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# **OLR RESEARCH REPORT**

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## **GROCERY AND PACKAGE STORES IN NEIGHBORING STATES**

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You asked (1) how Massachusetts, New York, and Rhode Island statutes define "grocery stores," (2) whether those states allow grocery stores to sell alcoholic beverages, and (3) what retail liquor stores (package stores) in those states are allowed to sell.

#### SUMMARY

Neither Massachusetts nor Rhode Island define the term "grocery store" in state law. New York law defines a "grocery store" as any retail establishment where food is regularly and customarily sold in a bona fide manner for off-premises consumption. This definition includes convenience stores.

Massachusetts allows grocery and convenience stores to sell wine, beer, and liquor; New York allows them to sell beer and wine products; and Rhode Island does not allow them to sell any alcohol.

Package stores in Massachusetts and Rhode Island may sell wine, beer, and liquor. New York package stores can only sell wine and liquor. The laws in New York and Rhode Island restrict the items packages stores may sell in addition to alcohol. Massachusetts law does not include similar restrictions.

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#### MASSACHUSETTS

Massachusetts law does not define a "grocery store." According to Massachusetts' Alcoholic Beverage Control Commission (ABCC), grocery, package, and convenience stores may sell liquor, wine, and beer. However, during the local approval process, a city or town may limit the license to sell alcohol for off-premises consumption to beer and wine sales only (Mass. Gen. Laws ch. 138, § 15).

ABCC regulations prohibit package stores from selling alcoholic beverages, other than wines and malt beverages, in individual containers of more than one gallon capacity (204 CMR 2.05). The regulations do not specify any other limits on the type of products a package store may sell (such as non-alcoholic beverages, snacks, etc.).

## **NEW YORK**

New York law defines a "grocery store" as any retail establishment where food is regularly and customarily sold in a bona fide manner for off-premises consumption (<u>N.Y. Alco. Bev. Cont. Law § 3(13)</u>). Convenience stores fit into the grocery store definition.

Grocery and convenience stores may be licensed to sell beer and wine products at retail for off-premises consumption (<u>N.Y. Alco. Bev. Cont.</u> <u>Law § 54a</u>). A "wine product" is defined as a beverage containing wine, concentrated or unconcentrated juice, flavoring, water, citric acid, and carbon dioxide. The product can contain no more than 6% alcohol by volume (<u>N.Y. Alco. Bev. Cont. Law § 3(36a</u>)). Grocery and convenience stores cannot sell wine or liquor.

According to a 2010 New York Liquor Authority <u>memo</u>, in order to sell beer and wine products, at least 50% of the grocery or convenience store's inventory must be "consumer commodities", including:

- 1. food (solid, liquid, or mixed, for human or pet consumption), not including alcoholic or carbonated beverages;
- 2. napkins, facial tissues, foil wrap, plastic wrap, paper towels, and disposable plates;
- 3. detergents, soaps, and other cleansing agents; and
- 4. non-prescription drugs, hygiene products, and toiletries.

Package stores can sell wine and liquor, but not beer. In addition to wine and liquor, package stores are limited to selling:

- 1. lottery tickets;
- 2. corkscrews;
- 3. ice;
- 4. publications, including prerecorded video and/or audio cassette tapes designed to help educate consumers about wine and wine products;
- 5. non-carbonated, non-flavored mineral, spring and drinking water;
- 6. wine glasses and racks; and
- 7. devices to minimize oxidation in uncorked wine bottles (<u>N.Y. Alco.</u> <u>Bev. Cont. Law § 63(4)).</u>

## RHODE ISLAND

Rhode Island law does not define a grocery store. In general, beer, wine, and liquor may only be sold at retail liquor stores. No alcohol may be sold at grocery or convenience stores.

Package stores are limited to selling alcohol, nonalcoholic beverages, and the following:

- 1. cigarettes, cigars, and cigarette lighters;
- 2. newspapers;
- 3. gift bags;
- 4. prepackaged peanuts, pretzels, chips, olives, onions, cherries, and hot stuffed cherry peppers;
- 5. Slim Jims and similar pre-packaged dried meat products;
- 6. pickled eggs, popcorn, and pre-packaged candy;
- 7. styrofoam coolers;

- 8. lemons, limes, and ice;
- 9. home bar accessories such as pourers, glasses, cork screws, stirrers, flasks, jiggers, wine racks, ice crushers, bottle openers, can openers; and
- 10. any other similar items the director of business regulation authorizes for retail sale (R.I. Gen. Laws § 3-7-3).

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