



NEW YORK STATE ASSOCIATION OF BEVERAGE CENTERS ANNUAL MEETING & DINNER

WEDNESDAY, MARCH 25, 2026 • 5:30-9 PM



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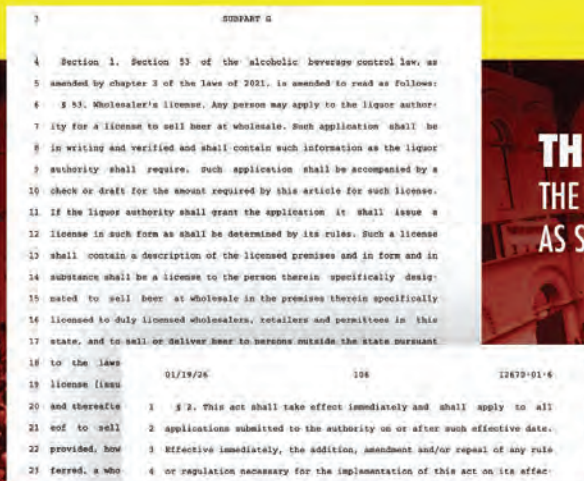
Proposed Law Would Allow State Liquor Authority to Issue New C Licenses



An amendment to the Alcoholic Beverage Control Law buried in the governor's proposed 2026 budget would allow the State Liquor Authority to issue new C licenses.

If the proposal goes through, anyone could get a C license for just the cost of the license fee, making active and shelved C Licenses worthless and potentially flooding an already shrinking market with competition.

NYSABC is gearing up to fight this proposal, preserve the proud history of C Licenses, and protect the value of your investment.



THIS IS A LIFE-OR-DEATH ISSUE
THE LAW COULD GO INTO EFFECT
AS SOON AS APRIL 1.



Meet our lawyers and lobbyists and find out what you can do to help. Get an update on what else is happening in Albany: bottle bill, ready-to-drink cocktails, wine in grocery stores, more.

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SLA Proposal Would Transform C Licenses

Buried deep in Governor Kathy Hochul's 1000+ page 2026 budget is a package of bills proposed by the State Liquor Authority (SLA). The poison pill is an amendment that would open up C licenses. If the SLA gets its way, anyone would be able to apply for a new beer wholesaler's license, and all beer wholesaler's licenses, including the newly issued ones, would have off-premises retail beer privileges. This was done with no advance notice, no consultation, opens the door to national chains and big box stores, increases competition in a declining market, and dilutes the value of the C license. NYSABC is fighting hard to get this out of the budget - everything in the budget is voted on as a package, and the budget is fast-tracked, with an April 2026 deadline. Then the strategy is a full-court press with legislators and kill it off when it resurfaces as a free-standing bill.

Meanwhile, here's a summary of the remaining SLA proposals:

Extends sunset of temporary retail permits and Liquidators permits

Temporary retail permits, which allow applicants for new retail licenses to operate rather than waiting for full SLA approval; and Liquidator's permits, which authorize the sale of the stock of a retailer going out of business, would be extended to October 2027. These authorization of these permits is scheduled to expire in October 2026.

Temporary retail permits terms of payment

Temporary retail permit holders would be governed by the same credit and payment rules that apply to regular retail licensees.

Bans labels designed to appeal to children

Would prohibit any statement, design, device, or representation that in the opinion of the SLA is intended to appeal to children and/or persons under 21.

Duration of licenses

Would authorize the SLA to extend the duration of certain licenses, including wholesaler licenses, for periods up to 3 years.

Channel pricing

Would authorize channel pricing for wine and liquor. Channel pricing is where products are priced differently based on the distribution channel—Direct to Consumer (DTC), off-premises retail, restaurants (on premises retail) account for varied margins, service costs, and taxes.

Direct shipment from outside NYS

ALL alcohol shipped into NY would have to go to a licensed entity.

Imports must be personally purchased and must be shipped to yourself. No agents, friends, or third-party purchases allowed.

New rules for trucking permittees

Trucking permittees would be prohibited from delivering alcohol to consumers unless delivery is made on behalf of a licensed NY retailer or shipper. Drivers and delivery staff must complete Alcohol Training & Awareness Program (ATAP). Before delivery, trucking permittees must verify 21+ ID, obtain a signed receipt, get certification alcohol is not for resale, and refuse delivery if ID is missing or questionable. 2x annual reports to SLA, including consumer names & addresses, dates of delivery, quantity & value, and license number of seller.

Creates a new "Fulfillment Warehouse" permit

Existing warehouse licensees would be able to apply for a fulfillment warehouse permit which would allow them to package and ship alcohol on behalf of NY retailer, NY manufacturer, and Direct shipper licensees. Permittee can ship to NY consumers.

Access to licensed premises

Repeals ABCL 106 (9), a prohibition-era section that prohibits on-premises wine & liquor licensees from having an opening or means of entrance between the licensed premises and any other room or place in the building, unless for a hotel dining room or restaurant or the premises is operated by a municipality. This section also requires all glass in any window or door must be clear and not opaque, colored, stained, or frosted.

Expands privileges for certain small manufacturers

Expands privileges for microbreweries, micro distilleries, micro-rectifiers, and farm distilleries, including allowing them to sell products of other licensed producers, NYS-labeled beer, do tastings with food, and sell at farmers markets.

Bans certain wholesaler fees

Would ban wholesalers from charging certain fees to retailers beyond the actual purchase price. Prohibited fees include storage fees; interest or finance charges; collection fees; attorney fees; split case fees; breakage fees; and delivery fees. However, the SLA can allow certain fees, set limits on fees, set conditions under which fees can be charged; and require record-keeping on these fees.

Multiple licenses

Currently manufacturers are prohibited from owning retail establishments. This proposal would allow a licensed manufacturer (including out-of-state) to own up to three retail on-premises licensees, IF: The manufacturer is owned by the same person or corporate entity as the retailer(s); and the retailer(s) use a substantially similar corporate name or d/b/a as the manufacturer. Effect: Manufacturers will now be able

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to operate a limited number of branded restaurants/bars or tasting rooms without violating the conflict-of-interest rules.

Establishes new on-premises liquor license categories

Restaurants, cafes, theaters, and other facilities that primarily serve food or provide entertainment can get these special liquor licenses. Theaters can only qualify only if they derive a significant portion of their revenue from the service of food and non-alcoholic beverages.

- adult care facility
- airline lounge
- cafe
- higher education
- hotel concessionaire
- legitimate theaters and movie theaters
- early morning sports bars
- restaurant dine and dance license

Besides the proposed SLA changes, here are some of the priority issues NYSABC will be facing once the dust settles from the budget battle over the future of C Licenses.

Bottle Bill

The so-called bigger, better bottle bill, the front-runner among many proposed bottle bill amendments, would Increase the container deposit to

10 cents effective 4/1/27, and increase the HF to 5 cents immediately, 6 cents on 4/1/27 and 6.5 cents on 4/1/32. It would also expand coverage in two steps, to non-carbonated soft drinks, non-carbonated fruit/vegetable juices containing less than 100% fruit or vegetable juice, coffee and tea beverages, and carbonated fruit beverages on 4/1/27, and on 4/1/30, to wine, liquor, more: “any drinkable liquid intended for human oral consumption” except drugs, infant formula; meal replacement liquid; dairy products derived from animal milk; plant-based dairy alternatives; and non-carbonated 100% fruit or vegetable juice. Among other details, this lengthy bill would also have tightened up redemption center registration and funded grants to municipalities, non-profits and small businesses to defray the costs of RVMs or other expenses related to processing empty containers.

Our Position

Bottle Bill Study. While the “bottle bill” has achieved some of its goals, there are many problems with its operation, especially on the back end of container return. Before expanding the law’s coverage and tacking piecemeal changes onto the rickety structure of this 40+ year-old law, the state should commission a comprehensive independent study of:

- New York’s experience with the RCA.
- The experience of the 9 other states with RCAs, at least 4 of which (California, Michigan, Maine, and Iowa) are now updating their RCAs.

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- The effects of expansion, especially adding wine and liquor.
- Increase in deposit and handling fees
- Dedicating more of the unredeemed to support the RCA.
- Redemption fraud.
- More effective ways to collect and count empties from dealers and redemption centers, such as state-supported collection cooperatives, which would allow commingling of containers and eliminate the expensive and labor-intensive need to sort by brand.

The study should be conducted by a neutral, independent agency, in a forum in which all stakeholders can participate, and should result in comprehensive recommendations that would make New York's RCA work more effectively, and more fairly, for the environment, for consumers and for businesses.

Ready-to-Drink Cocktails

There are two proposals relating to spirit-based ready-to-drink cocktails (RTDs). One would allow all off-premises retail beer licenses (including Cs) to sell RTDs at retail, and Cs to sell RTDs at wholesale. RTD is defined as a "beverage containing liquor which is added to concentrated or unconcentrated juice, flavoring material, water, citric acid, sugar, and/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." Another proposal would add RTDs to the bottle bill.

Our Position

C licenses must be included in any expansion of right to sell RTDs.

- We are alcohol-first destinations.
- Most of our store sales are 90% beer.
- We have long experience in selling age-restricted products, and the best record of any license category for policing underage sales.
- We have a financial stake in our licenses. If we lose our beer license, we are out of business, we cannot survive by selling soft drinks and the limited range of snack foods and other products we are allowed to sell.
- We already sell similar beverages made with malt-derived alcohol, many with ABV higher than the typical 6% for RTDs.
- We are the bottle bill container redemption experts. We have been doing the heavy lifting on container redemption for over 40 years, as free-standing redemption centers have not proven to be economically viable. When as is likely the bottle bill gets extended to RTDs, and we sell them, we can take the empties, taking pressure off the liquor stores.

Wine In Supermarkets

The latest proposal would allow supermarkets to sell wine at retail for off-premises consumption. "Supermarket" is defined as a store with at least 4000 sf, that derives at least 65% of its revenue from the sale of food (thus eliminating warehouse stores and big box multi-purpose retailers like Walmart and Target).

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Keynote Speaker

David Schwartz, Esq., *Founder & President,* Gotham Government Relations



David Schwartz is an internationally recognized trial attorney and lobbyist. He received his Masters in Law from the Fordham University School of Law and his undergraduate degree from Tulane University. He has been named by judges and his peers as a member of the prestigious Super Lawyers list and has received the highest rating as an attorney from Martindale-Hubbell. He has spent his entire career practicing law as a litigator and for the past decade as a lobbyist and advocate on behalf of businesses, trade associations, not-for-profits, foreign countries and individuals. He is admitted in all courts in the State of New York and Washington DC and has appeared in many other jurisdictions. Whether it is defending and advocating on behalf of litigants in high-profile criminal and civil cases or in the halls of the Capital, the same philosophy and attitude exists, which is to advocate as aggressively and passionately for the client as possible. Well-known as a powerful trial attorney, he has represented clients at all ends of the spectrum, from some of the largest companies in America to some of the least fortunate in our society. Every client gets the energy and attention needed to achieve positive results. It is this courtroom experience in over 100 trials and in handling thousands of cases, that makes him extremely effective in navigating the political process for his clients.

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Our Position

If supermarkets get the privilege of selling wine, Cs should get it as well, for the same reasons set out above for getting RTDs.

In addition, we will continue playing defense on bottle bill changes and other proposals that could negatively impact our businesses; representing C licenses in the legislature, at state agencies like the SLA and DEC; and making sure we have a “seat at the table” when law or policy changes are considered.



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