STATE OF NEW YORK

2641--B

2021-2022 Regular Sessions

IN ASSEMBLY

January 19, 2021

Introduced by M. of A. FAHY -- read once and referred to the Committee on Economic Development -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the alcoholic beverage control law, in relation to the sale of tonic water, bitters and maraschino cherries at liquor stores

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

- 1 Section 1. Subdivision 4 of section 63 of the alcoholic beverage 2 control law, as amended by section 3 of part H of chapter 58 of the laws 3 of 2019, is amended to read as follows:
- 4 4. No licensee under this section shall be engaged in any other busi-5 ness on the licensed premises. The sale of <u>any of the following shall</u> 6 <u>not constitute engaging in another business within the meaning of this</u> 7 <u>subdivision:</u>
- 8 (a) lottery tickets, when duly authorized and lawfully conducted[, the
 9 sale of];
- 10 (b) reusable bags as defined in section 27-2801 of the environmental conservation law[+ the sale of];
- 12 (c) corkscrews [or the sale of];
- 13 (d) ice [or the sale of];
- 14 (e) publications, including prerecorded video and/or audio cassette
 15 tapes, or educational seminars, designed to help educate consumers in
 16 their knowledge and appreciation of alcoholic beverages, as defined in
 17 section three of this chapter and allowed pursuant to their license[, or
 18 the sale of non-carbonated,];
- 19 (f) non-flavored mineral waters, spring waters and drinking waters [$\frac{er}{20}$];

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

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(g) glasses designed for the consumption of wine or spirits, racks designed for the storage of wine, and devices designed to minimize oxidation in bottles of wine which have been uncorked[, or the sale of]; (h) gift bags, gift boxes, associated promotional items or wrapping, for alcoholic beverages purchased at the licensed premises [shall not constitute engaging in another business within the meaning of this subdivision];

- (i) tonic water;
- (j) bitters; and

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(k) maraschino cherries.

Any fee obtained from the sale of an educational seminar shall not be considered as a fee for any tasting that may be offered during an educational seminar, provided that such tastings are available to persons who have not paid to attend the seminar and all tastings are conducted in accordance with section sixty-three-a of this article.

- § 2. Paragraph (a) of subdivision 1 of section 104 of the alcoholic beverage control law, as amended by chapter 2 of the laws of 2013, is amended to read as follows:
- 18 19 (a) No wholesaler shall be engaged in any other business on the prem-20 ises to be licensed; except that nothing contained in this chapter 21 shall: (1) prohibit a beer wholesaler from (i) acquiring, storing or selling non-alcoholic snack foods, as defined in paragraph (b) of this 22 subdivision, (ii) manufacturing, bottling, storing, or selling non-alco-23 holic carbonated beverages, (iii) manufacturing, storing or selling 24 25 non-alcoholic non-carbonated soft drinks, mineral waters, spring waters, 26 drinking water, non-taxable malt or cereal beverages, juice drinks, 27 fruit or vegetable juices, ice, liquid beverage mixes and dry or frozen 28 beverage mixes, (iv) acquiring, storing or selling wine products, (v) the sale of promotional items on such premises, or (vi) the sale of 29 30 tobacco products at retail by wholesalers who are licensed to sell beer 31 and other products at retail; (2) prohibit a wholesaler authorized to 32 sell wine from manufacturing, acquiring or selling wine merchandise, as 33 defined in paragraph (d) of this subdivision; (3) prohibit a licensed winery or licensed farm winery from engaging in the business of a wine 34 35 wholesaler for New York state labeled wines produced by any licensed 36 winery or licensed farm winery or prohibit such wine wholesaler from 37 exercising any of its rights pursuant to sections seventy-six and seventy-six-a of this chapter provided that the operation of such beer and 38 39 wine wholesalers business shall be subject to such rules and regulations as the liquor authority may prescribe; (4) prohibit a beer wholesaler 40 who is authorized to sell beer at retail from selling at retail: (i) 41 42 candy, chewing gum and cough drops; (ii) non-refrigerated salsa; (iii) 43 cigarette lighters, lighter fluid, matches and ashtrays; (iv) barbecue and picnic-related products and supplies, which shall include, but not 44 45 be limited to, charcoal, grills, propane gas, plastic and paper cups, 46 paper or plastic tablecloths and coolers; (v) beer making and brewing 47 supplies and publications, which shall include, but not be limited to, books, magazines, equipment and ingredients; (vi) steins, mugs and other 48 glassware appropriate for the consumption of beer, malt beverages and 49 50 wine products; (vii) items typically used to serve beer and malt bever-51 ages including, but not limited to, taps, kegerators, koozies and beer 52 socks; (viii) lemons, limes and oranges, provided that no more than two dozen of each shall be displayed at any one time; (ix) rock salt, ice 54 and snow melting compounds, snow shovels; windshield washer solvent; 55 firewood; beach umbrellas; sunglasses and sun block; and (x) prepaid telephone cards; [er](5) prohibit the installation and operation of a

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single automated teller machine in the premises of a beer wholesaler who is authorized to sell beer at retail; or (6) prohibit a liquor whole-3 saler from transporting or selling gifts or promotional items associated with wine or spirit products, tonic water, bitters and maraschino cherries. For the purposes of this subdivision, "automated teller machine" means a device which is linked to the accounts and records of a banking institution and which enables consumers to carry out banking transactions, including but not limited to, account transfers, deposits, cash withdrawals, balance inquiries and loan payments.

- 3. Paragraph (a) of subdivision 3 of section 101-b of the alcoholic beverage control law, as amended by section 1 of part E of chapter 56 of the laws of 2006, is amended to read as follows:
- 13 (a) No brand of liquor or wine shall be sold to or purchased by a 14 wholesaler, irrespective of the place of sale or delivery, unless a 15 schedule, as provided by this section, is transmitted to and received by 16 the liquor authority, and is then in effect. Such schedule shall be 17 transmitted to the authority in such form, manner, medium and format as 18 the authority may direct; shall be deemed duly verified by the person 19 submitting such schedule upon its transmission to the authority; and 20 shall contain, with respect to each item, the exact brand or trade name, 21 capacity of package, nature of contents, age and proof where stated on label, the number of bottles contained in each case, the bottle and 22 case price to wholesalers, the net bottle and case price paid by the 23 seller, which prices, in each instance, shall be individual for each 24 25 item and not in "combination" with any other item, the discounts for 26 quantity, if any, and the discounts for time of payment, if any. Such 27 brand of liquor or wine shall not be sold to wholesalers except at the price and discounts then in effect unless prior written permission of 28 29 the authority is granted for good cause shown and for reasons not inconsistent with the purpose of this chapter. Such schedule shall be trans-30 31 mitted by (1) the owner of such brand, or (2) a wholesaler selling such 32 brand and who is designated as agent for the purpose of filing such 33 schedule if the owner of the brand is not licensed by the authority, or 34 (3) with the approval of the authority, by a wholesaler, in the event 35 that the owner of the brand is unable to transmit a schedule or desig-36 nate an agent for such purpose. As used in this subdivision the term "item" shall be deemed to include a sealed, pre-wrapped package consist-37 ing of a sealed container or containers of liquor, wine or wine product 38 39 and other merchandise reasonably used in connection with the preparation, storage, promotion, gifting or service of liquor, wine or wine 40 products provided that such other merchandise shall not be potable or 41 42 edible.
- 43 S 4. This act shall take effect on the sixtieth day after it shall 44 have become a law.