



Commission to Reform the Alcoholic Beverage Control Law

Commission Meeting #3

December 19, 2022

Briefing Material – Legislation

Topic – 10: “Potential barriers to market entry for new businesses by sector”

New York State Capital, Blue Room

State St. and Washington Avenue, Albany NY 12224

Part EE of S7505 of 2020

PART EE

Section 1. Subdivision 1 of section 101 of the alcoholic beverage control law is amended by adding a new paragraph (a-1) to read as follows:

(a-1) Notwithstanding the provisions of paragraph (a) of this subdivision, it shall be lawful for a manufacturer or wholesaler to hold, directly or indirectly, an interest in a premises licensed under this chapter where alcoholic beverages are sold at retail, provided that:

(i) the manufacturer or wholesaler does not, directly or indirectly, exercise control over or participate in the management of the retailer's business or business decisions;

(ii) the interest does not result in the retailer purchasing alcoholic beverages from the manufacturer or wholesaler to the exclusion, in whole or in part, of alcoholic beverages offered for sale by other persons;

(iii) the products and services of the manufacturer or wholesaler are not offered discriminatorily in that they are offered to all retailers in the local market on the same terms; and

(iv) the retailer purchases alcoholic beverages from a wholesaler licensed under this chapter without an interest in the retailer.

§ 2. Subdivision 1 of section 101 of the alcoholic beverage control law is amended by adding a new paragraph (a-2) to read as follows:

(a-2) The provisions of paragraphs (a) and (a-1) of this subdivision shall not apply to a manufacturer or wholesaler with complete ownership of a premises where alcoholic beverages are sold at retail.

§ 3. Subdivision 1 of section 101 of the alcoholic beverage control law is amended by adding a new paragraph (c-1) to read as follows:

(c-1) The direct or indirect operation and management of a retail premises licensed under this chapter by a manufacturer or wholesaler with complete ownership of the premises shall not constitute a prohibited gift or service.

§ 4. Section 105 of the alcoholic beverage control law is amended by adding a new subdivision 16-a to read as follows:

16-a. Notwithstanding the provisions of subdivision sixteen of this section, it shall be lawful for a retail licensee for off-premises consumption to hold, directly or indirectly, an interest in a manufacturer or wholesaler, provided that:

(a) the retail licensee does not exercise, direct or indirect, control over or participate in the management of the manufacturer or wholesaler's business or business decisions;

(b) the interest does not result in the retailer purchasing the manufacturer or wholesaler's alcoholic beverages to the exclusion, in whole or in part, of alcoholic beverages offered for sale by other persons; and

(c) the retail licensee purchases its alcoholic beverages from a wholesaler licensed under this chapter that the retail licensee does not hold an interest in.

§ 5. Section 105 of the alcoholic beverage control law is amended by adding a new subdivision 16-b to read as follows:

16-b. The provisions of subdivisions sixteen and sixteen-a of this section shall not apply to a retail licensee for off-premises consumption with complete ownership of a manufacturer or wholesaler.

§ 6. Section 106 of the alcoholic beverage control law is amended by adding a new subdivision 13-a to read as follows:

13-a. Notwithstanding the provisions of subdivision thirteen of this section, it shall be lawful for a retail licensee for on-premises consumption to hold, directly or indirectly, an interest in a manufacturer or wholesaler licensed under this chapter, provided that:

(a) the retail licensee does not exercise, direct or indirect, control over or participate in the management of the manufacturer or wholesaler's business or business decisions;

(b) the interest does not result in the retailer purchasing the manufacturer or wholesaler's alcoholic beverages to the exclusion, in whole or in part, of alcoholic beverages offered for sale by other persons; and

(c) the retail licensee purchases its alcoholic beverages from a wholesaler licensed under this chapter that the retail licensee does not hold an interest in.

§ 7. Section 106 of the alcoholic beverage control law is amended by adding a new subdivision 13-b to read as follows:

13-b. The provisions of paragraph a of subdivision thirteen and subdivision thirteen-a shall not apply to a retail licensee for on-premises consumption with complete ownership of a manufacturer or wholesaler. § 8. This act shall take effect immediately.

SLA departmental #03 of 2021

DEPARTMENTAL BILL #66

Legislative Bill Drafting Commission
09659-01-1

S. -----
Senate

IN SENATE--Introduced by Sen

--read twice and ordered printed,
and when printed to be committed
to the Committee on

----- A.
Assembly

IN ASSEMBLY--Introduced by M. of A.

with M. of A. as co-sponsors

--read once and referred to the
Committee on

ALCOBELA *State Liquor Authority
3*
(Allows multiple wholesale licenses
owned by the same person or entity
to be located at the same premises)

ABC. wholesale licenses

AN ACT

to amend the alcoholic beverage
control law, in relation to allowing
multiple wholesale licenses owned by
the same person or entity to be
located at the same premises

The People of the State of New
York, represented in Senate and
Assembly, do enact as follows:

IN SENATE

Senate introducer's signature

The senators whose names are circled below wish to join me in the sponsorship
of this proposal:

s15 Addabbo	s17 Felder	s07 Kaplan	s58 O'Mara	s10 Sanders
s52 Akshar	s59 Gallivan	s26 Kavanagh	s62 Ortt	s23 Savino
s36 Bailey	s05 Gaughran	s63 Kennedy	s01 Palumbo	s32 Sepulveda
s30 Benjamin	s12 Gianaris	s28 Krueger	s21 Parker	s41 Serino
s34 Biaggi	s22 Gounardes	s24 Lanza	s19 Persaud	s29 Serrano
s57 Borrello	s47 Griffio	s11 Liu	s13 Ramos	s39 Skoufis
s04 Boyle	s40 Hareckham	s50 Mannion	s61 Rath	s16 Stavisky
s44 Breslin	s54 Helming	s42 Martucci	s38 Reichlin-	s45 Stec
s25 Brisport	s46 Hinchey	s02 Mattera	Melnick	s35 Stewart-
s08 Brooks	s27 Hoylman	s53 May	s48 Ritchie	Cousins
s55 Brouk	s31 Jackson	s37 Mayer	s33 Rivera	s49 Tedisco
s14 Comrie	s43 Jordan	s20 Myrie	s60 Ryan	s06 Thomas
s56 Cooney	s09 Kaminsky	s51 Oberacker	s18 Salazar	s03 Weik

IN ASSEMBLY

Assembly introducer's signature

The Members of the Assembly whose names are circled below wish to join me in the
multi-sponsorship of this proposal:

a049 Abbate	a063 Cusick	a075 Gottfried	a020 Miller, M.	a121 Salka
a092 Abinanti	a045 Cymbrowitz	a021 Griffin	a051 Mitaynes	a111 Santabarbara
a031 Anderson	a018 Darling	a100 Gunther	a015 Montesano	a090 Sayegh
a122 Angelino	a053 Davila	a139 Hawley	a145 Morinello	a099 Schmitt
a107 Ashby	a072 De La Rosa	a083 Heastie	a065 Niou	a076 Seawright
a035 Aubry	a003 DeStefano	a028 Hevesi	a037 Nolan	a084 Septimo
a120 Barclay	a070 Dickens	a128 Hunter	a144 Norris	a016 Silliuti
a030 Barnwell	a054 Dilan	a029 Hyndman	a069 O'Donnell	a052 Simon
a106 Barrett	a081 Dinowitz	a079 Jackson	a091 Otis	a114 Simpson
a060 Barron	a147 DiPietro	a104 Jacobson	a132 Palmesano	a005 Smith
a082 Benedetto	a009 Durso	a011 Jean-Pierre	a088 Paulin	a118 Smullen
a042 Bichotte	a048 Eichenstein	a134 Jensen	a141 Peoples-	a022 Solages
Hermelyn	a004 Englebright	a115 Jones	Stokes	a110 Steck
a117 Blankenbush	a074 Epstein	a077 Joyner	a058 Perry	a010 Stern
a098 Brabenec	a109 Fahy	a125 Kelles	a023 Pheffer	a127 Stirpe
a026 Braunstein	a061 Fall	a040 Kim	Amato	a102 Tague
a138 Bronson	a080 Fernandez	a105 Lalor	a086 Pichardo	a064 Tannousis
a012 Brown	a008 Fitzpatrick	a013 Lavine	a089 Pretlow	a071 Taylor
a093 Burdick	a057 Forrest	a097 Lawler	a073 Quart	a001 Thiele
a085 Burgos	a124 Friend	a126 Lemondes	a019 Ra	a033 Vanel
a142 Burke	a046 Frontus	a135 Lunsford	a038 Rajkumar	a116 Walczyk
a119 Buttenschon	a095 Gafef	a123 Lupardo	a006 Ramos	a055 Walker
a094 Byrne	a050 Gallagher	a129 Magnarelli	a062 Reilly	a143 Wallace
a133 Byrnes	a131 Gallahan	a036 Mamdani	a087 Reyes	a112 Walsh
a103 Cahill	a007 Gandolfo	a130 Manktelow	a043 Richardson	a041 Weinstein
a044 Carroll	a002 Giglio, J.A.	a108 McDonald	a078 Rivera, J.	a024 Weprin
a136 Clark	a148 Giglio, J.M.	a014 McDonough	a149 Rivera, J.D.	a059 Williams
a047 Colton	a066 Glick	a146 McMahan	a068 Rodriguez	a113 Woerner
a140 Conrad	a034 Gonzalez-	a137 Meeks	a027 Rosenthal, D.	a096 Zebrowski
a032 Cook	Rojas	a017 Mikulin	a067 Rosenthal, L.	a056 Zinerman
a039 Cruz	a150 Goodell	a101 Miller, B.	a025 Rozic	

1) Single House Bill (introduced and printed separately in either or
both houses). Uni-Bill (introduced simultaneously in both houses and printed
as one bill. Senate and Assembly introducer sign the same copy of the bill).

2) Circle names of co-sponsors and return to introduction clerk with 2
signed copies of bill and: in Assembly 2 copies of memorandum in support, in
Senate 4 copies of memorandum in support (single house); or 4 signed copies
of bill and 6 copies of memorandum in support (uni-bill).

LBDC 01/27/21

1 Section 1. Section 104 of the alcoholic beverage control law is
2 amended by adding a new subdivision 4 to read as follows:

3 4. Notwithstanding any other provision of this chapter to the contra-
4 ry, the authority may issue a cider producer or wholesaler's license,
5 beer wholesaler's license, wine wholesaler's license, or liquor whole-
6 saler's license to the holder of any wholesaler's license issued pursu-
7 ant to this chapter for use at such licensee's existing licensed prem-
8 ises. The liquor authority is hereby authorized to adopt such rules as
9 it may deem necessary to carry out the purposes of this subdivision.

10 § 2. This act shall take effect immediately and shall apply to all
11 applications filed after such date.

DEPARTMENTAL BILL #60

SLA 03-21 (Multiple Wholesale Licenses)

November 13, 2020

1. Purpose:

This bill would allow multiple wholesale licenses owned by the same person or entity to be located at the same licensed premises.

2. Summary of provisions:

Section 1 of the bill would amend the ABCL by adding a new §104(4) to allow multiple wholesale licenses owned by the same person or entity to be located at the same licensed premises.

Section 2 states that this act shall take effect immediately and shall apply to all applications filed after the date it is signed into law.

3. Existing law:

Current ABCL §111 restricts the use or applicability of any license issued under the ABCL to its licensed premises which “shall not be transferable to any other person or to any other premises or to any other part of the building containing the licensed premises except in the discretion of the Authority.” Additionally, current ABCL §104(1)(a) prohibits wholesalers from engaging in any other business on the premises.

4. Legislative History:

This is a new bill.

5. Statement in support:

It is commonplace and good business sense to attempt to co-locate alcoholic beverage wholesale businesses of different classes. It saves money and time through eliminating redundancy. However, the law currently prohibits this sort of co-location by requiring each business to have separate offices and separate spaces with no interior access. Some businesses are able to find ways to modify a premises to accommodate this requirement – at cost to the business – others however are not able and either find another location - at cost to the business, or choose not to expand their business.

This bill recognizes that there is no policy purpose in this ABC Law requirement and that it hinders business development in New York.

6. Possible objections:

None known.

7. Other State agencies interested:

None known.

8. Known positions of others:

None known.

9. Budget implications:

None known.

10. Local impact:

None.

SLA departmental #01 of 2022

AN ACT to amend the alcoholic beverage control law, in relation to eliminating the street level requirement for licensure of a retail off premises establishment for the sale of liquor and/or wine.

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Subdivision 2 of section 105 of the alcoholic beverage control law
2 is amended to read as follows:
3 2. No premises shall be licensed to sell liquors and/or wines at retail
4 for off premises consumption, unless said premises shall be located in
5 a store~~[, the principal entrance to which shall be from the street level and~~
6 ~~located on a public thoroughfare in premises]~~ which may be occupied,
7 operated or conducted for business, trade or industry ~~[or on an arcade or~~
8 ~~sub-surface thoroughfare leading to a railroad terminal. There may be not~~
9 ~~more than one additional entrance which shall be from the street level~~
10 ~~and located on and giving access to and from a public or private parking lot~~
11 ~~or parking area having space for not less than five automobiles.]~~
12 § 2. This act shall take effect immediately.