

SENATE LAW AND PUBLIC SAFETY COMMITTEE

STATEMENT TO

SENATE, No. 1648

with committee amendments

STATE OF NEW JERSEY

DATED: DECEMBER 9, 2019

The Senate Law and Public Safety Committee reports favorably and with committee amendments Senate Bill No. 1648.

As amended and reported by the committee, this bill authorizes certain small nonprofit theaters to be issued a special license to serve alcoholic beverages for consumption on the licensed premises similar to the license currently issued to theaters with 1,000 or more seats.

Under current law, municipalities are authorized to issue a special plenary retail consumption license, known as a “theater license,” to a nonprofit corporation which conducts musical or theatrical performances or concerts on the premises if there is a seating capacity of 1,000 persons or more. The holder of this special license may only serve alcoholic beverages for consumption on the licensed premises during the performance, as well as two hours before and two hours after the performance.

The amended bill specifically authorizes a municipality to issue a plenary retail consumption license to a nonprofit corporation exempt from federal income with a seating capacity of at least 50, but less than 1,000 persons, which regularly conducts musical or theatrical performances or concerts for which admission is charged. The provisions of the amended bill apply only to nonprofit corporations incorporated on the effective date of the act.

Under the amended bill, both large and small theaters which are issued a theater license are authorized to sell alcoholic beverages for consumption on the licensed premises during the two hours immediately preceding performances and during performances, including intermission. Large and small theaters may serve alcoholic beverages during the two hours immediately following performances, but small theaters are limited to doing so for not more than 15 performances in a calendar year.

Similar to the small theaters, the amended bill changes the current law governing large theaters by also requiring the nonprofit to be exempt from federal income tax, to charge admission, and to primarily use the theater to conduct musical or theatrical performances or concerts.