ASSEMBLY, No. 5524

STATE OF NEW JERSEY

218th LEGISLATURE

INTRODUCED JUNE 6, 2019

Sponsored by:
Assemblyman LOUIS D. GREENWALD
District 6 (Burlington and Camden)
Assemblyman JOHN J. BURZICHELLI
District 3 (Cumberland, Gloucester and Salem)
Assemblyman RAJ MUKHERJI
District 33 (Hudson)

Co-Sponsored by:
Assemblyman Calabrese

SYNOPSIS
Establishes advisory council for the brewery, cidery, meadery, and distillery industries in NJ and provides for funding through certain alcoholic beverage tax receipts.

CURRENT VERSION OF TEXT
As introduced.

(Sponsorship Updated As Of: 6/28/2019)
AN ACT concerning the promotion of the brewery, cidery, meadery, and distillery industries in the State and supplementing Title 33 of the Revised Statutes.

BE IT ENACTED by the Senate and General Assembly of the State of New Jersey:

1. As used in P.L. , c. (C. ) (pending before the Legislature as this bill):

“Account” means the New Jersey Brewery, Cidery, Meadery, and Distillery Industry Promotion Account established pursuant to section 2 of P.L. , c. (C. ) (pending before the Legislature as this bill).

“Advisory council” means the New Jersey Brewery, Cidery, Meadery, and Distillery Industry Advisory Council established pursuant to section 3 of P.L. , c. (C. ) (pending before the Legislature as this bill).

"Beer" means beer, lager beer, ale, stout, porter, and all similar fermented malt beverages having an alcoholic content of one-half of one percent (1/2 of 1%) or more by volume.

“Chief executive officer” means the Chief Executive Officer of the New Jersey Economic Development Authority.

“Department” means the Department of State.

“Division” means the Division of Travel and Tourism in the Department of State.

“Executive director” means Executive Director of the Division of Travel and Tourism in the Department of State.

"Cider" means a beverage made from the alcoholic fermentation of the juice of apples, including but not limited to flavored, sparkling or carbonated cider.

“Liquors” means all distilled or rectified spirits, alcohol, brandy, whisky, rum, gin and all similar distilled alcoholic beverages, including all dilutions and mixtures of one or more of the foregoing, such as liqueurs, cordials, and similar compounds, having an alcoholic content of one-half of one percent (1/2 of 1%) or more by volume.

"Mead" means an alcoholic beverage primarily made from honey, water, and yeast, and which may contain fruit, fruit juices, spices, or herbs added before or after fermentation has completed, except that the ratio of fermentable sugars from fruit or fruit juices shall not exceed 49 percent of the total fermentable sugars used to produce mead.

“Qualifying licensee” means a person or entity that holds a limited brewery license, a restricted brewery license, a cidery and meadery license, or a craft distillery license issued pursuant to R.S.33:1-10.
2. a. There is established in the Division of Travel and
Tourism in the Department of State the "New Jersey Brewery,
Cidery, Meadery, and Distillery Industry Promotion Account." All
monies received in this account shall be expended by the executive
director for research and development concerning the brewery,
cidery, meadery, and distillery industries in the State and for the
promotion of New Jersey’s brewery, cidery, meadery, and distillery
industries, consistent with the recommendations of the advisory
council created pursuant to section 3 of P.L.  , c. (C. )
(pending before the Legislature as this bill).

b. The account shall be credited annually, in an appropriation
by law, with an amount equal to 50 percent of the receipts from the
per gallon tax, as provided for pursuant to R.S.54:43-1, imposed on
all sales of beer, cider, mead, and liquors sold by a qualifying
licensee during the preceding taxable year.

c. The account shall also be credited with any monies made
available to it from the General Fund or any non-State public or
private source.

d. The Secretary of State shall include with the annual budget
request for the department a request for funds sufficient to carry out
the purposes and intent of P.L. , c. (C. ) (pending before the
Legislature as this bill).

3. a. There is established in the division the “New Jersey
Brewery, Cidery, Meadery, and Distillery Industry Advisory
Council,” comprising seven members, one of whom shall be the
executive director and one of whom shall be the Chief Executive
Officer of the New Jersey Economic Development Authority, or
their respective designees, who shall serve ex officio and as
nonvoting members, and five public members to be appointed by
the Secretary of State, following consultation with the executive
director and chief executive officer, two of whom shall be
representatives of the brewery industry, one of whom shall be a
representative of the cidery industry, one of whom shall be a
representative of the meadery industry, and one of whom shall be a
representative of the distillery industry. To the maximum extent
practicable and feasible, the members appointed from the general
public shall be chosen so as to collectively provide wide
geographical representation. The members appointed from the
general public shall serve for terms of three years and may be
reappointed and may serve until a successor has been appointed. Of
the public members first appointed, the representatives of the
brewery industry shall be appointed for terms of three years, the
representatives of the cidery and distillery industries shall be
appointed for terms of two years, and the representative of the
meadery industry shall be appointed for a term of one year. A
vacancy in the membership occurring other than by expiration of a
term shall be filled in the same manner as the original appointment
for the remainder of the unexpired term. The members of the
advisory council shall serve without compensation, but the advisory
council may, within the limits of funds appropriated or otherwise
made available to it, reimburse members for actual expenses
necessarily incurred in the discharge of their official duties.
b. The advisory council shall organize as soon as its
membership has been appointed and shall select a chairman and
vice-chairman from among its members and may select a secretary,
who need not be a member of the advisory council. The advisory
council shall meet twice annually, and at other times as determined
by the advisory council.
c. It shall be the duty of the advisory council to assess the
condition of the brewery, cidery, meadery, and distillery industries
of the State and to advise the executive director on expenditures
from the account for research, development, and promotion of the
New Jersey brewery, cidery, meadery, and distillery industries.
d. The advisory council is entitled to call to its assistance and
avail itself of the services of such employees of any State, county or
municipal department, board, bureau, commission, or agency as it
may require and as may be available to it for these purposes.
e. The advisory council shall promulgate rules and regulations
subject to the approval of the Secretary of State to effectuate the
purposes of P.L. , c. (C. ) (pending before the Legislature as
this bill). The advisory council may employ, prescribe the duties,
and fix and pay the compensation of such persons it may deem
necessary to carry out the duties of the advisory council within the
limits of available appropriations and subject to the approval of the
Secretary of State.

4. The Director of the Division of Taxation shall certify by
March 1 annually to the advisory council the taxable volume of
beer, cider, mead, and liquors sold by qualifying licensees during
the preceding taxable year.

5. This act shall take effect immediately.

STATEMENT

This bill establishes the “New Jersey Brewery, Cidery, Meadery,
and Distillery Industry Advisory Council” (advisory council), and
provides for funding through certain alcoholic beverage tax
receipts.
The advisory council is to comprise seven members, including
the Executive Director of the Division of Travel and Tourism
(executive director) in the Department of State and Chief Executive
Officer of the New Jersey Economic Development Authority, or
their designees, and five public members to be appointed by the
Secretary of State for terms of three years, following consultation with the executive director and chief executive officer, two of whom shall be representatives of the brewery industry, one of whom shall be a representative of the cidery industry, one of whom shall be a representative of the meadery industry, and one of whom shall be a representative of the distillery industry. The members of the advisory council are to serve without compensation, but may be reimbursed for certain expenses. The advisory council is to meet twice annually and at other times as determined by the advisory council. The advisory council is to assess the condition of the brewery, cidery, meadery, and distillery industries of the State.

The bill also establishes a "New Jersey Brewery, Cidery, Meadery, and Distillery Industry Promotion Account" (account). All monies received in this account are to be expended by the executive director for research and development concerning the brewery, cidery, meadery, and distillery industries in the State and for the promotion of New Jersey’s brewery, cidery, meadery, and distillery industries, consistent with the recommendations of the advisory council. The bill provides that the account is to be credited annually, in an appropriation by law, with an amount equal to 50 percent of the receipts from the per gallon tax imposed on all sales of beer, cider, mead, and liquors sold by breweries, cideries, meaderies, and distilleries in this State, and any other monies made available to it. The bill also requires the Secretary of State to include with the annual budget request for the Department of State a request for funds sufficient to carry out the purposes and intent of the bill. The advisory council is to advise the executive director on expenditures from the account for research, development, and promotion of the New Jersey brewery, cidery, meadery, and distillery industries.

The bill further requires the Director of the Division of Taxation to certify by March 1 annually to the advisory council the taxable volume of beer, cider, mead, and liquors sold by qualifying licensees during the preceding taxable year.