



MEMORANDUM IN SUPPORT

S.7728 (Boyle) / A.10248 (Steck)

AN ACT to amend the alcoholic beverage control law, in relation to clarifying the basis upon which the state liquor authority has the authority to revoke, suspend or cancel a license or permit by excluding perceived violations of the laws of other states unless the conduct falls within certain exceptions and establishes standards in statute for the delivery of alcoholic beverage

The Capital Region Chamber, representing 2,600 businesses and organizations from throughout the Capital Region that employ more than 150,000 area residents, supports S.7728/A.10248 which would amend the alcoholic beverage control law to clarify the State Liquor Authority's (SLA) legal authority to enforce what it perceives that the laws of other states require concerning any New York State issued license or permit. The bill provides that, with certain exceptions, the SLA cannot make any judgment as to the requirements of any other state as to a particular licensee/permittee until such licensee/permittee has exhausted its due process rights in such other state. This clarification is necessary in order to ensure that both the regulator and the licensee understand what the law specifically requires.

The alcoholic beverage industry is an important component of our economy. The state's recent efforts to promote New York's wine, beer and spirit's industries are commendable. In fact, Governor Cuomo's has hosted several summits for the beer, wine, spirits, and cider industry. Those summits resulted in a significant effort to eliminate regulatory red tape and create incentives for the strong growth of the industry. Likewise, any attempt to provide this vital industry with additional regulatory clarity and enforcement predictability is welcomed.

It should be noted that the sponsors have made modifications to the current bill in order to address concerns raised with a prior version of the legislation. Specifically, the legislation limits the refinement of the SLA's authority to permit the SLA to exercise authority over New York licensees for out of state conduct which independently constitutes a violation of the Alcoholic Beverage Control Law, conduct where a licensee has been found to violate another state's law provided that due process of law has been provided, sales to minors in other states, situations in which another state has notified a licensee that the conduct is a violation of that state's laws and the licensee continues to engage in the conduct and a demonstrated failure to pay other state taxes.

For these stated reasons, the Capital Region Chamber recommends the passage of this legislation.

At the Center of New York's Tech Valley
capitalregionchamber.com

ALBANY OFFICE

5 Computer Drive South | Colonie, NY 12205
518.431.1400

SCHENECTADY OFFICE

306 State Street | Schenectady, NY 12305
518.372.5656