

STATE OF NEW YORK

567--A

Cal. No. 242

2025-2026 Regular Sessions

IN SENATE

(Prefiled)

January 8, 2025

Introduced by Sen. SKOUFIS -- read twice and ordered printed, and when printed to be committed to the Committee on Investigations and Government Operations -- reported favorably from said committee, ordered to first and second report, ordered to a third reading, amended and ordered reprinted, retaining its place in the order of third reading

AN ACT to amend the alcoholic beverage control law, in relation to establishing a brand owner's license

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

1 Section 1. Subdivision 3 of section 17 of the alcoholic beverage
2 control law, as amended by section 8 of chapter 522 of the laws of 2018,
3 is amended to read as follows:
4 3. To revoke, cancel or suspend for cause any license or permit issued
5 under this chapter and/or to impose a civil penalty for cause against
6 any holder of a license or permit issued pursuant to this chapter. Any
7 civil penalty so imposed shall not exceed the sum of ten thousand
8 dollars as against the holder of any retail permit issued pursuant to
9 sections ninety-five, ninety-seven, ninety-eight, ninety-nine-d, and
10 paragraph f of subdivision one of section ninety-nine-b of this chapter,
11 and as against the holder of any retail license issued pursuant to
12 sections fifty-three-a, fifty-four, fifty-four-a, fifty-five, fifty-
13 five-a, sixty-three, sixty-four, sixty-four-a, sixty-four-b,
14 sixty-four-c, seventy-six-f, seventy-nine, eighty-one and eighty-one-a
15 of this chapter, and the sum of thirty thousand dollars as against the
16 holder of a license issued pursuant to sections thirty, thirty-one,
17 fifty-three, sixty-one-a, sixty-one-b, sixty-one-c, seventy-six, seven-
18 ty-six-a, and seventy-eight of this chapter, provided that the civil
19 penalty against the holder of a wholesale license issued pursuant to
20 section fifty-three of this chapter shall not exceed the sum of ten
21 thousand dollars where that licensee violates provisions of this chapter

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

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1 during the course of the sale of beer at retail to a person for consump-
2 tion at home, and the sum of one hundred thousand dollars as against the
3 holder of any license issued pursuant to sections fifty-one, sixty-one,
4 and sixty-two of this chapter. Any civil penalty so imposed shall be in
5 addition to and separate and apart from the terms and provisions of the
6 bond required pursuant to section one hundred twelve of this chapter.
7 Provided that no appeal is pending on the imposition of such civil
8 penalty, in the event such civil penalty imposed by the division remains
9 unpaid, in whole or in part, more than forty-five days after written
10 demand for payment has been sent by first class mail to the address of
11 the licensed premises, a notice of impending default judgment shall be
12 sent by first class mail to the licensed premises and by first class
13 mail to the last known home address of the person who signed the most
14 recent license application. The notice of impending default judgment
15 shall advise the licensee: (a) that a civil penalty was imposed on the
16 licensee; (b) the date the penalty was imposed; (c) the amount of the
17 civil penalty; (d) the amount of the civil penalty that remains unpaid
18 as of the date of the notice; (e) the violations for which the civil
19 penalty was imposed; and (f) that a judgment by default will be entered
20 in the supreme court of the county in which the licensed premises are
21 located, or other court of civil jurisdiction or any other place
22 provided for the entry of civil judgments within the state of New York
23 unless the division receives full payment of all civil penalties due
24 within twenty days of the date of the notice of impending default judg-
25 ment. If full payment shall not have been received by the division with-
26 in thirty days of mailing of the notice of impending default judgment,
27 the division shall proceed to enter with such court a statement of the
28 default judgment containing the amount of the penalty or penalties
29 remaining due and unpaid, along with proof of mailing of the notice of
30 impending default judgment. The filing of such judgment shall have the
31 full force and effect of a default judgment duly docketed with such
32 court pursuant to the civil practice law and rules and shall in all
33 respects be governed by that chapter and may be enforced in the same
34 manner and with the same effect as that provided by law in respect to
35 execution issued against property upon judgments of a court of record. A
36 judgment entered pursuant to this subdivision shall remain in full force
37 and effect for eight years notwithstanding any other provision of law.

38 § 2. Subdivision 3 of section 17 of the alcoholic beverage control
39 law, as amended by section 9 of chapter 522 of the laws of 2018, is
40 amended to read as follows:

41 3. To revoke, cancel or suspend for cause any license or permit issued
42 under this chapter and/or to impose a civil penalty for cause against
43 any holder of a license or permit issued pursuant to this chapter. Any
44 civil penalty so imposed shall not exceed the sum of ten thousand
45 dollars as against the holder of any retail permit issued pursuant to
46 sections ninety-five, ninety-seven, ninety-eight, ninety-nine-d, and
47 paragraph f of subdivision one of section ninety-nine-b of this chapter,
48 and as against the holder of any retail license issued pursuant to
49 sections fifty-three-a, fifty-four, fifty-four-a, fifty-five, fifty-
50 five-a, sixty-three, sixty-four, sixty-four-a, sixty-four-b,
51 sixty-four-c, seventy-six-f, seventy-nine, eighty-one, and eighty-one-a
52 of this chapter, and the sum of thirty thousand dollars as against the
53 holder of a license issued pursuant to sections thirty, thirty-one,
54 fifty-three, sixty-one-a, sixty-one-b, sixty-one-c, seventy-six, seven-
55 ty-six-a and seventy-eight of this chapter, provided that the civil
56 penalty against the holder of a wholesale license issued pursuant to

1 section fifty-three of this chapter shall not exceed the sum of ten
2 thousand dollars where that licensee violates provisions of this chapter
3 during the course of the sale of beer at retail to a person for consump-
4 tion at home, and the sum of one hundred thousand dollars as against the
5 holder of any license issued pursuant to sections fifty-one, sixty-one
6 and sixty-two of this chapter. Any civil penalty so imposed shall be in
7 addition to and separate and apart from the terms and provisions of the
8 bond required pursuant to section one hundred twelve of this chapter.
9 Provided that no appeal is pending on the imposition of such civil
10 penalty, in the event such civil penalty imposed by the division remains
11 unpaid, in whole or in part, more than forty-five days after written
12 demand for payment has been sent by first class mail to the address of
13 the licensed premises, a notice of impending default judgment shall be
14 sent by first class mail to the licensed premises and by first class
15 mail to the last known home address of the person who signed the most
16 recent license application. The notice of impending default judgment
17 shall advise the licensee: (a) that a civil penalty was imposed on the
18 licensee; (b) the date the penalty was imposed; (c) the amount of the
19 civil penalty; (d) the amount of the civil penalty that remains unpaid
20 as of the date of the notice; (e) the violations for which the civil
21 penalty was imposed; and (f) that a judgment by default will be entered
22 in the supreme court of the county in which the licensed premises are
23 located, or other court of civil jurisdiction, or any other place
24 provided for the entry of civil judgments within the state of New York
25 unless the division receives full payment of all civil penalties due
26 within twenty days of the date of the notice of impending default judg-
27 ment. If full payment shall not have been received by the division with-
28 in thirty days of mailing of the notice of impending default judgment,
29 the division shall proceed to enter with such court a statement of the
30 default judgment containing the amount of the penalty or penalties
31 remaining due and unpaid, along with proof of mailing of the notice of
32 impending default judgment. The filing of such judgment shall have the
33 full force and effect of a default judgment duly docketed with such
34 court pursuant to the civil practice law and rules and shall in all
35 respects be governed by that chapter and may be enforced in the same
36 manner and with the same effect as that provided by law in respect to
37 execution issued against property upon judgments of a court of record. A
38 judgment entered pursuant to this subdivision shall remain in full force
39 and effect for eight years notwithstanding any other provision of law.

40 § 3. The alcoholic beverage control law is amended by adding a new
41 section 61-c to read as follows:

42 § 61-c. Brand owner's license. Any person with a federal basic permit
43 may apply to the liquor authority for a brand owner's license. Such
44 license shall authorize the holder thereof to:

45 1. contract with a licensed manufacturer of alcoholic beverages in
46 this state for the purposes of manufacturing such products as provided
47 in section one hundred three of this chapter;

48 2. appoint a licensed wholesaler authorized to sell and deliver alco-
49 holic beverages in this state as exclusive brand agent for the purposes
50 of soliciting, negotiating, and receiving payments for the sale of alco-
51 holic beverages to retail licensees for on-premises or off-premises
52 consumption;

53 3. sell such alcoholic beverages to licensed wholesalers authorized to
54 sell and deliver alcoholic beverages in this state appointed as exclu-
55 sive brand agent and be remitted payments for such sales; and

1 4. the authority is hereby authorized to promulgate rules and regu-
2 lations to effectuate the purposes of this section.

3 § 4. Section 66 of the alcoholic beverage control law is amended by
4 adding a new subdivision 3-b to read as follows:

5 3-b. The annual fee for a brand owner's license shall be one hundred
6 twenty-five dollars.

7 § 5. Section 103 of the alcoholic beverage control law is amended by
8 adding a new subdivision 10 to read as follows:

9 10. Nothing shall prohibit a licensed manufacturer, in accordance with
10 their license, from entering into a contract with a brand owner's licen-
11 see pursuant to section sixty-one-c of this chapter.

12 § 6. This act shall take effect immediately; provided, however, that
13 the amendments to subdivision 3 of section 17 of the alcoholic beverage
14 control law made by section one of this act shall be subject to the
15 expiration and reversion of such section pursuant to section 4 of chap-
16 ter 118 of the laws of 2012, as amended, when upon such date section two
17 of this act shall take effect.