## STATE OF NEW YORK

8560

## 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

AN ACT to amend the alcoholic beverage control law, in relation to the production and sale of mead and braggot; 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 2 by adding a new subdivision 6-a to read as follows:

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6-a. "Braggot" shall mean a malt alcoholic beverage made primarily from: honey; water; and malt and/or hops (i) which may also contain fruits, spices, herbs, grain or other agricultural products; and (ii) with honey representing 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 as and sold as a beer.

9 § 2. Section 3 of the alcoholic beverage control law is amended by 10 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 state labelled mead or New York state labelled braggot is manufactured, stored and sold.

§ 3. 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: (i) which may also contain hops, fruits, spices, herbs, grain or other 21 agricultural products; and (ii) with honey representing at least fifty-22 one percent of the starting fermentable sugars by weight of the finished product. The brand or trade name label owner of such alcoholic beverage shall designate whether such alcoholic beverage shall be sold as and 25 treated in the same manner as wine or mead for all purposes under this 26 chapter. Provided, however, any mead containing more than eight and

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

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one-half per centum alcohol by volume shall be designated, sold as and treated in the same manner as wine.

- 3 § 4. Section 3 of the alcoholic beverage control law is amended by 4 adding a new subdivision 20-f to read as follows:
  - 20-f. "New York state labeled braggot" means braggot made exclusively from honey produced in New York state.
- 7 § 5. Section 3 of the alcoholic beverage control law is amended by 8 adding a new subdivision 20-g to read as follows:
  - 20-q. "New York state labeled mead" means mead made exclusively from honey produced in New York state.
  - § 6. The alcoholic beverage control law is amended by adding a new article 6-A to read as follows:

## ARTICLE 6-A

## SPECIAL PROVISIONS RELATING TO MEAD

15 <u>Section 86. Farm meadery license.</u>

- 87. Authorization for sale of mead and braggot by retail licensees.
- 88. Authorization for sale of mead and braggot by wholesale licensees.
- § 86. 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 for the amount required by this article for such license. 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. The annual fee for such a license shall be seventy-five dollars.
- 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 or 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 or braggot manufactured by the licensee to persons outside the state pursuant to the laws of the place of such delivery;
- (c) sell mead manufactured by the licensee to wholesalers and retailers licensed in this state to sell such mead, licensed farm distillers,
  licensed farm wineries, licensed wineries, licensed farm breweries,
  licensed farm cideries and any other licensed farm meadery. All such
  mead 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;
- 51 (d) sell braggot manufactured by the licensee to wholesalers and
  52 retailers licensed in this state to sell beer, licensed farm distillers,
  53 licensed farm wineries, licensed breweries, licensed farm breweries,
  54 licensed farm cideries and any other licensed farm meadery. All such
  55 braggot sold by the licensee shall be securely sealed and have attached

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1 thereto a label as shall be required by section one hundred seven-a of
2 this chapter;

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

5 (f) at the licensed premises, conduct tastings of, and sell at retail 6 for consumption on or off the licensed premises, any New York state 7 labeled mead, New York state labeled braggot, New York state labeled 8 beer, New York state labeled cider, New York state labeled liquor or New 9 York state labeled wine. Provided, however, for tastings and sales for 10 on-premises consumption, the licensee shall regularly keep food avail-11 able for sale or service to its retail customers for consumption on the premises. A licensee providing the following shall be deemed in compli-12 13 ance with this provision: (i) sandwiches, soups or other such foods, 14 whether fresh, processed, pre-cooked or frozen; and/or (ii) food items intended to complement the tasting of alcoholic beverages, which shall 15 16 mean a diversified selection of food that is ordinarily consumed without 17 the use of tableware and can be conveniently consumed while standing or walking, including but not limited to: cheeses, fruits, vegetables, 18 19 chocolates, breads, mustards and crackers. All of the provisions of this 20 chapter relative to licensees selling alcoholic beverages at retail 21 shall apply;

(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, any New York state labeled mead, New York state labeled braggot, New York state labeled beer, New York state labeled cider, New York state labeled liquor or New York state labeled wine. All of the provisions of this chapter relative to licensees selling alcoholic beverages 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; and

(h) 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: (i) non-alcoholic beverages for consumption on or off premises, including but not limited to bottled water, juice and soda beverages; (ii) food items for the purpose of complementing mead tastings, shall mean a diversified selection of food which is ordinarily consumed without the use of tableware and can conveniently be consumed while standing or walking; (iii) food items, which shall include locally produced farm products and any food or food product not specifically prepared for immediate consumption upon the premises; (iv) mead and braggot supplies and accessories, which shall include any item utilized for the storage, serving or consumption of mead and braggot or for decorative purposes; (v) 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; and (vi) mead-making and braggot-making

3. A licensed farm meadery may engage in any other business on the licensed premises subject to such rules and regulations as the liquor authority may prescribe. In prescribing such rules and regulations, the liquor 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. Further, such rules and regulations shall determine which busi-

nesses 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.

- 4. Notwithstanding any provision of this chapter to the contrary, any farm meadery licensee may charge for tours of its premises.
- 5. 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.
- 6. (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.
- 7. No licensed farm meadery shall manufacture or sell any mead other than New York state labelled mead.
- 8. No licensed farm meadery shall manufacture or sell any braggot other than New York state labelled braggot.
- 9. 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 production and of tourism in New York, thereby promoting the conservation, production and enhancement of New York state agricultural lands.
- § 87. 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 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 which 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 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 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.
- § 88. 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

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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 of 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 of wine at wholesale and retail.
- § 7. 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:
- 19 3. To revoke, cancel or suspend for cause any license or permit issued 20 under this chapter and/or to impose a civil penalty for cause against 21 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 22 dollars as against the holder of any retail permit issued pursuant to 23 24 sections ninety-five, ninety-seven, ninety-eight, ninety-nine-d, and 25 paragraph f of subdivision one of section ninety-nine-b of this chapter, 26 and as against the holder of any retail license issued pursuant to 27 sections fifty-three-a, fifty-four, fifty-four-a, fifty-five, fifty-28 sixty-four, five-a, sixty-three, sixty-four-a, sixty-four-b, 29 sixty-four-c, seventy-six-f, seventy-nine, eighty-one and eighty-one-a 30 of this chapter, and the sum of thirty thousand dollars as against the 31 holder of a license issued pursuant to sections fifty-three, 32 sixty-one-a, sixty-one-b, seventy-six, seventy-six-a, [and] seventyeight and eighty-six of this chapter, provided that the civil penalty 33 against the holder of a wholesale license issued pursuant to section 34 35 fifty-three of this chapter shall not exceed the sum of ten thousand 36 dollars where that licensee violates provisions of this chapter during 37 the course of the sale of beer at retail to a person for consumption at 38 home, and the sum of one hundred thousand dollars as against the holder 39 of any license issued pursuant to sections fifty-one, sixty-one, and 40 sixty-two of this chapter. Any civil penalty so imposed shall be in 41 addition to and separate and apart from the terms and provisions of the 42 bond required pursuant to section one hundred twelve of this chapter. 43 Provided that no appeal is pending on the imposition of such civil penalty, in the event such civil penalty imposed by the division remains 44 45 unpaid, in whole or in part, more than forty-five days after written 46 demand for payment has been sent by first class mail to the address of 47 the licensed premises, a notice of impending default judgment shall be 48 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 49 recent license application. The notice of impending default judgment 50 shall advise the licensee: (a) that a civil penalty was imposed on the 51 52 licensee; (b) the date the penalty was imposed; (c) the amount of the 53 civil penalty; (d) the amount of the civil penalty that remains unpaid 54 as of the date of the notice; (e) the violations for which the civil 55 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

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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 3 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, 7 the division shall proceed to enter with such court a statement of the default judgment containing the amount of the penalty or penalties 9 remaining due and unpaid, along with proof of mailing of the notice of 10 impending default judgment. The filing of such judgment shall have 11 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 12 13 respects be governed by that chapter and may be enforced in the same 14 manner and with the same effect as that provided by law in respect to 15 execution issued against property upon judgments of a court of record. A 16 judgment entered pursuant to this subdivision shall remain in full force 17 and effect for eight years notwithstanding any other provision of law. 18

- § 8. 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:
- 20 21 3. To revoke, cancel or suspend for cause any license or permit issued 22 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 23 24 civil penalty so imposed shall not exceed the sum of ten thousand 25 dollars as against the holder of any retail permit issued pursuant to 26 sections ninety-five, ninety-seven, ninety-eight, ninety-nine-d, and 27 paragraph f of subdivision one of section ninety-nine-b of this chapter, 28 and as against the holder of any retail license issued pursuant to 29 sections fifty-three-a, fifty-four, fifty-four-a, fifty-five, fifty-30 sixty-four, five-a, sixty-three, sixty-four-a, sixty-four-b, 31 sixty-four-c, seventy-six-f, seventy-nine, eighty-one, and eighty-one-a 32 of this chapter, and the sum of thirty thousand dollars as against the 33 license issued pursuant to sections fifty-three, holder of а sixty-one-a, sixty-one-b, seventy-six, seventy-six-a [and], seventy-34 35 eight and eighty-six of this chapter, provided that the civil penalty 36 against the holder of a wholesale license issued pursuant to section 37 fifty-three of this chapter shall not exceed the sum of ten thousand 38 dollars where that licensee violates provisions of this chapter during 39 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 40 41 license issued pursuant to sections fifty-one, sixty-one and any 42 sixty-two of this chapter. Any civil penalty so imposed shall be 43 addition to and separate and apart from the terms and provisions of the 44 bond required pursuant to section one hundred twelve of this chapter. 45 Provided that no appeal is pending on the imposition of such civil 46 penalty, in the event such civil penalty imposed by the division remains 47 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 48 the licensed premises, a notice of impending default judgment shall be 49 50 sent by first class mail to the licensed premises and by first class 51 mail to the last known home address of the person who signed the most 52 recent license application. The notice of impending default judgment 53 shall advise the licensee: (a) that a civil penalty was imposed on the 54 licensee; (b) the date the penalty was imposed; (c) the amount of the 55 civil penalty; (d) the amount of the civil penalty that remains unpaid of the date of the notice; (e) the violations for which the civil

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1 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 3 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 judg-7 ment. If full payment shall not have been received by the division within thirty days of mailing of the notice of impending default judgment, 9 the division shall proceed to enter with such court a statement of the 10 default judgment containing the amount of the penalty or penalties remaining due and unpaid, along with proof of mailing of the notice of 11 impending default judgment. The filing of such judgment shall have the 12 13 full force and effect of a default judgment duly docketed with such 14 court pursuant to the civil practice law and rules and shall in all 15 respects be governed by that chapter and may be enforced in the same 16 manner and with the same effect as that provided by law in respect to 17 execution issued against property upon judgments of a court of record. A 18 judgment entered pursuant to this subdivision shall remain in full force 19 and effect for eight years notwithstanding any other provision of law.

- § 9. 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 <u>and New York state</u> <u>labeled braggot</u>;
- (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;
- 47 (f) conduct tastings at the licensed premises of beer [and], cider, 48 and braggot manufactured by the licensee or any other licensed farm 49 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

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and off the premises shall apply so far as applicable to such licensee. Notwithstanding any other provision of law, the licensed farm brewery 3 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;
- 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;
- (1) 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.
- § 10. 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 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 [ex], 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.
- § 11. 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 43 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 Each such permit and the exercise of the privilege granted chapter. thereby shall be subject to such rules and conditions of the authority as it deems necessary.
- § 12. Subdivision 10 of section 51-a of the alcoholic beverage control 48 49 law, as amended by chapter 431 of the laws of 2014, is amended to read 50 as follows:
- 51 10. (a) No farm brewery shall manufacture in excess of seventy-five 52 thousand finished barrels of beer [and], cider, and braggot annually.
- 53 (b) A farm brewery shall manufacture at least fifty barrels of beer 54 [and], cider, and braggot annually.

1 § 13. Subdivisions 1 and 2 of section 56-a of the alcoholic beverage 2 control law, as amended by chapter 422 of the laws of 2016, are amended 3 to read as follows:

- 4 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 fifty-one, fifty-one-a, fifty-two, 7 fifty-three, fifty-eight, fifty-eight-c, fifty-eight-d, sixty-two, seventy-six, seventy-seven [ex], seventy-eight or eighty-six 9 of this chapter, a filing fee of four hundred dollars; with each initial 10 application for a license filed pursuant to section sixty-three, sixty-11 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 12 13 pursuant to section fifty-three-a, fifty-four, fifty-five, fifty-five-a, 14 seventy-nine, eighty-one or eighty-one-a of this chapter, a filing fee 15 of one hundred dollars; with each initial application for a permit filed 16 pursuant to section ninety-one, ninety-one-a, ninety-two, ninety-two-a, 17 ninety-three, ninety-three-a, if such permit is to be issued on a calen-18 dar year basis, ninety-four, ninety-five, ninety-six or ninety-six-a, or 19 pursuant to paragraph b, c, e or j of subdivision one of section nine-20 ty-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 22 with each application for a permit under section ninety-three-a of this 23 chapter, other than a permit to be issued on a calendar year basis, 24 25 section ninety-seven, ninety-eight, ninety-nine, or ninety-nine-b of 26 this chapter, other than a permit to be issued pursuant to paragraph b, 27 c, e or j of subdivision one of section ninety-nine-b of this chapter on 28 a calendar year basis, a filing fee of ten dollars.
- 29 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 30 31 license filed pursuant to section fifty-one, fifty-one-a, fifty-two, fifty-eight-c, fifty-eight-d, sixty-one, 32 fifty-three, fifty-eight, 33 sixty-two, seventy-six, seventy-seven [ex], seventy-eight or eighty-six 34 this chapter, a filing fee of one hundred dollars; with each renewal 35 application for a license filed pursuant to section sixty-three, sixty-36 four, sixty-four-a or sixty-four-b of this chapter, a filing fee of 37 ninety dollars; with each renewal application for a license filed pursuant to section seventy-nine, eighty-one or eighty-one-a of this chapter, 38 39 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-40 41 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 43 a calendar year basis, ninety-four, ninety-five, ninety-six or ninety-44 six-a of this chapter or pursuant to paragraph b, c, e or j of subdivi-45 sion one of section ninety-nine-b, if such permit is issued on a calen-46 dar year basis, or with each renewal application for an additional bar 47 pursuant to subdivision four of section one hundred of this chapter, 48 filing fee of thirty dollars.
  - § 14. 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:

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(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
- 9 § 15. Subparagraphs (vi) and (vii) of paragraph (a) of subdivision 2-c 10 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]
- 17 (vii) To conduct tastings of and sell at retail for consumption on or 18 off the premises New York state labelled wine manufactured by a licensed 19 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.
  - § 16. 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 <u>and mead</u> at the premises specifically designated in the license;
  - (b) to receive and possess wine <u>and mead</u> 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 <u>and mead</u> received by such licensee from any other state to any winery licensee, <u>or meadery license</u> 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 <u>or mead</u> 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 <u>and mead</u> 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 <u>and mead</u> to persons outside the state pursuant to the laws of the place of such sale or delivery. All wine <u>and mead</u> 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;
  - § 17. 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

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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 3 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 7 beverages at retail for consumption on the premises at such establish-8 ment.

- 9 § 17-a. 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 10 11 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 <u>mead</u> 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.
- 19 § 18. Subdivision 14 of section 76 of the alcoholic beverage control 20 law, as added by chapter 431 of the laws of 2014, is amended to read as 21 follows:
- 22 14. Any person licensed under this section shall manufacture at least 23 fifty gallons of wine <u>and/or mead</u> per year.
  - § 19. 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 <u>labeled mead</u> or <u>New York state labeled</u> 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 [ex], 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 [ex], 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) <u>conduct tastings of and</u> sell at the licensed premises [<del>cider</del> 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 54 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

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1 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 3 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 7 licensee. Notwithstanding any other provision of law, the licensed farm winery may apply to the authority for a license under [artisle four of] 9 this chapter to sell other alcoholic beverages at retail for consumption 10 on the premises at such establishment.

- 20. Paragraphs (f), (g) and (h) of subdivision 6 of section 76-a of the alcoholic beverage control law are REPEALED.
- 13 § 21. Subdivision 8 of section 76-a of the alcoholic beverage control 14 law, as amended by chapter 431 of the laws of 2014, is amended to read 15 as follows:
- 16 8. (a) No licensed farm winery shall manufacture in excess of two 17 hundred fifty thousand finished gallons of wine, cider, and mead annual-18
  - (b) Any person licensed under this section shall manufacture at least fifty gallons of wine, cider, and mead per year.
  - § 22. 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.
- 32 § 23. Subdivision 2 of section 101-aaa of the alcoholic beverage law, as amended by chapter 242 of the laws of 2012, is amended 33 control 34 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 40 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.
  - § 24. 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:
- 51 (b) The annual fee for registration of any brand or trade name label 52 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 54 be one hundred fifty dollars; the annual fee for registration of any 55 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

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1 fee for registration of any brand or trade name label for wine shall be 2 required if it has been approved by the Alcohol and Tobacco Tax and 3 Trade Bureau of the United States Department of Treasury pursuant to 4 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.

8 Each brand or trade name label registration approved pursuant to this 9 section shall be valid only for the licensee to whom issued and shall 10 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.
- 20 (e) The authority shall exempt from such fee provisions the registra-21 tion of each brand or trade name label used for beer, mead or cider that 22 is produced in small size batches totaling fifteen hundred barrels or 23 less of beer, mead or cider annually.
- 24 § 25. This act shall take effect on the ninetieth day after it shall 25 have become a law, provided that the amendments to section 17 of the 26 alcoholic beverage control law made by section seven of this act shall 27 be subject to the expiration and reversion of such section pursuant to 28 section 4 of chapter 118 of the laws of 2012, as amended, when upon such 29 date the provisions of section eight of this act shall take effect.