

2637

2009-2010 Regular Sessions

I N S E N A T E

February 25, 2009

Introduced by Sens. LARKIN, BONACIC, FLANAGAN, MAZIARZ, SALAND, VOLKER  
-- 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 alcoholic beverage control law, in relation to  
authorizing the issuance of a special class A-1 distiller's license to  
help promote the production and sale of New York agricultural  
products, and certain distiller's licenses and trade or brand name  
labels

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

1 Section 1. Section 60 of the alcoholic beverage control law is amended  
2 by adding a new subdivision 1-b to read as follows:  
3 1-B. DISTILLER'S LICENSE, SPECIAL CLASS A-1.  
4 S 2. Section 61 of the alcoholic beverage control law is amended by  
5 adding a new subdivision 1-b to read as follows:  
6 1-B. (A) A SPECIAL CLASS A-1 DISTILLER'S LICENSE SHALL AUTHORIZE THE  
7 HOLDER THEREOF TO OPERATE A DISTILLERY WHICH HAS A PRODUCTION CAPACITY  
8 OF NO MORE THAN TEN THOUSAND GALLONS PER YEAR FOR THE MANUFACTURE OF  
9 LIQUORS BY DISTILLATION OR REDISTILLATION. NO LICENSED SPECIAL CLASS A-1  
10 DISTILLERY SHALL MANUFACTURE OR SELL ANY LIQUOR, BRANDY OR OTHER  
11 DISTILLED PRODUCT THAT IS NOT PRODUCED EXCLUSIVELY FROM GRAPES, FRUITS  
12 OR OTHER AGRICULTURAL PRODUCTS GROWN OR PRODUCED IN NEW YORK STATE. ANY  
13 PERSON MAY APPLY TO THE LIQUOR AUTHORITY FOR A SPECIAL CLASS A-1  
14 DISTILLER'S LICENSE TO OPERATE ON THE PREMISES OF AN EXISTING CLASS A-1  
15 DISTILLER LICENSEE, CLASS B-1 DISTILLER LICENSEE OR CLASS C DISTILLER  
16 LICENSEE AS PROVIDED FOR IN THIS ARTICLE. SUCH APPLICATION SHALL BE IN  
17 WRITING AND VERIFIED AND SHALL CONTAIN SUCH INFORMATION AS THE LIQUOR  
18 AUTHORITY SHALL REQUIRE. SUCH APPLICATION SHALL BE ACCOMPANIED BY A  
19 CHECK OR DRAFT FOR THE AMOUNT REQUIRED BY THIS ARTICLE FOR SUCH LICENSE.  
20 IF THE LIQUOR AUTHORITY SHALL GRANT THE APPLICATION IT SHALL ISSUE A  
21 LICENSE IN SUCH FORM AS SHALL BE DETERMINED BY ITS RULES.

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

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1 (B) A SPECIAL CLASS A-1 DISTILLER'S LICENSE SHALL AUTHORIZE THE HOLDER  
2 THEREOF TO OPERATE A DISTILLERY UPON THE PREEXISTING LICENSED PREMISES  
3 OF ANOTHER CLASS A-1 DISTILLER LICENSEE, CLASS B-1 DISTILLER LICENSEE,  
4 OR CLASS C DISTILLER LICENSEE. SUCH LICENSE SHALL AUTHORIZE THE HOLDER  
5 THEREOF TO ALL THE PRIVILEGES PROVIDED IN SUBDIVISION ONE-A OF THIS  
6 SECTION TO OPERATE A CLASS A-1 DISTILLERY UNDER THE SAME TERMS AND  
7 CONDITIONS, EXCEPT FOR THE LIMITATION ON GALLONAGE PRODUCTION, AS A  
8 CLASS A-1 DISTILLER'S LICENSEE.

9 S 3. Subdivision 1-a of section 66 of the alcoholic beverage control  
10 law, as added by chapter 580 of the laws of 2002, is amended to read as  
11 follows:

12 1-a. The annual fee for a distiller's license, class A-1, OR A SPECIAL  
13 DISTILLER'S LICENSE, CLASS A-1, shall be two hundred fifty dollars.

14 S 4. Section 111 of the alcoholic beverage control law, as amended by  
15 chapter 489 of the laws of 1993, is amended to read as follows:

16 S 111. License to be confined to premises licensed. A license issued  
17 to any person, pursuant to chapter one hundred eighty of the laws of  
18 nineteen hundred thirty-three or this chapter, for any licensed premises  
19 shall not be transferable to any other person or to any other premises  
20 or to any other part of the building containing the licensed premises  
21 except in the discretion of the authority. It shall be available only to  
22 the person therein specified, and only for the premises licensed and no  
23 other except if authorized by the authority. Provided, however, that  
24 the provisions of this section shall not be deemed to prohibit the issu-  
25 ance of a license under SUBDIVISION ONE-B OF SECTION SIXTY-ONE, section  
26 seventy-six-b [or], seventy-six-c, OR SEVENTY-SIX-D of this chapter. For  
27 the purposes of this section each railroad car and each vessel shall be  
28 deemed premises separately to be licensed.

29 S 5. Subdivisions 1-a and 2-b of section 61 of the alcoholic beverage  
30 control law, as amended by chapter 571 of the laws of 2008, are amended  
31 to read as follows:

32 1-a. A class A-1 distiller's license shall authorize the holder there-  
33 of to operate a distillery which has a production capacity of no more  
34 than thirty-five thousand gallons per year for the manufacture of  
35 liquors by distillation or redistillation at the premises specifically  
36 designated in the license. Such a license shall also authorize the sale  
37 in bulk by such licensee from the licensed premises of the products  
38 manufactured under such license to any person holding a winery license,  
39 farm winery license, distiller's class A, A-1, B, B-1 OR C license[, a  
40 distiller's class B license] or a permittee engaged in the manufacture  
41 of products which are unfit for beverage use. It shall also authorize  
42 the sale from the licensed premises and from one other location in the  
43 state of New York of liquors manufactured by such licensee to a whole-  
44 sale or retail liquor licensee, A WINERY LICENSEE OR FARM WINERY LICEN-  
45 SEE THAT ALSO HOLDS A DISTILLER'S LICENSE PURSUANT TO THIS SECTION or  
46 permittee in sealed containers of not more than one quart each. In addi-  
47 tion, it shall authorize such licensee to sell from the licensed prem-  
48 ises New York state labelled liquors to a farm winery licensee in sealed  
49 containers of not more than one quart for retail sale for off-premises  
50 consumption. Such license shall also include the privilege to operate a  
51 rectifying plant under the same terms and conditions as the holder of a  
52 class B-1 distiller's license without the payment of any additional fee.

53 2-b. A class B-1 distiller's license shall authorize the holder there-  
54 of to operate a rectifying plant which has a production capacity of no  
55 more than thirty-five thousand gallons per year for the manufacture of  
56 the products of rectification by purifying or combining alcohol, spir-

1 its, wine, or beer and the manufacture of cordials by the redistillation  
2 of alcohol or spirits over or with any materials. Such a license shall  
3 also authorize the holder thereof to blend, reduce proof and bottle on  
4 his licensed premises or in a United States customs bonded warehouse for  
5 which a warehouse permit has been issued under this chapter for whole-  
6 sale liquor licensees or for persons authorized to sell liquor at whole-  
7 sale pursuant to the laws and regulation of any other state, territorial  
8 possession of the United States or foreign country liquor received in  
9 bulk by such wholesalers from other states, territorial possessions of  
10 the United States or a foreign country, and to rebottle or recondition  
11 for wholesale liquor or wine licensees or for persons authorized to sell  
12 liquor or wine at wholesale pursuant to the laws and regulations of any  
13 other state, territorial possession of the United States or foreign  
14 country, liquor or wine manufactured outside the state, which was  
15 purchased and received by such wholesalers in sealed containers not  
16 exceeding one quart each of liquor or fifteen gallons each of wine. Such  
17 a license shall also authorize the sale from the licensed premises of  
18 the products manufactured by such licensee to a wholesale or retail  
19 licensee in sealed containers of not more than one quart each. SUCH A  
20 LICENSE SHALL ALSO INCLUDE THE PRIVILEGE TO OPERATE A CLASS A-1 DISTIL-  
21 LERY UNDER THE SAME TERMS AND CONDITIONS AS THE HOLDER OF A CLASS A-1  
22 DISTILLER'S LICENSE WITHOUT THE PAYMENT OF ANY ADDITIONAL FEE. In addi-  
23 tion, it shall authorize such licensee to sell from the licensed prem-  
24 ises New York state labelled liquors to a farm winery licensee in sealed  
25 containers of not more than one quart for retail sale for off-premises  
26 consumption.

27 S 6. Subparagraph 3 of paragraph (c) and the opening paragraph of  
28 paragraph (d) of subdivision 4 of section 107-a of the alcoholic bever-  
29 age control law, subparagraph 3 of paragraph (c) as added by chapter 490  
30 of the laws of 1993 and the opening paragraph of paragraph (d) as  
31 amended by chapter 361 of the laws of 1994, are amended to read as  
32 follows:

33 (3) Provided, however, that where a brand or trade name label for wine  
34 OR LIQUOR PRODUCED BY ANY PERSON HOLDING A DISTILLER'S CLASS A-1 LICENSE  
35 OR DISTILLER'S CLASS B-1 LICENSE has been approved by the federal bureau  
36 of alcohol, tobacco and firearms, it shall be deemed registered and  
37 approved by the authority and no application, application fee, or annual  
38 registration fee shall be submitted to the authority.

39 The annual fee for registration of any brand or trade name label for  
40 liquor shall be two hundred fifty dollars; the annual fee for registra-  
41 tion of any brand or trade name label for beer shall be one hundred  
42 fifty dollars; the annual fee for registration of any brand or trade  
43 name label for wine shall be fifty dollars. Such fee shall be in the  
44 form of a check or draft. No annual fee for registration of any brand or  
45 trade name label for wine OR LIQUOR PRODUCED BY ANY PERSON HOLDING A  
46 DISTILLER'S CLASS A-1 LICENSE OR DISTILLER'S CLASS B-1 LICENSE shall be  
47 required if it has been approved by the federal bureau of alcohol,  
48 tobacco and firearms pursuant to this section.

49 S 7. This act shall take effect on the one hundred eightieth day after  
50 it shall have become a law, except that section five of this act shall  
51 take effect on the same date and in the same manner as chapter 571 of  
52 the laws of 2008, takes effect; provided that any rules or regulations  
53 necessary to implement the provisions of this act on its effective date  
54 are authorized and directed to be completed on or before such date.