

STATE OF NEW YORK
LIQUOR AUTHORITY

To: All applicants for licenses

Subject: Compliance with ABCL §110(1) for Not-for-Profit Organizations

Pursuant to the provisions of Alcoholic Beverage Control Law ("ABCL") §110(1), the Authority requires information regarding the principals of the entity, or entities, that are applying for a license. With respect to a corporation, information regarding the officers, directors and certain stockholders must be supplied. The Authority obtains this information by having each person complete a personal questionnaire. In addition, these individuals must also submit their fingerprints so that the Authority can determine whether the individual has any disqualifying criminal conviction or any criminal conviction that may be relevant to whether such individual has the requisite character and fitness to hold a license.

With respect to corporations, the only statutory exception to these requirements is for a not-for-profit organization that is applying for a "club" license. In such a case the not-for-profit must designate an Alcoholic Beverage Officer who must complete the personal questionnaire and submit fingerprints. The other officers and directors of the organization are not required to submit personal questionnaires or fingerprints. However, if the not-for-profit is applying for any other license, all of its officers and directors (sometimes referred to as "trustees") must submit personal questionnaires or fingerprints.

The need to obtain personal questionnaires and fingerprints from the directors/trustees of a not-for-profit often becomes a hardship for a not-for-profit applying for a license. Those individuals are, most often, volunteers who have little involvement in the "day-to-day" operations of the not-for-profit. They may also have minimal contact with the organization other than attending board meetings. Accordingly, not-for-profit applicants have encountered difficulty obtaining all the documentation required from such individuals in order to submit a complete application.

The Authority is not allowed to waive information required by ABCL §110(1) for individual applicants. However, ABCL §110(6) allows the Authority to waive the submission of any category of information for a category of licenses. Inasmuch as directors/trustees of a not-for-profit organization are not, as a practical matter, "in the business" of selling or manufacturing alcoholic beverages, and given the demonstrated hardship caused to not-for-profits in complying with certain provisions of ABCL §110(1), the Members of the Authority have determined that there is good cause to exercise the discretion afforded by ABCL §110(6) and ease the requirements governing applications involving not-for profit organizations.

Accordingly, hereinafter the following shall apply to a not-for-profit corporation applying for a license:

- all principal officers (president, vice-president, secretary and treasurer) must submit a personal questionnaire and fingerprints;
- any director/trustee who is compensated (other than for expenses to attend meetings) must submit a personal questionnaire and fingerprints; and
- a personal questionnaire and fingerprints shall not be required for any director/trustee who is not compensated. Provided however, that the applicant shall submit a list with the name and address of each such individual along with a statement that each such individual is eligible to hold a license.