Anyone wishing to participate or attend can do so at any of SLA's three office locations. In addition, the meetings are "webcast" live and recordings of prior meetings are available on the SLA website.

# 2021 CALENDAR HIGHLIGHTS

2021 continued to present countless challenges for all New Yorkers, and among the industries hit hardest by the COVID-19 pandemic has been the hospitality sector. Throughout the COVID-19 public health crisis, the SLA strove to allow as much economic activity as possible while relying on the advice and counsel of public health experts to protect health and safety.

To that end, the SLA took numerous actions for 2020 many of which were extended into 2021. These actions include:

## **Renewal Fees:**

- The SLA Board took action to delay collection of statutorily required license renewal fees in 2020. In 2021, the date for submitting payment of these renewal fees was extended to July 31, 2021.

## **Safekeeping**

- When an SLA licensed business is not operating for more than two weeks, it must generally surrender or submit its license to SLA for safekeeping. Because of COVID-19 closures and other industry disruptions, the SLA Board waived this requirement until July 31, 2021.

## **Civil Penalties**

- In recognition of the financial difficulties caused by COVID-19, in 2020, the SLA Board directed the Secretary's Office to temporarily suspend collection of most imposed civil penalties. This suspension was extended until July 31, 2021.

## **Multi-Agency Taskforce:**

- Through the early months of 2021, the SLA continued to lead a multi-agency taskforce, along with its partner the New York State Police, in order to crack down on violations of regulations designed to stop the spread of COVID-19.
- In addition to State Police personnel and SLA Investigators, the task force also included experienced investigators from numerous other partner state agencies.
- Throughout the first half of 2021, investigators conducted hundreds of inspections – leading to 111 Emergency Orders of Summary Suspension for conduct that endangered the public health and safety, over three times the number of suspensions issued in a typical year.



## **Service of Municipal Notice for Retail Applications**

- Due to the public health emergency, the Authority allowed for the service of the required municipal notice to the applicant's municipality to be made by email (as opposed to only mail and hand delivery). This accommodation was continued in 2021.

## **Conditional Approvals**

- Because of the many difficulties applicants faced in procuring documents needed to respond to conditional approvals in the midst of COVID restrictions - including but not limited to documents from NYC Department of Buildings - the Authority allowed applicants to request additional extensions of the normally 6-month conditional approval period. These extensions were carried into 2021.

## **Discontinuance of the Self Certification by Attorneys Program**

- On November 21, 2021, the Full Board voted unanimously to discontinue the Self Certification by Attorneys Program. It was determined after review that the Program created issues of fairness. Furthermore, a program audit discovered that applications certified by attorneys continued to contain numerous deficiencies, significantly diminishing/eliminating the intended value of the program .

# 2021 CALENDAR HIGHLIGHTS

## Craft Manufacturer Statistics

- Craft manufacturers continued to thrive in New York in 2021. There were year to year increases in breweries, distilleries, wineries, cideries, and meaderies. Overall, the number of craft manufacturers rose 6% over the course of the year.
- In the two years since the Covid Pandemic began, craft manufacturing numbers remained strong with increases across the board in breweries, distilleries, wineries, cideries, and meaderies. Overall, the number of craft manufacturers rose over 11% since the start of 2020.



## **Sole Administrative Power**

This new law extends for an additional 3 years the amendments to sections 15 and 17 of the ABC Law, which provide the Chairman with day-to-day administrative authority over the agency (initially granted in 2012). Chapter 124, Laws of 2021

## **Municipal Extension**

This new unconsolidated law creates a process for streamlined alterations to allow on-premises retail licensees to utilize contiguous and non-contiguous municipal space not already part of the licensed premises where a municipality has made such space available. This law is modeled in part on SLA's COVID administrative policy conceived to allow businesses to adjust quickly to COVID restrictions. This law expires on July 6, 2022. Chapter 238, Laws of 2021

## **200 Foot Exemption, Niagara County**

This new law amends section 64 (License to Sell Liquor at Retail for Consumption on the Premises) of the ABC Law to allow a certain premises in the city of Niagara Falls to be licensed at the discretion of the SLA notwithstanding the 200 Foot Law. Chapter 268, Laws of 2021

## **Tied House Exemption, City of New York**

This new law amends section 106 (Provisions Governing Licensees to Sell at Retail for Consumption on the Premises) to allow a certain premises in the city of New York to be licensed at the discretion of the SLA notwithstanding the Tied House Law. Chapter 299, Laws of 2021

## **200 Foot Exemption, Sullivan County**

This new law amends section 64 (License to Sell Liquor at Retail for Consumption on the Premises) of the ABC Law to allow a certain premises in the town of Callicoon to be licensed at the discretion of the SLA notwithstanding the 200 Foot Law. Chapter 356, Laws of 2021



## **200 Foot Exemption, Saratoga County**

This new law amends section 64 (License to Sell Liquor at Retail for Consumption on the Premises) of the ABC Law to allow a certain premises in the city of Saratoga Springs to be licensed at the discretion of the SLA notwithstanding the 200 Foot Law. Chapter 362, Laws of 2021

## **Temporary Retail Permits Extended**

This new law extends for one year the effectiveness of the provision of section 97-a (Temporary Retail Permits) of the ABC Law that allows the Authority to grant temporary retail permits to new retail applicants outside of New York City. Chapter 375, Laws of 2021

## **Credit for License & Permit Fees for 2020 New York State Fair**

This new unconsolidated law allows the SLA to grant a one time credit to any licensee or permittee that paid for a license or permit fee on the New York State Fair Grounds in the calendar year 2020. Chapter 651, Laws of 2021

## **Temporary Retail Permits for Licensees in the City of New York**

This new law amends section 97-a (Temporary Retail Permit) of the ABC Law to allow certain “new” retail businesses in NYC the ability to apply for a temporary permit, but new businesses subject to the 500 Foot Law will only be eligible for such permit if:

- the premises applied for has been licensed in the previous two years and no license at the premises has been suspended, cancelled, or revoked within two years);
- the business receives a positive recommendation from an ALJ after a 500 Foot Law hearing; and
- the new business temporary permit includes the following limitations:
  - Establishment closing time no later than midnight – no later than 10PM for any outdoor space Sunday-Thursday and no later than 11PM, Friday and Saturday
  - No outdoor music
  - Indoor music is recorded background music only – no live music, DJs, karaoke, etc.
  - No dancing

This new law also amends section 110-b (Notification to municipalities) to require new businesses in NYC applying for a temporary retail permit to provide notice of the intention to apply for such permit to the municipality in which the premises is located. Chapter 700, Laws of 2021

## **Temporary Permits for New Manufacturers**

This new law repeals sections 76-b (Temporary winery or farm winery permit) of the ABC Law and creates a new section 97-c (Temporary Manufacturing Permits) of the ABC Law, which provides for a new temporary manufacturing permit. This new permit allows any manufacturer to apply for a permit to operate while waiting for their license application to be reviewed. The new permit requires the following:

- A pending manufacturing license application at the same premises;
- Evidence that all other permits, licenses, etc. have been obtained to allow operation; and
- Surrender or safekeeping of any currently active license that will no longer be operating upon permitting of the applicant
- Chapter 709, Laws of 2021

## **Public Information Available on the SLA Website**

This new law amends section 110-C (Public License Query) of the ABC Law and provides for the codification of certain existing practices, as well as for a number of new practices, related to providing information to applicants and licensees. The law requires the following information to be made available on the SLA website (public query):

- A daily updated list of all pending applications, which shall include
  - Serial #
  - Application status
  - Name of the applicant
  - Address (including county) of the premises
  - License type
  - Date of receipt
  - Estimated timeframe for determination (stated as a date)
    - Timeframe to be updated after any unreasonable delay caused by SLA
- A list of the number of licenses applied for and length of time required for the approval or denial
  - Updated monthly

This portion of the law takes effect on December 22, 2022.

The law also requires application receipts to be provided to applicants within 25 business days, to the extent practicable. The receipt must include the date of receipt and must provide an estimated time of determination. This portion of the law takes effect on February 20, 2022. Chapter 719, Laws of 2021

## **Alternative Penalties for Certain First Time Violations**

This new law amends section 118 (Revocation of Licenses for Cause) of the ABC Law and provides that where a licensee/permittee commits an (a) administrative violation, or (b) paperwork-related violation, or (c) other act or omission that is in violation of the ABC Law or rules of the Authority, which the Authority deems is *de minimis*, and which is a first-time offense, the Authority shall instead of commencing disciplinary proceedings, provide a warning and cure period (not less than 15 business days or more than 20).

The Authority shall also in such instances provide a copy of the law or rule that was violated to the licensee or provide the licensee assistance with compliance.

This law takes effect on February 5, 2022. Chapter 738, Laws of 2021

## CHAIRMAN'S & EXECUTIVE OFFICE OVERVIEW

The Office of the Chairman and Executive Office includes Deputy Commissioners and an Administrative Support Team.

The Office coordinates the daily operations of the agency, providing external support to a wide variety of public and licensed interests, as well as internal support to all agency program areas (e.g. supply and equipment acquisition, contracting, maintenance and inventory control, internal controls, telecommunications, tenancy, etc.). The Administrative Support Team provides direct support to the Chairman and functions as program liaisons with our host partner, OGS, on all finance and human resource activities.



## Appropriations and Revenue

All administrative Finance and Human Resource activities are hosted by the New York State Office of General Services ("OGS").

| Fiscal Year | Appropriation |
|-------------|---------------|
| 2021-22     | \$13,313,000  |



The Office of Public Affairs fosters positive working relationships with federal, state and local electeds, community groups, and their staffs; engages in discussions in support of the SLA's annual legislative program and, where appropriate, Governor's Program Bills bearing on alcoholic beverage control policy; responds to media requests; distributes press releases; coordinates press-related events; and assists in the management of the content of the agency's website. The Office of Public Affairs is committed to keeping the media, licensees and the public up to date on news, policies and current events concerning the SLA.

# LICENSING BUREAU OVERVIEW

The Licensing Bureau is responsible for reviewing applications for new licenses, permits and brand label registrations, as well as applications to renew existing licenses and annual permits and brand label registrations. The Bureau is also responsible for reviewing “change” applications, where existing licensees seek approval for changes in ownership, the physical layout of their premises or their method of operation. Most applications are reviewed by Licensing Bureau staff and approved or disapproved by staff selected to be part of the Licensing Board. Applications with unique issues to be considered are sent to the Members of the Authority for determination.



As detailed in the charts below, in 2021 the Licensing Bureau reviewed 6,914 license applications, 18,742 permit applications, 4,755 change applications, 29,866 renewal applications and 27,977 brand label registrations. Compared to 2020, the number of license applications increased 29.5%, the number of permit applications increased 13.5%, the number of change applications increased 15.5% and the number of brand label registrations almost doubled.

For 2021, the Licensing Bureau collected \$14,540,121 from license applications, \$3,732,749 from permit applications, \$46,181,279 from renewals and \$2,412,825 from brand label registrations, for a total of \$66,866,974. In 2020 the Licensing Bureau collected a total of \$49,044,549.

## Licensing Statistics

| 2021 Licensing Statistics                         |          |                    |                   |                                      |                   |
|---|----------|--------------------|-------------------|--------------------------------------|-------------------|
| Licenses  |          | On                 | Off               |                                      |                   |
|   |          | <u>Premises</u>    | <u>Premises</u>   | <u>Wholesaler /<br/>Manufacturer</u> | <u>Sub-Totals</u> |
| Zone 1  | Received | 2,892              | 1,511             | 149                                  | 4,552             |
|   | Approved | 1,702              | 982               | 125                                  | 2,809             |
| Zone 2  | Received | 807                | 383               | 301                                  | 1,491             |
|   | Approved | 531                | 277               | 287                                  | 1,095             |
| Zone 3  | Received | 566                | 214               | 91                                   | 871               |
|   | Approved | 385                | 158               | 78                                   | 621               |
|   |          |                    | Statewide Total   | Received                             | 6,914             |
|   |          |                    |                   | Approved                             | 4,525             |
| Permits   |          | <u>Brand Label</u> | <u>ST Permits</u> | <u>Other</u>                         | <u>Totals</u>     |
| Processed   |          | 27,977             | 5,950             | 2,168                                | 36,095            |
| Renewals  |          | Statewide Total    |                   |                                      |                   |
|   |          | 29,866             |                   |                                      |                   |
| Special Event Permits<br>(Applications Processed) |          |                    | <u>TPA's</u>      | <u>Caterer's</u>                     | <u>Totals</u>     |
|   |          |                    | 4,891             | 5,733                                | 10,624            |
| License Changes                                   |          |                    | Zone 1            | Processed                            | 2,826             |
|   |          |                    | Zone 2            | Processed                            | 1,174             |
|   |          |                    | Zone 3            | Processed                            | 755               |
|   |          |                    | Statewide Total   |                                      | 4,755             |

# LICENSING BUREAU OVERVIEW

## Calendar Year 2021 Statewide Licensing Revenue

| <u>Class</u>                    | <u>New Licenses</u> | <u>Renewed Licenses</u> | <u>Totals</u>       |
|---------------------------------|---------------------|-------------------------|---------------------|
| On-Premises                     | \$11,299,050        | \$35,490,460            | \$46,789,510        |
| Off-Premises                    | \$1,371,102         | \$4,328,232             | \$5,699,334         |
| Liquor Stores                   | \$1,016,402         | \$2,914,897             | \$3,931,299         |
| Wholesale/Manufacturing         | \$853,567           | \$3,447,690             | \$4,301,257         |
| <b>Subtotals</b>                | <b>\$14,540,121</b> | <b>\$46,181,279</b>     | <b>\$60,721,400</b> |
| Misc. Permit Fees               | \$1,494,812         | \$1,445,222             | \$2,940,034         |
| Special Event Permits           | \$792,715           |                         | \$792,715           |
| Brand Label Permits             | \$1,278,375         | \$1,134,450             | \$2,412,825         |
| <b>Total Licensing Revenues</b> |                     |                         | <b>\$66,866,974</b> |

# ENFORCEMENT BUREAU OVERVIEW

The Enforcement Bureau is responsible for investigating violations of the ABC Law, rules and regulations relating to the manufacturing, wholesale, retail, transportation, and storage of alcoholic beverages. The Enforcement Bureau works with law enforcement agencies and community groups across the state, performs disclosed and undisclosed investigations, and conducts trainings for police departments throughout the state.

Enforcing Executive Orders (EO) related to Covid-19 continued to be a focus for SLA Enforcement in the early months of 2021. Investigators conducted compliance checks at thousands of licensed establishments including joint efforts with law enforcement agencies to ensure public health and safety. Also in 2021, 15 underage compliance operations were conducted including joint efforts with local law enforcement agencies. These operations visited 173 licensed premises and resulted in 44 sales to minor violations.



| SLA Underage Details 2021                     |     |
|---|-----|
| SLA Underage Compliance Initiatives:          | 15  |
| Licensed premises visited during SLA details: | 173 |
| Sales to Minor Violations during SLA details  | 44  |

The SLA continues to foster its relationships with law enforcement agencies and licensees throughout the state. Collaborating with multiple police agencies designed to support strategic crime-fighting, violations of ABC Law and violence reduction initiatives.

# COUNSEL'S OFFICE OVERVIEW

Counsel's Office is responsible for providing a full range of legal services, advice, and counsel to the SLA. Specific functions include, but are not limited to:



- Prosecuting violations of the ABC Law against retail, wholesale, and manufacturer licensees in administrative proceedings on matters referred to the SLA by law enforcement agencies and complaints from the public, which are then generally investigated by the Enforcement Bureau.
- Where necessary, seeking the summary suspension of licenses where the ABC Law violations create an imminent threat to public health, safety, or welfare.
- Representing the SLA in Article 78 proceedings and other litigation in state and federal courts.
- Attending meetings of the Full Board and providing legal advice to its Members on disciplinary, licensing, and other matters.
- Responding to industry member requests regarding the interpretation and application of the ABC Law to particular business circumstances.
- Advising SLA management and staff on legal and compliance issues.
- Assisting the Full Board and Chairman on developing rules, regulations, and policy directives, and preparing and commenting on pending and possible legislation.
- Assisting the Full Board in the administration of the Alcohol Training Awareness Programs (ATAP) across the State.
- Managing the response to Freedom of Information Law requests directed to the SLA, including the careful review, retrieval and delivery of Agency records and the protection of confidential and otherwise non-discoverable information.
- During 2021, Counsel's Office continued its efforts in helping New York State to enforce Executive Order restrictions on the operations of restaurants and taverns to stop the spread of the Covid-19 virus.

## Retail Prosecution and Discipline

The SLA's Counsel's Office charges and prosecutes retail licensees – restaurants, taverns, liquor stores, and other retailers -- in administrative proceedings for violations of the ABC Law. Counsel's Office brings disciplinary charges on cases initiated in the first instance by Enforcement resulting from on-site inspections (announced or undisclosed) based on complaints received and/or joint operations with law enforcement and other State and local agencies. Additionally, disciplinary cases are often commenced after the SLA receives a referral directly from law enforcement. Such referrals can also be referred to the Enforcement Bureau for additional investigation.

SLA prosecutors investigate potential violations by reviewing records, interviewing witnesses (including law enforcement), and assessing the evidence. Disciplinary proceedings are commenced by the issuance of a Notice of Pleading setting forth the alleged violations. After receiving the Notice of Pleading, a licensee may enter one (1) of the following pleas:

- Not Guilty;
- No Contest; or
- Conditional No Contest.

If a licensee pleads "not guilty," an evidentiary hearing is scheduled with an Administrative Law Judge ("ALJ"). At the hearing, the SLA and the licensee may produce witnesses, which are subject to cross-examination, submit documentary evidence, and make legal arguments. The ALJ renders a decision on the charges and provides a written opinion on those findings, but does not assess discipline. The ALJ's findings are presented to the Full Board for final determination on whether charges are to be sustained or dismissed and for an assessment of discipline. If the licensee pleads "no contest," the hearing process is avoided and the Full Board imposes an appropriate penalty. In a "conditional no contest" plea, the licensee offers to settle the charges for stated discipline; the offer is forwarded to the Full Board for consideration. If the offer is rejected by the Board, the matter is returned to Counsel's Office to schedule an administrative hearing.

Each case brought to the Board is examined on its individual merits. If a disciplinary charge is sustained, the Board may impose one or more of the following:

- Letter of Warning – A formal letter documenting that although the licensee may have committed a violation, only a warning is warranted under the circumstances;
- Civil Fine – A monetary penalty;
- Bond Claim – A claim for payment is made against the surety bond that was filed with the license application;
- Suspension – The license is seized for a specified number of days;
- Cancellation – The license is terminated, but there are no time restrictions on reapplying for another license;
- Revocation – The license is terminated, and the licensee(s) cannot hold a liquor license in New York State for two (2) years; and
- Proscription – A two-year ban on the issuance of a license to any part of the building containing the revoked licensed premises.

## **Frequent/Common violations brought against licensees in 2021**

- Sale to Minor – 209
- Failure to Comply with Local Regulations\* - 2,515
- Failure to Conform to Application\*\* - 188
- Failure to Comply - Unlicensed Security Guard(s)- 43
- Failure to Supervise\*\*\* - 1,201
- Disorderly Premises – 55
- Gambling – 52
- Availing\*\*\*\* - 57

\*Failure to Comply – in addition to their obligation to comply with the ABC Law, licensees have an obligation to adhere to other state and local laws and regulations.

\*\*Failure to Conform – a licensed establishment must conform to all representations made in their application. Any change or deviation from those representations without approval from the SLA constitutes a violation.

\*\*\*Failure to Supervise – a licensed establishment has an obligation to prevent the licensed establishment from becoming unruly.

\*\*\*\*Availing – an undisclosed person having an ownership or other financial/controlling interest in the licensed business.

## The Wholesale Bureau

The SLA Counsel's Office aids the SLA and its Full Board in regulating the distribution and sale of alcoholic beverages through the three-tiered system of manufacturers, wholesalers and retailers. Counsel's Wholesale Bureau provides ongoing assistance and guidance to the industry on wholesale trade practices and policy issues.



**Wholesale Price Posting** – The ABC Law requires wholesalers of wine and spirits to post their prices monthly with the SLA to eliminate favoritism in pricing and to allow the SLA to detect patterns that might indicate collusive practices, tied houses (i.e., the control of a licensee at one level of the three-tier system by a licensee at another level), or other wholesale violations. Wholesalers provide this information to the SLA through an electronic price filing system.

**Cash On Delivery (“COD”) Listing** – The ABC Law requires the monitoring of delinquent retail accounts. Wholesalers are required to identify delinquent retailers by placing them on the COD list. The Wholesale Bureau tracks these accounts. Retailers on the COD list must pay cash for their purchases from wholesalers. These requirements, among other things, help to protect wholesalers from extending credit to retailers who have already failed to make timely payments to other wholesalers. The Wholesale Bureau regulates this process to protect all retailers against discrimination and/or disparate treatment through the extension of favored credit terms.

**Prosecution Of Wholesale And Manufacturing Violations** – Counsel’s office uses trained investigators and prosecutors familiar with the ABC Law’s wholesale and manufacturing requirements to uncover, investigate, and charge licensees with violations. These prosecutions tend to be document intensive and result in significant fines and other discipline. Common wholesale violations charged in 2021 include:

- Wholesale – Sale to Unlicensed Premises – 11
- Wholesale – Failure to Register Brand Label – 2

## Article 78 Proceedings

Unlike most New York State agencies, the SLA Counsel’s office represents the agency itself in most state court litigation filed against it, primarily Article 78 proceedings brought in connection with decisions made by the SLA’s Full Board. Applicants and licensees primarily file such proceedings to challenge (i) emergency orders of summary suspension, (ii) the sustaining of disciplinary charges; (iii) the penalties assessed in connection with sustained disciplinary charges; and (iv) decisions made on license applications.

The SLA Counsel’s office handled 14 such proceedings that went to a decision in 2021 or were fully briefed in 2021 and await a decision. Counsel’s office prevailed in 9 cases (1 of which was a successful appeal to the Appellate Division of a trial court ruling against the SLA), lost zero cases, and awaits a decision in 5 cases.

# HEARING BUREAU OVERVIEW

The Hearing Bureau is comprised of part-time Administrative Law Judges (“ALJs”) who conduct disciplinary and licensing hearings. Hearings are governed by the State Administrative Procedures Act (“SAPA”), the Alcoholic Beverage Control Law, the Rules of the SLA and Executive Order 131, which require that they be conducted in a manner that is impartial, efficient, timely, expert and fair.

Disciplinary hearings are evidentiary hearings for licensees charged with violations of the Alcoholic Beverage Control Law or the Rules of the Authority. Licensing hearings are “disapproval hearings” to review decisions denying applications and “500 Foot Law Hearings,” which afford a forum for public comments regarding applications for on-premises liquor licenses in municipalities of 20,000 or more people where there are already three or more on-premises liquor licenses within 500 feet of the applicant’s premises.

After a hearing is held, the ALJ makes findings of fact and renders a written report. The hearing record, including a transcript (or recording) of testimony taken at a hearing, constitutes the basis upon which the Full Board will determine the matter as well as for any review of the Full Board’s decision in court.



# SECRETARY'S OFFICE OVERVIEW

The Members of the Authority conduct their official business (deciding applications, making determinations and imposing penalties in disciplinary proceedings, etc.) at public meetings referred to as Full Board meetings. To improve the ability of the public to view live and past Full Board meetings, the SLA is now live streaming all of the meetings on YouTube as well as posting and archiving past meetings on its YouTube channel.

The Secretary's Office is responsible for the activities related to the Full Board Meeting including: scheduling the meetings; preparation of calendar of items that will be considered at the meeting; distribution of materials to the Members and relevant staff; conducting the hearing; recording the hearing; tracking and documenting the actions taken at the meetings; and issuing/imposing determinations made at the meetings. The Secretary's Office receives matters for consideration by the Full Board from the Licensing Bureau, Counsel's Office and Hearing Bureau, as well as miscellaneous matters presented by other units within the SLA.

The Secretary's Office is responsible for certain revenue functions including: processing/collecting returned checks; collection of civil penalties and bond payments; and the issuance of refunds on disapproved applications and surrendered licenses/permits. The Secretary's Office also maintains the repository of documentation related to the Full Board meetings such as: minutes of the meetings; written decisions issued by the Full Board; guidance documents (Divisional Orders, Bulletins, Declaratory Rulings, Advisories, etc.) issued by the Full Board; and other documents required to be archived.

The Secretary's Office is also responsible for the Alcohol Training and Awareness Program (ATAP). The Secretary's Office issues certifications to providers who meet the requirements to provide training to licensees and their employees. The training is focused on reducing the incidence of underage drinking and sales to intoxicated persons. Both in person classes and online programs are available. Through education, the SLA seeks to obtain a higher degree of voluntary compliance, thereby reducing the need for initiating enforcement proceedings against licensees. The Secretary's Office also maintains the rosters of attendees who have taken training sessions. There are currently 13 approved ATAP classroom programs, 18 approved online programs, and 6 approved for both classroom and online. In 2021 and verified at the time of this report's publishing, the 37 State Liquor Authority Certified ATAP Training Programs held 231 classroom training sessions and 18,752 on-line sessions which resulted in a total of 20,976 students certified.



## 2021 at a Glance

- 24 regular Full Board Meetings
- 30 special Full Board Meetings
- 3,290 items scheduled for regular Full Board review including 512 licensing matters.
- 13 revocations
- 217 cancellations
- 10 suspensions (112 days total)
- \$8,870,875 in civil penalties
- \$230,000 in bond claims
- 111 emergency summary suspensions

## Disciplinary Penalties

(By Penalty Due Date)

| Year | Civil Penalties | Revocations & Cancellations | Suspensions | Number of Days (Suspensions) | Summary Suspensions |
|------|-----------------|-----------------------------|-------------|------------------------------|---------------------|
| 2015 | \$8,217,879     | 449                         | 93          | 2,323                        | 19                  |
| 2016 | \$6,575,666     | 380                         | 75          | 1,315                        | 17                  |
| 2017 | \$9,032,875     | 405                         | 90          | 1,439                        | 30                  |
| 2018 | \$10,441,250    | 352                         | 19          | 398                          | 34                  |
| 2019 | \$10,445,275    | 284                         | 53          | 1,085                        | 29                  |
| 2020 | \$4,974,050     | 195                         | 37          | 760                          | 322                 |
| 2021 | \$8,870,875     | 230                         | 10          | 112                          | 111                 |

# CHAIRMAN

## Chairman Vincent G. Bradley



Vincent Bradley was unanimously confirmed as Chairman of the State Liquor Authority (SLA) on June 24, 2015. As Chairman of the SLA, Mr. Bradley is responsible for the day-to-day operations of the agency. The SLA has two core statutory functions: properly issuing licenses and permits in a timely fashion and ensuring compliance with the Alcoholic Beverage Control Law. The Chairman and the Commissioners of the SLA are responsible for creating policy, developing strategy, and directing initiatives that create a regulatory framework designed to efficiently, ethically, and professionally accomplish these functions. The Chairman and Commissioners also ensure the work of the agency harmonizes with the overall strategy and goals set by the Executive Chamber. In addition, the Chairman also presides over all Full Board meetings of the agency.

Chairman Bradley most recently served for seven years as an Assistant Attorney General-In-Charge of the New York State Attorney General's Poughkeepsie regional office. In addition to his role of managing the operations of the regional office and overseeing attorneys and cases, Bradley served as the regional Public Integrity Officer and also conducted investigations involving consumer protection, illegal business practices and fraud.

Prior to joining the Attorney General's office, Bradley served for ten years as Assistant District Attorney in the New York County District Attorney's Office. During his tenure, Bradley spent three years in the Office of the Special Narcotics Prosecutor for the City of New York investigating and prosecuting narcotics cases and later in the Labor Racketeering Unit of the New York County District Attorney's Office, conducting complex white collar criminal investigations focusing on the construction and labor industries. While in the Labor Racketeering Unit, Bradley was a member of a team of three prosecutors who investigated, indicted and convicted a New York State Senator for conspiracy, bribe receiving, extortion and other related crimes.

Bradley, formerly a Certified Public Accountant, previously worked as a senior accountant for Deloitte and Touche, as a litigation associate at the New York based law firm Brown & Wood, LLP, and as Assistant Court Attorney for the New York State Supreme Court, Appellate Division, 3rd Department.

Chairman Bradley graduated from the University of Notre Dame with a bachelor's degree in business administration majoring in accountancy and holds a J.D. from the State University of New York at Buffalo School of Law. Bradley, a native and resident of Ulster County, lives in Kingston with his wife and two children.

# COMMISSIONERS

## Commissioner Lily M. Fan



On June 20, 2018, Lily M. Fan was unanimously confirmed by the New York State Senate as Commissioner of the New York State Liquor Authority. Ms. Fan, a graduate of Yale College and Yale Law School, was born in Hong Kong and speaks fluent Cantonese. She is a New York City resident. She was appointed a member of Community Board 4 in Manhattan in 2015. She served as the Board's Co-Secretary from 2016 to 2017.

Ms. Fan was previously a lawyer at the law firms of Shearman & Sterling LLP and Morrison & Foerster LLP, specializing in white-collar criminal litigation and securities class actions. She also served as Legislative Counsel for the Standing Committee on Social Services in the New York State Senate in 2010.

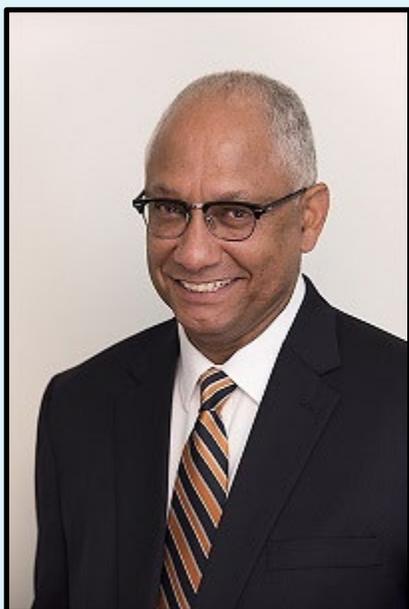
Ms. Fan founded Scandobean Productions LLC, a theatrical and film production company, in 2010. She has been involved in numerous Broadway and Off-Broadway productions since. In 2019, Ms. Fan won her first Tony Award as a Co-Producer of the new musical *Hadestown*. Ms. Fan was previously nominated for an Olivier Award for the new play *Hand To*

*God*. Ms. Fan's documentary *Weiner* also received the U.S. Documentary Grand Jury Prize at the 2016 Sundance Film Festival.

Ms. Fan is a Member of the Board of Advisors at the Yale School of Drama. She is the Treasurer to the Board of Directors of The Lillys, an advocacy organization that promotes gender parity on all levels of theatrical production. She is a member of the New York City Bar Association's Land Use Planning and Zoning Committee and the National Committee on United States-China Relations.

# COMMISSIONERS

## Commissioner Greeley T. Ford



On June 17, 2016, Commissioner Greeley T. Ford was unanimously confirmed by New York State Senate as a Commissioner for the New York State Liquor Authority (SLA). He was reconfirmed in June 2018 to a second term.

Commissioner Ford comes to the SLA with extensive experience in both the private and public sectors. He began his cellular career in 1988 at AT&T as one of the original staff at then Cellular One in Central New York as Employee #008. His current position is Senior Network Consulting Engineer. He is part of the management team responsible for the design, the buildout, the care and optimization of AT&T wireless network infrastructure across Upstate New York and northern parts of Pennsylvania.

He is actively involved in the all-important buildout and deployment of the FirstNet public safety network, the first such network that was awarded to AT&T by the federal government to build and operate. He works everyday with law enforcement, the military, colleges, universities, nuclear facilities, research facilities, manufacturing companies, public sports venues, hospitals and every other type of major, medium and small business to bring wireless coverage to where they work, live and play.

Mr. Ford is a graduate of Utica College of Syracuse University with a degree in Speech Communications and Dramatic Arts where he later served as a capital campaign chair. He has previously served as a Communications Director within the New York State Senate. Commissioner Ford's past community involvement included serving on the Board of Directors for the Stanley Theater in downtown Utica and as a member of the Oneida County Board of Ethics. He is also a well-known past newspaper columnist having written for newspapers in the Mohawk Valley. Mr. Ford has been a professional musician for the past 45 years, having performed and toured with national acts such as the Beach Boys, the Kinks, Earth Wind & Fire, KC & the Sunshine Band, Rare Earth, the Temptations, the Pointer Sisters and the Commodores to name a few. He was band leader and bass player for the band "Classified" in Central New York, voted number one band in the area in previous polls, for their entire 28-year run and led the legendary band "Mr. Edd" who toured the United States and Canada back in the '80's.

Commissioner Ford is originally from Asbury Park, NJ and currently lives in Camden, NY with his wife and two of their five sons.

# STAFF

## Senior Agency Staff

**Sharif Kabir, Executive Deputy Commissioner**

Sharif.Kabir@sla.ny.gov

**Gary Meyerhoff, General Counsel**

Gary.Meyerhoff@sla.ny.gov

**Joseph Finelli, Director of Enforcement**

Joseph.Finelli@sla.ny.gov

**Thomas Donohue, Deputy Commissioner of Licensing**

Thomas.Donohue@sla.ny.gov

**Donald Roper, Secretary to the Authority**

Donald.Roper@sla.ny.gov

**Kimberly Ciccone, Deputy Commissioner of Administration**

Kimberly.Ciccone@sla.ny.gov

**Michael Matthews, Director of Administration**

Michael.Matthews@sla.ny.gov

**William Crowley, Public Information Officer**

William.Crowley@sla.ny.gov

## Zone 1 – NYC

**Franklin Englander, Supervising BCI, Enforcement**

Franiklin.Englander@sla.ny.gov

## Zone 2 – Albany

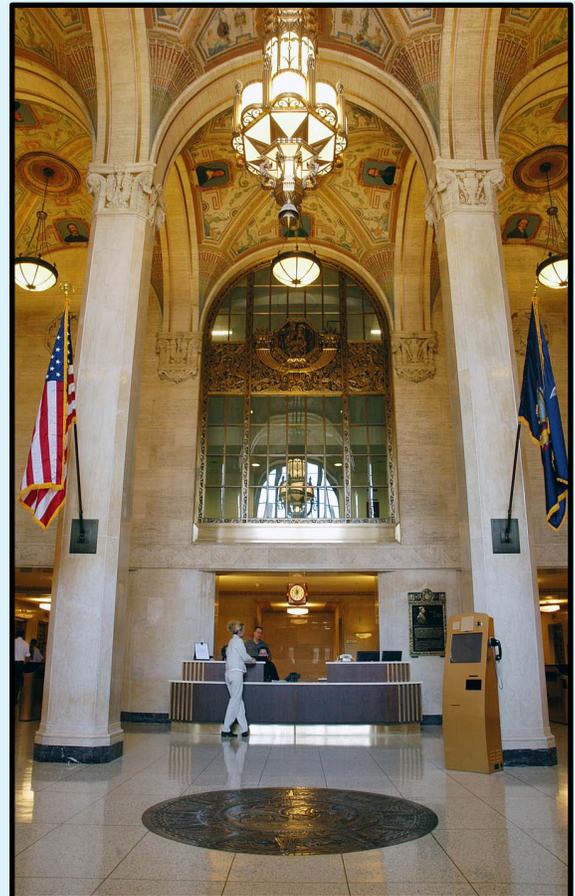
**Lisa Ogden, Deputy Counsel**

Lisa.Ogden@sla.ny.gov

## Zone 3 – Buffalo

**Gary Bartikofsky, Supervising BCI, Enforcement**

Gary.Bartikofsky@sla.ny.gov



# CONTACT THE NYS LIQUOR AUTHORITY

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| <p><b><u>ENFORCEMENT</u></b></p> <p>If you would like to make a complaint or have questions on enforcement issues, please call (518) 474-3114 and select option 2 or send an email to: <a href="mailto:Enforcement@sla.ny.gov">Enforcement@sla.ny.gov</a></p>  | <p><b><u>OFFICE OF THE SECRETARY</u></b></p> <p>If you have questions regarding the Full Board Calendar or questions regarding fines or penalties imposed by the Board, please call (518) 474-3114 and select option 4 or send an email to: <a href="mailto:Secretarys.Office@sla.ny.gov">Secretarys.Office@sla.ny.gov</a></p> |
| <p><b><u>LICENSING</u></b></p> <p>If you have any questions concerning how to obtain a license or permit, please call (518) 474-3114 and select option 1 or send an email to: <a href="mailto:Licensing.Information@sla.ny.gov">Licensing.Information@sla.ny.gov</a></p>   | <p><b><u>TECHNOLOGY</u></b></p> <p>If you have questions or suggestions regarding the Agency's use of technology, please call (518) 474-3114 and select option 5 or send an email to: <a href="mailto:Web.Master@sla.ny.gov">Web.Master@sla.ny.gov</a></p>   |
| <p><b><u>WHOLESALE</u></b></p> <p>If you are a manufacturer, wholesaler, retailer or other interested party with questions concerning trade practice, price schedules, or delinquent/credit statutes, please call (518) 474-3114 and select option 1 or send an email to: <a href="mailto:Wholesale.Bureau@sla.ny.gov">Wholesale.Bureau@sla.ny.gov</a></p> | <p><b><u>PUBLIC AND LEGISLATIVE AFFAIRS</u></b></p> <p>If you are a member of the media with questions regarding the SLA please call (518) 474-3114 and select option 3 or send an email to: <a href="mailto:Press.Office@sla.ny.gov">Press.Office@sla.ny.gov</a></p>  |
| <p><b><u>FOIL</u></b></p> <p>If you would like to make a Freedom of Information request, please send an email to: <a href="mailto:FOIL@sla.ny.gov">FOIL@sla.ny.gov</a></p>   | <p><b><u>LEGAL</u></b></p> <p>If you have a legal question, please call (518) 474-3114 and select option 4 or send an email to: <a href="mailto:Legal@sla.ny.gov">Legal@sla.ny.gov</a></p>   |

# SLA OFFICE LOCATIONS



## ALBANY OFFICE

80 South Swan Street, Suite 900  
Albany, NY 12210



## BUFFALO OFFICE

535 Washington Street, Suite 303  
Buffalo, NY 14203



## NEW YORK CITY OFFICE

163 West 125<sup>th</sup> Street  
New York, NY 10027

## ZONE OFFICES AND THEIR DESIGNATED COUNTIES

| <b>ZONE 1</b><br>163 West 125 <sup>th</sup> Street<br>New York, NY 10027             | <b>ZONE 2</b><br>80 South Swan Street<br>Albany, NY 12210   | <b>ZONE 3</b><br>535 Washington Street<br>Buffalo, NY 14203   |
|--|---|---|
| Bronx<br>Kings<br>Nassau<br>New York<br>Queens<br>Richmond<br>Suffolk<br>Westchester | Albany<br>Broome<br>Cayuga<br>Chenango<br>Clinton<br>Columbia<br>Cortland<br>Delaware<br>Dutchess<br>Essex<br>Franklin<br>Fulton<br>Greene<br>Hamilton<br>Herkimer<br>Jefferson<br>Lewis<br>Madison<br>Montgomery<br>Oneida<br>Onondaga<br>Orange<br>Oswego<br>Otsego<br>Putnam<br>Rensselaer<br>Rockland<br>St. Lawrence<br>Saratoga<br>Schenectady<br>Schoharie<br>Sullivan<br>Ulster<br>Washington<br>Warren | Allegany<br>Cattaraugus<br>Chautauqua<br>Chemung<br>Erie<br>Genesee<br>Livingston<br>Monroe<br>Niagara<br>Ontario<br>Orleans<br>Schuyler<br>Seneca<br>Steuben<br>Tioga<br>Tompkins<br>Wayne<br>Wyoming<br>Yates |

# ZONE OFFICES AND THEIR DESIGNATED COUNTIES

## SLA Regions Map

