

STATE OF NEW YORK

7765

IN SENATE

January 11, 2022

Introduced by Sen. SKOUFIS -- read twice and ordered printed, and when printed to be committed to the Committee on Rules

AN ACT to amend the alcoholic beverage control law, in relation to providing for alternative penalties for a first-time violation of certain provisions of the alcoholic beverage control law

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

1 Section 1. Subdivision 3 of section 118 of the alcoholic beverage
2 control law is amended by adding a new paragraph (c) to read as follows:

3 (c) As used in this section, the term "for cause" shall also include a
4 licensee's or permittee's failure to cure a violation of law or rule in
5 the time period prescribed by the authority pursuant to subdivision six
6 of this section.

7 § 2. Section 118 of the alcoholic beverage control law is amended by
8 adding a new subdivision 6 to read as follows:

9 6. (a) Notwithstanding any other provision of this chapter, in lieu of
10 commencement of a disciplinary proceeding against a licensee or permit-
11 tee, for a first-time violation of either a provision of this chapter or
12 a rule of the authority that is deemed by the authority under its
13 discretion to be de minimis under the circumstances, and is related to
14 (i) an administrative process, or (ii) paperwork requested or received
15 by the authority, or (iii) acts or omissions of the licensee or permit-
16 tee, the authority shall provide a cure period or other opportunity for
17 ameliorative action if the violation can be corrected.

18 (b) Upon such first-time violation, the authority shall (i) provide
19 the licensee with a copy of the applicable law or rule and any other
20 helpful guidance or information explaining such law or rule, to the
21 extent such materials exist, or (ii) to the extent practicable, provide
22 such licensee assistance with compliance with the law or the authority's
23 rules.

24 (c) The authority shall have the discretion to determine the appropri-
25 ate period of time to allow such licensee to cure or take such other
26 ameliorative action to address such violation, which shall be reasonable
27 but shall not be less than fifteen business days and not more than twen-

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

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1 ty business days, unless a longer period is allowed pursuant to law or
2 regulation.

3 (d) No waiver of penalties or cure period or other opportunity for
4 ameliorative action may be given if the authority determines that such
5 violation may result in serious actual harm, or may present an endanger-
6 ment to public safety, human health or the environment, is a violation
7 of human or civil rights law, results in loss of employee wages or bene-
8 fits, interferes with any remedy, review, or resolution related to
9 harassment or discrimination claims, was or is a willful violation,
10 involves tax fraud, violates requirements related to federal funding to
11 the state, relates to state funding or procurement, is similar to prior
12 violations, is a penal law violation, relates to a material or substan-
13 tive portion of the licensee's business, or is in contravention of the
14 public interest and/or policy reflected by the authority's mission.

15 § 3. Subdivision 3 of section 130 of the alcoholic beverage control
16 law, as amended by a chapter of the laws of 2021 amending the alcoholic
17 beverage control law relating to providing for alternative penalties for
18 a first time violation of certain provisions of the alcoholic beverage
19 control law, as proposed in legislative bills numbers S. 5979 and A.
20 5972, is amended to read as follows:

21 3. [~~(a)~~] Any violation by any person of any provision of this chapter
22 for which no punishment or penalty is otherwise provided shall be a
23 misdemeanor, provided, however, that the provisions of this [~~paragraph~~]
24 subdivision shall not apply to the prohibitions provided for in subdivi-
25 sion six-a of section one hundred six of this article.

26 [~~(b) In lieu of such misdemeanor penalty as provided for in paragraph~~
27 ~~(a) of this subdivision, for a first time violation of either this chap-~~
28 ~~ter, an authority rule, or regulation, any of which are related to~~
29 ~~administrative or paperwork violations submitted to or requested by the~~
30 ~~authority or to actions or omissions that are reasonably determined by~~
31 ~~the authority to be de minimus under the circumstances, the authority~~
32 ~~shall provide for a cure period or other opportunity for ameliorative~~
33 ~~action if the violation can be corrected, the successful completion of~~
34 ~~which will prevent the imposition of penalties on the party or parties~~
35 ~~subject to enforcement of such violation. Provided, however, that the~~
36 ~~provisions of this paragraph shall not apply to the prohibitions~~
37 ~~provided for in section sixty five or subdivision six a of section one~~
38 ~~hundred six of this chapter. Further, no waiver of penalties or cure~~
39 ~~period or other opportunity for ameliorative action may be given if the~~
40 ~~authority determines that such violation may result in serious actual~~
41 ~~harm, or may present an endangerment to public safety, human health or~~
42 ~~the environment, is a violation of human or civil rights law, results in~~
43 ~~loss of employee wages or benefits, interferes with any remedy, review,~~
44 ~~or resolution related to harassment or discrimination claims, was or is~~
45 ~~a willful violation, involves tax fraud, violates requirements related~~
46 ~~to federal funding to the state, relates to state funding or procure-~~
47 ~~ment, is similar to prior violations, is a penal law violation, relates~~
48 ~~to a material or substantive portion of the licensee's business, or is~~
49 ~~in contravention of the public interest and/or policy reflected by the~~
50 ~~authority's mission. Upon such first violation, the authority shall (i)~~
51 ~~provide the licensee with a copy of the applicable rule or regulation~~
52 ~~guides pursuant to section one hundred two a of the state administrative~~
53 ~~procedure act and any other helpful guidance or information detailing~~
54 ~~the authority's rules and regulations, to the extent such materials~~
55 ~~exist, or (ii) to the extent practicable, provide such licensee assist-~~
56 ~~ance with compliance with the authority's rules and regulations. The~~

~~1 authority shall have the discretion to determine the appropriate period
2 of time to allow such licensee to cure or take such other ameliorative
3 action to address such violation, which shall be reasonable but shall
4 not be less than fifteen business days and not more than twenty business
5 days unless a longer period is allowed pursuant to law or regulation.]~~

6 § 4. Notwithstanding the provisions of article 5 of the general
7 construction law, the provisions of subdivision 5 of section 130 of the
8 alcoholic beverage control law are hereby revived and shall continue in
9 full force and effect as such provisions existed on the day before the
10 date of a chapter of the laws of 2021 amending the alcoholic beverage
11 control law relating to providing for alternative penalties for a first
12 time violation of certain provisions of the alcoholic beverage control
13 law, as proposed in legislative bills numbers S. 5979 and A. 5972, takes
14 effect.

15 § 5. This act shall take effect on the same date and in the same
16 manner as a chapter of the laws of 2021 amending the alcoholic beverage
17 control law relating to providing for alternative penalties for a first
18 time violation of certain provisions of the alcoholic beverage control
19 law, as proposed in legislative bills numbers S. 5979 and A. 5972, takes
20 effect.