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2013-2014 Regular Sessions

I N S E N A T E

May 16, 2013

Introduced by Sen. YOUNG -- read twice and ordered printed, and when printed to be committed to the Committee on Commerce, Economic Development and Small Business

AN ACT to amend the economic development law, in relation to establishing the New York craft beverage council

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 Section 1. The economic development law is amended by adding a new
2 article 5-F to read as follows:

3 ARTICLE 5-F

4 NEW YORK CRAFT BEVERAGE COUNCIL PROGRAM
5 SECTION 181-F. SHORT TITLE.

6 181-G. DEFINITIONS.

7 181-H. GENERAL POWERS AND DUTIES OF THE COMMISSIONER.

8 181-I. NEW YORK CRAFT BEVERAGE COUNCIL.

9 S 181-F. SHORT TITLE. THIS ARTICLE SHALL BE KNOWN AND MAY BE CITED AS
10 THE "NEW YORK CRAFT BEVERAGE COUNCIL PROGRAM".

11 S 181-G. DEFINITIONS. THE FOLLOWING TERMS SHALL HAVE THE FOLLOWING
12 MEANINGS FOR THE PURPOSES OF THIS SECTION:

13 1. "WINERY" SHALL MEAN A BUSINESS THAT PRODUCES WINE.

14 2. "DISTILLERY" SHALL MEAN A BUSINESS THAT PRODUCES SPIRITS.

15 3. "MICROBREWERY" SHALL MEAN A BUSINESS THAT PRODUCES CRAFT BREWS.

16 4. "BEER DISTRIBUTOR" SHALL MEAN A BUSINESS THAT SELLS CRAFT BREWS TO
17 THE PUBLIC AND DELIVERS CRAFT BREWS TO RETAILERS.

18 5. "BREW PUB" SHALL MEAN A PUB OR RESTAURANT THAT BREWS BEER ON THE
19 PREMISES.

20 6. "FARM DISTILLERY" SHALL MEAN A DISTILLERY WITH A CLASS D LICENSE.

21 S 181-H. GENERAL POWERS AND DUTIES OF THE COMMISSIONER. THE COMMIS-
22 SIONER SHALL DEVELOP AND IMPLEMENT A NEW YORK CRAFT BEVERAGE PROGRAM.
23 THE NEW YORK CRAFT BEVERAGE COUNCIL SHALL DEVELOP A MARKETING STRATEGY

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets
[] is old law to be omitted.

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1 PURSUANT TO THIS PROGRAM THAT SHALL PROMOTE NEW YORK AS A PREMIERE
2 PRODUCER OF HIGH QUALITY WINES, SPIRITS AND CRAFT BREWS.

3 S 181-I. NEW YORK CRAFT BEVERAGE COUNCIL. 1. (A) THE COMMISSIONER, IN
4 ACCORDANCE WITH THIS PROGRAM, SHALL CAUSE TO BE DEVELOPED A NEW YORK
5 CRAFT BEVERAGE COUNCIL TO BE TASKED WITH BRANDING, MARKETING AND PROMOT-
6 ING FINE NEW YORK STATE WINES, SPIRITS AND CRAFT BEVERAGES. THE NEW
7 YORK CRAFT BEVERAGE COUNCIL SHALL BE MANAGED BY AND ITS POWERS, FUNC-
8 TIONS AND DUTIES SHALL BE EXERCISED THROUGH A BOARD OF DIRECTORS.

9 (B) THE INITIAL BOARD OF DIRECTORS SHALL CONSIST OF NINE MEMBERS: FIVE
10 OF WHICH SHALL BE APPOINTED BY THE GOVERNOR; TWO OF WHICH SHALL BE
11 APPOINTED BY THE TEMPORARY PRESIDENT OF THE SENATE; AND TWO OF WHICH
12 SHALL BE APPOINTED BY THE SPEAKER OF THE ASSEMBLY. OF THE NINE MEMBERS,
13 ONE SHALL BE AN OFFICER OR OWNER OF A WINERY, ONE SHALL BE AN OFFICER OR
14 OWNER OF A DISTILLERY, ONE SHALL BE AN OFFICER OR OWNER OF A MICROBREW-
15 ERY, ONE SHALL BE AN OFFICER OR OWNER OF A LIQUOR STORE, ONE SHALL BE AN
16 OFFICER OR OWNER OF A BEER DISTRIBUTOR, ONE SHALL BE AN OFFICER OR OWNER
17 OF A FARM DISTILLERY, ONE SHALL BE AN OFFICER OR OWNER OF A BREW PUB,
18 ONE SHALL BE THE OWNER OR OFFICER OF A RESTAURANT LICENSED TO SELL FINE
19 NEW YORK WINES, SPIRITS AND CRAFT BREWS, AND ONE SHALL BE A PERSON
20 FAMILIAR WITH THE ADVERTISING, PROMOTION AND MARKETING OF COMMERCIAL
21 PRODUCTS. THE DIRECTORS SO APPOINTED SHALL SERVE A TERM OF THREE YEARS,
22 EXCEPT THAT, OF THE DIRECTORS SO APPOINTED BY THE GOVERNOR, TEMPORARY
23 PRESIDENT OF THE SENATE AND SPEAKER OF THE ASSEMBLY, THE OWNER OR OFFI-
24 CER OF A DISTILLERY, THE OWNER OR OFFICER OF A BEER DISTRIBUTOR AND THE
25 OWNER OR OFFICER OF A RESTAURANT SHALL SERVE FOR ONE YEAR, THE OWNER OR
26 OFFICER OF A BREWERY, THE OWNER OR OFFICER OF A LIQUOR STORE AND THE
27 OWNER OR OFFICER OF A BREW PUB SHALL SERVE FOR TWO YEARS, AND THE OWNER
28 OR OFFICER OF A WINERY, THE OWNER OR OFFICER OF A FARM DISTILLERY AND
29 THE PERSON FAMILIAR WITH ADVERTISING, PROMOTION AND MARKETING OF COMMER-
30 CIAL PRODUCTS SHALL SERVE FOR THREE YEARS.

31 (C) THE CHAIR OF THE URBAN DEVELOPMENT CORPORATION SHALL SERVE AS
32 CHAIR OF THE COUNCIL.

33 (D) MEMBERSHIP WILL BE DEFINED AS MEMBERS IN GOOD STANDING PER THE
34 BYLAWS OF THE NEW YORK CRAFT BEVERAGE COUNCIL. EACH MEMBER WILL CONTRIB-
35 UTE ANNUAL DUES TO THE COUNCIL TO BE DETERMINED BY THE BOARD OF DIREC-
36 TORS.

37 (E) THE EXECUTIVE DIRECTOR OF THE NEW YORK CRAFT BEVERAGE COUNCIL
38 SHALL HAVE PREVIOUS EXPERIENCE IN MARKETING CRAFT BEVERAGES, EVENT PLAN-
39 NING AND BRAND MANAGEMENT AND WILL BE APPOINTED BY THE BOARD OF DIREC-
40 TORS, DECIDED BY A MAJORITY VOTE. THE EXECUTIVE DIRECTOR WILL SERVE AS
41 AN "AT WILL" EMPLOYEE AT THE DISCRETION OF THE BOARD OF DIRECTORS.

42 (F) IF ANY VACANCY OTHER THAN BY EXPIRATION OF TERM OCCURS ON THE
43 BOARD AMONGST THOSE FIRST APPOINTED SUCH VACANCY SHALL BE FILLED BY
44 APPOINTMENT FOR THE UNEXPIRED TERM BY THE APPOINTING AUTHORITY INITIALLY
45 APPOINTING SUCH MEMBER. UPON EXPIRATION OF THE INITIAL TERMS, SUCCESSORS
46 SHALL BE ELECTED BY THE REMAINING MEMBERS OF THE BOARD FOR A THREE YEAR
47 TERM; SUCH DIRECTORS SHALL HAVE THE QUALIFICATIONS REQUIRED OF THE
48 ORIGINAL DIRECTORS.

49 MEMBERS SHALL CONTINUE AS SUCH UNTIL THEIR SUCCESSORS HAVE BEEN DULY
50 ELECTED.

51 (G) MEMBERS OF THE BOARD OF DIRECTORS SHALL SERVE WITHOUT COMPEN-
52 SATION, BUT SHALL BE REIMBURSED FOR ACTUAL EXPENSES REASONABLY INCURRED
53 IN THE PERFORMANCE OF THEIR DUTIES.

54 (H) THE BOARD SHALL MEET FOUR TIMES ANNUALLY AT THE CALL OF THE CHAIR-
55 MAN OR IN HIS ABSENCE THE VICE CHAIRMAN OR ON PETITION OF ANY THREE
56 MEMBERS. A MAJORITY OF THE MEMBERS OF THE BOARD THEN IN OFFICE SHALL

1 CONSTITUTE A QUORUM FOR THE TRANSACTION OF ANY BUSINESS. THE BOARD IS
2 ENCOURAGED TO CONDUCT ITS MEETINGS IN A MANNER WHICH WILL ENSURE THE
3 ACTIVE PARTICIPATION OF ANY PERSON HAVING AN INTEREST IN THE CRAFT
4 BEVERAGE INDUSTRY.

5 (I) THE NEW YORK CRAFT BEVERAGE COUNCIL IS CHARGED WITH CREATING BRAND
6 RECOGNITION FOR FINE NEW YORK WINES, SPIRITS AND CRAFT BREWS. IN DOING
7 SO THEY SHALL WORK TO MARKET NEW YORK STATE LABELED CRAFT BEVERAGES BOTH
8 WITHIN AND OUTSIDE OF NEW YORK STATE WITH THE GOAL OF PROMOTING NEW YORK
9 CRAFT BEVERAGES.

10 (J) THE NEW YORK CRAFT BEVERAGE COUNCIL SHALL, BY ONE YEAR FOLLOWING
11 THE EFFECTIVE DATE OF THIS ARTICLE, SUBMIT A PRELIMINARY REPORT TO THE
12 GOVERNOR AND THE LEGISLATURE WITH AN ASSESSMENT OF MARKETING AND
13 PROMOTION STRATEGIES TO IMPLEMENT THIS ARTICLE.

14 2. (A) (I) REGIONAL ADVISORY BOARDS SHALL BE ESTABLISHED, WHOSE
15 MEMBERS SHALL WORK WITH THE NEW YORK CRAFT BEVERAGE COUNCIL. THERE SHALL
16 BE FIVE REGIONAL MEMBERS OF THE ADVISORY BOARD FOR EACH REGION ESTAB-
17 LISHED PURSUANT TO THIS SECTION. FOR EACH REGION, ONE REGIONAL MEMBER
18 SHALL BE APPOINTED BY THE GOVERNOR, TWO REGIONAL MEMBERS SHALL BE
19 APPOINTED BY THE TEMPORARY PRESIDENT OF THE SENATE, AND TWO REGIONAL
20 MEMBERS SHALL BE APPOINTED BY THE SPEAKER OF THE ASSEMBLY. REGIONAL
21 ADVISORY BOARD MEMBERS SHALL HAVE THE QUALIFICATIONS REQUIRED OF THE
22 BOARD OF DIRECTORS.

23 (II) REGIONAL MEMBERS SHALL NOT BE CONSIDERED TO BE MEMBERS OF THE
24 COUNCIL FOR PURPOSES OF PARTICIPATION IN COUNCIL MEETINGS, EXCEPT WHERE
25 ITEMS RELATING SPECIFICALLY TO THAT MEMBER'S REGION ARE ON THE AGENDA OF
26 A COUNCIL MEETING.

27 (B) FOR THE PURPOSES OF THIS ARTICLE, THERE SHALL BE TEN REGIONS:

28 (I) WESTERN NEW YORK, CONSISTING OF ALLEGANY, CATTARAUGUS, CHAUTAUQUA,
29 ERIE AND NIAGARA COUNTIES;

30 (II) FINGER LAKES, CONSISTING OF GENESEE, LIVINGSTON, MONROE, ONTARIO,
31 ORLEANS, SENECA, WAYNE, WYOMING AND YATES COUNTIES;

32 (III) SOUTHERN TIER, CONSISTING OF BROOME, CHEMUNG, CHENANGO, DELA-
33 WARE, SCHUYLER, STEUBEN, TIOGA AND TOMPKINS COUNTIES;

34 (IV) CENTRAL NEW YORK, CONSISTING OF CAYUGA, CORTLAND, MADISON, ONON-
35 DAGA AND OSWEGO COUNTIES;

36 (V) MOHAWK VALLEY, CONSISTING OF FULTON, HERKIMER, MONTGOMERY, ONEIDA,
37 OTSEGO AND SCHOHARIE COUNTIES;

38 (VI) NORTH COUNTRY, CONSISTING OF CLINTON, ESSEX, FRANKLIN, HAMILTON,
39 JEFFERSON, LEWIS AND ST. LAWRENCE COUNTIES;

40 (VII) CAPITAL REGION, CONSISTING OF ALBANY, COLUMBIA, GREENE, SARATO-
41 GA, SCHENECTADY, RENSSELAER, WARREN AND WASHINGTON COUNTIES;

42 (VIII) MID-HUDSON, CONSISTING OF DUTCHESS, ORANGE, PUTNAM, ROCKLAND,
43 SULLIVAN, ULSTER AND WESTCHESTER COUNTIES;

44 (IX) NEW YORK CITY, CONSISTING OF BRONX, KINGS, NEW YORK, RICHMOND AND
45 QUEENS COUNTIES;

46 (X) LONG ISLAND, CONSISTING OF NASSAU AND SUFFOLK COUNTIES.

47 (C) REGIONAL ADVISORY BOARD MEMBERS SHALL SERVE WITHOUT COMPENSATION,
48 AND SHALL HAVE THEIR PRINCIPAL RESIDENCE WITHIN THE REGION FOR WHICH
49 THEY ARE APPOINTED. SUCH REGIONAL ADVISORY BOARD MEMBERS MAY SOLICIT
50 INPUT FROM STAKEHOLDER INTERESTS WITHIN THEIR REGION, INCLUDING BUT NOT
51 LIMITED TO LOCAL GOVERNMENTS, COMMUNITY ORGANIZATIONS, CHAMBERS OF
52 COMMERCE, BEVERAGE DISTRIBUTORS, WINERIES, DISTILLERIES, MICROBREWERIES,
53 RESTAURANTS, AND CONSUMERS AND SHALL TRANSMIT TO THE COUNCIL A REPORT
54 CONTAINING ANY RECOMMENDATIONS SPECIFIC TO THEIR REGION ONE HUNDRED
55 EIGHTY DAYS FOLLOWING THE EFFECTIVE DATE OF THIS SECTION.

56 S 2. This act shall take effect immediately.