New York Legislature Passes Significant Changes to Liquor License Laws

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The New York State Legislature has passed two bills in the waning days of the 2019 Legislative Session that will affect the liquor licensing process statewide. One bill would impose a posting requirement on applications for renewal. The other bill would require applicants to provide notice to certain entities.

The governor has not announced his position on these bills.

Statewide Posting Requirement (A. 4520 / S. 2359)

Sponsored by two Manhattan legislators, Senator Brian Kavanagh and Assembly Member Deborah Glick, this bill would amend Section 100 of the Alcohol Beverage Control (ABC) Law to require applicants seeking a new liquor license or renewing an existing license to provide notice of the application "in a conspicuous place at the entrance to the establishment or proposed establishment where it can easily be read by passers-by."

The bill requires that the notice "be either printed or highlighted in a pink ink of neon, luminous or fluorescent variety." The notice must contain information such as the application date, type of license, and how to contact the State Liquor Authority (SLA) to comment on the application. In addition, "reasonable efforts" must be made to have it remain posted through the pendency of the application.

Within 10 days of receiving written notice of a hearing on its application, the applicant also must post such notice in the same manner as above, with the additional requirement that the wording be highlighted in pink ink. The notice must "include in clear and concise language a statement of the use and capacity of the establishment," and the applicant must make reasonable efforts to keep it posted until the hearing or public meeting.

The SLA will have the authority to direct the form of the notice and adopt rules as necessary to carry out the purposes of the new law. It will take effect 90 days after Governor Andrew Cuomo signs the bill into law.

If enacted, this legislation would impose the same posting requirements on renewal applicants currently demanded of new liquor license applications. Currently, only applications "where no retail license has been previously granted for the proposed premises" have a posting requirement under the ABC Law. The bill also makes minor changes to existing law, including the pink ink requirement of the initial notice and that the notices be "easily read by passers-by."

According to the Bill Sponsor's Memo, the bill has been introduced every year in at least one house of the New York Legislature since 2006. The stated rationale for the bill is to address the complaint that a minority of establishments serving alcohol and beer "have caused numerous problems for their neighbors ... and exhibited a pattern of disregard of their patrons' disorderly behavior." The Memo further cites loud music from these establishments interfering with neighbors' sleep as another issue addressed. The intent of the bill is to afford communities the opportunity to better advise the SLA of their concerns as the SLA considers new or renewal license applications.

In New York City, 59 quasi-governmental and geographically districted Community Boards play an advisory role in the liquor license application process. The 50-member boards are made up of those who live, work, or otherwise have a strong connection to that part of the city. The boards provide recommendations to the SLA on whether the application should be granted or denied. Some boards require applicants to stipulate to certain conditions, such as on hours of operation, type of music permitted, and other issues, before the board will make a positive recommendation.

While the ABC Law currently requires only on-site notice of new applications, many New York City community boards have imposed their own supplemental demands on new and renewal applicants. For example, Midtown Manhattan Community Board 5 requires all new and renewal applicants to provide notice not only on the premises, but also on the "four corners of the intersection nearest the premises" and "all residential buildings on the block on which the premises is located." Manhattan's Upper East Side Community Board 8 mandates the display of flyers "on bright colored paper in a visible location no later than one week before the Committee meeting" and that at least 12 flyers be posted on objects other than trees nearby. Brooklyn Community Board 4 in Bushwick already demands the same posting requirements for renewal applicants as for new establishments. Community boards may need to adjust their posting requirements if this bill is enacted.

Notice of Intent to File Application (A. 8026 / S. 6416)

Sponsored by Bronx Senator Luis Sepulveda and Queens Assembly Member Catalina Cruz, this bill would require new liquor license applicants to provide notice to municipalities or New York City community boards no more than 270 days before filing their application with the SLA.

Currently, new applicants must give notice at least 30 days before submitting their application, and they cannot proceed until this period has expired or the SLA has granted a waiver.

This law will take effect immediately after Governor Cuomo signs the bill into law.

The purpose of this new bill is to address local governments' confusion when there is a long lag time from when a liquor license applicant notifies the community of its intention and when it actually applies for the license. The parameters of a proposed bar or restaurant can change greatly over the months, and the bill sponsors assert that this bill would "assist Community Boards and other municipal governments with their ability to provide their opinion for or against granting of such application."

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