



NEW YORK STATE SENATOR

Thomas F. O'Mara

O'Mara says new law will strengthen Finger Lakes, Southern Tier wine, craft beverage industries ~ Believes ongoing actions will boost regional agriculture, small business and tourism

THOMAS F. O'MARA September 7, 2016

| ISSUE: **WINE AND CRAFT BEVERAGES**



These commonsense steps and regulatory reforms recognize the ongoing need to support and strengthen our world-class wine and craft beverage industries, as well as agriculture, small business and tourism as a whole throughout the Southern Tier and Finger Lakes regions, and statewide.

Albany, N.Y., September 7—Legislation sponsored by Senator Tom O'Mara (R,C,I-Big Flats), a member of the Senate Agriculture Committee, to modernize the state's 80-year-old Alcoholic

Beverage Control (ABC) Law has been signed into law by Governor Andrew Cuomo.

O'Mara said that the legislation (S8140/A10728) was approved by both houses of the Legislature in June and signed into law by the governor today.

The enactment of the commonsense revisions will enhance and help strengthen the foundations of the Finger Lakes and Southern Tier wine, craft beer, cider and distillery industries, O'Mara said.

"These commonsense steps and regulatory reforms recognize the ongoing need to support and strengthen our world-class wine and craft beverage industries, as well as agriculture, small business and tourism as a whole throughout the Southern Tier and Finger Lakes regions, and statewide," said O'Mara. "I continue to strongly support these bipartisan efforts to recognize our most vibrant industries and take steps to help them grow, create more jobs and strengthen regional economies through the unlimited economic spin-off opportunities they offer."

The new law includes expanding the time that alcohol can be sold at on-premises establishments on Sundays, a move which O'Mara has long supported and sponsored legislation to achieve. The current ABC Law strictly prohibits the sale of alcoholic beverages at on-premises establishments before noon on Sunday. Under the new law, Sunday sales for on-premises consumption at restaurants, bars and other establishments will be expanded by changing the statewide opening hours from noon to 10 am. Additionally, the legislation enables these licensees, outside of New York City, to apply for twelve permits annually to sell alcoholic beverages for consumption on the premises on Sundays beginning 8 a.m.

The New York Wine & Grape Foundation estimates the state's grape, grape juice and wine industry annually generates approximately \$5 billion in overall economic benefits to New

York.

New York's craft brewing industry already consists of more than 90 breweries, accounts for thousands of jobs and generates more than \$200 million of annual economic activity. For more information, visit the Finger Lakes Beer Trail at www.fingerlakesbeertrail.com.

In addition to expanding Sunday sales, the law will:

> Eliminate Burdensome Paperwork Requirements for Craft Manufacturers: At the 2012 Wine, Beer and Spirits Summit, Governor Cuomo ended the State Liquor Authority's policy prohibiting multiple manufacturing licenses at the same location, recognizing the additional burdens this placed, for example, on a small winery that wanted to also make whiskey – including building a separate facility. However, businesses holding multiple licenses must still file paperwork and renewals for each separate license. The agreement combines craft manufacturing licenses into one application to reduce burdensome paperwork for these small businesses;

> Authorize the Sale of Wine in Growlers: Current law requires that wine sold at retail for off-premises consumption be kept in their original sealed containers, and consequently, New York wineries are prohibited from filling growlers. This prohibition unduly burdens wineries that can open a container to sell wine for on-premises consumption, or can sell wine for off-premises consumption, but cannot fill a growler to be taken away from the winery. The agreement enacts a common sense change to the law to allow wineries to fill their customer's growlers. In addition, the agreement authorizes wineries and farm wineries to allow customers to take home partially finished bottles of wine;

> Reduce Fees for Craft Beverage Salespeople: The ABC Law currently requires that any salesperson or solicitor employed by a manufacturer or wholesaler must obtain a solicitor's

permit in addition to a bond. Recognizing the financial hardship imposed by these unnecessary additional fees, the agreement eliminates the fee for a solicitor's permit for craft manufacturers and removes the bond requirement for all manufacturers.

> **Reduced Fees for Small Wholesalers:** The primary business of most alcohol beverage wholesalers is selling their products to licensed retailers, such as bars, restaurants and liquor stores. However, there are currently a number of small wholesalers in New York that sell limited number of brands they import directly to large wholesalers for distribution to retailers. Under the current law, these small wholesalers must pay the same amount for their license as their larger counterparts, with costs ranging from \$1,460 for a one year beer license to \$27,280 for a three year liquor wholesale license. This financial burden often requires these small businesses to make a choice between continuing to hold a New York wholesale license or to relocate their business outside of New York. The agreement amends the ABC Law to create a low-cost "importer's license" that would be available to wholesalers that sell only to other wholesalers.

> **Authorize Gift Wrapping:** The agreement allows liquor stores to sell gift wrapping and gift bags to their customers.