# ASSEMBLY, No. 1130 **STATE OF NEW JERSEY** 219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by: Assemblyman CRAIG J. COUGHLIN District 19 (Middlesex) Assemblyman JAMEL C. HOLLEY District 20 (Union)

Co-Sponsored by: Assemblywoman N.Munoz, Assemblyman Johnson, Assemblywoman Murphy, Assemblyman Calabrese and Assemblywoman Mosquera

## SYNOPSIS

Allows consumption of food on limited brewery premises.

## **CURRENT VERSION OF TEXT**

Introduced Pending Technical Review by Legislative Counsel.



1 AN ACT concerning limited breweries and amending R.S.33:1-10. 2 3 BE IT ENACTED by the Senate and General Assembly of the State 4 of New Jersey: 5 6 1. R.S.33:1-10 is amended to read as follows: 7 33:1-10. Class A licenses shall be subdivided and classified as 8 follows: 9 Plenary brewery license. 1a. The holder of this license shall be 10 entitled, subject to rules and regulations, to brew any malt alcoholic beverages and to sell and distribute his products to wholesalers and 11 12 retailers licensed in accordance with this chapter, and to sell and 13 distribute without this State to any persons pursuant to the laws of the 14 places of such sale and distribution, and to maintain a warehouse; 15 provided, however, that the delivery of this product by the holder of 16 this license to retailers licensed under this title shall be from inventory 17 in a warehouse located in this State which is operated under a plenary 18 brewery license. The fee for this license shall be \$10,625. 19 Limited brewery license. 1b. The holder of this license shall be 20 entitled, subject to rules and regulations, to brew any malt alcoholic 21 beverages in a quantity to be expressed in said license, dependent upon 22 the following fees and not in excess of 300,000 barrels of 31 fluid 23 gallons capacity per year and to sell and distribute this product to 24 wholesalers and retailers licensed in accordance with this chapter, and 25 to sell and distribute without this State to any persons pursuant to the 26 laws of the places of such sale and distribution, and to maintain a 27 warehouse; provided, however, that the delivery of this product by the 28 holder of this license to retailers licensed under this title shall be from 29 inventory in a warehouse located in this State which is operated under 30 a limited brewery license. The holder of this license shall be entitled 31 to sell this product at retail to consumers on the licensed premises of 32 the brewery for consumption on the premises, but only in connection 33 with a tour of the brewery, or for consumption off the premises in a 34 quantity of not more than 15.5 fluid gallons per person, and to offer 35 samples for sampling purposes only pursuant to an annual permit 36 issued by the director. The holder of this license shall not sell food [or 37 operate a restaurant] on the licensed premises or bring on the licensed premises, for consumption by consumers, food sold or prepared by a 38 39 restaurant in which the holder of the license has a direct ownership 40 interest. The holder of this license shall be entitled to allow the 41 consumption of food by consumers on the licensed premises. The fee 42 for this license shall be graduated as follows: 43 to so brew not more than 50,000 barrels of 31 liquid gallons 44 capacity per annum, \$1,250;

**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 <u>thus</u> is new matter.

to so brew not more than 100,000 barrels of 31 fluid gallons
 capacity per annum, \$2,500;

to so brew not more than 200,000 barrels of 31 fluid gallons
capacity per annum, \$5,000;

5 to so brew not more than 300,000 barrels of 31 fluid gallons 6 capacity per annum, \$7,500.

For the purposes of this subsection, "sampling" means the selling at a nominal charge or the gratuitous offering of an open container not exceeding four ounces of any malt alcoholic beverage. For the purposes of this subsection, "product" means any malt alcoholic beverage that is produced on the premises licensed under this subsection. <u>"Direct ownership interest" means the ownership or</u> <u>control of more than 5% of the profits, assets, or stock of a business.</u>

14 Restricted brewery license. 1c. The holder of this license shall 15 be entitled, subject to rules and regulations, to brew any malt alcoholic 16 beverages in a quantity to be expressed in such license not in excess of 17 10,000 barrels of 31 gallons capacity per year. Notwithstanding the 18 provisions of R.S.33:1-26, the director shall issue a restricted brewery 19 license only to a person or an entity which has identical ownership to 20 an entity which holds a plenary retail consumption license issued 21 pursuant to R.S.33:1-12, provided that such plenary retail consumption 22 license is operated in conjunction with a restaurant regularly and 23 principally used for the purpose of providing meals to its customers 24 and having adequate kitchen and dining room facilities, and that the 25 licensed restaurant premises is immediately adjoining the premises 26 licensed under this subsection. The holder of this license shall be 27 entitled to sell or deliver the product to that restaurant premises. The 28 holder of this license also shall be entitled to sell and distribute the 29 product to wholesalers licensed in accordance with this chapter. The 30 fee for this license shall be \$1,250, which fee shall entitle the holder to 31 brew up to 1,000 barrels of 31 liquid gallons per annum. The licensee 32 also shall pay an additional \$250 for every additional 1,000 barrels of 33 31 fluid gallons produced. The fee shall be paid at the time of 34 application for the license, and additional payments based on barrels 35 produced shall be paid within 60 days following the expiration of the 36 license term upon certification by the licensee of the actual gallons 37 brewed during the license term. No more than 10 restricted brewery 38 licenses shall be issued to a person or entity which holds an interest in 39 a plenary retail consumption license. If the governing body of the 40 municipality in which the licensed premises will be located should file 41 a written objection, the director shall hold a hearing and may issue the 42 license only if the director finds that the issuance of the license will 43 not be contrary to the public interest. All fees related to the issuance 44 of both licenses shall be paid in accordance with statutory law. The 45 provisions of this subsection shall not be construed to limit or restrict 46 the rights and privileges granted by the plenary retail consumption 47 license held by the holder of the restricted brewery license issued 48 pursuant to this subsection.

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The holder of this license shall be entitled to offer samples of its 1 2 product for promotional purposes at charitable or civic events off the 3

licensed premises pursuant to an annual permit issued by the director.

4 For the purposes of this subsection, "sampling" means the selling 5 at a nominal charge or the gratuitous offering of an open container not 6 exceeding four ounces of any malt alcoholic beverage product. For the purposes of this subsection, "product" means any malt alcoholic 7 8 beverage that is produced on the premises licensed under this 9 subsection.

10 Plenary winery license. 2a. Provided that the holder is engaged 11 in growing and cultivating grapes or fruit used in the production of 12 wine on at least three acres on, or adjacent to, the winery premises, the 13 holder of this license shall be entitled, subject to rules and regulations, 14 to produce any fermented wines, and to blend, fortify and treat wines, 15 and to sell and distribute his products to wholesalers licensed in 16 accordance with this chapter and to churches for religious purposes, 17 and to sell and distribute without this State to any persons pursuant to 18 the laws of the places of such sale and distribution, and to maintain a 19 warehouse, and to sell his products at retail to consumers on the 20 licensed premises of the winery for consumption on or off the 21 premises and to offer samples for sampling purposes only. The fee for 22 this license shall be \$938. A holder of this license who produces not 23 more than 250,000 gallons per year shall also have the right to sell and 24 distribute his products to retailers licensed in accordance with this 25 chapter, except that the holder of this license shall not use a common 26 carrier for such distribution. The fee for this additional privilege shall 27 be graduated as follows: a licensee who manufactures more than 28 150,000 gallons, but not in excess of 250,000 gallons per annum, 29 \$1,000; a licensee who manufactures more than 100,000 gallons, but 30 not in excess of 150,000 gallons per annum, \$500; a licensee who 31 manufactures more than 50,000 gallons, but not in excess of 100,000 32 gallons per annum, \$250; a licensee who manufactures 50,000 gallons 33 or less per annum, \$100. A holder of this license who produces not 34 more than 250,000 gallons per year shall have the right to sell such 35 wine at retail in original packages in 15 salesrooms apart from the 36 winery premises for consumption on or off the premises and for 37 sampling purposes for consumption on the premises, at a fee of \$250 38 for each salesroom. Licensees shall not jointly control and operate 39 salesrooms. Additionally, the holder of this license who produces not 40 more than 250,000 gallons per year may ship not more than 12 cases 41 of wine per year, subject to regulation, to any person within or without 42 this State over 21 years of age for personal consumption and not for 43 resale. A case of wine shall not exceed a maximum of nine liters. A 44 copy of the original invoice shall be available for inspection by 45 persons authorized to enforce the alcoholic beverage laws of this State 46 for a minimum period of three years at the licensed premises of the 47 winery. For the purposes of this subsection, "sampling" means the

selling at a nominal charge or the gratuitous offering of an open
 container not exceeding one and one-half ounces of any wine.

3 A holder of this license who produces not more than 250,000 4 gallons per year shall not own, either in whole or in part, or hold, 5 either directly or indirectly, any interest in a winery that produces 6 more than 250,000 gallons per year. In addition, a holder of this license who produces more than 250,000 gallons per year shall not 7 8 own, either in whole or in part, or hold, either directly or indirectly, 9 any interest in a winery that produces not more than 250,000 gallons 10 per year. For the purposes of this subsection, "product" means any 11 wine that is produced, blended, fortified, or treated by the licensee on 12 its licensed premises situated in the State of New Jersey. For the purposes of this subsection, "wine" shall include "hard cider" and 13 14 "mead" as defined in this section.

15 Farm winery license. 2b. The holder of this license shall be 16 entitled, subject to rules and regulations, to manufacture any fermented 17 wines and fruit juices in a quantity to be expressed in said license, 18 dependent upon the following fees and not in excess of 50,000 gallons 19 per year and to sell and distribute his products to wholesalers and 20 retailers licensed in accordance with this chapter and to churches for 21 religious purposes and to sell and distribute without this State to any 22 persons pursuant to the laws of the places of such sale and distribution, 23 and to maintain a warehouse and to sell at retail to consumers for 24 consumption on or off the licensed premises and to offer samples for 25 sampling purposes only. The license shall be issued only when the 26 winery at which such fermented wines and fruit juices are 27 manufactured is located and constructed upon a tract of land 28 exclusively under the control of the licensee, provided that the licensee 29 is actively engaged in growing and cultivating an area of not less than 30 three acres on or adjacent to the winery premises and on which are 31 growing grape vines or fruit to be processed into wine or fruit juice; 32 and provided, further, that for the first five years of the operation of 33 the winery such fermented wines and fruit juices shall be 34 manufactured from at least 51 percent grapes or fruit grown in the State and that thereafter they shall be manufactured from grapes or 35 36 fruit grown in this State at least to the extent required for labeling as 37 "New Jersey Wine" under the applicable federal laws and regulations. 38 The containers of all wine sold to consumers by such licensee shall 39 have affixed a label stating such information as shall be required by 40 the rules and regulations of the Director of the Division of Alcoholic 41 Beverage Control. The fee for this license shall be graduated as 42 follows: to so manufacture between 30,000 and 50,000 gallons per 43 annum, \$375; to so manufacture between 2,500 and 30,000 gallons per 44 annum, \$250; to so manufacture between 1,000 and 2,500 gallons per 45 annum, \$125; to so manufacture less than 1,000 gallons per annum, 46 \$63. No farm winery license shall be held by the holder of a plenary 47 winery license or be situated on a premises licensed as a plenary 48 winery.

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The holder of this license shall also have the right to sell and 1 2 distribute his products to retailers licensed in accordance with this 3 chapter, except that the holder of this license shall not use a common 4 carrier for such distribution. The fee for this additional privilege shall 5 be \$100. The holder of this license shall have the right to sell his 6 products in original packages at retail to consumers in 15 salesrooms 7 apart from the winery premises for consumption on or off the 8 premises, and for sampling purposes for consumption on the premises, 9 at a fee of \$250 for each salesroom. Licensees shall not jointly control 10 and operate salesrooms. Additionally, the holder of this license may 11 ship not more than 12 cases of wine per year, subject to regulation, to 12 any person within or without this State over 21 years of age for personal consumption and not for resale. A case of wine shall not 13 14 exceed a maximum of nine liters. A copy of the original invoice shall 15 be available for inspection by persons authorized to enforce the alcoholic beverage laws of this State for a minimum period of three 16 17 years at the licensed premises of the winery. For the purposes of this 18 subsection, "sampling" means the selling at a nominal charge or the 19 gratuitous offering of an open container not exceeding one and one-20 half ounces of any wine.

A holder of this license who produces not more than 250,000 gallons per year shall not own, either in whole or in part, or hold, either directly or indirectly, any interest in a winery that produces more than 250,000 gallons per year.

Unless otherwise indicated, for the purposes of this subsection, with respect to farm winery licenses, "manufacture" means the vinification, aging, storage, blending, clarification, stabilization and bottling of wine or juice from New Jersey fruit to the extent required by this subsection.

30 For the purposes of this subsection, "wine" shall include "hard 31 cider" and "mead" as defined in this section.

32 Wine blending license. 2c. The holder of this license shall be 33 entitled, subject to rules and regulations, to blend, treat, mix, and bottle 34 fermented wines and fruit juices with non-alcoholic beverages, and to 35 sell and distribute his products to wholesalers and retailers licensed in 36 accordance with this chapter, and to sell and distribute without this 37 State to any persons pursuant to the laws of the places of such sale and 38 distribution, and to maintain a warehouse. The fee for this license 39 shall be \$625.

40 For the purposes of this subsection, "wine" shall include "hard 41 cider" and "mead" as defined in this section.

Instructional winemaking facility license. 2d. The holder of this license shall be entitled, subject to rules and regulations, to instruct persons in and provide them with the opportunity to participate directly in the process of winemaking and to directly assist such persons in the process of winemaking while in the process of instruction on the premises of the facility. The holder of this license also shall be entitled to manufacture wine on the premises not in

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excess of an amount of 10 percent of the wine produced annually on 1 2 the premises of the facility, which shall be used only to replace 3 quantities lost or discarded during the winemaking process, to 4 maintain a warehouse, and to offer samples produced by persons who 5 have received instruction in winemaking on the premises by the 6 licensee for sampling purposes only on the licensed premises for the 7 purpose of promoting winemaking for personal or household use or 8 consumption. Wine produced on the premises of an instructional 9 winemaking facility shall be used, consumed or disposed of on the 10 facility's premises or distributed from the facility's premises to a 11 person who has participated directly in the process of winemaking for 12 the person's personal or household use or consumption. The holder of 13 this license may sell mercantile items traditionally associated with 14 winemaking and novelty wearing apparel identified with the name of 15 the establishment licensed under the provisions of this section. The 16 holder of this license may use the licensed premises for an event or 17 affair, including an event or affair at which a plenary retail 18 consumption licensee serves alcoholic beverages in compliance with 19 all applicable statutes and regulations promulgated by the director. 20 The fee for this license shall be \$1,000. For the purposes of this 21 subsection, "sampling" means the gratuitous offering of an open 22 container not exceeding one and one-half ounces of any wine.

For the purposes of this subsection, "wine" shall include "hard cider" and "mead" as defined in this section.

25 Out-of-State winery license. 2e. Provided that the applicant does not produce more than 250,000 gallons of wine per year, the 26 27 holder of a valid winery license issued in any other state may make 28 application to the director for this license. The holder of this license 29 shall have the right to sell and distribute his products to wholesalers 30 licensed in accordance with this chapter and to sell such wine at retail 31 in original packages in 16 salesrooms apart from the winery premises 32 for consumption on or off the premises at a fee of \$250 for each 33 salesroom. Licensees shall not jointly control and operate salesrooms. 34 The annual fee for this license shall be \$938. A copy of a current 35 license issued by another state shall accompany the application. The 36 holder of this license also shall have the right to sell and distribute his 37 products to retailers licensed in accordance with this chapter, except 38 that the holder of this license shall not use a common carrier for such 39 distribution. The fee for this additional privilege shall be graduated as 40 follows: a licensee who manufactures more than 150,000 gallons, but 41 not in excess of 250,000 gallons per annum, \$1,000; a licensee who 42 manufactures more than 100,000 gallons, but not in excess of 150,000 43 gallons per annum, \$500; a licensee who manufactures more than 44 50,000 gallons, but not in excess of 100,000 gallons per annum, \$250; 45 a licensee who manufactures 50,000 gallons or less per annum, \$100. 46 Additionally, the holder of this license may ship not more than 12 47 cases of wine per year, subject to regulation, to any person within or 48 without this State over 21 years of age for personal consumption and

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not for resale. A case of wine shall not exceed a maximum of nine
liters. A copy of the original invoice shall be available for inspection
by persons authorized to enforce the alcoholic beverage laws of this
State for a minimum period of three years at the licensed premises of
the winery.

The licensee shall collect from the customer the tax due on the sale 6 7 pursuant to the "Sales and Use Tax Act," P.L.1966, c.30 (C.54:32B-1 8 et seq.) and shall pay the tax due on the delivery of alcoholic 9 beverages pursuant to the "Alcoholic beverage tax law," R.S.54:41-1 10 et seq. The Director of the Division of Taxation in the Department of 11 the Treasury shall promulgate such rules and regulations necessary to 12 effectuate the provisions of this paragraph, and may provide by 13 regulation for the co-administration of the tax due on the delivery of 14 alcoholic beverages pursuant to the "Alcoholic beverage tax law," 15 R.S.54:41-1 et seq. with the administration of the tax due on the sale pursuant to the "Sales and Use Tax Act," P.L.1966, c.30 (C.54:32B-1 16 17 et seq.).

18 A holder of this license who produces not more than 250,000 19 gallons per year shall not own, either in whole or in part, or hold, 20 either directly or indirectly, any interest in a winery that produces 21 more than 250,000 gallons per year.

For the purposes of this subsection, "wine" shall include "hard cider" and "mead" as defined in this section.

24 Cidery and meadery license. 2f. The holder of this license shall 25 be entitled, subject to rules and regulations, to manufacture hard cider 26 and mead and to sell and distribute these products to wholesalers and 27 retailers licensed in accordance with this chapter, and to sell and 28 distribute without this State to any persons pursuant to the laws of the 29 places of such sale and distribution, and to maintain a warehouse. The 30 holder of this license shall be entitled to sell these products at retail to consumers on the licensed premises for consumption on or off the 31 32 premises and to offer samples for sampling purposes only. The holder 33 of this license shall be permitted to offer for sale or make the 34 gratuitous offering of packaged crackers, chips, nuts, and similar 35 snacks to consumers, but shall not operate a restaurant on the licensed 36 premises. The fee for this license shall be \$938.

37 The holder of this license shall be entitled to manufacture hard 38 cider in a quantity not to exceed 50,000 barrels of 31 fluid gallons 39 capacity per year. With respect to the sale and distribution of hard 40 cider to a wholesaler, the licensee shall be subject to the same statutory 41 and regulatory requirements as a brewer, and hard cider shall be 42 considered a malt alcoholic beverage, for the purposes of the "Malt 43 Alcoholic Beverage Practices Act," P.L.2005, c.243 (C.33:1-93.12 et 44 seq.). The holder of this license shall not directly ship hard cider 45 either within or without this State.

The holder of this license shall be entitled to manufacture not more
than 250,000 gallons of mead per year. The holder of this license may
ship not more than 12 cases of mead per year, subject to regulation, to

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any person within or without this State over 21 years of age for personal consumption and not for resale. A case of mead shall not exceed a maximum of nine liters. A copy of the original invoice shall be available for inspection by persons authorized to enforce the alcoholic beverage laws of this State for a minimum period of three years at the licensed premises. As used in this subsection:

7 "Hard cider" means a fermented alcoholic beverage derived
8 primarily from apples, pears, apple juice concentrate and water, or
9 pear juice concentrate and water, which may include spices, herbs,
10 honey, or other flavoring, and which contains at least one half of one
11 percent but less than eight and one half percent alcohol 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.

17 "Sampling" means the selling at a nominal charge or the gratuitous
18 offering of an open container not exceeding four ounces of hard cider
19 or mead produced on the licensed premises.

20 Plenary distillery license. 3a. The holder of this license shall be 21 entitled, subject to rules and regulations, to manufacture any distilled 22 alcoholic beverages and rectify, blend, treat and mix, and to sell and 23 distribute his products to wholesalers and retailers licensed in 24 accordance with this chapter, and to sell and distribute without this 25 State to any persons pursuant to the laws of the places of such sale and 26 distribution, and to maintain a warehouse. The fee for this license 27 shall be \$12,500.

28 Limited distillery license. 3b. The holder of this license shall be 29 entitled, subject to rules and regulations, to manufacture and bottle any 30 alcoholic beverages distilled from fruit juices and rectify, blend, treat, 31 mix, compound with wine and add necessary sweetening and flavor to 32 make cordial or liqueur, and to sell and distribute to wholesalers and 33 retailers licensed in accordance with this chapter, and to sell and 34 distribute without this State to any persons pursuant to the laws of the 35 places of such sale and distribution and to warehouse these products. 36 The fee for this license shall be \$3,750.

37 Supplementary limited distillery license. 3c. The holder of this 38 license shall be entitled, subject to rules and regulations, to bottle and 39 rebottle, in a quantity to be expressed in said license, dependent upon 40 the following fees, alcoholic beverages distilled from fruit juices by 41 such holder pursuant to a prior plenary or limited distillery license, and 42 to sell and distribute his products to wholesalers and retailers licensed 43 in accordance with this chapter, and to sell and distribute without this 44 State to any persons pursuant to the laws of the places of such sale and distribution, and to maintain a warehouse. The fee for this license 45 46 shall be graduated as follows: to so bottle and rebottle not more than 47 5,000 wine gallons per annum, \$313; to so bottle and rebottle not more

than 10,000 wine gallons per annum, \$625; to so bottle and rebottlewithout limit as to amount, \$1,250.

3 3d. The holder of this license shall be Craft distillery license. 4 entitled, subject to rules and regulations, to manufacture not more than 5 20,000 gallons of distilled alcoholic beverages, to rectify, blend, treat 6 and mix distilled alcoholic beverages, to sell and distribute this 7 product to wholesalers and retailers licensed in accordance with this 8 chapter, and to sell and distribute without this State to any persons 9 pursuant to the laws of the places of such sale and distribution, and to 10 maintain a warehouse. The holder of this license shall be entitled to 11 sell this product at retail to consumers on the licensed premises of the 12 distillery for consumption on the premises, but only in connection with 13 a tour of the distillery, and for consumption off the premises in a 14 quantity of not more than five liters per person. In addition, the holder 15 of this license may offer any person not more than three samples per 16 calendar day for sampling purposes only. For the purposes of this 17 subsection, "sampling" means the gratuitous offering of an open 18 container not exceeding one-half ounce serving of distilled alcoholic 19 beverage produced on the distillery premises. Nothing in this 20 subsection shall be deemed to permit the direct shipment of distilled 21 spirits either within or without this State.

22 The holder of this license shall not sell food or operate a restaurant 23 on the licensed premises. A holder of this license who certifies that not 24 less than 51 percent of the raw materials used in the production of 25 distilled alcoholic beverages under this section are grown in this State 26 or purchased from providers located in this State may, consistent with 27 all applicable federal laws and regulations, label these distilled 28 alcoholic beverages as "New Jersey Distilled." The fee for this license 29 shall be \$938.

30 Rectifier and blender license. 4. The holder of this license shall 31 be entitled, subject to rules and regulations, to rectify, blend, treat and 32 mix distilled alcoholic beverages, and to fortify, blend, and treat 33 fermented alcoholic beverages, and prepare mixtures of alcoholic 34 beverages, and to sell and distribute his products to wholesalers and retailers licensed in accordance with this chapter, and to sell and 35 distribute without this State to any persons pursuant to the laws of the 36 37 places of such sale and distribution, and to maintain a warehouse. The 38 fee for this license shall be \$7,500.

Bonded warehouse bottling license. 5. The holder of this license
shall be entitled, subject to rules and regulations, to bottle alcoholic
beverages in bond on behalf of all persons authorized by federal and
State law and regulations to withdraw alcoholic beverages from bond.
The fee for this license shall be \$625. This license shall be issued only
to persons holding permits to operate Internal Revenue bonded
warehouses pursuant to the laws of the United States.

The provisions of section 21 of P.L.2003, c.117 amendatory of this
section shall apply to licenses issued or transferred on or after

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July 1, 2003, and to license renewals commencing on or after July 1, 1 2 2003. 3 (cf: P.L.2017, c.80, s.1) 4 5 2. This act shall take effect immediately. 6 7 8 **STATEMENT** 9 10 This bill specifies that the holder of a limited brewery license may allow the consumption of food by consumers on the licensed 11 12 premises of the brewery. However, the licensee may not bring on 13 the licensed premises, for consumption by consumers, food sold or 14 prepared by a restaurant in which that licensee has a direct 15 ownership interest. "Direct ownership interest" means the 16 ownership or control of more than 5% of the profits, assets, or stock 17 of a business. 18 Under current law, the holder of a limited brewery license is 19 entitled to brew up to 300,000 barrels of 31 fluid gallons capacity per year of malt alcoholic beverages to sell and distribute to 20 wholesalers and retailers. These licensees are authorized to sell 21 22 their product at retail to consumers on the licensed premises for on-23 site consumption, but only in connection with a tour of the brewery. 24 The licensee is prohibited under current law from selling food and 25 operating a restaurant on the licensed premises. 26 Under this bill, consumers would be allowed to consume food on 27 the licensed premises of a limited brewery. The bill would allow 28 patrons of limited breweries to purchase food from a vendor not 29 owned by the licensee, or from a restaurant or other type of food 30 vendor off the licensed premises, to be consumed on the licensed 31 premises of the brewery.