

ASSEMBLY, No. 1218

STATE OF NEW JERSEY

219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:

Assemblywoman ANNETTE CHAPARRO

District 33 (Hudson)

Assemblywoman VALERIE VAINIERI HUTTLE

District 37 (Bergen)

Co-Sponsored by:

Assemblymen Wirths, Space and Calabrese

SYNOPSIS

Revises law governing theater liquor licenses.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



1 AN ACT concerning plenary retail consumption licenses and
2 amending and supplementing P.L.1985, c.151.

3

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

6

7 1. Section 1 of P.L.1985, c.151 (C.33:1-19.7) is amended to
8 read as follows:

9 1. It shall be lawful for the governing board or body of any
10 municipality, upon the approval of the Director of the Division of
11 Alcoholic Beverage Control, to issue a plenary retail consumption
12 license to a nonprofit corporation exempt from federal income tax
13 under section 501(c)(3) of the Internal Revenue Code, which
14 regularly conducts musical or theatrical performances or concerts
15 **【on】** for which admission is charged. A license issued pursuant to
16 this section shall be used in connection with a premises with a
17 seating capacity of 1,000 persons or more **【, authorizing】** that is
18 primarily used to conduct musical or theatrical performances or
19 concerts.

20 The license shall authorize the sale of alcoholic beverages by the
21 nonprofit corporation or its restaurant operator who has been
22 approved pursuant to procedures established by the Division of
23 Alcoholic Beverage Control for consumption on the licensed
24 premises **【only】**:

25 a. during the two hours immediately preceding performances;
26 b. during performances, including intermission; and **【the two**
27 **hours immediately preceding and】**
28 c. during the two hours immediately following performances.

29 For the purposes of this section, "licensed premises" shall
30 include the premises where the musical or theatrical performance or
31 concert is held and any adjacent premises owned and operated by
32 the licensee.

33 A license issued under the provisions of this act shall not be
34 counted in determining the number of licenses under P.L.1947, c.94
35 (C.33:1-12.13 et seq.) or under P.L.1968, c.277 (C.40:48-
36 2.40 et seq.).
37 (cf: P.L.1994, c.18, s.1)

38

39 2. (New section) It shall be lawful for the governing board or
40 body of any municipality, upon the approval of the Director of the
41 Division of Alcoholic Beverage Control, to issue a plenary retail
42 consumption license to a nonprofit corporation exempt from federal
43 income tax under section 501(c)(3) of the Internal Revenue Code
44 that is incorporated on the effective date of this act, which regularly
45 conducts musical or theatrical performances or concerts for which

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 admission is charged. A license issued pursuant to this section shall
2 be used in connection with a premises with a seating capacity of 50
3 persons or more but less than 1,000 persons that is primarily used to
4 conduct musical or theatrical performances or concerts.

5 The license shall authorize the sale of alcoholic beverages by the
6 nonprofit corporation or its restaurant operator who has been
7 approved pursuant to procedures established by the Division of
8 Alcoholic Beverage Control for consumption on the licensed
9 premises:

- 10 a. during the two hours immediately preceding performances;
- 11 b. during performances, including intermission; and
- 12 c. for not more than 15 performances in a calendar year, during
13 the two hours immediately following performances.

14 For the purposes of this section, "licensed premises" shall
15 include the premises where the musical or theatrical performance or
16 concert is held and any adjacent premises owned and operated by
17 the licensee.

18 A license issued under the provisions of this act shall not be
19 counted in determining the number of licenses under P.L.1947, c.94
20 (C.33:1-12.13 et seq.) or under P.L.1968, c.277 (C.40:48-
21 2.40 et seq.).

22

23 3. This act shall take effect immediately.

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STATEMENT

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28 This bill authorizes certain small nonprofit theaters to be issued a
29 special license to serve alcoholic beverages for consumption on the
30 licensed premises similar to the license currently issued to theaters
31 with 1,000 or more seats.

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

40 The bill specifically authorizes a municipality to issue a plenary
41 retail consumption license to a nonprofit corporation exempt from
42 federal income with a seating capacity of at least 50, but less than
43 1,000 persons, which regularly conducts musical or theatrical
44 performances or concerts for which admission is charged. The
45 provisions of the bill apply only to nonprofit corporations incorporated
46 on the effective date of the act.

47 Under the bill, both large and small theaters which are issued a
48 theater license are authorized to sell alcoholic beverages for

1 consumption on the licensed premises during the two hours
2 immediately preceding performances and during performances,
3 including intermission. Large and small theaters may serve alcoholic
4 beverages during the two hours immediately following performances,
5 but small theaters are limited to doing so for not more than 15
6 performances in a calendar year.

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