

STATE OF NEW YORK

9747

IN ASSEMBLY

February 7, 2020

Introduced by M. of A. ABBATE -- read once and referred to the Committee on Economic Development

AN ACT to amend the alcoholic beverage control law, in relation to authorizing retail licensees to purchase beer with a business payment card; 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. Paragraphs h and j of subdivision 1 of section 101-aaa of the alcoholic beverage control law, as added by a chapter of the laws of 2019, amending the alcoholic beverage control law relating to authorizing retail licenses to purchase beer, wine or liquor with a business payment card, as proposed in legislative bills numbers S. 4241-A and A. 6701-A, are amended to read as follows:

h. "Business payment card" means: (1) any credit card issued to a retail licensee for business or commercial use pursuant to an agreement that allows the holder thereof to obtain goods and services on the credit of the issuer or a debit card that provides access to a bank account of a retail licensee; (2) a credit or debit card from an issuer accepted by the manufacturer or wholesaler as permitted by the authority in regulation; and (3) such credit card shall not include cards in which a manufacturer or wholesaler has a financial interest or cards by which their use benefits a manufacturer or wholesaler. Such card must be issued in the same name as a retail licensee and registered to the same address as the address on the retail license, or as otherwise permitted by the authority in regulation.

j. "Final business payment card invoice amount" means the amount charged by a manufacturer or wholesaler to a retail licensee pursuant to paragraph (c) of subdivision two of this section; and shall equal the final cash invoice amount plus ~~[remuneration for surcharges and fees incurred by a manufacturer or wholesaler as a result of such a transaction, which shall be calculated by multiplying the final cash invoice amount by a rate determined annually by the authority]~~ three percent of the final cash invoice amount. The three percent represents the surcharges and fees that are charged to the manufacturer or wholesaler

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

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1 by the business payment card issuer or a person or entity associated
2 with the issuer.

3 § 2. Subdivision 2-a of section 101-aaa of the alcoholic beverage
4 control law, as added by a chapter of the laws of 2019, amending the
5 alcoholic beverage control law relating to authorizing retail licenses
6 to purchase beer, wine or liquor with a business payment card, as
7 proposed in legislative bills numbers S. 4241-A and A. 6701-A, is
8 amended and a new subdivision 2-b is added to read as follows:

9 2-a. A manufacturer or wholesaler that accepts business payment cards
10 shall clearly state the final cash invoice amount and the final business
11 payment card invoice amount on an invoice provided to a retail licensee.
12 Nothing in this section shall preclude, or permit a manufacturer or
13 wholesaler to [~~preclude~~] prevent, a retail licensee that receives such
14 an invoice from electing to use any other form of payment method permit-
15 ted pursuant to subdivision two of this section following receipt of
16 such invoice.

17 2-b. Nothing herein contained shall be construed to require any
18 manufacturer or wholesaler to accept business payment cards as a method
19 of payment by any retail licensee, provided that if such payment method
20 is made available it shall be available on equal terms to all retail
21 licensees.

22 § 3. Subdivision 2 of section 55-b of the alcoholic beverage control
23 law, as amended by a chapter of the laws of 2019, amending the alcoholic
24 beverage control law relating to authorizing retail licenses to purchase
25 beer, wine or liquor with a business payment card, as proposed in legis-
26 lative bills numbers S. 4241-A and A. 6701-A, is amended to read as
27 follows:

28 2. No brewer or beer wholesaler may increase the price per case, draft
29 package or special package of beer sold to beer wholesalers or retail
30 licensees until at least one hundred eighty days have elapsed since his
31 last price decrease on such case, draft package or special package,
32 provided, however, that the brewer or beer wholesaler may increase any
33 price established by him at any time in the amount of any direct tax
34 increase on beer or [~~in the amount necessary~~] three percent of the final
35 cash invoice amount to reasonably remunerate such wholesaler for
36 surcharges and fees incurred for business payment card payments, as
37 [~~determined by the authority pursuant to~~] provided for by paragraph j of
38 subdivision one of section one hundred one-aaa of this chapter, or on
39 containers thereof, actually paid by such brewer or beer wholesaler, and
40 provided further, however, that if a brewer or beer wholesaler has
41 increased his price to beer wholesalers at any time pursuant to the
42 provisions hereof, the beer wholesaler may increase the price estab-
43 lished by him on such package in an amount equal to the direct price
44 increase to the beer wholesaler. The price per case, draft package or
45 special package of beer sold to beer wholesalers or retail licensees on
46 the first day of the month following the effective date of this act
47 shall be deemed the base price, to or from which price increases or
48 decreases may be made in accordance with the provisions of this section.

49 § 4. Paragraphs g, h, and i of subdivision 1 of section 101-aa of the
50 alcoholic beverage control law, as added by a chapter of the laws of
51 2019 amending the alcoholic beverage control law relating to authorizing
52 retail licenses to purchase beer, wine or liquor with a business payment
53 card, as proposed in legislative bills numbers S.4241-A and A.6701-A,
54 are REPEALED.

55 § 5. Subdivision 2 of section 101-aa of the alcoholic beverage control
56 law, as amended by a chapter of the laws of 2019 amending the alcoholic

1 beverage control law relating to authorizing retail licenses to purchase
2 beer, wine or liquor with a business payment card, as proposed in legis-
3 lative bills numbers S.4241-A and A.6701-A, is amended to read as
4 follows:

5 2. No manufacturer or wholesaler licensed under this chapter shall
6 sell or deliver any liquor or wine to any retail licensee except as
7 provided for in this section:

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

9 (b) on terms requiring payment by such retail licensee for such alco-
10 holic beverages on or before the final payment date of the credit period
11 for which delivery is made[~~, or~~

12 ~~(c) by business payment card, provided that a manufacturer or whole-~~
13 ~~saler that exercises reasonable diligence to ensure the sale comports~~
14 ~~with the requirements of this section shall not be found to have~~
15 ~~violated this subdivision where a retail licensee uses a credit card~~
16 ~~other than a business payment card].~~

17 § 6. Subdivision 2-a of section 101-aa of the alcoholic beverage
18 control law, as added by a chapter of the laws of 2019 amending the
19 alcoholic beverage control law relating to authorizing retail licenses
20 to purchase beer, wine or liquor with a business payment card, as
21 proposed in legislative bills numbers S.4241-A and A.6701-A, is
22 REPEALED.

23 § 7. This act shall take effect on the same date and in the same
24 manner as a chapter of the laws of 2019, amending the alcoholic beverage
25 control law relating to authorizing retail licenses to purchase beer,
26 wine or liquor with a business payment card, as proposed in legislative
27 bills numbers S. 4241-A and A. 6701-A, takes effect.