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EMERGENCY SUSPENSION ORDERED FOR RATHSKELLER Owners Fake Fire to Clear Minors from Bar

Albany, NY – The New York State Liquor Authority (SLA) suspended the license of New Rat, LLC. doing business as “The Rathskeller” at 92-94 State Street in Binghamton. The suspension was ordered by Members of the SLA, Chairman Dennis Rosen, Commissioner Jeanique Greene, and Commissioner Noreen Healey at a meeting of the Full Board on Wednesday, April 13, 2011. Effective immediately, no alcohol may be served or consumed on the premises.

The most disturbing incident leading to the emergency action occurred on January 27, 2011, during an inspection by the Binghamton Police Department (BPD). Undercover officers inside the premises reported to their supervisors the bar was packed with dozens of underage patrons. However, as the BPD entry team approached the bar, officers witnessed scores of frightened patrons evacuating the premises. Officers learned that after receiving a tip on the impending raid, the owner ordered his DJ to falsely announce a fire had broken out inside the bar. This owner later admitted to SLA investigators that he created the fake emergency because he had past violations for serving minors, and did not want to get caught again. The Rathskeller was charged with creating a disorderly premises following this incident, as well as improper conduct and lack of supervision.

Following this episode, on February 26, 2011 a SLA Investigator and an officer from the BPD observed a 19 year old in possession of alcohol she had purchased with a chalked license that clearly stated “Under 21.” In addition, both bouncers on duty that night were not licensed. The bar was charged for selling to a minor, hiring unlicensed security guards, and for lack of supervision.

More recently, on April 1, 2011, during an undercover operation SLA Investigators and officers from the BPD witnessed three underage patrons purchase and consume alcohol at the bar. Subsequently, the investigation team entered the Rathskeller and found the same two unlicensed bouncers working security, in addition to three additional minors present at the “21 and over” bar that night.

“These licensees not only showed disdain for the law by blatantly catering to minors, but worse still in fabricating an emergency they showed they would go to any length to not get caught, including jeopardizing the health and safety of their young patrons,” said SLA CEO Trina Mead. “The SLA will not tolerate these illegal, flagrant and dangerous violations.”

Previously, the Rathskeller was fined \$3,500 by the SLA in 2008 for failure to supervise the premises. Additionally, on March 30, 2011 the SLA imposed a \$5,000 fine for purchasing from an unauthorized source, sale for consumption off the premises and for maintaining inadequate books and records.

The State Administrative Procedure Act authorizes a State agency to summarily suspend a license when the agency finds that public health, safety, or welfare requires emergency action. When the SLA summarily suspends a license, it also serves a Notice of Pleading alleging one or more disciplinary violations. In invoking a summary suspension, the SLA has deemed the violation, considering each licensee’s disciplinary history, to be sufficiently serious upon initial review to warrant an immediate suspension. The SLA’s decision to summarily suspend a license is not a final determination on the merits of the case. The licensee is entitled to an expedited hearing before an administrative law judge. An order of summary suspension remains in effect until such time as it is modified by the State Liquor Authority or a reviewing Court.

The State Liquor Authority regulates and controls the manufacture, sale and distribution of alcoholic beverages within the state. The Authority works with local law enforcement agencies and localities across the State to ensure compliance with the Alcoholic Beverage Control Law. In addition, the Authority issues and renews licenses and permits to manufacturers, distributors, wholesalers and retailers of alcoholic beverages.

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