

# STATE OF NEW YORK

10527

## IN ASSEMBLY

June 15, 2022

Introduced by COMMITTEE ON RULES -- (at request of M. of A. Fall) --  
read once and referred to the Committee on Economic Development

AN ACT to amend the alcoholic beverage control law and the state finance law, in relation to enacting the "New York wine & distilled spirits development act"; and to repeal certain provisions of the alcoholic beverage control law relating thereto

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

1 Section 1. This act shall be known and may be cited as the "New York  
2 wine & distilled spirits development act".

3 § 2. Subdivision 6 of section 63 of the alcoholic beverage control law  
4 is REPEALED and subdivision 5 is amended to read as follows:

5 5. ~~[Not]~~ (a) Prior to January first, two thousand twenty-three, not  
6 more than one license shall be granted to any person under this section.  
7 Beginning on and after January first, two thousand twenty-three, a  
8 person may be granted additional seven day licenses as follows, provided  
9 however, the issuance of such seven day licenses shall be in accordance  
10 with paragraphs (b), (c) and (d) of this subdivision:

11 (i) On or after January first, two thousand twenty-three, not more  
12 than two additional seven day licenses may be granted to any person  
13 under this section, for a maximum of three seven day licenses any person  
14 may hold.

15 (ii) On or after January first, two thousand twenty-five, not more  
16 than four additional seven day licenses may be granted to any person  
17 under this section, for a maximum of five seven day licenses any person  
18 may hold.

19 (iii) On or after January first, two thousand twenty-seven, not more  
20 than six additional seven day licenses may be granted to any person  
21 under this section, for a maximum of seven seven day licenses any person  
22 may hold.

23 (iv) On or after January first, two thousand twenty-nine, not more  
24 than eight additional seven day licenses may be granted to any person  
25 under this section, for a maximum of nine seven day licenses any person  
26 may hold.

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

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1 (v) On or after January first, two thousand thirty-one, not more than  
2 eleven additional seven day licenses may be granted to any person under  
3 this section, for a maximum of twelve seven day licenses any person may  
4 hold.

5 (b) Commencing on the effective date of this paragraph, and every five  
6 years thereafter, the authority shall determine the ratio of active  
7 seven day licenses in a county per adult residents over the age of twenty-  
8 one years residing in such county, using the most current decennial  
9 census as conducted by the United States Department of Commerce. Such  
10 ratio shall be used by the authority when considering an application for  
11 a seven day license within any county provided for in paragraphs (c) and  
12 (d) of this subdivision.

13 (c) No additional seven day licenses shall be granted by the authority  
14 in any county in which the ratio of active seven day licenses in such  
15 county per adult residents over the age of twenty-one years residing in  
16 such county is equal to or less than one active seven day license per  
17 three thousand adult residents over the age of twenty-one years. The  
18 provisions of this paragraph shall not apply to:

19 (i) the renewal, removal or continuance of a seven day license;

20 (ii) an application for a seven day license filed before the effective  
21 date of this paragraph; or

22 (iii) an application by a purchaser of all or substantially all of the  
23 assets of an existing licensee of a seven day license within the county.  
24 A purchaser under this subparagraph shall make an application to the  
25 authority, which the authority shall grant, provided that (A) such  
26 purchaser is otherwise qualified to hold a seven day license, and (B)  
27 the premises sought to be licensed under this section shall comply with  
28 the requirements of this article and are not located in a different  
29 county.

30 (d) The authority may, in its discretion, auction additional seven day  
31 licenses to be used in any county whose ratio of active seven day  
32 licenses in such county per adult residents over the age of twenty-one  
33 years residing in the county is greater than one active seven day  
34 license per three thousand adult residents over the age of twenty-one  
35 years. No seven day license may be auctioned if such license would cause  
36 the county's ratio of active seven day licenses per adult residents over  
37 the age of twenty-one years residing in the county to be equal to or  
38 less than three thousand adult residents over the age of twenty-one  
39 years.

40 § 3. Subdivision 5 of section 66 of the alcoholic beverage control  
41 law, as amended by section 3 of part Z of chapter 85 of the laws of  
42 2002, is amended to read as follows:

43 5. The annual fee for [a] each license to sell liquor at retail not to  
44 be consumed on the premises where sold shall be thirteen hundred sixty-  
45 six dollars in the counties of New York, Kings, Bronx and Queens; eight  
46 hundred fifty-four dollars in the county of Richmond and in cities  
47 having a population of more than one hundred thousand and less than one  
48 million; and elsewhere the sum of five hundred twelve dollars.

49 § 4. Subdivision 16 of section 105 of the alcoholic beverage control  
50 law, as amended by chapter 621 of the laws of 1944, is amended to read  
51 as follows:

52 16. No retail licensee to sell liquors and/or wines for off-premises  
53 consumption shall be interested, directly or indirectly, in any premises  
54 where liquors, wines or beer are manufactured or sold at wholesale or,  
55 except as set forth in section sixty-three of this chapter, any other  
56 premises where liquor or wine is sold at retail for off-premises

1 consumption, by stock ownership, interlocking directors, mortgage or  
2 lien on any personal or real property or by any other means. Any lien,  
3 mortgage or other interest or estate, however, now held by such retailer  
4 on or in the personal or real property of such manufacturer or whole-  
5 saler, which mortgage, lien, interest or estate was acquired on or  
6 before December thirty-first, nineteen hundred thirty-two, shall not be  
7 included within the provisions of this subdivision; provided, however,  
8 the burden of establishing the time of the accrual of the interest  
9 comprehended by this subdivision, shall be upon the person who claims to  
10 be entitled to the protection and exemption afforded hereby.

11 § 5. The state finance law is amended by adding a new section 97-bbbbbb  
12 to read as follows:

13 § 97-bbbbbb. New York distilled spirits and wine industry marketing and  
14 promotion fund. 1. There is hereby established in the joint custody of  
15 the commissioner of taxation and finance and the state comptroller a  
16 special fund to be known as the "New York distilled spirits and wine  
17 industry marketing fund". As used in this section, the term "the fund"  
18 shall mean the New York distilled spirits and wine industry marketing  
19 fund established pursuant to this section.

20 2. (a) The fund shall consist of twenty-five percent of all revenues  
21 received pursuant to subdivision five of section sixty-six of the alco-  
22 holic beverage control law, and all other money appropriated, credited  
23 or transferred thereto from any other fund or source pursuant to law.  
24 Nothing contained in this section shall prevent the state from receiving  
25 grants, gifts or bequests for the purposes of the fund and depositing  
26 them into the fund according to law.

27 (b) On or before the first day of February each year, the comptroller  
28 shall certify to the governor, temporary president of the senate, speak-  
29 er of the assembly, chair of the senate finance committee, and chair of  
30 the assembly ways and means committee, the amount of money deposited  
31 into the fund during the preceding calendar year as the result of reven-  
32 ue derived pursuant to subdivision five of section sixty-six of the  
33 alcoholic beverage control law and from grants, gifts and bequests.

34 (c) On or before the first day of February each year, the commissioner  
35 of economic development shall provide a written report to the temporary  
36 president of the senate, speaker of the assembly, chair of the senate  
37 finance committee, chair of the assembly ways and means committee, chair  
38 of the senate investigations and government operations committee, chair  
39 of the senate agriculture committee, chair of the senate commerce,  
40 economic development and small business committee, chair of the assembly  
41 economic development, job creation, commerce and industry committee,  
42 chair of the assembly agriculture committee, the state comptroller, and  
43 the public. Such report shall include how the moneys of the fund were  
44 utilized during the preceding calendar year including expenditures for  
45 all promotional and marketing activity.

46 3. Moneys for the fund shall be expended only for the marketing and  
47 promotional campaigns and education projects on behalf of New York  
48 produced distilled spirits and wine that are approved by the commission-  
49 er of economic development.

50 4. Moneys shall be payable from the fund on the audit and warrant of  
51 the comptroller on vouchers approved and certified by the commissioner  
52 of economic development.

53 5. To the extent practicable, the commissioner of economic development  
54 shall ensure that all moneys received by the fund during a fiscal year  
55 are expended prior to the end of the fiscal year.

56 § 6. This act shall take effect January 1, 2023.