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I N   S E N A T E

March 27, 2014

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Introduced by Sens. VALESKY, KLEIN -- read twice and ordered printed, and when printed to be committed to the Committee on Commerce, Economic Development and Small Business -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the alcoholic beverage control law, in relation to promoting economic development by expanding products sold by farm cideries and authorizing such cideries to sell cider to other licensees for resale

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

1     Section 1.     Subdivision 3-a of section 58 of the alcoholic beverage  
2 control law, as added by chapter 384 of the laws of 2013, is amended to  
3 read as follows:  
4     3-a. A licensed cider producer producing New York state labelled cider  
5 may:  
6     (a) sell such cider OR ANY NEW YORK STATE LABELED CIDER to licensed  
7 farm distillers, farm wineries, WINERIES, farm cideries [and], CIDERIES  
8 AND farm breweries. All such cider sold by the licensee shall be  
9 securely sealed and have attached thereto a label as shall be required  
10 by section one hundred seven-a of this chapter;  
11     (b) conduct tastings at the licensed premises of such cider OR ANY NEW  
12 YORK STATE LABELED CIDER;  
13     (c) sell such cider OR ANY NEW YORK STATE LABELED CIDER at retail for  
14 consumption off the premises at the state fair, at recognized county  
15 fairs and at farmers markets operated on a not-for-profit basis;  
16     (d) sell and conduct tastings of such cider OR ANY NEW YORK STATE  
17 LABELED CIDER at retail for consumption on the premises of a restaurant,  
18 conference center, inn, bed and breakfast or hotel business owned and  
19 operated by the licensee in or adjacent to its farm cidery. A licensee  
20 who operates a restaurant, conference center, inn, bed and breakfast or  
21 hotel pursuant to such authority shall comply with all applicable

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

LBD14186-05-4

provisions of this chapter which relate to licenses to sell cider at retail for consumption on the premises;

(e) apply for a permit to conduct tastings away from the licensed premises of such cider OR ANY NEW YORK STATE LABELED CIDER. Such permit shall be valid throughout the state and may be issued on an annual basis or for individual events. Each such permit and the exercise of the privilege granted thereby shall be subject to such rules and conditions of the authority as it deems necessary. Tastings shall be conducted subject to the following conditions:

(i) tastings shall be conducted by an official agent, representative or solicitor of the licensee. Such agent, representative or solicitor shall be physically present at all times during the conduct of the tastings; and

(ii) any liability stemming from a right of action resulting from a tasting of cider as authorized [herein] IN THIS PARAGRAPH and in accordance with the provisions of sections 11-100 and 11-101 of the general obligations law, shall accrue to the licensee.

(f) if it holds a tasting permit issued pursuant to paragraph (e) of this subdivision, apply to the authority for a permit to sell such cider OR ANY NEW YORK STATE LABELED CIDER, for consumption off the premises, during such tastings in premises licensed under sections sixty-four, sixty-four-a, eighty-one and eighty-one-a of this chapter. Each such permit and the exercise of the privilege granted thereby shall be subject to such rules and conditions of the authority as it deems necessary.

S 2. Paragraphs (c), (d), (e), (f) and (g) of subdivision 2 of section 58-c of the alcoholic beverage control law, as added by chapter 384 of the laws of 2013, are amended to read as follows:

(c) sell cider manufactured by the licensee OR ANY NEW YORK STATE LABELED CIDER to wholesalers and retailers licensed in this state to sell such cider, TO licensed farm distillers, licensed farm wineries, LICENSED WINERIES, licensed farm breweries, and any other licensed farm cidery OR LICENSED CIDERY. All such cider sold by the licensee shall be securely sealed and have attached thereto a label as shall be required by section one hundred seven-a of this chapter;

(d) sell at the licensed premises cider manufactured by the licensee or any other licensed farm cidery, OR ANY NEW YORK STATE LABELED CIDER at retail for consumption on or off the licensed premises;

(e) conduct tastings at the licensed premises of cider manufactured by the licensee or any other licensed farm cidery, OR ANY NEW YORK STATE LABELED CIDER;

(f) sell and conduct tastings of cider manufactured by the licensee or any other licensed farm cidery, OR ANY NEW YORK STATE LABELED CIDER at retail for consumption on the premises of a restaurant, conference center, inn, bed and breakfast or hotel business owned and operated by the licensee in or adjacent to its farm cidery. A licensee who operates a restaurant, conference center, inn, bed and breakfast or hotel pursuant to such authority shall comply with all applicable provisions of this chapter which relate to licenses to sell cider at retail for consumption on the premises;

(g) sell cider manufactured by the licensee or any other licensed farm cidery, OR ANY NEW YORK STATE LABELED CIDER at retail for consumption off the premises, at the state fair, at recognized county fairs and at farmers markets operated on a not-for-profit basis;

1 S 3. Subdivision 5 of section 58-c of the alcoholic beverage control  
2 law, as added by chapter 384 of the laws of 2013, is amended to read as  
3 follows:

4 5. A licensed farm cidery may, under such rules as may be adopted by  
5 the authority, sell cider manufactured by the licensee or any other  
6 licensed farm cidery, OR ANY NEW YORK STATE LABELED CIDER at retail in  
7 bulk by the keg, cask or barrel for consumption and not for resale at a  
8 clam-bake, barbeque, picnic, outing or other similar outdoor gathering  
9 at which more than fifty persons are assembled.

10 S 4. Paragraphs (b) and (e) of subdivision 7 of section 58-c of the  
11 alcoholic beverage control law, as added by chapter 384 of the laws of  
12 2013, are amended to read as follows:

13 (b) food items for the purpose of complementing cider tastings, which  
14 shall mean a diversified selection of food that is ordinarily consumed  
15 without the use of tableware and can be conveniently consumed while  
16 standing or walking. Such food items shall include but not be limited  
17 to: cheeses, fruits, vegetables, chocolates, breads, BAKED GOODS,  
18 mustards and crackers;

19 (e) cider-making equipment and supplies including, but not limited to,  
20 APPLES, APPLE JUICE, OTHER POME FRUITS, OTHER POME FRUIT JUICES, home  
21 cider-making kits, PRESSES, PUMPS, filters, YEASTS, CHEMICALS AND OTHER  
22 CIDER ADDITIVES, bottling equipment, BOTTLES, CIDER STORAGE AND FERMENT-  
23 ING VESSELS, BARRELS, and books or other written material to assist  
24 cider-makers and home cider-makers to produce and bottle cider;

25 S 5. Subdivision 2 of section 76 of the alcoholic beverage control law  
26 is amended by adding a new paragraph (d-1) to read as follows:

27 (D-1) TO SELL FROM THE LICENSED PREMISES TO LICENSED FARM DISTILLERS,  
28 FARM WINERIES, WINERIES, FARM CIDERIES, CIDERIES AND FARM BREWERS ANY  
29 NEW YORK STATE LABELED CIDER. ALL SUCH CIDER SHALL BE SECURELY SEALED  
30 AND HAVE ATTACHED THERETO A LABEL AS SHALL BE REQUIRED BY SECTION ONE  
31 HUNDRED SEVEN-A OF THIS CHAPTER;

32 S 6. Subdivisions 3, 4 and 5 of section 76 of the alcoholic beverage  
33 control law, as amended by chapter 221 of the laws of 2011, are amended  
34 to read as follows:

35 3. (a) Any person having applied for and received a license as a  
36 winery under this section may conduct wine AND CIDER tastings of New  
37 York state labelled wines OR CIDERS in establishments licensed under  
38 sections sixty-three and seventy-nine of this chapter to sell wine for  
39 off-premises consumption. Such winery may charge a fee for each wine OR  
40 CIDER sample tasted. The state liquor authority shall promulgate rules  
41 and regulations regarding such tastings as provided for in this subdivi-  
42 sion.

43 (a-1) Any person having applied for and received a license as a winery  
44 under this section may conduct wine AND CIDER tastings of New York state  
45 labelled wines OR CIDERS and apply to the liquor authority for a permit  
46 to sell wine produced by such winery OR ANY NEW YORK STATE LABELED CIDER  
47 by the bottle, during such tastings in establishments licensed under  
48 section sixty-four, section sixty-four-a, section eighty-one or section  
49 eighty-one-a of this chapter to sell wine for consumption on the prem-  
50 ises. Such winery may charge a fee of no more than twenty-five cents for  
51 each wine OR CIDER sample tasted. The state liquor authority shall  
52 promulgate rules and regulations regarding such tastings as provided for  
53 in this subdivision.

54 (b) Tastings shall be conducted subject to the following limitations:

55 (i) wine AND CIDER tastings shall be conducted by an official agent,  
56 representative or solicitor of one or more wineries. Such agent, repre-

1 tentative or solicitor shall be physically present at all times during  
2 the conduct of the tastings; and

3 (ii) any liability stemming from a right of action resulting from a  
4 wine OR CIDER tasting as authorized herein and in accordance with the  
5 provisions of sections 11-100 and 11-101 of the general obligations law,  
6 shall accrue to the winery licensee.

7 (c)(i) Any person having applied for and received a license as a  
8 winery under this section may conduct wine AND CIDER tastings of New  
9 York state labelled wines OR CIDERS and sell such wine OR CIDER by the  
10 bottle, during such tasting, for off-premises consumption at outdoor or  
11 indoor gatherings, functions, occasions or events, within the hours  
12 fixed by or pursuant to subdivision fourteen of section one hundred five  
13 of this chapter, sponsored by a bona fide charitable organization. For  
14 the purposes of this paragraph, a bona fide charitable organization  
15 shall mean and include any bona fide religious or charitable organiza-  
16 tion or bona fide educational, fraternal or service organization or bona  
17 fide organization of veterans or volunteer firefighters, which by its  
18 charter, certificate of incorporation, constitution, or act of the  
19 legislature, shall have among its dominant purposes one or more of the  
20 lawful purposes as defined in subdivision five of section one hundred  
21 eighty-six of the general municipal law.

22 (ii) Upon application, the liquor authority shall issue an annual  
23 permit authorizing such winery to participate in outdoor or indoor gath-  
24 erings, functions, occasions or events sponsored by a charitable organ-  
25 ization. The winery must give the authority written or electronic  
26 notice of the date, time and specific location of each tasting at least  
27 fifteen days prior to the tasting. A winery that obtains a permit to  
28 conduct such wine OR CIDER tastings does not need to apply for or obtain  
29 a temporary beer or wine permit pursuant to section ninety-seven of this  
30 chapter or any other permit to conduct such a tasting or to sell wine OR  
31 CIDER by the bottle for off-premises consumption at such tastings.

32 (iii) Such winery may charge a fee for each wine OR CIDER sample tast-  
33 ed. Tastings shall be conducted by an official agent, representative or  
34 solicitor of such winery. The state liquor authority may promulgate  
35 rules and regulations regarding such tastings as provided for in this  
36 subdivision.

37 4. A licensed winery may apply to the liquor authority for a license  
38 to sell wine OR ANY NEW YORK STATE LABELED CIDER at retail for consump-  
39 tion on the premises. All the provisions of this chapter relative to  
40 licenses to sell wine at retail for consumption on the premises shall  
41 apply so far as applicable to such application.

42 5. Notwithstanding any provision of this chapter to the contrary, any  
43 one or more winery licensees, singly or jointly, may apply to the liquor  
44 authority for a license or licenses to sell wine AND ANY NEW YORK STATE  
45 LABELED CIDER at retail for consumption off the premises. For licensees  
46 applying singly, the duration of such license shall be coextensive with  
47 the duration of such licensee's winery license, and the fee therefor  
48 shall be five hundred dollars if such retail premises is located in  
49 cities having a population of one million or more; in cities having less  
50 than one million population and more than one hundred thousand, two  
51 hundred fifty dollars; and elsewhere, the sum of one hundred twenty-five  
52 dollars. Such license shall entitle the holder thereof to sell at retail  
53 for consumption off the premises any New York state labelled wine OR  
54 CIDER. Such license shall also entitle the holder thereof to conduct  
55 wine AND CIDER tastings. Such license shall also authorize the sale by  
56 the holder thereof of New York state labelled wine OR CIDER, in sealed

1 containers for off-premises consumption, from the specially licensed  
2 premises of any person licensed pursuant to section eighty-one-a of this  
3 article to sell wine at retail for consumption on premises in which the  
4 principal business is the operation of a legitimate theater or such  
5 other lawful adult entertainment or recreational facility as the liquor  
6 authority may classify for eligibility pursuant to subdivision six of  
7 section sixty-four-a of this chapter. Not more than five such licenses  
8 shall be issued, either singly or jointly, to any licensed winery. All  
9 other provisions of this chapter relative to licenses to sell wine at  
10 retail for consumption off the premises shall apply so far as applicable  
11 to such application. The liquor authority is hereby authorized to adopt  
12 such rules as it may deem necessary to carry out the purpose of this  
13 subdivision, provided that all licenses issued pursuant to this subdivi-  
14 sion shall be subject to the same rules and regulations as are applica-  
15 ble to the sale of wine at retail for consumption off the premises of  
16 the winery licensee.

17 S 7. Subdivisions 2 and 3 of section 76-a of the alcoholic beverage  
18 control law, as added by chapter 221 of the laws of 2011, paragraph (c)  
19 of subdivision 2 as amended by chapter 384 of the laws of 2013, are  
20 amended to read as follows:

21 2. A farm winery license shall authorize the holder thereof to:

22 (a) operate a farm winery for the manufacture of wine or cider at the  
23 premises specifically designated in the license;

24 (b) sell in bulk from the licensed premises the products manufactured  
25 under such license OR ANY NEW YORK STATE LABELED CIDER to any winery  
26 licensee, any other farm winery licensee, any distiller licensee or to a  
27 permittee engaged in the manufacture of products which are unfit for  
28 beverage use and to sell or deliver such wine OR CIDER to persons  
29 outside the state pursuant to the laws of the place of such sale or  
30 delivery;

31 (c) sell from the licensed premises to a licensed winery, farm distil-  
32 ler, farm brewery, farm cidery, wholesaler or retailer, or to a corpo-  
33 ration operating railroad cars or aircraft for consumption on such  
34 carriers, or at retail for consumption off the premises, wine or cider  
35 manufactured by the licensee OR ANY NEW YORK STATE LABELED CIDER as  
36 above set forth and to sell or deliver such wine or cider to persons  
37 outside the state pursuant to the laws of the place of such sale or  
38 delivery. All wine or cider sold by such licensee for consumption off  
39 the premises shall be securely sealed and have attached thereto a label  
40 setting forth such information as shall be required by this chapter;

41 (d) operate, or use the services of, a custom crush facility as  
42 defined in subdivision nine-a of section three of this chapter;

43 (e) sell cider and wine at retail for consumption on or off the prem-  
44 ises;

45 (f) sell wine AND CIDER at retail for consumption on the premises of a  
46 restaurant, conference center, inn, bed and breakfast or hotel business  
47 owned and operated by the licensee in or adjacent to the farm winery for  
48 which the licensee is licensed. A licensee who operates a restaurant,  
49 conference center, inn, bed and breakfast or hotel pursuant to such  
50 authority shall comply with all applicable provisions of this chapter  
51 which relate to licenses to sell wine at retail for consumption on the  
52 premises.

53 3. (a) Any person having applied for and received a license as a farm  
54 winery under this section may conduct wine AND CIDER tastings of New  
55 York state labelled wines AND CIDERS in establishments licensed under  
56 section sixty-three of this chapter and section seventy-nine of this

1 article to sell wine OR ANY NEW YORK STATE LABELED CIDER for off-premis-  
2 es consumption. Such farm winery may charge a fee for each wine OR CIDER  
3 sample tasted. The state liquor authority shall promulgate rules and  
4 regulations regarding such tastings as provided for in this subdivision.

5 (b) Any person having applied for and received a license as a farm  
6 winery under this section may conduct wine AND CIDER tastings of New  
7 York state labelled wines AND CIDERS and apply to the liquor authority  
8 for a permit to sell wine produced by such farm winery OR ANY NEW YORK  
9 STATE LABELED CIDER, by the bottle, during such tastings in establish-  
10 ments licensed under sections sixty-four and sixty-four-a of this chap-  
11 ter and section eighty-one or section eighty-one-a of this article to  
12 sell wine for consumption on the premises. Such farm winery may charge a  
13 fee of no more than twenty-five cents for each wine OR CIDER sample  
14 tasted. The state liquor authority shall promulgate rules and regu-  
15 lations regarding such tastings as provided for in this subdivision.

16 (c) Tastings shall be conducted subject to the following limitations:

17 (i) wine OR CIDER tastings shall be conducted by an official agent,  
18 representative or solicitor of one or more farm wineries. Such agent,  
19 representative or solicitor shall be physically present at all times  
20 during the conduct of the tastings; and

21 (ii) any liability stemming from a right of action resulting from a  
22 wine tasting as authorized herein and in accordance with the provisions  
23 of sections 11-100 and 11-101 of the general obligations law, shall  
24 accrue to the farm winery.

25 (d) (i) Any person having applied for and received a license as a farm  
26 winery under this section may conduct wine AND CIDER tastings of New  
27 York state labelled wines AND CIDERS and sell such wine OR CIDER by the  
28 bottle, during such tasting, for off-premises consumption at outdoor or  
29 indoor gatherings, functions, occasions or events, within the hours  
30 fixed by or pursuant to subdivision fourteen of section one hundred five  
31 of this chapter, sponsored by a bona fide charitable organization. For  
32 the purposes of this paragraph, a bona fide charitable organization  
33 shall mean and include any bona fide religious or charitable organiza-  
34 tion or bona fide educational, fraternal or service organization or bona  
35 fide organization of veterans or volunteer firefighters, which by its  
36 charter, certificate of incorporation, constitution, or act of the  
37 legislature, shall have among its dominant purposes one or more of the  
38 lawful purposes as defined in subdivision five of section one hundred  
39 eighty-six of the general municipal law.

40 (ii) Upon application, the liquor authority shall issue an annual  
41 permit authorizing such farm winery to participate in such outdoor or  
42 indoor gatherings, functions, occasions or events sponsored by a chari-  
43 table organization. The farm winery must give the authority written or  
44 electronic notice of the date, time and specific location of each tast-  
45 ing at least fifteen days prior to the tasting. A farm winery that  
46 obtains a permit to conduct such wine OR CIDER tastings does not need to  
47 apply for or obtain a temporary beer or wine permit pursuant to section  
48 ninety-seven of this chapter or any other permit to conduct such a tast-  
49 ing or to sell wine OR CIDER by the bottle for off-premises consumption  
50 at such tastings.

51 (iii) Such farm winery may charge a fee for each wine OR CIDER sample  
52 tasted. Tastings shall be conducted by an official agent, represen-  
53 tative or solicitor of such farm winery. The state liquor authority may  
54 adopt rules and regulations regarding such tastings as provided in this  
55 subdivision.

1 S 8. Paragraph (a) of subdivision 7-b of section 3 of the alcoholic  
2 beverage control law, as amended by chapter 384 of the laws of 2013, is  
3 amended to read as follows:

4 (a) "Cider" means the partially or fully fermented juice of fresh,  
5 whole apples or other pome fruits, containing more than three and two-  
6 tenths per centum but not more than eight and one-half per centum alco-  
7 hol by volume: (i) to which nothing has been added to increase the alco-  
8 holic content produced by natural fermentation; and (ii) with the usual  
9 cellar treatments and necessary additions to correct defects due to  
10 climate, [saccharine] SUGAR levels and seasonal conditions. Nothing  
11 contained in this subdivision shall be deemed to preclude the use of  
12 such methods or materials as may be necessary to encourage a normal  
13 alcoholic fermentation and to make a product that is free of microbi-  
14 ological activity at the time of sale. Cider may be sweetened or  
15 flavored after fermentation with fruit juice, fruit juice concentrate,  
16 sugar, maple syrup, honey, spices or other agricultural products, sepa-  
17 rately or in combination. Cider may contain retained or added carbon  
18 dioxide.

19 S 9. This act shall take effect on the one hundred eightieth day after  
20 it shall have become a law; provided, however, that effective immediate-  
21 ly, the addition, amendment and/or repeal of any rule or regulation  
22 necessary for the implementation of this act on its effective date are  
23 authorized and directed to be made and completed on or before such  
24 effective date.