STATE OF NEW YORK

6703--B

2025-2026 Regular Sessions

IN SENATE

March 20, 2025

Introduced by Sen. JACKSON -- read twice and ordered printed, and when printed to be committed to the Committee on Investigations and Government Operations -- 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 authorizing holders of certain licenses issued by the state liquor authority to engage in the sale or wholesale of ready-to-drink cocktails, and to correct certain provisions otherwise unintentionally limiting the sale of mead and/or braggot, cider, and ready-to-drink cocktails

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

Section 1. Short title. This act shall be known and may be cited as the "ready-to-drink cocktail retail sales act".

§ 2. Section 3 of the alcoholic beverage control law is amended by adding a new subdivision 23-a to read as follows:

23-a. "Ready-to-drink cocktail" or "RTD cocktail" means a beverage containing liquor which is added to concentrated or unconcentrated juice, flavoring material, water, citric acid, sugar, or carbon dioxide, that contains not more than eight and one-half percent alcohol by volume, and that is sold in single serving containers with a size no greater than sixteen ounces each.

§ 3. The alcoholic beverage control law is amended by adding a new section 70 to read as follows:

§ 70. Sale of ready-to-drink cocktails by retail licensees. Each retail licensee under this chapter shall have the right, by virtue of their license and without being required to pay any additional fee for the privilege, to sell at retail for consumption on or off the premises, as the case may be, ready-to-drink cocktails purchased from a person

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

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licensed to produce or sell liquor, wine, or beer at wholesale under this chapter.

§ 4. The section heading, paragraph f of subdivision 1, and subdivisions 2, 3, 4, 5, 6, 7 and 8 of section 101-aaa of the alcoholic beverage control law, the section heading, paragraph f of subdivision 1 and subdivisions 4, 5, 6, 7 and 8 as added by section 183 of part A of chapter 389 of the laws of 1997, subdivision 2 as amended by chapter 745 of the laws of 2019, and subdivision 3 as amended by chapter 499 of the laws of 2004, are amended to read as follows:

Terms of sale; beer**, mead and/or braggot, cider, ready-to-drink cocktails,** or wine products.

f. "Retail licensee" means a person licensed pursuant to this chapter who purchases beer**, mead and/or braggot, cider, ready-to-drink cocktails,** and/or wine products for resale for on or off premises consumption, except a person licensed to sell liquor and/or wine for off premises consumption.

2. No manufacturer or wholesaler licensed under this chapter shall sell or deliver any beer, mead **and/or braggot**, cider**, ready-to-drink cocktails,** or wine products to any retail licensee except as provided for in this section:

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

(b) on terms requiring payment by such retail licensee for such beer, mead **and/or braggot**, cider, **ready-to-drink cocktails,** or wine products on or before the final payment date of any credit period within which delivery is made; or

(c) by business payment card; provided that a manufacturer or wholesaler that exercises reasonable diligence to ensure the sale comports with the requirements of this section shall not be found to have violated this subdivision where a retail licensee uses a credit card other than a business payment card.

Provided, however, that the sale of **ready-to-drink cocktails,** wine products, mead, or cider to a retail licensee by a wholesaler licensed under section fifty-eight, sixty-two, or seventy-eight of this chapter, or a licensed manufacturer of liquor, mead or wine or a cider producer's license, shall be governed by the provisions of section one hundred-one-aa of this article.

3. Each such manufacturer and wholesaler shall, on or before the respective delinquent notice date, give written notice of default, by first class mail, to all such licensees who have failed to make payment to the manufacturer or wholesaler on or before their final payment date for beer**, mead and/or braggot, cider, ready-to-drink cocktails,** or wine products sold or delivered to such licensees during the previous credit period. Any such retail licensee receiving such notice shall not thereafter purchase beer**, mead and/or braggot, cider, ready-to-drink cocktails,** or wine products except for cash until such time as the authority determines that its name shall not be published on the delinquent list as provided in this subdivision, or until such time as the authority permits sales or deliveries to such licensee as provided in subdivision five of this section. Each such manufacturer and wholesaler shall file with the authority, on or before each notification date, copies of the notices sent by it to all delinquent retail licensees, and in addition, if the authority shall so require, a written list setting forth the names and addresses of all such delinquent licensees. The authority, in its discretion, may extend for a period not exceeding three days the date for giving written notice of default to delinquent retail licensees and extend for three days the date for filing with the authority the

copies of notices sent to such licensees and/or the written list of delinquent retail licensees. The authority shall, as soon as practicable after each notification date, compile, publish, and furnish each manufacturer and wholesaler licensed under this chapter a delinquent list containing the names and addresses of all retail licensees who have been reported by manufacturers and wholesalers pursuant to the provisions of this section or section one hundred one-aa of this article as having failed to make payment as required by this section or section one hundred one-aa of this article for beer**, mead and/or braggot, cider, ready-to-drink cocktails,** or wine products sold or delivered to them, and no such manufacturer or wholesaler, on or after the fifth day after the receipt of such delinquent list, shall knowingly, [~~wilfully~~] **willfully** or intentionally sell or deliver any beer**, mead and/or braggot, cider, ready-to-drink cocktails,** or wine products to any such licensee whose name appears on such list, except for cash, until such time as the name of such licensee is removed therefrom, except as otherwise permitted by this section. The receipt of a delinquent list by a manufacturer or wholesaler shall constitute knowledge of the names of the retail licensees who have failed to make payment for beer or wine products as required by this section. The failure of any manufacturer or wholesaler to comply with the provisions of this section may, at the discretion of the authority, subject the license of such manufacturer or wholesaler to suspension for not more than five days for the first offense, and not more than thirty days for a subsequent offense. The authority may publish the delinquent list on its website; provided, however, that access shall be restricted to those manufacturers and wholesalers licensed under this chapter. Such publication shall be considered receipt thereof by all manufacturers and wholesalers.

4. In the event that any dispute shall exist between any manufacturer or wholesaler and a retail licensee to whom such manufacturer or wholesaler shall have sold beer**, mead and/or braggot, cider, ready-to-drink cocktails,** or wine products, either as to the fact of payment or as to the amount due for such beer or wine products or as to the quantity of the beer or wine products sold or delivered, which dispute cannot be adjusted between them, the authority is authorized to receive statements from each of the parties to such dispute as to the facts and circumstances thereof and to determine whether or not such retail licensee's name should be published on the delinquent list.

5. The authority in the case of a retail licensee who has actually made payment for beer**, mead and/or braggot, cider, ready-to-drink cocktails,** or wine products, or on good cause shown to it, may permit sales or deliveries to any [~~retial~~] **retail** licensee who has received notice of default or who is named on any delinquent list, on terms other than for cash, but within the limitations of this section, prior to the publication of the next delinquent list.

6. The license of any retail licensee who purchases or accepts delivery of beer**, mead and/or braggot, cider, ready-to-drink cocktails,** or wine products on any terms, other than as provided in this section, may be suspended for not more than five days for the first offense and not more than thirty days for a subsequent offense. The failure of any such retail licensee to pay any amount in default before the expiration of the period of suspension shall be deemed and punishable as a subsequent offense until paid. In addition, the authority may require any such retail licensee, after default in making payment in accordance with the provisions of this section to make payment in cash for beer**, mead and/or**

braggot, cider, ready-to-drink cocktails, or wine products subsequently delivered.

7. Nothing contained in this section shall be construed to require any manufacturer or wholesaler to extend credit to any retail licensee nor to restrain any manufacturer or wholesaler from seeking to enforce by legal action or otherwise, payment of any sum or sums of money due or alleged to be due to any such manufacturer or wholesaler for beer**, mead and/or braggot, cider, ready-to-drink cocktails,** or wine products sold or delivered to any such retail licensee.

8. There shall be paid to the liquor authority by each person applying after the effective date of this section for any license to sell beer**, mead and/or braggot, cider, ready-to-drink cocktails,** or wine products to retailers or upon the renewal of such license, a sum equivalent to ten per centum of the annual license fee prescribed by this chapter for each such licensee. Such moneys shall be used by the authority to defray the expenses incurred in the administration of this section.

§ 5. This act shall take effect on the ninetieth day after it shall have become a law. Effective immediately, the addition, amendment and/or repeal of any rule or regulation necessary for the implementation of this act on its effective date are authorized to be made, including by emergency, and completed on or before such effective date.