STATE OF NEW YORK

8560--A

IN SENATE

May 10, 2018

Introduced by Sen. MURPHY -- read twice and ordered printed, and when printed to be committed to the Committee on Investigations and Government Operations -- 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 the production and control of mead; and to repeal certain provisions of such law relating thereto

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

Section 1. Section 3 of the alcoholic beverage control law is amended by adding a new subdivision 3-c to read as follows:

3-c. "Braggot" shall mean a malt alcoholic beverage made primarily from honey, water, and malt and/or hops; it may also contain fruits, spices, herbs, grain or other agricultural products. Honey shall represent at least fifty-one percent of the starting fermentable sugars by weight of the finished product. For the purposes of this chapter, braggot shall be designated and sold as a beer.

§ 2. Subdivision 12-aa of section 3 of the alcoholic beverage control law, as added by chapter 221 of the laws of 2011, is amended to read as follows:

12-aa. "Farm" means the land, buildings and equipment used to produce, prepare and market crops, livestock and livestock products as a commercial enterprise. **For the purposes of a farm meadery, farm means the land, buildings and equipment used to prepare and market honey and apiary products as a commercial enterprise.** A farm may consist of one or more parcels of owned or rented land, which parcels may be contiguous or noncontiguous to each other.

§ 3. Section 3 of the alcoholic beverage control law is amended by adding a new subdivision 12-aaaa to read as follows:

12-aaaa. "Farm meadery" means and includes any place or premises, located on a farm in New York state, in which New York state labelled mead or New York state labelled braggot is manufactured, stored and sold, or any other place or premises in New York state in which New York

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

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state labelled mead or New York state labelled braggot is manufactured, stored and sold.

§ 4. Section 3 of the alcoholic beverage control law is amended by adding a new subdivision 19-a to read as follows:

19-a. "Mead" shall mean a wine made primarily from honey and water; it may also contain hops, fruits, spices, herbs, grain, or other agricultural products. Honey shall represent at least fifty-one percent of the starting fermentable sugars by weight of the finished product. The brand or trade label owner of such alcoholic beverage shall designate whether such alcoholic beverage shall be sold as and treated in the same manner as wine or mead for all purposes under this chapter. Provided, however, any mead containing more than eight and one-half per centum alcohol by volume shall be designated, sold as, and treated in the same manner as wine.

§ 5. Section 3 of the alcoholic beverage control law is amended by adding a new subdivision 20-f to read as follows:

20-f. "New York state labelled braggot" means braggot made exclusively from honey produced in New York state.

§ 6. Section 3 of the alcoholic beverage control law is amended by adding a new subdivision 20-g to read as follows:

20-g. "New York state labelled mead" means mead made exclusively from honey produced in New York state.

§ 7. The alcoholic beverage control law is amended by adding a new article 3 to read as follows:

ARTICLE 3

SPECIAL PROVISIONS RELATING TO MEAD AND BRAGGOT

Section 30. Mead producers' license.
31. Farm meadery license.
32. Authorization for sale of mead and braggot by retail licensees.
33. Authorization for sale of mead and braggot by wholesale licensees.
34. Mead and braggot tasting.

§ 30. Mead producers' license. 1. Any person may apply to the liquor authority for a mead producers' license as provided for in this section. Such application shall be in writing and shall contain such information as the liquor authority shall require. Such application shall be accompanied by a check or draft for the amount required by this subdivision for such license. If the liquor authority shall grant the application it shall issue a license in such form as shall be determined by its rules. A license issued under this subdivision shall authorize the licensee to manufacture mead and braggot within the licensed premises in this state for sale in bottles, barrels or casks to beer, wine and liquor retail licensees pursuant to section thirty-two of this article and to sell and deliver mead and braggot to persons outside the state pursuant to the laws of the place of such sale or delivery. The annual fee for such a license shall be one hundred twenty-five dollars; provided, however, that the annual fee for a farm meadery license shall be seventy-five dollars. The provisions contained in section sixty-seven of this chapter shall apply to all licenses issued pursuant to this article.

2. (a) Any person licensed pursuant to subdivision one of this section may conduct mead tastings of New York state labelled meads in establishments licensed pursuant to section sixty-three of this chapter to sell alcoholic beverages for off-premises consumption. Such mead producer or wholesaler may charge a fee of not more than twenty-five cents for each

mead sample tasted. The liquor authority shall promulgate rules and regulations relating to the conduct of such tastings.

(b) Any person licensed pursuant to subdivision one of this section may conduct tastings of New York state labelled mead and New York state labeled braggot and apply to the liquor authority for a permit to sell mead and braggot produced by such mead producer or wholesaler, by the bottle, during such tastings in establishments licensed pursuant to section sixty-four of this chapter to sell alcoholic beverages for consumption on the premises. Such mead producer may charge a fee of not more than twenty-five cents for each mead or braggot sample tasted. The liquor authority shall promulgate rules and regulations relating to the conduct of tastings.

(c) Mead and braggot tastings shall be conducted subject to the following limitations:

(i) mead and braggot tastings shall be conducted by an official agent, representative or solicitor of one or more mead producers or wholesalers. 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 mead and/or braggot tasting as authorized pursuant to this subdivision and in accordance with the provisions of sections 11-100 and 11-101 of the general obligations law, shall accrue to the mead producer or wholesaler licensee.

3. A licensed mead producer producing New York state labelled mead and/or New York state labelled braggot may:

(a) sell such mead and braggot to licensed farm distillers, farm wineries, farm cideries and farm breweries. All such mead and braggot 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;

(b) conduct tastings at the licensed premises of such mead and braggot or any other New York state labeled mead or braggot;

(c) sell such mead and braggot 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;

(d) sell and conduct tastings of such mead and braggot 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 meadery. 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 mead at retail for consumption on the premises;

(e) apply for a permit to conduct tastings away from the licensed premises of such mead and braggot. 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 mead or braggot as authorized herein 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 mead, for consumption off the premises, during such tastings in premises licensed under section sixty-four or sixty-four-a of this chapter; or apply to the authority for a permit to sell such mead and/or braggot at a premises licensed under section eighty-one or 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.

4. A mead producer shall manufacture at least fifty gallons of mead and/or braggot annually.

§ 31. Farm meadery license. 1. Any person may apply to the authority for a farm meadery license as provided for in this section to produce mead and braggot within this state for sale. Such application shall be in writing and verified and shall contain such information as the authority shall require. Such application shall be accompanied by a check or draft in the amount of seventy-five dollars. If the authority grants the application, it shall issue a license in such form as shall be determined by its rules. Such license shall contain a description of the licensed premises and in form and in substance shall be a license to the person therein specifically designated to produce mead and braggot in the premises therein specifically licensed.

2. A farm meadery license shall authorize the holder thereof to operate a meadery for the manufacture of New York state labelled mead and New York state labelled braggot. Such a license shall also authorize the licensee to:

(a) sell in bulk mead and braggot manufactured by the licensee to any person licensed to manufacture alcoholic beverages in this state or to a permittee engaged in the manufacture of products which are unfit for beverage use;

(b) sell or deliver mead and braggot manufactured by the licensee to persons outside the state pursuant to the laws of the place of such delivery;

(c) sell mead and braggot manufactured by the licensee to wholesalers and retailers licensed in this state to sell such mead and braggot pursuant to section thirty-three of this article, licensed farm distillers, licensed farm wineries, licensed wineries, licensed farm breweries and any other licensed farm meadery. All such mead and braggot 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) (i) at the licensed premises, conduct tastings of, and sell at retail for consumption on or off the licensed premises, any mead and braggot manufactured by the licensee or any New York state labelled mead or New York state labelled braggot. Provided, however, for tastings and sales for on-premises consumption, the licensee shall regularly keep food available for sale or service to its retail customers for consumption on the premises. A licensee providing the following shall be deemed in compliance with this provision: (A) sandwiches, soups or other such foods, whether fresh, processed, pre-cooked or frozen; and/or (B) food items intended to complement the tasting of alcoholic beverages, which shall mean a diversified selection of food that is ordinarily consumed without the use of tableware and can be conveniently consumed while standing or walking, including but not limited to: cheeses, fruits, vegetables, chocolates, breads, mustards and crackers. All of the

provisions of this chapter relative to licensees selling mead and braggot at retail shall apply; and

(ii) operate a restaurant, hotel, catering establishment, or other food and drinking establishment in or adjacent to the licensed premises and sell at such place, at retail for consumption on the premises, mead and braggot manufactured by the licensee and any New York state labelled mead or New York state labeled braggot. All of the provisions of this chapter relative to licensees to selling mead and braggot at retail shall apply. Notwithstanding any other provision of law, the licensed farm meadery may apply to the authority for a license under this chapter to sell other alcoholic beverages at retail for consumption on the premises at such establishment;

(e) sell mead and braggot manufactured by the licensee or any other licensed farm meadery 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;

(f) conduct tastings of and sell at retail for consumption on or off the premises New York state labeled beer manufactured by a licensed brewery or licensed farm brewery;

(g) conduct tastings of and sell at retail for consumption on or off the premises New York state labelled wine manufactured by a licensed winery or licensed farm winery;

(h) conduct tastings of and sell at retail for consumption on or off the premises New York state labelled liquor manufactured by a licensed distiller or licensed farm distiller; provided, however, that no consumer may be provided, directly or indirectly: (i) with more than three samples of liquor for tasting in one calendar day; or (ii) with a sample of liquor for tasting equal to more than one-quarter fluid ounce; and

(i) engage in any other business on the licensed premises subject to such rules and regulations as the authority may prescribe. Such rules and regulations shall determine which businesses will be compatible with the policy and purposes of this chapter and shall consider the effect of particular businesses on the community and area in the vicinity of the farm meadery licensee.

3. (a) A farm meadery licensee may apply for a permit to conduct tastings away from the licensed premises of mead and braggot produced by the licensee. 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.

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

(i) tastings shall be conducted by an official agent, representative or solicitor of one or more farm meaderies. 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 mead or braggot as authorized herein and in accordance with the provisions of sections 11-100 and 11-101 of the general obligations law, shall accrue to the farm meadery.

4. A licensed farm meadery holding a tasting permit issued pursuant to subdivision three of this section may apply to the authority for a permit to sell mead produced by such farm meadery, by the bottle, during such tastings in premises licensed under section sixty-four or sixty-four-a of this chapter; or apply to the authority for a permit to sell such mead and/or braggot at a premises licensed under section eighty-one or 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.

5. A licensed farm meadery may, under such rules as may be adopted by the authority, sell mead and braggot manufactured by the licensee or any other licensed farm meadery at retail in bulk by the keg, cask or barrel for consumption and not for resale at a clam-bake, barbeque, picnic, outing or other similar outdoor gathering at which more than fifty persons are assembled.

6. A licensed farm meadery may apply to the authority for a license to sell beer, liquor and/or wine at retail for consumption on the premises in a restaurant owned, conducted, and operated by the licensee in or adjacent to its farm meadery. All of the provisions of this chapter relative to licenses to sell beer, liquor or wine at retail or consumption on the premises shall apply so far as applicable.

7. A farm meadery license shall authorize the holder thereof to manufacture, bottle and sell food condiments and products such as honey, mustards, sauces, jams, jellies, mulling spices and other mead related foods in addition to other such food and crafts on and from the licensed premises. Such license shall authorize the holder thereof to store and sell gift items in a tax-paid room upon the licensed premises incidental to the sale of mead and braggot. These gift items shall be limited to the following categories:

(a) non-alcoholic beverages for consumption on or off premises, including but not limited to bottled water, juice and soda beverages;

(b) food items for the purpose of complementing mead and braggot tastings, which shall mean a diversified selection of food that is ordinarily consumed without the use of tableware and can be conveniently consumed while standing or walking. Such food items shall include but not be limited to: cheeses, fruits, vegetables, chocolates, breads, baked goods, mustards and crackers;

(c) food items, which shall include locally produced farm products and any food or food product not specifically prepared for immediate consumption upon the premises. Such food items may be combined into a package containing mead and/or braggot related products;

(d) mead and braggot supplies and accessories, which shall include any item utilized for the storage, serving or consumption of mead or braggot or for decorative purposes. These supplies may be sold as single items or may be combined into a package containing mead and/or braggot;

(e) mead-making and braggot-making equipment and supplies including, but not limited to, honey, home mead-making kits, braggot-making kits, pumps, filters, yeasts, chemicals and other mead and braggot additives, bottling equipment, bottles, mead and braggot storage and fermenting vessels, barrels, and books or other written material to assist mead-makers and braggot-makers and home mead-makers and braggot-makers to produce and bottle mead and braggot;

(f) souvenir items, which shall include, but not be limited to artwork, crafts, clothing, agricultural products and any other articles which can be construed to propagate tourism within the region.

8. Notwithstanding any provision of this chapter to the contrary, any farm meadery licensee may charge for tours of its premises.

9. The holder of a license issued under this section may operate up to five branch offices located away from the licensed farm meadery. Such locations shall be considered part of the licensed premises and all activities allowed at and limited to the farm meadery may be conducted at the branch offices. Such branch offices shall not be located within, share a common entrance and exit with, or have any interior access to

any other business, including premises licensed to sell alcoholic beverages at retail. Prior to commencing operation of any such branch office, the licensee shall notify the authority of the location of such branch office and the authority may issue a permit for the operation of same.

10. (a) No farm meadery shall manufacture in excess of two hundred fifty thousand gallons of mead and/or braggot annually.

(b) A licensed farm meadery shall produce at least fifty gallons of mead and/or braggot annually.

11. Notwithstanding any contrary provision of law or of any rule or regulation promulgated pursuant thereto, and in addition to the activities which may otherwise be carried out by any person licensed under this section, such person may, on the premises designated in such license:

(a) produce, package, bottle, sell and deliver soft drinks and other non-alcoholic beverages, vitamins, and other by-products;

(b) recover carbon dioxide and yeast;

(c) store bottles, packages and supplies necessary or incidental to all such operations;

(d) package, bottle, sell and deliver wine products;

(e) allow for the premises including space and equipment to be rented by a licensed tenant mead producer for the purposes of alternation.

12. Notwithstanding any other provision of this chapter, the authority may issue a farm meadery license to the holder of a farm meadery, farm brewery, farm winery or farm distiller's license for use at such licensee's existing licensed premises. The holder of a farm meadery, farm brewery, farm winery or farm distiller's license that simultaneously holds a farm meadery license on an adjacent premises may share and use the same tasting room facilities to conduct any tastings that such licensee is otherwise authorized to conduct.

13. The authority is hereby authorized to promulgate rules and regulations to effectuate the purposes of this section. In prescribing such rules and regulations, the authority shall promote the expansion and profitability of mead and braggot production and of tourism in New York, thereby promoting the conservation, production and enhancement of New York state agricultural lands.

§ 32. Authorization for sale of mead and braggot by retail licensees. 1. Each retail licensee under this chapter shall have the right, by virtue of his or her license and without being required to pay any additional fee for the privilege, to sell at retail for consumption on or off the premises, as the case may be, mead which has not been designated as a wine pursuant to subdivision nineteen-a of section three of this chapter and has been purchased from a person licensed to produce or sell mead at wholesale under this chapter.

2. Each retail licensee authorized to sell wine under this chapter shall have the right, by virtue of his or her license and without being required to pay any additional fee for the privilege, to sell at retail for consumption on or off the premises, as the case may be, mead which has been designated as a wine pursuant to subdivision nineteen-a of section three of this chapter and which has been purchased from a person licensed to produce or sell mead at wholesale under this chapter.

3. Each retail licensee authorized to sell beer under this chapter shall have the right, by virtue of his or her license and without being required to pay any additional fee for the privilege, to sell at retail for consumption on or off the premises, as the case may be, braggot which has been purchased from a person licensed to produce or sell braggot at wholesale under this chapter.

§ 33. Authorization for sale of mead and braggot by wholesale licensees. 1. Each wholesale licensee authorized to sell beer under this chapter shall have the right, by virtue of its license and without being required to pay any additional fee for the privilege, to sell at wholesale:

(a) braggot purchased from a person licensed to produce braggot under this chapter. Such braggot shall be subject to the provisions of this chapter regarding the tasting and sale of beer at wholesale and retail; or

(b) mead purchased from a person licensed to produce mead and which has not been designated as wine pursuant to subdivision nineteen-a of section three of this chapter. Such mead shall be subject to the provisions of this chapter regarding the tasting and sale of beer at wholesale and retail.

2. Each wholesale licensee authorized to sell wine under this chapter shall have the right, by virtue or its license and without being required to pay any additional fee for the privilege, to sell at wholesale mead purchased from a person licensed to produce mead and which has been designated as wine pursuant to subdivision nineteen-a of section three of this chapter. Such mead shall be subject to the provisions of this chapter regarding the tasting and sale or wine at wholesale and retail.

§ 34. Mead and braggot tasting. Any person holding a retail license under this chapter shall be permitted to conduct consumer tastings of mead and braggot upon such person's licensed premises. All such tastings shall be subject to the following limitations:

1. Tastings of mead and braggot shall be conducted by the licensee or an authorized agent of the licensee. Provided, however, a licensed wholesaler shall not serve as the authorized agent for another entity, nor shall a licensed wholesaler be involved in any manner with a mead or braggot tasting conducted by another entity.

2. No more than three samples of mead and/or braggot may be provided to a person in one calendar day.

3. No sample may exceed three fluid ounces.

4. No tasting shall be held during the hours prohibited by the provisions of sections one hundred five and one hundred five-a of this chapter.

5. Any liability stemming from a right of action resulting from a tasting authorized by this section and in accordance with the provisions of sections 11-100 and 11-101 of the general obligations law shall accrue to the licensee.

6. No person under the age of twenty-one shall be permitted to serve a sample or handle an open container of mead or braggot.

§ 8. Subdivision 3 of section 17 of the alcoholic beverage control law, as amended by section 3 of chapter 297 of the laws of 2016, is amended to read as follows:

3. To revoke, cancel or suspend for cause any license or permit issued under this chapter and/or to impose a civil penalty for cause against any holder of a license or permit issued pursuant to this chapter. Any civil penalty so imposed shall not exceed the sum of ten thousand dollars as against the holder of any retail permit issued pursuant to sections ninety-five, ninety-seven, ninety-eight, ninety-nine-d, and paragraph f of subdivision one of section ninety-nine-b of this chapter, and as against the holder of any retail license issued pursuant to sections fifty-three-a, fifty-four, fifty-four-a, fifty-five, fifty-five-a, sixty-three, sixty-four, sixty-four-a, sixty-four-b,

sixty-four-c, seventy-six-f, seventy-nine, eighty-one and eighty-one-a of this chapter, and the sum of thirty thousand dollars as against the holder of a license issued pursuant to sections **thirty, thirty-one,** fifty-three, sixty-one-a, sixty-one-b, seventy-six, seventy-six-a, and seventy-eight of this chapter, provided that the civil penalty against the holder of a wholesale license issued pursuant to section fifty-three of this chapter shall not exceed the sum of ten thousand dollars where that licensee violates provisions of this chapter during the course of the sale of beer at retail to a person for consumption at home, and the sum of one hundred thousand dollars as against the holder of any license issued pursuant to sections fifty-one, sixty-one, and sixty-two of this chapter. Any civil penalty so imposed shall be in addition to and separate and apart from the terms and provisions of the bond required pursuant to section one hundred twelve of this chapter. Provided that no appeal is pending on the imposition of such civil penalty, in the event such civil penalty imposed by the division remains unpaid, in whole or in part, more than forty-five days after written demand for payment has been sent by first class mail to the address of the licensed premises, a notice of impending default judgment shall be sent by first class mail to the licensed premises and by first class mail to the last known home address of the person who signed the most recent license application. The notice of impending default judgment shall advise the licensee: (a) that a civil penalty was imposed on the licensee; (b) the date the penalty was imposed; (c) the amount of the civil penalty; (d) the amount of the civil penalty that remains unpaid as of the date of the notice; (e) the violations for which the civil penalty was imposed; and (f) that a judgment by default will be entered in the supreme court of the county in which the licensed premises are located, or other court of civil jurisdiction or any other place provided for the entry of civil judgments within the state of New York unless the division receives full payment of all civil penalties due within twenty days of the date of the notice of impending default judgment. If full payment shall not have been received by the division within thirty days of mailing of the notice of impending default judgment, the division shall proceed to enter with such court a statement of the default judgment containing the amount of the penalty or penalties remaining due and unpaid, along with proof of mailing of the notice of impending default judgment. The filing of such judgment shall have the full force and effect of a default judgment duly docketed with such court pursuant to the civil practice law and rules and shall in all respects be governed by that chapter and may be enforced in the same manner and with the same effect as that provided by law in respect to execution issued against property upon judgments of a court of record. A judgment entered pursuant to this subdivision shall remain in full force and effect for eight years notwithstanding any other provision of law.

§ 9. Subdivision 3 of section 17 of the alcoholic beverage control law, as amended by section 4 of chapter 297 of the laws of 2016, is amended to read as follows:

3. To revoke, cancel or suspend for cause any license or permit issued under this chapter and/or to impose a civil penalty for cause against any holder of a license or permit issued pursuant to this chapter. Any civil penalty so imposed shall not exceed the sum of ten thousand dollars as against the holder of any retail permit issued pursuant to sections ninety-five, ninety-seven, ninety-eight, ninety-nine-d, and paragraph f of subdivision one of section ninety-nine-b of this chapter, and as against the holder of any retail license issued pursuant to

sections fifty-three-a, fifty-four, fifty-four-a, fifty-five, fifty-five-a, sixty-three, sixty-four, sixty-four-a, sixty-four-b, sixty-four-c, seventy-six-f, seventy-nine, eighty-one, and eighty-one-a of this chapter, and the sum of thirty thousand dollars as against the holder of a license issued pursuant to sections **thirty, thirty-one,** fifty-three, sixty-one-a, sixty-one-b, seventy-six, seventy-six-a and seventy-eight of this chapter, provided that the civil penalty against the holder of a wholesale license issued pursuant to section fifty-three of this chapter shall not exceed the sum of ten thousand dollars where that licensee violates provisions of this chapter during the course of the sale of beer at retail to a person for consumption at home, and the sum of one hundred thousand dollars as against the holder of any license issued pursuant to sections fifty-one, sixty-one and sixty-two of this chapter. Any civil penalty so imposed shall be in addition to and separate and apart from the terms and provisions of the bond required pursuant to section one hundred twelve of this chapter. Provided that no appeal is pending on the imposition of such civil penalty, in the event such civil penalty imposed by the division remains unpaid, in whole or in part, more than forty-five days after written demand for payment has been sent by first class mail to the address of the licensed premises, a notice of impending default judgment shall be sent by first class mail to the licensed premises and by first class mail to the last known home address of the person who signed the most recent license application. The notice of impending default judgment shall advise the licensee: (a) that a civil penalty was imposed on the licensee; (b) the date the penalty was imposed; (c) the amount of the civil penalty; (d) the amount of the civil penalty that remains unpaid as of the date of the notice; (e) the violations for which the civil penalty was imposed; and (f) that a judgment by default will be entered in the supreme court of the county in which the licensed premises are located, or other court of civil jurisdiction, or any other place provided for the entry of civil judgments within the state of New York unless the division receives full payment of all civil penalties due within twenty days of the date of the notice of impending default judgment. If full payment shall not have been received by the division within thirty days of mailing of the notice of impending default judgment, the division shall proceed to enter with such court a statement of the default judgment containing the amount of the penalty or penalties remaining due and unpaid, along with proof of mailing of the notice of impending default judgment. The filing of such judgment shall have the full force and effect of a default judgment duly docketed with such court pursuant to the civil practice law and rules and shall in all respects be governed by that chapter and may be enforced in the same manner and with the same effect as that provided by law in respect to execution issued against property upon judgments of a court of record. A judgment entered pursuant to this subdivision shall remain in full force and effect for eight years notwithstanding any other provision of law.

§ 10. Paragraphs (a), (b), (c), (d), (e), (f), (g), (h), (i) and (l) of subdivision 2 of section 51-a of the alcoholic beverage control law, paragraphs (a), (b), (c), (f), (h), (i) and (l) as added by chapter 108 of the laws of 2012, paragraph (d) as amended and paragraph (l) as relettered by chapter 384 of the laws of 2013, paragraph (e) as amended by chapter 328 of the laws of 2016, paragraph (g) as amended by chapter 431 of the laws of 2014, are amended to read as follows:

(a) manufacture New York state labelled cider **and New York state labeled braggot**;

(b) sell in bulk beer [~~and~~], cider, and braggot manufactured by the licensee to any person licensed to manufacture alcoholic beverages in this state or to a permittee engaged in the manufacture of products which are unfit for beverage use;

(c) sell or deliver beer [~~and~~], cider, and braggot manufactured by the licensee to persons outside the state pursuant to the laws of the place of such delivery;

(d) sell beer [~~and~~], cider, and braggot manufactured by the licensee to wholesalers and retailers licensed in this state to sell such beer [~~and~~], cider, and braggot, licensed farm distillers, licensed farm wineries, licensed farm cideries, licensed farm meaderies and any other licensed farm brewery. All such beer [~~and~~], cider, and braggot 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;

(e) sell at the licensed premises beer [~~and~~], cider, and braggot manufactured by the licensee or any other licensed farm brewery, and wine and spirits manufactured by any licensed farm winery or farm distillery, at retail for consumption on or off the licensed premises;

(f) conduct tastings at the licensed premises of beer [~~and~~], cider, and braggot manufactured by the licensee or any other licensed farm brewery;

(g) operate a restaurant, hotel, catering establishment, or other food and drinking establishment in or adjacent to the licensed premises and sell at such place, at retail for consumption on the premises, beer [~~and~~], cider, and braggot manufactured by the licensee and any New York state labeled beer, New York state labeled braggot or New York state labeled cider. All of the provisions of this chapter relative to licenses to sell beer, cider, and braggot at retail for consumption on and off the premises shall apply so far as applicable to such licensee. Notwithstanding any other provision of law, the licensed farm brewery may apply to the authority for a license under this chapter to sell other alcoholic beverages at retail for consumption on the premises at such establishment;

(h) sell beer [~~and~~], cider, and braggot manufactured by the licensee or any other licensed farm brewery 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;

(i) conduct tastings of and sell at retail for consumption off the premises New York state labelled wine and mead manufactured by a [~~licensed winery or licensed farm winery~~] person licensed to produce wine or mead under this chapter;

(l) conduct tastings of and sell at retail for consumption off the premises New York state labelled braggot manufactured by a person licensed to produce braggot under this chapter; and

(m) engage in any other business on the licensed premises subject to such rules and regulations as the authority may prescribe. Such rules and regulations shall determine which businesses will be compatible with the policy and purposes of this chapter and shall consider the effect of particular businesses on the community and area in the vicinity of the farm brewery licensee.

§ 11. Paragraph (a) and subparagraph (ii) of paragraph (b) of subdivision 3 of section 51-a of the alcoholic beverage control law, as added by chapter 108 of the laws of 2012, are amended to read as follows:

(a) A farm brewery licensee may apply for a permit to conduct tastings away from the licensed premises of beer [~~and~~], cider, and braggot produced by the licensee. 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.

(ii) any liability stemming from a right of action resulting from a tasting of beer [~~or~~], cider, or braggot as authorized herein and in accordance with the provisions of sections 11-100 and 11-101 of the general obligations law, shall accrue to the farm brewery.

§ 12. Subdivision 4 of section 51-a of the alcoholic beverage control law, as added by chapter 108 of the laws of 2012, is amended to read as follows:

4. A licensed farm brewery holding a tasting permit issued pursuant to subdivision three of this section may apply to the authority for a permit to sell beer [~~and~~], cider, and braggot produced by such farm brewery, by the bottle, 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.

§ 13. Subdivision 10 of section 51-a of the alcoholic beverage control law, as amended by chapter 431 of the laws of 2014, is amended to read as follows:

10. (a) No farm brewery shall manufacture in excess of seventy-five thousand finished barrels of beer [~~and~~], cider, and braggot annually.

(b) A farm brewery shall manufacture at least fifty barrels of beer [~~and~~], cider, and braggot annually.

§ 14. Subdivisions 1 and 2 of section 56-a of the alcoholic beverage control law, as amended by chapter 422 of the laws of 2016, are amended to read as follows:

1. In addition to the annual fees provided for in this chapter, there shall be paid to the authority with each initial application for a license filed pursuant to section thirty, thirty-one, fifty-one, fifty-one-a, fifty-two, fifty-three, fifty-eight, fifty-eight-c, fifty-eight-d, sixty-one, sixty-two, seventy-six, seventy-seven or seventy-eight of this chapter, a filing fee of four hundred dollars; with each initial application for a license filed pursuant to section sixty-three, sixty-four, sixty-four-a or sixty-four-b of this chapter, a filing fee of two hundred dollars; with each initial application for a license filed pursuant to section fifty-three-a, fifty-four, fifty-five, fifty-five-a, seventy-nine, eighty-one or eighty-one-a of this chapter, a filing fee of one hundred dollars; with each initial application for a permit filed pursuant to section ninety-one, ninety-one-a, ninety-two, ninety-two-a, ninety-three, ninety-three-a, if such permit is to be issued on a calendar year basis, ninety-four, ninety-five, ninety-six or ninety-six-a, or pursuant to paragraph b, c, e or j of subdivision one of section ninety-nine-b of this chapter if such permit is to be issued on a calendar year basis, or for an additional bar pursuant to subdivision four of section one hundred of this chapter, a filing fee of twenty dollars; and with each application for a permit under section ninety-three-a of this chapter, other than a permit to be issued on a calendar year basis, section ninety-seven, ninety-eight, ninety-nine, or ninety-nine-b of this chapter, other than a permit to be issued pursuant to paragraph b, c, e or j of subdivision one of section ninety-nine-b of this chapter on a calendar year basis, a filing fee of ten dollars.

2. In addition to the annual fees provided for in this chapter, there shall be paid to the authority with each renewal application for a

license filed pursuant to section **thirty, thirty-one,** fifty-one, fifty-one-a, fifty-two, fifty-three, fifty-eight, fifty-eight-c, fifty-eight-d, sixty-one, sixty-two, seventy-six, seventy-seven or seventy-eight of this chapter, a filing fee of one hundred dollars; with each renewal application for a license filed pursuant to section sixty-three, sixty-four, sixty-four-a or sixty-four-b of this chapter, a filing fee of ninety dollars; with each renewal application for a license filed pursuant to section seventy-nine, eighty-one or eighty-one-a of this chapter, a filing fee of twenty-five dollars; and with each renewal application for a license or permit filed pursuant to section fifty-three-a, fifty-four, fifty-five, fifty-five-a, ninety-one, ninety-one-a, ninety-two, ninety-two-a, ninety-three, ninety-three-a, if such permit is issued on a calendar year basis, ninety-four, ninety-five, ninety-six or ninety-six-a of this chapter or pursuant to paragraph b, c, e or j of subdivision one of section ninety-nine-b, if such permit is issued on a calendar year basis, or with each renewal application for an additional bar pursuant to subdivision four of section one hundred of this chapter, a filing fee of thirty dollars.

§ 15. Paragraph (j) of subdivision 2 of section 58-c of the alcoholic beverage control law, as amended by chapter 327 of the laws of 2016, is amended and two new paragraphs (j-1) and (j-2) are added to read as follows:

(j) conduct tastings of and sell at retail for consumption on or off the premises New York state labelled liquor manufactured by a licensed distiller or licensed farm distiller; provided, however, that no consumer may be provided, directly or indirectly: (i) with more than three samples of liquor for tasting in one calendar day; or (ii) with a sample of liquor for tasting equal to more than one-quarter fluid ounce; [~~and~~]

(j-1) conduct tastings of and sell at retail for consumption on or off the premises New York state labelled mead manufactured by a person licensed to produce mead under this chapter;

(j-2) conduct tastings of and sell at retail for consumption on or off the premises New York state labelled braggot manufactured by a person licensed to produce braggot under this chapter; and

§ 16. Subparagraphs (vi) and (vii) of paragraph (a) of subdivision 2-c of section 61 of the alcoholic beverage control law, as amended by chapter 103 of the laws of 2017, are amended and two new subparagraphs (viii) and (ix) are added to read as follows:

(vi) To conduct tastings of and sell at retail for consumption on or off the premises New York state labelled cider manufactured by a licensed brewer, licensed farm brewery, licensed farm winery, licensed cider producer or licensed farm cidery; [~~and~~]

(vii) To conduct tastings of and sell at retail for consumption on or off the premises New York state labelled wine manufactured by a licensed winery or licensed farm winery[~~.~~]**;**

(viii) To conduct tastings of and sell at retail for consumption on or off the premises New York state labelled mead manufactured by a person licensed to produce mead under this chapter; and

(ix) To conduct tastings of and sell at retail for consumption on or off the premises New York state labelled braggot manufactured by a person licensed to produce braggot under this chapter.

§ 17. Paragraphs (a), (b), (c) and (d) of subdivision 2 of section 76 of the alcoholic beverage control law, as amended by chapter 108 of the laws of 2012, are amended to read as follows:

(a) to operate a winery for the manufacture of wine **and mead** at the premises specifically designated in the license;

(b) to receive and possess wine **and mead** from other states consigned to a United States government bonded winery, warehouse or storeroom located within the state;

(c) to sell in bulk from the licensed premises the products manufactured under such license and wine **and mead** received by such licensee from any other state to any winery licensee, **or meadery license** any distiller licensee or to a permittee engaged in the manufacture of products which are unfit for beverage use and to sell or deliver such wine **or mead** to persons outside the state pursuant to the laws of the place of such sale or delivery;

(d) to sell from the licensed premises to a licensed wholesaler or retailer, or to a corporation operating railroad cars or aircraft for consumption on such carriers, wine **and mead** manufactured or received by the licensee as above set forth in the original sealed containers of not more than fifteen gallons each and to sell or deliver such wine **and mead** to persons outside the state pursuant to the laws of the place of such sale or delivery. All wine **and mead** sold by such licensee shall be securely sealed and have attached thereto a label setting forth such information as shall be required by this chapter;

§ 18. Subdivision 4-a of section 76 of the alcoholic beverage control law, as amended by chapter 431 of the laws of 2014, is amended to read as follows:

4-a. A licensed winery may operate a restaurant, hotel, catering establishment, or other food and drinking establishment in or adjacent to the licensed premises and sell at such place, at retail for consumption on the premises, wine**, mead** and wine products manufactured by the licensee and any New York state labeled wine**, mead** or New York state labeled wine product. All of the provisions of this chapter relative to licenses to sell wine at retail for consumption on the premises shall apply so far as applicable to such licensee. Notwithstanding any other provision of law, the licensed winery may apply to the authority for a license under article four of this chapter to sell other alcoholic beverages at retail for consumption on the premises at such establishment.

§ 19. Subdivision 13 of section 76 of the alcoholic beverage control law, as added by chapter 221 of the laws of 2011, is amended to read as follows:

13. Notwithstanding any other provision of law to the contrary, a winery licensed pursuant to this section may engage in custom wine production allowing individuals to assist in the production of wine **or mead** for sale for personal or family use, provided, however, that (a) the wine **or mead** must be purchased by the individual assisting in the production of such wine **or mead**; and (b) the owner, employee or agent of such winery shall be present at all times during such production.

§ 20. Subdivision 14 of section 76 of the alcoholic beverage control law, as added by chapter 431 of the laws of 2014, is amended to read as follows:

14. Any person licensed under this section shall manufacture at least fifty gallons of wine **and/or mead** per year.

§ 21. Paragraphs (a), (c), (e) and (f) of subdivision 2 of section 76-a of the alcoholic beverage control law, paragraph (a) as added by chapter 221 of the laws of 2011, paragraph (c) as amended by chapter 384 of the laws of 2013, paragraph (e) as amended by chapter 328 of the laws of 2016 and paragraph (f) as amended by chapter 431 of the laws of 2014, are amended to read as follows:

(a) operate a farm winery for the manufacture of wine, New York state labeled mead or New York state labeled cider at the premises specifically designated in the license;

(c) sell from the licensed premises to a licensed winery, farm distiller, farm brewery, farm cidery, farm meadery, wholesaler or retailer, or to a corporation operating railroad cars or aircraft for consumption on such carriers, or at retail for consumption off the premises, wine [~~or~~], cider, or mead manufactured by the licensee as above set forth and to sell or deliver such wine or cider to persons outside the state pursuant to the laws of the place of such sale or delivery. All wine [~~or~~], cider, or mead sold by such licensee for consumption off the premises shall be securely sealed and have attached thereto a label setting forth such information as shall be required by this chapter;

(e) conduct tastings of and sell at the licensed premises [~~cider and wine~~], at retail for consumption on or off the licensed premises alcoholic beverages manufactured by the licensee or any other licensed farm winery[~~, and~~]; New York state labeled wine manufactured by any licensed winery; New York state labeled beer manufactured by any licensed brewer or farm brewery; New York state labeled cider manufactured by any licensed cider producer, farm cidery or farm brewery; New York state labeled mead manufactured by any licensed farm meadery, winery or farm winery; New York state labeled braggot manufactured by any licensed meadery, brewery or farm brewery and [~~spirits~~] New York state labeled liquor manufactured by any licensed [~~farm brewery or~~] distiller or farm distillery[~~, at retail for consumption on or off the licensed premises~~];

(f) operate a restaurant, hotel, catering establishment, or other food and drinking establishment in or adjacent to the licensed premises and sell at such place, at retail for consumption on the premises, wine, cider [~~and wine products~~], and mead manufactured by the licensee and any New York state labeled wine, New York state labeled cider, New York state labeled mead or New York state labeled wine product. All of the provisions of this chapter relative to licenses to sell wine at retail for consumption on the premises shall apply so far as applicable to such licensee. Notwithstanding any other provision of law, the licensed farm winery may apply to the authority for a license under [~~article four of~~] this chapter to sell other alcoholic beverages at retail for consumption on the premises at such establishment.

§ 22. Paragraphs (f), (g) and (h) of subdivision 6 of section 76-a of the alcoholic beverage control law are REPEALED.

§ 23. Subdivision 8 of section 76-a of the alcoholic beverage control law, as amended by chapter 431 of the laws of 2014, is amended to read as follows:

8. (a) No licensed farm winery shall manufacture in excess of two hundred fifty thousand finished gallons of wine, cider, and mead annually.

(b) Any person licensed under this section shall manufacture at least fifty gallons of wine, cider, and mead per year.

§ 24. Subdivision 9 of section 76-a of the alcoholic beverage control law, as added by chapter 221 of the laws of 2011, is amended to read as follows:

9. Notwithstanding any other provision of law to the contrary, a farm winery licensed pursuant to this section may engage in custom [~~wine~~] production allowing individuals to assist in the production of New York state labeled wine, cider and mead for sale for personal or family use, provided, however, that (a) the wine, cider and mead must be purchased by the individual assisting in the production of such wine, cider or

mead; and (b) the owner, employee or agent of such winery shall be present at all times during such production.

§ 25. Subdivision 2 of section 101-aaa of the alcoholic beverage control law, as amended by chapter 242 of the laws of 2012, is amended to read as follows:

2. No manufacturer or wholesaler licensed under this chapter shall sell or deliver any beer, mead, cider or wine products to any retail licensee except as provided for in this section:

(a) for cash to be paid at the time of delivery; or

(b) on terms requiring payment by such retail licensee for such beer, mead, cider, or wine products on or before the final payment date of any credit period within which delivery is made. Provided, however, that the sale of wine products mead, or cider to a retail licensee by a wholesaler licensed under section fifty-eight, sixty-two, or seventy-eight of this chapter, or a licensed manufacturer of liquor, mead or wine or a cider producer's license, shall be governed by the provisions of section one hundred-one-aa of this article.

§ 26. Paragraphs (b), (d) and (e) of subdivision 4 of section 107-a of the alcoholic beverage control law, paragraph (b) as amended by chapter 369 of the laws of 2017, paragraphs (d) and (e) as amended by chapter 354 of the laws of 2013, are amended to read as follows:

(b) The annual fee for registration of any brand or trade name label for liquor shall be two hundred fifty dollars; the annual fee for registration of any brand or trade name label for beer, mead or cider shall be one hundred fifty dollars; the annual fee for registration of any brand or trade name label for wine or wine products shall be fifty dollars. Such fee shall be in the form of a check or draft. No annual fee for registration of any brand or trade name label for wine shall be required if it has been approved by the Alcohol and Tobacco Tax and Trade Bureau of the United States Department of Treasury pursuant to this section.

Each brand or trade name label registration approved pursuant to this section shall be valid for a term of three years as set forth by the authority and which shall be pro-rated for partial years as applicable.

Each brand or trade name label registration approved pursuant to this section shall be valid only for the licensee to whom issued and shall not be transferable.

(d) The authority may at any time exempt any discontinued brand from such fee provisions where a manufacturer or wholesaler has an inventory of one hundred cases or less of liquor or wine and five hundred cases or less of beer, and certifies to the authority in writing that such brand is being discontinued. The authority may also at any time exempt any discontinued brand from such fee provisions where a retailer discontinuing a brand owned by him has a balance of an order yet to be delivered of fifty cases or less of liquor or wine, or two hundred fifty cases or less of beer, mead, wine products or cider.

(e) The authority shall exempt from such fee provisions the registration of each brand or trade name label used for beer, mead or cider that is produced in small size batches totaling fifteen hundred barrels or less of beer, mead or cider annually.

§ 27. This act shall take effect on the ninetieth day after it shall have become a law, provided that the amendments to section 17 of the alcoholic beverage control law made by section eight of this act shall be subject to the expiration and reversion of such section pursuant to section 4 of chapter 118 of the laws of 2012, as amended, when upon such date the provisions of section nine of this act shall take effect.