

**ASSEMBLY, No. 4243**

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**STATE OF NEW JERSEY**

**219th LEGISLATURE**

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INTRODUCED JUNE 8, 2020

**Sponsored by:**

**Assemblyman ROBERT J. KARABINCHAK**

**District 18 (Middlesex)**

**Assemblywoman VALERIE VAINIERI HUTTLE**

**District 37 (Bergen)**

**SYNOPSIS**

Permits extension of alcoholic beverage license term during COVID-19 pandemic.

**CURRENT VERSION OF TEXT**

As introduced.



**(Sponsorship Updated As Of: 6/15/2020)**

1 AN ACT concerning alcoholic beverage licenses and amending  
2 R.S.33:1-26.

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

6  
7 1. R.S.33:1-26 is amended to read as follows:

8 33:1-26. All licenses shall be for a term of one year from July 1  
9 in each year. The respective fees for any such license shall be  
10 prorated according to the effective date of the license and based on  
11 the respective annual fee as in this chapter provided. Where the  
12 license fee deposited with the application exceeds the prorated fee,  
13 a refund of the excess shall be made to the licensee. Licenses are  
14 not transferable except as hereinafter provided. A separate license  
15 is required for each specific place of business and the operation and  
16 effect of every license is confined to the licensed premises. No  
17 retail license of any class shall be issued to any holder of a  
18 manufacturer's or wholesaler's license, and no manufacturer's or  
19 wholesaler's license shall be issued to the holder of a retail license  
20 of any class. Any person who shall exercise or attempt to exercise,  
21 or hold himself out as authorized to exercise, the rights and  
22 privileges of a licensee except the licensee and then only with  
23 respect to the licensed premises, shall be guilty of a misdemeanor.

24 Notwithstanding the provisions of this section to the contrary,  
25 the director may extend the term of a license beyond June 30 during  
26 a state of emergency declared by the Governor pursuant to  
27 Executive Order No. 103 in response to the COVID-19 pandemic.

28 In case of death, bankruptcy, receivership or incompetency of the  
29 licensee, or if for any other reason whatsoever the operation of the  
30 business covered by the license shall devolve by operation of law  
31 upon a person other than the licensee, the director or the issuing  
32 authority may, in his or its discretion, extend the license for a  
33 limited time, not exceeding its term, to the executor, administrator,  
34 trustee, receiver or other person upon whom the same has devolved  
35 by operation of law as aforesaid. Under no circumstances,  
36 however, shall a license, or rights thereunder, be deemed property,  
37 subject to inheritance, sale, pledge, lien, levy, attachment,  
38 execution, seizure for debts, or any other transfer or disposition  
39 whatsoever, except for payment of taxes, fees, interest and penalties  
40 imposed by any State tax law for which a lien may attach pursuant  
41 to R.S.54:49-1 or pursuant to the State Uniform Tax Procedure  
42 Law, R.S.54:48-1 et seq., or any similar State lien of tax, except to  
43 the extent expressly provided by this chapter.

44 On application made therefor setting forth the same matters and  
45 things with reference to the premises to which a transfer of 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 is sought as are required to be set forth in connection with an  
2 original application for license, as to the premises, and after  
3 publication of notice of intention to apply for transfer, in the same  
4 manner as is required in case of an application for license as to the  
5 premises, the director or other issuing authority may transfer, upon  
6 payment of a fee of 10% of the annual license fee for the license  
7 sought to be transferred, any license issued by him or it respectively  
8 to a different place of business than that specified therein, by  
9 endorsing permission upon the license.

10 On application made therefor setting forth the same matters and  
11 things with reference to the person to whom a transfer of license is  
12 sought as are required to be set forth in connection with an original  
13 application for license, which application for transfer shall be  
14 signed and sworn to by the person to whom the transfer of license is  
15 sought and shall bear the consent in writing of the licensee to the  
16 transfer, and after publication of notice of intention by the person to  
17 whom the transfer of license is sought, to apply for transfer in the  
18 same manner as is required in the case of an original application for  
19 license, the director or other issuing authority, as the case may be,  
20 may transfer any license issued by him or it respectively to the  
21 applicant for transfer by endorsing the license. The application and  
22 the applicant shall comply with all requirements of this chapter  
23 pertaining to an original application for license and shall be  
24 accompanied, in lieu of the license fee required on the original  
25 application, by a fee of 10% of the annual license fee for the license  
26 sought to be transferred, which 10% shall be retained by the  
27 director or other issuing authority, as the case may be, whether the  
28 transfer be granted or not, and accounted for as other license fees.

29 If the other issuing authority shall refuse to grant a transfer the  
30 applicant shall be notified forthwith of the refusal by a notice  
31 served personally upon the applicant, or sent to him by registered  
32 mail addressed to him at the address stated in the application, and  
33 the applicant may, within 30 days after the date of service or  
34 mailing of the notice, appeal to the director from the action of the  
35 issuing authority. If the other issuing authority shall grant a  
36 transfer, any taxpayer or other aggrieved person opposing the grant  
37 of the transfer may, within 30 days after the grant of the transfer,  
38 appeal to the director from the action of the issuing authority.

39 No person who would fail to qualify as a licensee under this  
40 chapter shall be knowingly employed by or connected in any  
41 business capacity whatsoever with a licensee. A person failing to  
42 qualify as to age or by reason of conviction of a crime involving  
43 moral turpitude may, with the approval of the director, and subject  
44 to rules and regulations, be employed by any licensee, but the  
45 employee if disqualified by age shall not, in any manner whatsoever  
46 serve, sell or solicit the sale or participate in the manufacture,  
47 rectification, blending, treating, fortification, mixing, processing or  
48 bottling of any alcoholic beverage; and further provided, that no

1 permit shall be necessary for the employment in a bona fide hotel or  
2 restaurant of any person failing to qualify as to age so long as the  
3 person shall not in any manner whatsoever serve, sell or solicit the  
4 sale of any alcoholic beverage, or participate in the mixing,  
5 processing or preparation thereof. Except for a person convicted of  
6 a sex offense as enumerated in subsection b. of N.J.S.2C:7-2 or a  
7 person convicted of a crime involving moral turpitude committed  
8 while employed on a licensed premises, a person who has been  
9 convicted of a crime involving moral turpitude may be employed by  
10 a Class C licensee without obtaining the approval of the director or  
11 a rehabilitation employment permit provided the person's  
12 responsibilities do not involve serving, selling or soliciting the sale  
13 of any alcoholic beverage; participating in the mixing, processing or  
14 preparation of alcoholic beverages; providing private security or  
15 admission-monitoring services for the premises; or providing or  
16 participating in any management or professional services.

17 Each person seeking to be employed or connected in any  
18 business capacity whatsoever with a licensee shall submit to the  
19 director the applicant's name, address, fingerprints and written  
20 consent for a criminal history record background check to be  
21 performed. The director is authorized to receive criminal history  
22 record information from the State Bureau of Identification in the  
23 Division of State Police and the Federal Bureau of Investigation  
24 consistent with applicable State and federal laws, rules and  
25 regulations. The applicant shall bear the cost for the criminal  
26 history record background check, including all costs of  
27 administering and processing the check. The Division of State  
28 Police shall promptly notify the director in the event a current  
29 holder of a license or prospective applicant, who was the subject of  
30 a criminal history record background check pursuant to this section,  
31 is arrested for a crime or offense in this State after the date the  
32 background check was performed.

33 Any request for relief under this section shall be accompanied by  
34 a nonreturnable filing fee of \$100.00 payable to the director.  
35 (cf: P.L.2012, c.32, s.1)

36

37 2. This act shall take effect immediately.

38

#### 39 STATEMENT

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41 Under current law, licenses permitting the retail sale of alcoholic  
42 beverages are issued for a term of one year beginning on July 1.

43 This bill permits the Director of the Division of Alcoholic  
44 Beverage Control to extend the term of these licenses beyond one  
45 year during a state of emergency declared by the Governor pursuant  
46 to Executive Order No. 103 in response to the COVID-19.