NEW YORK STATE | Liquor Authority

KATHY HOCHUL
Governor

LILY M. FAN
Chair

ADVISORY #2025-1

Subject: Adult Entertainment Businesses – Eligibility for On-Premises Liquor Licenses under ABCL § 64-a(6)(b)

In keeping with its commitment to modernize regulation and support economic growth across New York's hospitality and tourism industries, the State Liquor Authority (SLA) is clarifying its policy regarding on-premises liquor licensing for adult recreational venues. This advisory affirms the eligibility of a broad and evolving range of lawful adult entertainment and recreational businesses for licensure under Alcoholic Beverage Control Law (ABCL) § 64-a(6)(b), commonly referred to as a "tavern" license.

This clarification reflects the SLA's longstanding statutory discretion and its updated mission, which was broadened by a statutory change in 2014 amending the primary policy of the SLA to include supporting economic development, job creation, tourism, and the growth of New York agriculture. This marked the first significant update to the overall policy goals of the ABC law since its adoption in 1933 and reaffirms the SLA's role in helping businesses thrive in a responsible manner.

This advisory confirms that a wide array of adult entertainment businesses - both longstanding and emerging – are eligible to apply for on-premises retail liquor licenses. This includes, but is not limited to:

> Pool halls, axe throwing venues, racket sports, virtual reality arcades, laser tag arenas, go-kart tracks, batting cages, climbing gyms, darts lounges, board game cafes, shuffleboard bars, escape rooms, mini-golf courses, comedy clubs, art galleries, paint-and-sip studios, cooking class studios, pottery workshops, and similar recreational businesses.

Going forward, the SLA declares these, and other lawful adult recreational businesses, may be licensed under this provision, consistent with the SLA's statutory authority and historical practice.

Statutes and Regulations Involved

- ABCL § 64-a(6)(b): Authorizes the SLA to license "such other lawful adult entertainment or recreational facility as the liquor authority… shall by regulation classify for eligibility."
- 9 NYCRR § 48.1: Lists currently eligible premises types and affirms the SLA's authority to "declare" additional types of adult recreational businesses as eligible.

Discretion to Classify Additional Venue Types

ABCL § 64-a(6)(b) establishes a separate eligibility path for adult recreational businesses, distinct from restaurants and taverns licensed under § 64-a(6)(a) where the principal activity is the sale of food or beverages at retail for on-premises consumption. Regulation 9 NYCRR § 48.1 reinforces this authority, "In addition to any other class of premises which the Authority may declare to be eligible therefor…"

This confirms that the list of premises types is illustrative—not exhaustive—and that the SLA retains the discretion to classify new categories of adult recreational venues as eligible for on-premises licenses. This includes, but is not limited to, the adult entertainment businesses listed above. The Deputy Commissioner of Licensing, in consultation with Counsel's Office, will determine what activities qualify as "adult entertainment" under this advisory.

Past Licensing Practice

The SLA has historically licensed a wide range of adult recreational venues under ABCL § 64-a(6)(b), including pool halls and axe throwing businesses, that offer tavern-style menus. This advisory affirms and formalizes the SLA's ability to license such businesses, and others consistent with their purpose, without requiring new legislation or rulemaking.

Determination

Effective immediately, the Members of the Authority declare that the above listed types of businesses, in addition to others the SLA may declare, are eligible for on-premises liquor licenses under ABCL § 64-a(6)(b), provided that:

1. The principal business of the premises is operating a lawful adult entertainment or recreational business that is open to the public;
2. The premises complies with all relevant state and local laws, including zoning, building code, and public safety requirements;
3. The applicant demonstrates the capacity for responsible alcohol service, consistent with all SLA rules and policies.

The SLA may impose license conditions tailored to the specific nature and location of each business, as authorized by ABCL § 106(4)(b).

This matter was heard and determined by the Members of the Authority at a Full Board meeting held on September 18, 2025 before Chair Lily Fan and Commissioner John Maya. The above written advisory was approved by Chair Fan on behalf of the Members of the Authority on September 18, 2025.

Dated: 09/18/2025

Donald Roper
Secretary to the Authority