

## **The Fight Against Wine in Grocery Stores, Round 2:**

### ***Governor Releases His Executive Budget Proposal Allowing Wine Sales in Grocery Stores***

### ***Liquor Store Owners Fight Back at Lobby Day 2010***

Governor Paterson released his proposed \$134 billion state budget, which includes a proposal allowing for the sale of wine in grocery and drug stores. Liquor store owners across the State will band together to oppose this proposal at this year's Lobby Day. Last year more than 200 liquor store owners came to Albany to meet with legislators urging them to defeat this onerous proposal. We were successful in keeping the language out of the final budget that was passed, and we need your help to do it again.

Plans are already underway for this year's **Lobby Day on February 24<sup>th</sup>** from 9:00 a.m. – 4:00 p.m. at the Sign of the Tree Restaurant in Albany, where liquor store owners will gather together to lobby their elected officials to reject the Governor's proposal, which will put our stores out of business. Shortly there will be more information and the ability to sign up for the event on line at [www.lastmainstreetstore.com](http://www.lastmainstreetstore.com). Our strength is in our numbers, so please be sure to attend this year's Lobby Day, and bring an employee with you, to make certain that our opposition is loudly and clearly heard on this onerous budget proposal. Join in the fight to save your store.

The Governor's proposal, entitled the "Wine Industry and Liquor Store Revitalization Act" is alleged to provide \$93 million in 2010-11 through various franchise fees, excise taxes, sales taxes and license fees, and \$52 million in 2011-12. The proposal has some of the same provisions as the Morelle / Krueger bill. Specifically, the bill:

- Permits wine sale licenses to grocery and drug stores
- Allows for the sale of cigars and cigar accessories and education products, bottled water, mixers, newspapers, food and food products associated with alcoholic beverages
- Allows for installation of ATM's
- Allows for a "medallion" system, allowing existing liquor store owners to auction off their licenses to the highest bidder
- Allows for the sale of wine and liquor to on-premise licensed taverns and restaurants
- Allows for an additional license
- Implements an annual licensing fee of \$500 for each grocery or drug store to sell wine, and \$1,000 for those that hold two or more licenses. Ten percent of the fees (up to \$1 million) would be dedicated to the New York Wine Industry Marketing and Promotion Account to promote New York's wine industry
- Allows for workers under 18 to handle wine in a grocery store and to accept payment under the direct supervision of a person 18 or over
- Requires the SLA to report after 2011 information relating to number of licenses applied for, renewals sought and time required for approval or denial
- Allows for cooperative purchasing

- Permits wine tastings by any licensed seller
- Allows for temporary retail permits for transferees and new applicants outside of NYC
- Changes the “credit period” for grocery and drug stores to 60 days after the date alcoholic beverages are delivered (liquor stores will continue to be subject to a 30 day credit period)
- Allows for the liquidation of an entire stock if a store is closing