

SENATE PASSES LANZA'S LEGISLATION TO REFORM OUTDATED ALCOHOLIC BEVERAGE CONTROL LAWS

ANDREW J. LANZA June 17, 2016

Measures Allow Restaurants and Bars to Serve Alcohol on Sunday Mornings and Increase Access to New York's Wine, Beer, Cider, and Distillery Products

The New York State Senate today passed legislation that will reduce red tape, help meet consumer demand, and eliminate regulations for restaurants, bars, and other small businesses in New York's service and beverage industries. The bill (S8140), sponsored by Senator Andrew Lanza (R-C-I, Staten Island), comprises an agreement with the Governor and the Assembly to modernize the state's alcoholic beverage control laws to allow alcohol to be sold earlier on Sundays and reduce the regulatory burden for the state's wineries, breweries, distilleries, and cideries to support their success.

Senate Majority Leader John J. Flanagan said, "There was broad consensus between the Governor and Legislature that New York's blue laws were outdated and in need of reform, specifically the provision which barred those enjoying brunch from purchasing an alcoholic beverage before noon on Sunday. Working with our colleagues in government, I am pleased we were able to arrive at an agreement to make common-sense changes that reduce red tape and eliminate regulations, help businesses grow and thrive, and reflect the overwhelming wishes of consumers all across this state."

Senator Lanza said, "This bill will modernize state alcohol laws that in many cases date back to Prohibition and will cut red tape, lower costs, and roll back burdensome regulations."

New York's outdated "blue laws" - which regulate the alcoholic beverage industry - will be modernized to help small businesses through the following provisions:

- · Allows Restaurants and Bars to Serve Alcohol Earlier on Sunday: Licensed restaurants and bars statewide will be allowed to serve alcohol starting at 10 a.m. on Sundays (current law is noon). In addition, restaurants and bars outside of New York City can obtain a special one-day permit from the State Liquor Authority (SLA) to serve alcohol from 8 a.m. to 10 a.m., limited to 12 special temporary permits per year;
- · Reforms Process for Filling the Vacancy of SLA Chair: In the case of a vacancy of the Chair of the SLA, the Governor will be authorized to appoint one of the two remaining commissioners as Acting Chair. The Acting Chair can serve for a period of six months and an additional 90 days if the Governor nominates a replacement. Without an Acting Chair, several aspects of the SLA Board duties are unable to be conducted and that could result in delayed licensing or other impacts to businesses;
- · Reduces Burdens on Craft Manufacturers: Craft manufacturers are authorized to obtain multiple craft licenses on one application;
- · Cuts Fees for Importers Licenses: Importers who sell exclusively to wholesalers are authorized to receive a license at a reduced fee of \$125:
- · Allows Wine to be Sold in Growlers: Wineries and farm wineries are authorized to sell or deliver wine to a consumer in an temporarily sealed container, such as a growler. The containers can be no more than four liters and they must be temporarily sealed for purposes

of transporting the wine from the winery or farm winery. Customers that do not finish a bottle of wine at a winery or farm winery will be permitted to take the bottle home, similar to what is currently permitted for restaurants and bars;

- · Allows Sales of Gift Bags: Package stores will be allowed to sell gift bags and wrapping paper. This provision has a sunset of three years;
- · Removes Certain Restrictions on Transporting Alcoholic Products: Alcohol for onpremises consumption will be allowed to be transported across areas authorized only for offpremises sales for the sole purpose of restocking the "on-premises" area (e.g. a supermarket that is attached to and in between a wine bar and a stockroom); and
- · Reduces Burdens on Solicitors: Solicitors are salespeople required to purchase an individual permit and to obtain a surety bond. This bill eliminates the surety bond for all solicitors and eliminates the permit fee for small craft beverage manufacturers.

The bill has been sent to the Assembly.

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