

# SENATE, No. 3454

## STATE OF NEW JERSEY 218th LEGISLATURE

INTRODUCED FEBRUARY 7, 2019

**Sponsored by:**

**Senator DECLAN J. O'SCANLON, JR.**

**District 13 (Monmouth)**

**SYNOPSIS**

Allows certain qualifying projects to sell alcoholic beverages.

**CURRENT VERSION OF TEXT**

As introduced.



1    **AN ACT** concerning alcoholic beverage licenses and supplementing  
2       Title 33 of the Revised Statutes.

3  
4       **BE IT ENACTED** *by the Senate and General Assembly of the State*  
5       *of New Jersey:*

6  
7       1.   a. As used in this act:

8       “Architecturally significant structure” means a building that is  
9       notable for its style of architecture.

10       “Historic building” means a building that is included in the New  
11       Jersey Register of Historic Places established pursuant to P.L.1970,  
12       c.268 (C.13:1B-15.128 et seq.).

13       “Qualifying project” means a historic building that is: located  
14       within a redevelopment area; at least 1,500,000 gross square feet; a  
15       multi-use or mixed use development project; and an architecturally  
16       significant structure.

17       “Redevelopment area” means an area determined to be in need of  
18       redevelopment pursuant to sections 5 and 6 of P.L.1992, c.79  
19       (C.40A:12A-5 and 40A:12A-6);

20       b. A municipality may issue two special permits which shall be  
21       used in connection with a qualifying project for which an agreement  
22       has been entered into between a developer and a municipality  
23       pursuant to the “Long Term Tax Exemption Law,” P.L.1991, c.431  
24       (C.40A:20-1 et seq.). The special permit shall entitle the permit  
25       holder to sell any alcoholic beverage for consumption by the glass  
26       or other receptacle in or upon the premises of a qualifying project.

27       c. The application for the permit shall be submitted on an  
28       annual basis to the governing body of the issuing municipality. The  
29       fee for the permit shall be \$25,000 for the first year of the permit’s  
30       issuance and \$15,000 for each year thereafter.

31       d. For 15 years immediately following the initial issuance of  
32       the permit the fee shall be distributed in the following manner:

33       (1) Twenty percent shall be paid to the eligible municipality  
34       wherein the redevelopment plan is adopted; and

35       (2) Eighty percent shall be divided equally among and paid to  
36       the active plenary retail consumption licensees in the eligible  
37       municipality or municipalities in which the premises will be  
38       located, excluding plenary consumption licensees located or  
39       affiliated with a shopping mall.

40       e. On the first day of the 181st month following the initial  
41       issuance of the permit, the annual fee shall be paid to the eligible  
42       municipality wherein the redevelopment plan is adopted.

43       f. The holder of a permit who, following the effective date of  
44       this act, obtains an interest in a plenary retail consumption license

**EXPLANATION** – Matter enclosed in bold-faced brackets **[thus]** in the above bill is  
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 within the eligible municipality shall not receive a fee pursuant to  
2 subsection d. of this section.

3 g. Except in the case of a revoked permit, the municipal issuing  
4 authority, for good cause and after a hearing, may authorize the  
5 person to whom the permit is issued to maintain the permit in an  
6 inactive status for more than six months upon demonstration that  
7 the person is making a good faith effort to actively use, or resume  
8 active use of, the permit.

9 h. A person who would fail to qualify as a holder of a plenary  
10 retail consumption license under Title 33 of the Revised Statutes  
11 shall not be authorized to hold an interest in a permit issued  
12 pursuant to the provisions of this section.

13 i. The holder of this permit shall not sell or transfer the permit  
14 for use in connection with a premises that is not a qualifying project  
15 as defined by subsection a. of this section.

16 j. The restriction in section 2 of P.L.1947, c.94 (C.33:1-12.14)  
17 concerning the number of retail consumption licenses that may be  
18 issued in a municipality shall not be applicable to a permit issued  
19 pursuant to this section.

20  
21 2. This act shall take effect immediately.

## 22 23 STATEMENT

24  
25 This bill allows a municipality to issue two special permits to  
26 sell alcoholic beverages for consumption on the premises of a  
27 “qualifying development project.” The bill defines a “qualifying  
28 development project” as a historic building that is located within a  
29 redevelopment area; at least 1,500,000 gross square feet; a multi-  
30 use or mixed use development project; and an architecturally  
31 significant structure.

32 The bill also requires that the special permit be used in  
33 connection with a qualifying project for which an agreement has  
34 been entered into between a developer and a municipality pursuant  
35 to the “Long Term Tax Exemption Law,” P.L.1991, c.431  
36 (C.40A:20-1 et seq.).

37 The application for the permit is to be submitted on an annual  
38 basis to the governing body of the issuing municipality. The annual  
39 fee for the permit is to be \$25,000 for the first year of the permit’s  
40 issuance and \$15,000 for each year thereafter. For 15 years  
41 immediately following the initial issuance of the permit, the fee is to  
42 be distributed to the eligible municipality (20%) and the other  
43 licensees in the municipality (80%). Following the initial 15 year  
44 period, the entire fee is to be distributed to the eligible municipality.

45 Finally, the special permit would not be subject to the population  
46 limitation that restricts a municipality from issuing more than one  
47 plenary retail consumption license for every 3,000 persons residing  
48 in that municipality.