

ASSEMBLY, No. 4319

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED JUNE 22, 2020

Sponsored by:

Assemblyman JOHN J. BURZICHELLI

District 3 (Cumberland, Gloucester and Salem)

Assemblyman NICHOLAS CHIARAVALLOTI

District 31 (Hudson)

SYNOPSIS

Establishes certain temporary and permanent privileges for certain alcoholic beverage licensees; authorizes certain activities, events, and festivals in which certain alcoholic beverage licensees may participate.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 6/25/2020)

1 AN ACT concerning alcoholic beverage licensing and
2 supplementing and amending 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. (New section) a. As used in this section:

8 “Craft manufacturer license” means a plenary winery license,
9 farm winery license, out-of-State winery license, limited brewery
10 license, restricted brewery license, cidery and meadery license, and
11 craft distillery license issued pursuant to R.S.33:1-10.

12 “Retail consumption license or permit” means a plenary retail
13 consumption license, plenary retail consumption license used in
14 connection with a hotel or motel, or seasonal retail consumption
15 license issued pursuant to R.S.33:1-12, or concessionaire permit
16 issued pursuant to Title 33 of the Revised Statutes that authorizes
17 the sale of all alcoholic beverages for consumption on the licensed
18 premises.

19 b. The holder of a retail consumption license or permit or craft
20 manufacturer license shall be entitled to serve alcoholic beverages
21 for consumption outdoors pursuant to a municipal ordinance
22 promulgated in accordance with subsection c. of this section.

23 c. The governing board or body of a municipality as defined by
24 subsection g. of R.S.33:1-1 may, by ordinance, extend the licensed
25 premises used in connection with a retail consumption license or
26 permit or craft manufacturer license to allow for the sale and
27 consumption of alcoholic beverages in outdoor places in a manner
28 that adheres to current social distancing practices. The ordinance
29 shall establish outdoor customer seating requirements which shall
30 be followed by retail consumption license or permit holders in
31 response to the COVID-19 pandemic.

32

33 2. (New section) a. As used in this section,

34 “Crowler” means a fillable and machine-sealable can which
35 does not hold more than 32 ounces of malt alcoholic beverage and
36 may be used to package draft malt alcoholic beverages for
37 consumption off the licensed premises of a limited brewery with
38 event privileges.

39 “Growler” means a glass, ceramic, or stainless steel receptacle
40 which does not hold more than 128 ounces of malt alcoholic
41 beverage and is used to transport draft malt alcoholic beverage for
42 consumption off the licensed premises of a limited brewery with
43 event privileges.

44 b. The holder of a plenary retail consumption license issued
45 pursuant to R.S.33:1-10 or concessionaire permit who, following

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 the enactment of P.L.2020, c.33, purchased additional equipment
2 necessary to package and sell malt alcoholic beverages in a crowler
3 or growler for consumption off the licensed premises in response to
4 the COVID-19 pandemic shall be entitled to continue to use the
5 equipment to sell malt alcoholic beverages in crowlers or growlers
6 following the expiration of P.L.2020, c.33.

7 c. The provisions of this section shall not apply to the holder of:

8 (1) a plenary retail consumption license used in connection with
9 a hotel or motel; or

10 (2) a single plenary retail consumption license that is used in
11 connection with multiple restaurants or other establishments located
12 on the same licensed premises.

13

14 3. (New section) a. As used in P.L. , c. (C.) (pending
15 before the Legislature as this bill) and R.S.33:1-10:

16 “Extended premises activity” means any activity occurring on an
17 outdoor area either adjacent to or adjoining the licensed premises of a
18 winery, limited brewery, distillery, cidery, or meadery that is not
19 owned by the license holder and may include but not be limited to a
20 sidewalk or parking lot. An “extended premises activity” shall not
21 include an off-premises event or festival as defined by sections 4
22 and 5 of P.L. , c. (C.) (pending before the Legislature as this
23 bill).

24 “Mercantile business” means the selling of goods or merchandise
25 that are not related to or incidental to the licensed business. A
26 “mercantile business” shall not include a restaurant, food vendor, or
27 food truck.

28 “On-premises activity” means any activity that is open to the
29 public and held on the licensed premises of a winery, limited
30 brewery, craft distillery, cidery, meadery, or other outdoor area,
31 including but not limited to a parking lot that is owned by the
32 license holder and is adjacent to or adjoining the licensed premises.

33 An “on-premises activity” shall include, but not be limited to:

34 (1) private parties, birthdays, weddings, anniversaries, civic and
35 political functions, professional and trade association events, class
36 reunion and alumni events;

37 (2) video games;

38 (3) board games;

39 (4) card games for which wagers are not placed;

40 (5) trivia and quizzo;

41 (6) paint and sip events;

42 (7) craftmaking;

43 (8) shuffleboard;

44 (9) yard games;

45 (10) background or radio music;

46 (11) live music or music played by a disc jockey;

47 (12) educational events and seminars;

48 (13) movies and theatrical events;

1 (14) animal adoption, to the extent permitted by local ordinance;

2 (15) yoga and exercise classes; or

3 (16) any other similar activity held on the licensed premises or
4 other area owned by the licensee that is adjacent to or adjoining the
5 licensed premises.

6 b. The holder of a winery, limited brewery, craft distillery, or
7 cidery and meadery license issued pursuant to R.S.33:1-10 may
8 hold an unlimited number of extended premises or on-premises
9 activities as defined in subsection a. of this section.

10 Except as provided in subsection d. of this section, the holder of
11 a license shall not be required to obtain a permit or provide
12 notification to the division to hold an extended premises or on-
13 premises activity. A municipality may, by ordinance or resolution,
14 as appropriate, limit the types of extended premises or on-premises
15 activities that the licensee may hold on the licensed premises. The
16 ordinance or resolution shall not limit or restrict the rights and
17 privileges granted to the holder of a license issued pursuant to
18 R.S.33:1-10.

19 c. Application to hold an extended premises activity shall be
20 made to the clerk of the municipality in which the licensee intends
21 to hold the activity. The clerk of the municipality shall notify the
22 governing body of the municipality and the chief law enforcement
23 officer of the municipality. The governing body of the municipality
24 shall approve or deny the application.

25 The holder of the license shall be required to obtain this approval
26 at least 10 days prior to the extended premises event. The
27 governing body, in its discretion, may grant approval less than 10
28 days prior to the extended premises event.

29 d. The holder of a winery, limited brewery, distillery, or cidery
30 and meadery license issued pursuant to R.S.33:1-10 shall provide
31 electronic notification to the division at least 10 days prior to
32 hosting an on-premises or extended premises activity for which
33 tickets are sold in advance. The notification shall include the name
34 of the license holder, the date and hours during which the activity is
35 to be held, and the expected number of attendees of the activity. A
36 licensee shall submit to the division a \$250 filing fee with the
37 notification required pursuant to this section.

38 e. A licensee may host another mercantile business on the
39 licensed premises to sell goods or merchandise that are not related
40 to or incidental to the licensed business. The holder of the license
41 shall not own an interest in, or profit from, the sale of goods by the
42 mercantile establishment. The license holder shall not host any
43 mercantile business on the licensed premises on more than four days
44 during each month.

45 f. The extended premises activities and on-premises activities
46 authorized pursuant to this section shall adhere to executive or
47 administrative orders issued by the Governor or Commissioner of

1 Health establishing coronavirus-related occupancy or customer
2 seating restrictions applicable to licensed premises.

3 g. Nothing in this section shall limit a license holder from
4 operating an extended premises in accordance with a municipal
5 ordinance established in response to the COVID-19 pandemic
6 pursuant to section 1 of P.L. , c. (pending before the Legislature
7 as this bill).

8
9 4. (New section) a. As used in this act, “off-premises event”
10 means an event that takes place off the licensed premises of a winery,
11 limited brewery, craft distillery, cidery, meadery, or other adjacent
12 or adjoining outdoor area owned by the license holder, and shall
13 include, but not be limited to, music and arts festivals; civic events;
14 five kilometer or other running races, mud races, bike races and
15 other athletic events; the license holder’s anniversary celebrations;
16 and holiday celebrations. An “off-premises event” shall not include
17 a festival as defined by section 5 of P.L. , c. (C.)
18 (pending before the Legislature as this bill).

19 b. The holder of a valid winery license, limited brewery license,
20 craft distillery license, or cidery and meadery license may hold up to
21 25 off-premises events per year.

22 c. Application to hold an off-premises event activity shall be
23 made to the clerk of the municipality in which the licensee intends
24 to hold the activity, The clerk of the municipality shall notify the
25 governing body of the municipality and the chief law enforcement
26 officer of the municipality. The governing body of the municipality
27 shall approve or deny the application.

28 The holder of the license shall be required to obtain this approval
29 at least 10 days prior to the off premises event. The governing
30 body, in its discretion, may grant approval less than 10 days prior to
31 the off premises event.

32 d. A municipality that approves an off-premises event pursuant to
33 this section may request that the licensee provide a detailed security
34 plan to ensure general safety, as well as emergency medical assistance.
35 The plan shall include, but not be limited to, a procedure for: age
36 verification; prevention of intoxication; compliance with regulatory
37 requirements on sample sizes; identification of security personnel,
38 duties, numbers and experience; confirmation that all servers shall be
39 employees of the applicant; and proof that the licensee hosting is
40 certified by an industry recognized server training program.

41 e. At least 10 days prior to an off-premises event, the license
42 holder shall provide electronic notification to the division of the
43 event. Notification to the director shall include the name of the
44 license or permit holder, the date and hours during which the event
45 is to be held, and the expected attendance.

46 f. The license holders may remove any of the their unused or
47 unopened products following the event for the purpose of resale.

1 g. The fee for the first day and each consecutive day on which
2 an off-premise event is held shall be \$250 and shall be payable to the
3 division.

4 h. The extended premises activities and on-premises activities
5 authorized pursuant to this section shall adhere to executive or
6 administrative orders issued by the Governor or Commissioner of
7 Health establishing coronavirus-related occupancy or customer
8 seating restrictions applicable to licensed premises.

9 i. Nothing in this section shall limit a license holder from
10 operating an extended premises pursuant to municipal ordinance in
11 response to the COVID-19 pandemic pursuant to section 1 of
12 P.L. , c. (pending before the Legislature as this bill).

13

14 5. (New section) a. As used in this act:

15 "Festival" means an indoor or outdoor scheduled gathering,
16 function, occasion or event that shall be sponsored or hosted by the
17 holder of any winery license, limited brewery license, craft distillery
18 license, or cidery and meadery license, retail consumption license,
19 concessionaire permit, or a social affairs permit wherein small samples
20 of an alcoholic beverage are available from multiple offerings from
21 multiple suppliers, served for a single admission price or per sample
22 price.

23 "Third party promoter" means a person or entity engaged to assist
24 in operating or organizing the festival for a fee.

25 b. The holder of a winery license, limited brewery license, craft
26 distillery license, or cidery and meadery license, retail consumption
27 license, concessionaire permit, or a social affairs permit may hold not
28 more than five festivals per year.

29 The license holder shall provide, at least 45 days prior to a
30 festival, electronic notification to the division of the festival.
31 Notification to the director shall include the name of the license or
32 permit holder, the hours during which the festival is to be held, the
33 expected attendance of the festival, and the festival date.

34 c. Application to hold a festival shall be made to the clerk of the
35 municipality in which the licensee intends to hold the festival. The
36 clerk of the municipality shall notify the governing body of the
37 municipality and the chief law enforcement officer of the
38 municipality. The governing body of the municipality shall approve
39 or deny the application.

40 The holder of the license shall be required to obtain this approval
41 at least 10 days prior to the festival. The governing body, in its
42 discretion, may grant approval less than 10 days prior to the
43 festival.

44 d. A municipality that approves a festival pursuant to this section
45 may request that the licensee provide a detailed security plan to assure
46 general safety, as well as emergency medical assistance. The plan shall
47 include, but not be limited to, a procedure for: age verification;
48 prevention of intoxication; compliance with regulatory requirements

1 on sample sizes; identification of security personnel, duties, numbers
2 and experience; confirmation that all servers shall be employees of the
3 applicant; and proof that the licensee hosting the festival is certified by
4 an industry recognized server training program.

5 e. The provisions of this section shall not prohibit a person from
6 applying to the director for a social affairs permit for an event that
7 does not constitute a festival as defined in subsection a. of this section.

8 f. A festival shall be subject to the following conditions:

9 (1) the categories for festivals shall be malt alcoholic beverage,
10 wine, cider, mead, distilled spirits, or a combination thereof;

11 (2) the festival host shall be in control of and responsible for the
12 event and the premises at all times;

13 (3) the festival attendees shall be the legal age to purchase and
14 consume alcoholic beverages;

15 (4) alcoholic beverages used or consumed at a festival shall be
16 brand registered, stored securely with all transportation permits intact
17 and purchased in accordance with Title 33 of the Revised Statutes and
18 rules and regulations promulgated by the director;

19 (5) a festival session shall not exceed four hours in duration, but
20 multiple sessions separated by a break of at least one hour are
21 permitted provided attendees are not permitted to attend more than one
22 four hour session per day. The governing body of the municipality
23 may extend a session for not more than one hour upon a showing of
24 good cause;

25 (6) festival participants may sell alcoholic beverages in original
26 containers for off-premises consumption. However, the holder of a
27 limited brewery license may sell malt alcoholic beverages for off-
28 premises consumption in a crowler or growler as defined in R.S.33:1-
29 10;

30 (7) a festival shall not be held on more than three consecutive days;

31 (8) sample sizes used at a festival shall not exceed:

32 (a) two ounce samples for malt alcoholic beverages;

33 (b) one ounce samples for wine; and

34 (c) one-half ounce samples for distilled spirits.

35 (9) all pourers and servers shall be supervised by an employee who
36 is certified by an industry recognized server training program;

37 (10) a festival shall have sufficient food and non-alcoholic
38 beverages available, whether complimentary or for purchase; and

39 (11) a festival participant may remove any unused or unopened
40 products following the event. The holder of a winery license,
41 limited brewery license, craft distillery license, or cidery and
42 meadery license, retail consumption license, or concessionaire permit
43 may resell the unused or unopened products.

44 g. A third party promoter who participates in a festival shall meet
45 the qualifications of a licensee, permittee, or employee under
46 N.J.S.33:1-26 prior to the festival event.

1 h. The fee for a festival shall be paid to the municipality. Except
2 as provided in subsection i. and j. of this section, the fee for the first
3 day and each consecutive day on which a festival is held shall be:

- 4 (1) \$300 for an expected attendance of less than 1,000 people;
5 (2) \$1,000 for an expected attendance of between 1,001 and
6 5,000 people;
7 (3) \$2,000 for an expected attendance of between 5,001 and
8 10,000 people; and
9 (4) \$3,000 for an expected attendance of more than 10,000
10 people.

11 i. The fee for the first day and each consecutive day shall be
12 \$150 for a festival held for the sole benefit of a non-profit
13 organization provided the festival does not involve a third-party
14 promoter.

15 j. The fee for the first day and each consecutive day of a festival
16 that utilizes a third party promoter shall be:

- 17 (1) \$2,500 for an expected attendance of less than 5,000 people;
18 and
19 (2) \$5,000 for an expected attendance of 5,000 or more people.

20 k. The festivals authorized pursuant to this section shall adhere
21 to executive or administrative orders issued by the Governor or
22 Commissioner of Health establishing coronavirus-related occupancy
23 or customer seating restrictions applicable to licensed premises.

24 i. Nothing in this section shall limit a license holder from
25 operating an extended premises in accordance with a municipal
26 ordinance established in response to the COVID-19 pandemic
27 pursuant to section 1 of P.L. , c. (pending before the Legislature
28 as this bill).

29
30 6. (New section) The holder of a Class A license issued pursuant
31 to R.S.33:1-10 or Class C license issued pursuant to R.S.33:1-12 who
32 sells alcoholic beverages for consumption on the licensed premises by
33 the glass or other open receptacle shall maintain liquor liability
34 insurance coverage to insure against loss resulting from liability
35 imposed by law for bodily injury or death sustained by any person
36 resulting from the consumption of alcoholic beverages while on the
37 licensed premises. The licensee shall submit a copy of the insurance
38 policy to the Director of the Division of Alcoholic Beverage Control
39 and the clerk of the municipality which the licensed premises are
40 located. The director shall be notified if the insurance policy is
41 cancelled for any reason. If the policy is cancelled, the director shall
42 suspend the license for 30 days or until the licensee has obtained
43 liability insurance, whichever is later. A license shall not be issued or
44 renewed until a copy of the licensee's insurance policy is submitted to
45 the director.

46
47 7. R.S.33:1-10 is amended to read as follows:

1 33:1-10. Class A licenses shall be subdivided and classified as
2 follows:

3 Plenary brewery license. 1a. The holder of this license shall be
4 entitled, subject to rules and regulations, to brew any malt alcoholic
5 beverages and to sell and distribute his products to wholesalers and
6 retailers licensed in accordance with this chapter, and to sell and
7 distribute without this State to any persons pursuant to the laws of
8 the places of such sale and distribution, and to maintain a
9 warehouse; provided, however, that the delivery of this product by
10 the holder of this license to retailers licensed under this title shall be
11 from inventory in a warehouse located in this State which is
12 operated under a plenary brewery license. The fee for this license
13 shall be \$10,625.

14 Limited brewery license. 1b. The holder of this license shall be
15 entitled, subject to rules and regulations, to brew any malt alcoholic
16 beverages in a quantity to be expressed in said license, dependent
17 upon the following fees and not in excess of 300,000 barrels of 31
18 fluid gallons capacity per year and to sell and distribute this product
19 to wholesalers and retailers licensed in accordance with this
20 chapter, and to sell and distribute without this State to any persons
21 pursuant to the laws of the places of such sale and distribution, and
22 to maintain a warehouse; provided, however, that the delivery of
23 this product by the holder of this license to retailers licensed under
24 this title or to a consumer's home shall be from inventory in a
25 warehouse located in this State which is operated under a limited
26 brewery license. The holder of this license shall be entitled to sell
27 this product at retail to consumers on the licensed premises of the
28 brewery for consumption on the premises **],** but only in connection
29 with a tour of the brewery, **]** or for consumption off the premises, in
30 the form of a keg, sixtel, case, six-pack, growler, crowler, or other
31 container, in a quantity of not more than 15.5 fluid gallons per
32 person, and to offer samples for sampling purposes only pursuant to
33 an annual permit issued by the director. The holder of this license
34 shall be entitled to hold on-premises activities, extended premises
35 activities, off-premises events, and festivals pursuant to P.L. , c.
36 (C.) (pending before the Legislature as this bill).

37 The holder of this license shall not sell food except as otherwise
38 permitted pursuant to this section or operate a restaurant as defined
39 in R.S.33:1-1 on the licensed premises but may offer to consumers
40 or maintain on the licensed premises menus for the sale of food by
41 any restaurant, food vendor, or food truck that is situated off the
42 licensed premises. The license holder also may allow a person to
43 consume on the licensed premises food that was prepared by a
44 restaurant, food vendor, or food truck that is situated off the
45 licensed premises. The holder of this license may sell any non-
46 alcoholic beverages on the licensed premises, whether or not
47 manufactured by the license holder. The holder of this license shall

1 be permitted to offer for sale or make the gratuitous offering of
2 packaged crackers, chips, nuts, and similar snacks to consumers.

3 The fee for this license shall be graduated as follows:

4 to so brew not more than 50,000 barrels of 31 liquid gallons
5 capacity per annum, \$1,250;

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

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

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

12 For the purposes of this subsection **["sampling"]**:

13 "Crowler" means a fillable and machine-sealable can which does
14 not hold more than 32 ounces of malt alcoholic beverage and may be
15 used to package draft malt alcoholic beverages for consumption off the
16 licensed premises of a limited or restricted brewery.

17 "Growler" means a glass, ceramic, or stainless steel receptacle
18 which does not hold more than 128 ounces of malt alcoholic beverage
19 and is used to transport draft malt alcoholic beverage for consumption
20 off the licensed premises of a limited or restricted brewery.

21 "Sampling" means the selling at a nominal charge or the
22 gratuitous offering of an open container not exceeding four ounces
23 of any malt alcoholic beverage. For the purposes of this subsection,
24 "product" means any malt alcoholic beverage that is produced on
25 the premises licensed under this subsection.

26 Restricted brewery license. 1c. The holder of this license shall be
27 entitled, subject to rules and regulations, to brew any malt alcoholic
28 beverages in a quantity to be expressed in such license not in excess
29 of 10,000 barrels of 31 gallons capacity per year. Notwithstanding
30 the provisions of R.S.33:1-26, the director shall issue a restricted
31 brewery license only to a person or an entity which has identical
32 ownership to an entity which holds a plenary retail consumption
33 license issued pursuant to R.S.33:1-12, provided that such plenary
34 retail consumption license is operated in conjunction with a
35 restaurant regularly and principally used for the purpose of
36 providing meals to its customers and having adequate kitchen and
37 dining room facilities, and that the licensed restaurant premises is
38 immediately adjoining the premises licensed under this subsection.
39 The holder of this license shall be entitled to sell or deliver the
40 product to that restaurant premises. The holder of this license also
41 shall be entitled to sell and distribute the product to wholesalers
42 licensed in accordance with this chapter. The fee for this license
43 shall be \$1,250, which fee shall entitle the holder to brew up to
44 1,000 barrels of 31 liquid gallons per annum. The licensee also shall
45 pay an additional \$250 for every additional 1,000 barrels of 31 fluid
46 gallons produced. The fee shall be paid at the time of application
47 for the license, and additional payments based on barrels produced
48 shall be paid within 60 days following the expiration of the license

1 term upon certification by the licensee of the actual gallons brewed
2 during the license term. No more than 10 restricted brewery
3 licenses shall be issued to a person or entity which holds an interest
4 in a plenary retail consumption license. If the governing body of the
5 municipality in which the licensed premises will be located should
6 file a written objection, the director shall hold a hearing and may
7 issue the license only if the director finds that the issuance of the
8 license will not be contrary to the public interest. All fees related to
9 the issuance of both licenses shall be paid in accordance with
10 statutory law. The provisions of this subsection shall not be
11 construed to limit or restrict the rights and privileges granted by the
12 plenary retail consumption license held by the holder of the
13 restricted brewery license issued pursuant to this subsection.

14 The holder of this license shall be entitled to offer samples of its
15 product for promotional purposes at charitable or civic events off
16 the licensed premises pursuant to an annual permit issued by the
17 director.

18 For the purposes of this subsection, "sampling" means the selling
19 at a nominal charge or the gratuitous offering of an open container
20 not exceeding four ounces of any malt alcoholic beverage product.
21 For the purposes of this subsection, "product" means any malt
22 alcoholic beverage that is produced on the premises licensed under
23 this subsection.

24 Plenary winery license. 2a. Provided that the holder is engaged
25 in growing and cultivating grapes or fruit used in the production of
26 wine on at least three acres on, or adjacent to, the winery premises,
27 the holder of this license shall be entitled, subject to rules and
28 regulations, to produce any fermented wines, and to blend, fortify
29 and treat wines, and to sell and distribute his products to
30 wholesalers licensed in accordance with this chapter and to
31 churches for religious purposes, and to sell and distribute without
32 this State to any persons pursuant to the laws of the places of such
33 sale and distribution, and to maintain a warehouse, and to sell his
34 products at retail to consumers on the licensed premises of the
35 winery for consumption on or off the premises and to offer samples
36 for sampling purposes only. The fee for this license shall be \$938.
37 A holder of this license who produces not more than 250,000
38 gallons per year shall also have the right to sell and distribute his
39 products to retailers licensed in accordance with this chapter, except
40 that the holder of this license shall not use a common carrier for
41 such distribution. The fee for this additional privilege shall be
42 graduated as follows: a licensee who manufactures more than
43 150,000 gallons, but not in excess of 250,000 gallons per annum,
44 \$1,000; a licensee who manufactures more than 100,000 gallons,
45 but not in excess of 150,000 gallons per annum, \$500; a licensee
46 who manufactures more than 50,000 gallons, but not in excess of
47 100,000 gallons per annum, \$250; a licensee who manufactures
48 50,000 gallons or less per annum, \$100. A holder of this license

1 who produces not more than 250,000 gallons per year shall have the
2 right to sell such wine at retail in original packages in 15
3 salesrooms apart from the winery premises for consumption on or
4 off the premises and for sampling purposes for consumption on the
5 premises, at a fee of \$250 for each salesroom. Licensees shall not
6 jointly control and operate salesrooms. Additionally, the holder of
7 this license who produces not more than 250,000 gallons per year
8 may ship not more than 12 cases of wine per year, subject to
9 regulation, to any person within or without this State over 21 years
10 of age for personal consumption and not for resale. A case of wine
11 shall not exceed a maximum of nine liters. A copy of the original
12 invoice shall be available for inspection by persons authorized to
13 enforce the alcoholic beverage laws of this State for a minimum
14 period of three years at the licensed premises of the winery. For the
15 purposes of this subsection, "sampling" means the selling at a
16 nominal charge or the gratuitous offering of an open container not
17 exceeding one and one-half ounces of any wine.

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. In addition, a holder of this
22 license who produces more than 250,000 gallons per year shall not
23 own, either in whole or in part, or hold, either directly or indirectly,
24 any interest in a winery that produces not more than 250,000
25 gallons per year. For the purposes of this subsection, "product"
26 means any wine that is produced, blended, fortified, or treated by
27 the licensee on its licensed premises situated in the State of New
28 Jersey. For the purposes of this subsection, "wine" shall include
29 "hard cider" and "mead" as defined in this section.

30 Farm winery license. 2b. The holder of this license shall be
31 entitled, subject to rules and regulations, to manufacture any
32 fermented wines and fruit juices in a quantity to be expressed in
33 said license, dependent upon the following fees and not in excess of
34 50,000 gallons per year and to sell and distribute his products to
35 wholesalers and retailers licensed in accordance with this chapter
36 and to churches for religious purposes and to sell and distribute
37 without this State to any persons pursuant to the laws of the places
38 of such sale and distribution, and to maintain a warehouse and to
39 sell at retail to consumers for consumption on or off the licensed
40 premises and to offer samples for sampling purposes only. The
41 license shall be issued only when the winery at which such
42 fermented wines and fruit juices are manufactured is located and
43 constructed upon a tract of land exclusively under the control of the
44 licensee, provided that the licensee is actively engaged in growing
45 and cultivating an area of not less than three acres on or adjacent to
46 the winery premises and on which are growing grape vines or fruit
47 to be processed into wine or fruit juice; and provided, further, that
48 for the first five years of the operation of the winery such fermented

1 wines and fruit juices shall be manufactured from at least 51
2 percent grapes or fruit grown in the State and that thereafter they
3 shall be manufactured from grapes or fruit grown in this State at
4 least to the extent required for labeling as "New Jersey Wine" under
5 the applicable federal laws and regulations. The containers of all
6 wine sold to consumers by such licensee shall have affixed a label
7 stating such information as shall be required by the rules and
8 regulations of the Director of the Division of Alcoholic Beverage
9 Control. The fee for this license shall be graduated as follows: to so
10 manufacture between 30,000 and 50,000 gallons per annum, \$375;
11 to so manufacture between 2,500 and 30,000 gallons per annum,
12 \$250; to so manufacture between 1,000 and 2,500 gallons per
13 annum, \$125; to so manufacture less than 1,000 gallons per annum,
14 \$63. No farm winery license shall be held by the holder of a plenary
15 winery license or be situated on a premises licensed as a plenary
16 winery.

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

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

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

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

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

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

11 Instructional winemaking facility license. 2d. The holder of
12 this license shall be entitled, subject to rules and regulations, to
13 instruct persons in and provide them with the opportunity to
14 participate directly in the process of winemaking and to directly
15 assist such persons in the process of winemaking while in the
16 process of instruction on the premises of the facility. The holder of
17 this license also shall be entitled to manufacture wine on the
18 premises not in excess of an amount of 10 percent of the wine
19 produced annually on the premises of the facility, which shall be
20 used only to replace quantities lost or discarded during the
21 winemaking process, to maintain a warehouse, and to offer samples
22 produced by persons who have received instruction in winemaking
23 on the premises by the licensee for sampling purposes only on the
24 licensed premises for the purpose of promoting winemaking for
25 personal or household use or consumption. Wine produced on the
26 premises of an instructional winemaking facility shall be used,
27 consumed or disposed of on the facility's premises or distributed
28 from the facility's premises to a person who has participated
29 directly in the process of winemaking for the person's personal or
30 household use or consumption. The holder of this license may sell
31 mercantile items traditionally associated with winemaking and
32 novelty wearing apparel identified with the name of the
33 establishment licensed under the provisions of this section. The
34 holder of this license may use the licensed premises for an event or
35 affair, including an event or affair at which a plenary retail
36 consumption licensee serves alcoholic beverages in compliance
37 with all applicable statutes and regulations promulgated by the
38 director. The fee for this license shall be \$1,000. For the purposes
39 of this subsection, "sampling" means the gratuitous offering of an
40 open container not exceeding one and one-half ounces of any wine.

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

43 Out-of-State winery license. 2e. Provided that the applicant
44 does not produce more than 250,000 gallons of wine per year, the
45 holder of a valid winery license issued in any other state may make
46 application to the director for this license. The holder of this license
47 shall have the right to sell and distribute his products to wholesalers
48 licensed in accordance with this chapter and to sell such wine at

1 retail in original packages in 16 salesrooms apart from the winery
2 premises for consumption on or off the premises at a fee of \$250 for
3 each salesroom. Licensees shall not jointly control and operate
4 salesrooms. The annual fee for this license shall be \$938. A copy
5 of a current license issued by another state shall accompany the
6 application. The holder of this license also shall have the right to
7 sell and distribute his products to retailers licensed in accordance
8 with this chapter, except that the holder of this license shall not use
9 a common carrier for such distribution. The fee for this additional
10 privilege shall be graduated as follows: a licensee who
11 manufactures more than 150,000 gallons, but not in excess of
12 250,000 gallons per annum, \$1,000; a licensee who manufactures
13 more than 100,000 gallons, but not in excess of 150,000 gallons per
14 annum, \$500; a licensee who manufactures more than 50,000
15 gallons, but not in excess of 100,000 gallons per annum, \$250; a
16 licensee who manufactures 50,000 gallons or less per annum, \$100.
17 Additionally, the holder of this license may ship not more than 12
18 cases of wine per year, subject to regulation, to any person within or
19 without this State over 21 years of age for personal consumption
20 and not for resale. A case of wine shall not exceed a maximum of
21 nine liters. A copy of the original invoice shall be available for
22 inspection by persons authorized to enforce the alcoholic beverage
23 laws of this State for a minimum period of three years at the
24 licensed premises of the winery.

25 The licensee shall collect from the customer the tax due on the
26 sale pursuant to the "Sales and Use Tax Act," P.L.1966, c.30
27 (C.54:32B-1 et seq.) and shall pay the tax due on the delivery of
28 alcoholic beverages pursuant to the "Alcoholic beverage tax law,"
29 R.S.54:41-1 et seq. The Director of the Division of Taxation in the
30 Department of the Treasury shall promulgate such rules and
31 regulations necessary to effectuate the provisions of this paragraph,
32 and may provide by regulation for the co-administration of the tax
33 due on the delivery of alcoholic beverages pursuant to the
34 "Alcoholic beverage tax law," R.S.54:41-1 et seq. with the
35 administration of the tax due on the sale pursuant to the "Sales and
36 Use Tax Act," P.L.1966, c.30 (C.54:32B-1 et seq.).

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

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

43 Cidery and meadery license. 2f. The holder of this license
44 shall be entitled, subject to rules and regulations, to manufacture
45 hard cider and mead and to sell and distribute these products to
46 wholesalers and retailers licensed in accordance with this chapter,
47 and to sell and distribute without this State to any persons pursuant
48 to the laws of the places of such sale and distribution, and to

1 maintain a warehouse. The holder of this license shall be entitled to
2 sell these products at retail to consumers on the licensed premises
3 for consumption on or off the premises and to offer samples for
4 sampling purposes only. The holder of this license shall be
5 permitted to offer for sale or make the gratuitous offering of
6 packaged crackers, chips, nuts, and similar snacks to consumers, but
7 shall not operate a restaurant as defined in R.S.33:1-1 on the
8 licensed premises.

9 The holder of this license shall be entitled to hold on-premises
10 activities, extended premises activities, off-premises events, and
11 festivals pursuant to P.L. , c. (C.) (pending before the
12 Legislature as this bill). The license holder may offer to consumers
13 or maintain on the licensed premises menus for the sale of food by
14 any restaurant, food vendor, or food truck as that is situated off the
15 licensed premises. The license holder also may allow a person to
16 consume on the licensed premises food that was prepared by a
17 restaurant, food vendor, or food truck that is situated off the
18 licensed premises. The holder of this license may sell any non-
19 alcoholic beverages on the licensed premises, whether or not
20 manufactured by the license holder. The fee for this license shall be
21 \$938.

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

31 The holder of this license shall be entitled to manufacture not
32 more than 250,000 gallons of mead per year. The holder of this
33 license may ship not more than 12 cases of mead per year, subject
34 to regulation, to any person within or without this State over 21
35 years of age for personal consumption and not for resale. A case of
36 mead shall not exceed a maximum of nine liters. A copy of the
37 original invoice shall be available for inspection by persons
38 authorized to enforce the alcoholic beverage laws of this State for a
39 minimum period of three years at the licensed premises.

40 As used in this subsection:

41 "Hard cider" means a fermented alcoholic beverage derived
42 primarily from apples, pears, apple juice concentrate and water, or
43 pear juice concentrate and water, which may include spices, herbs,
44 honey, or other flavoring, and which contains at least one half of
45 one percent but less than eight and one half percent alcohol by
46 volume.

47 "Mead" means an alcoholic beverage primarily made from
48 honey, water, and yeast, and which may contain fruit, fruit juices,

1 spices, or herbs added before or after fermentation has completed,
2 except that the ratio of fermentable sugars from fruit or fruit juices
3 shall not exceed 49 percent of the total fermentable sugars used to
4 produce mead.

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

8 Plenary distillery license. 3a. The holder of this license shall be
9 entitled, subject to rules and regulations, to manufacture any
10 distilled alcoholic beverages and rectify, blend, treat and mix, and
11 to sell and distribute his products to wholesalers and retailers
12 licensed in accordance with this chapter, and to sell and distribute
13 without this State to any persons pursuant to the laws of the places
14 of such sale and distribution, and to maintain a warehouse. The fee
15 for this license shall be \$12,500.

16 Limited distillery license. 3b. The holder of this license shall
17 be entitled, subject to rules and regulations, to manufacture and
18 bottle any alcoholic beverages distilled from fruit juices and rectify,
19 blend, treat, mix, compound with wine and add necessary
20 sweetening and flavor to make cordial or liqueur, and to sell and
21 distribute to wholesalers and retailers licensed in accordance with
22 this chapter, and to sell and distribute without this State to any
23 persons pursuant to the laws of the places of such sale and
24 distribution and to warehouse these products. The fee for this
25 license shall be \$3,750.

26 Supplementary limited distillery license. 3c. The holder of
27 this license shall be entitled, subject to rules and regulations, to
28 bottle and rebottle, in a quantity to be expressed in said license,
29 dependent upon the following fees, alcoholic beverages distilled
30 from fruit juices by such holder pursuant to a prior plenary or
31 limited distillery license, and to sell and distribute his products to
32 wholesalers and retailers licensed in accordance with this chapter,
33 and to sell and distribute without this State to any persons pursuant
34 to the laws of the places of such sale and distribution, and to
35 maintain a warehouse. The fee for this license shall be graduated as
36 follows: to so bottle and rebottle not more than 5,000 wine gallons
37 per annum, \$313; to so bottle and rebottle not more than 10,000
38 wine gallons per annum, \$625; to so bottle and rebottle without
39 limit as to amount, \$1,250.

40 Craft distillery license. 3d. The holder of this license shall be
41 entitled, subject to rules and regulations, to manufacture not more
42 than **【20,000】** 100,000 gallons of distilled alcoholic beverages, to
43 rectify, blend, treat and mix distilled alcoholic beverages, to sell
44 and distribute this product to wholesalers and retailers licensed in
45 accordance with this chapter, and to sell and distribute without this
46 State to any persons pursuant to the laws of the places of such sale
47 and distribution, and to maintain a warehouse.

1 The holder of this license shall be entitled to sell this product at
2 retail to consumers on the licensed premises of the distillery for
3 consumption on the premises **],** but only in connection with a tour
4 of the distillery,**]** and for consumption off the premises in a quantity
5 of not more than five liters per person. The holder of this license
6 shall be entitled to hold on-premises activities, extended premises
7 activities, off-premises events, and festivals pursuant P.L. _____, c.
8 (pending before the Legislature as this bill). The license holder
9 may offer to consumers or maintain on the licensed premises menus
10 for the sale of food by any restaurant, food vendor, or food truck
11 that is situated off the licensed premises. The license holder also
12 may allow a person to consume on the licensed premises food that
13 was prepared by a restaurant, food vendor, or food truck that is
14 situated off the licensed premises. The holder of this license may
15 sell any non-alcoholic beverages on the licensed premises, whether
16 or not manufactured by the license holder.

17 In addition, the holder of this license may offer any person not
18 more than three samples per calendar day for sampling purposes
19 only. For the purposes of this subsection, "sampling" means the
20 gratuitous offering of an open container not exceeding one-half
21 ounce serving of distilled alcoholic beverage produced on the
22 distillery premises. Nothing in this subsection shall be deemed to
23 permit the direct shipment of distilled spirits either within or
24 without this State.

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

32 The fee for this license shall be **[\$938]** graduated as follows: to
33 so manufacture more than 80,000 gallons, but not in excess of
34 100,000 gallons per annum, \$4,690; to so manufacture more than
35 60,000 gallons, but not in excess of 80,000 gallons per annum,
36 \$3,752; to so manufacture more than 40,000 gallons, but not in
37 excess of 60,000 gallons per annum, \$2,814; to so manufacture
38 more than 20,000 gallons, but not in excess of 40,000 gallons per
39 annum, \$1,876; to so manufacture 20,000 gallons or less per annum,
40 \$938.

41 Rectifier and blender license. 4. The holder of this license
42 shall be entitled, subject to rules and regulations, to rectify, blend,
43 treat and mix distilled alcoholic beverages, and to fortify, blend,
44 and treat fermented alcoholic beverages, and prepare mixtures of
45 alcoholic beverages, and to sell and distribute his products to
46 wholesalers and retailers licensed in accordance with this chapter,
47 and to sell and distribute without this State to any persons pursuant

1 to the laws of the places of such sale and distribution, and to
2 maintain a warehouse. The fee for this license shall be \$7,500.

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

11 The provisions of section 21 of P.L.2003, c.117 amendatory of
12 this section shall apply to licenses issued or transferred on or after
13 July 1, 2003, and to license renewals commencing on or after July
14 1, 2003.

15 (cf: P.L.2017, c.80, s.1)

16

17 8. R.S.33:1-12 is amended to read as follows:

18 33:1-12. Class C licenses shall be subdivided and classified as
19 follows:

20 Plenary retail consumption license. 1. The holder of this license
21 shall be entitled, subject to rules and regulations, to sell any
22 alcoholic beverages for consumption on the licensed premises by
23 the glass or other open receptacle, and also to sell any alcoholic
24 beverages in original containers for consumption off the licensed
25 premises; but this license shall not be issued to permit the sale of
26 alcoholic beverages in or upon any premises in which a grocery,
27 delicatessen, drug store or other mercantile business is carried on,
28 except as hereinafter provided. The holder of this license shall be
29 permitted to conduct consumer wine, beer and spirits tasting events
30 and samplings for a fee or on a complimentary basis pursuant to
31 conditions established by rules and regulations of the Division of
32 Alcoholic Beverage Control, provided however, that the holder of
33 this license complies with the terms and conditions set forth in
34 section 3 of P.L.2009, c.216 (C.33:1-12d).

35 The holder of this license may, for a set price or cover charge,
36 hold a promotional event not more than once per month that allows
37 for the unlimited availability of alcoholic beverages for
38 consumption on the licensed premises in conjunction with a food
39 pairing and an educational component relating to the type of alcoholic
40 beverages served or promoted at the event.

41 The holder of this license also may hold a promotional event that
42 allows for the unlimited availability of alcoholic beverages for
43 consumption on the licensed premises on New Year's Eve in
44 addition to the 12 events permitted pursuant to this section. A
45 license holder who holds an event on New Year's Eve shall not be
46 required to offer a food pairing or educational component. Tickets
47 for a promotional event may be sold in advance or on the day of the
48 promotional event.

1 Subject to such rules and regulations established from time to
2 time by the director, the holder of this license shall be permitted to
3 sell alcoholic beverages in or upon the premises in which any of the
4 following is carried on: the keeping of a hotel or restaurant
5 including the sale of mercantile items incidental thereto as an
6 accommodation to patrons; the sale, at an entertainment facility as
7 defined in R.S.33:1-1, having a seating capacity for no less than
8 4,000 patrons, of mercantile items traditionally associated with the
9 type of event or program held at the site; the sale of distillers',
10 brewers' and vintners' packaged merchandise prepacked as a unit
11 with other suitable objects as gift items to be sold only as a unit; the
12 sale of novelty wearing apparel identified with the name of the
13 establishment licensed under the provisions of this section; the sale
14 of cigars, cigarettes, packaged crackers, chips, nuts and similar
15 snacks and ice at retail as an accommodation to patrons, or the retail
16 sale of nonalcoholic beverages as accessory beverages to alcoholic
17 beverages; or, in commercial bowling establishments, the retail sale
18 or rental of bowling accessories and the retail sale from vending
19 machines of candy, ice cream and nonalcoholic beverages. The fee
20 for this license shall be fixed by the governing board or body of the
21 municipality in which the licensed premises are situated, by
22 ordinance, at not less than \$250 and not more than \$2,500. No
23 ordinance shall be enacted which shall raise or lower the fee to be
24 charged for this license by more than 20% from that charged in the
25 preceding license year or \$500.00, whichever is the lesser. The
26 governing board or body of each municipality may, by ordinance,
27 enact that no plenary retail consumption license shall be granted
28 within its respective municipality.

29 The holder of this license shall be permitted to obtain a restricted
30 brewery license issued pursuant to subsection 1c. of R.S.33:1-10
31 and to operate a restricted brewery immediately adjoining the
32 licensed premises in accordance with the restrictions set forth in
33 that subsection. All fees related to the issuance of both licenses
34 shall be paid in accordance with statutory law.

35 Seasonal retail consumption license. 2. (1) The holder of this
36 license shall be entitled, subject to rules and regulations, to sell any
37 alcoholic beverages for consumption on the licensed premises by
38 the glass or other open receptacle, and also to sell any alcoholic
39 beverages in original containers for consumption off the licensed
40 premises, during the summer season from May 1 until November
41 14, inclusive, or during the winter season from November 15 until
42 April 30, inclusive.

43 (2) In addition, the director shall issue to the holder of this
44 license, upon request by the licensee, one-day permits that shall
45 entitle the license holder to sell alcoholic beverages for
46 consumption on the licensed premises during the season when the
47 license holder is not authorized to sell alcoholic beverages pursuant
48 to subparagraph (1) of this subsection. The number of one-day

1 permits issued to a licensee pursuant to this subsection shall not
2 exceed an aggregate of 14 permits in one calendar year. A one-day
3 permit issued pursuant to this subsection shall be valid for 24
4 consecutive hours. The fee for each one-day permit shall be \$500.

5 The governing body of the municipality in which the licensed
6 premises is situated may place reasonable conditions upon a one-
7 day permit for the purpose of maintaining public safety on the
8 licensed premises and immediately surrounding area. The costs
9 associated with the reasonable conditions placed on the one-day
10 permit shall be assumed by the holder of this license.

11 (3) This license shall not be issued to permit the sale of
12 alcoholic beverages in or upon any premises in which a grocery,
13 delicatessen, drug store or other mercantile business is carried on,
14 except as hereinafter provided. Subject to such rules and
15 regulations established from time to time by the director, the holder
16 of this license shall be permitted to sell alcoholic beverages in or
17 upon the premises in which any of the following is carried on: the
18 keeping of a hotel or restaurant including the sale of mercantile
19 items incidental thereto as an accommodation to patrons; the sale of
20 distillers', brewers' and vintners' packaged merchandise prepacked
21 as a unit with other suitable objects as gift items to be sold only as a
22 unit; the sale of novelty wearing apparel identified with the name of
23 the establishment licensed under the provisions of this section; the
24 sale of cigars, cigarettes, packaged crackers, chips, nuts and similar
25 snacks and ice at retail as an accommodation to patrons; or the retail
26 sale of nonalcoholic beverages as accessory beverages to alcoholic
27 beverages. The fee for this license shall be fixed by the governing
28 board or body of the municipality in which the licensed premises
29 are situated, by ordinance, at 75% of the fee fixed by said board or
30 body for plenary retail consumption licenses. The governing board
31 or body of each municipality may, by ordinance, enact that no
32 seasonal retail consumption license shall be granted within its
33 respective municipality.

34 Plenary retail distribution license. 3. a. The holder of this license
35 shall be entitled, subject to rules and regulations, to sell any
36 alcoholic beverages for consumption off the licensed premises, but
37 only in original containers; except that licensees shall be permitted
38 to conduct consumer wine, beer, and spirits tasting events and
39 samplings on a complimentary basis pursuant to conditions
40 established by rules and regulations of the Division of Alcoholic
41 Beverage Control, provided however, that the holder of this license
42 complies with the terms and conditions set forth in section 3 of
43 P.L.2009, c.216 (C.33:1-12d).

44 The governing board or body of each municipality may, by
45 ordinance, enact that this license shall not be issued to permit the
46 sale of alcoholic beverages in or upon any premises in which any
47 other mercantile business is carried on, except that any such
48 ordinance, heretofore or hereafter adopted, shall not prohibit the

1 retail sale of distillers', brewers' and vintners' packaged
2 merchandise prepacked as a unit with other suitable objects as gift
3 items to be sold only as a unit; the sale of novelty wearing apparel
4 identified with the name of the establishment licensed under the
5 provisions of this act; cigars, cigarettes, packaged crackers, chips,
6 nuts and similar snacks, ice, and nonalcoholic beverages as
7 accessory beverages to alcoholic beverages. The fee for this license
8 shall be fixed by the governing board or body of the municipality in
9 which the licensed premises are situated, by ordinance, at not less
10 than \$125 and not more than \$2,500. No ordinance shall be enacted
11 which shall raise or lower the fee to be charged for this license by
12 more than 20% from that charged in the preceding license year or
13 \$500.00, whichever is the lesser. The governing board or body of
14 each municipality may, by ordinance, enact that no plenary retail
15 distribution license shall be granted within its respective
16 municipality.

17 Limited retail distribution license. 3. b. The holder of this license
18 shall be entitled, subject to rules and regulations, to sell any
19 unchilled, brewed, malt alcoholic beverages in quantities of not less
20 than 72 fluid ounces for consumption off the licensed premises, but
21 only in original containers; provided, however, that this license
22 shall be issued only for premises operated and conducted by the
23 licensee as a bona fide grocery store, meat market, meat and
24 grocery store, delicatessen, or other type of bona fide food store at
25 which groceries or other foodstuffs are sold at retail; and provided
26 further that this license shall not be issued except for premises at
27 which the sale of groceries or other foodstuffs is the primary and
28 principal business and at which the sale of alcoholic beverages is
29 merely incidental and subordinate thereto. The fee for this license
30 shall be fixed by the governing body or board of the municipality in
31 which the licensed premises are situated, by ordinance, at not less
32 than \$31 and not more than \$63. The governing board or body of
33 each municipality may, by ordinance, enact that no limited retail
34 distribution license shall be granted within its respective
35 municipality.

36 Plenary retail transit license. 4. The holder of this license shall be
37 entitled, subject to rules and regulations, to sell any alcoholic
38 beverages, for consumption only, on railroad trains, airplanes,
39 limousines and boats, while in transit. The fee for this license for
40 use by a railroad or air transport company shall be \$375, for use by
41 the owners of limousines shall be \$31 per vehicle, and for use on a
42 boat shall be \$63 on a boat 65 feet or less in length, \$125 on a boat
43 more than 65 feet in length but not more than 110 feet in length,
44 and \$375 on a boat more than 110 feet in length; such boat lengths
45 shall be determined in the manner prescribed by the Bureau of
46 Customs of the United States Government or any federal agency
47 successor thereto for boat measurement in connection with issuance
48 of marine documents. A license issued under this provision to a

1 railroad or air transport company shall cover all railroad cars and
2 planes operated by any such company within the State of New
3 Jersey. A license for a boat or limousine issued under this
4 provision shall apply only to the particular boat or limousine for
5 which issued, and shall permit the purchase of alcoholic beverages
6 for sale or service in a boat or limousine to be made from any Class
7 A and B licensee or from any Class C licensee whose license
8 privilege permits the sale of alcoholic beverages in original
9 containers for off-premises consumption. An interest in a plenary
10 retail transit license issued in accordance with this section shall be
11 excluded in determining the maximum number of retail licenses
12 permitted under P.L.1962, c.152 (C.33:1-12.31 et seq.).

13 Club license. 5. The holder of this license shall be entitled,
14 subject to rules and regulations, to sell any alcoholic beverages but
15 only for immediate consumption on the licensed premises and only
16 to bona fide club members and their guests. The fee for this license
17 shall be fixed by the governing board or body of the municipality in
18 which the licensed premises are situated, by ordinance, at not less
19 than \$63 and not more than \$188. The governing board or body of
20 each municipality may, by ordinance, enact that no club licenses
21 shall be granted within its respective municipality. Club licenses
22 may be issued only to such corporations, associations and
23 organizations as are operated for benevolent, charitable, fraternal,
24 social, religious, recreational, athletic, or similar purposes, and not
25 for private gain, and which comply with all conditions which may
26 be imposed by the Director of the Division of Alcoholic Beverage
27 Control by rules and regulations.

28 The provisions of section 23 of P.L.2003, c.117 amendatory of
29 this section shall apply to licenses issued or transferred on or after
30 July 1, 2003, and to license renewals commencing on or after July
31 1, 2003.

32 Sporting facility license. 6. The holder of this license shall be
33 entitled, subject to rules and regulations, to sell at retail or to serve
34 any alcoholic beverages as the owner, operator, lessee, or
35 concessionaire of a sporting facility by the glass or other receptacle
36 or in original containers only on the premises of the sporting
37 facility.

38 Notwithstanding any other provision of Title 33 of the Revised
39 Statutes and subject to conditions established by the director, the
40 holder of this license may share direction and control of the
41 premises to be licensed and share proceeds and profits from the sale
42 of alcoholic beverages with the owner, operator, concessionaire, or
43 lessee of the facility. The holder of this license shall be permitted
44 to conduct consumer wine, beer, and spirits tasting events and
45 samplings for a fee or on a complimentary basis provided, however,
46 the license holder complies with the provisions of section 3 of
47 P.L.2009, c.216 (C.33:1-12d) and rules and regulations promulgated
48 thereto. Notwithstanding any law, rule or regulation to the

1 contrary, the holder of this license shall be entitled to establish an
2 all-inclusive area within the licensed sporting facility, provided the
3 all-inclusive area is limited to one area within the sporting facility
4 for each game or event and the capacity of the all-inclusive area
5 does not exceed 500 persons.

6 The fee for this license shall be \$2,500 for venues with a
7 capacity of less than 7,500 persons; \$5,000 for venues with a
8 capacity of not less than 7,500 persons but not more than 14,999
9 persons; \$7,500 for venues with a capacity of not less than 15,000
10 persons but not more than 22,499 persons; and \$10,000 for venues
11 with a capacity of 22,500 persons or more.

12 For the purposes of this subsection:

13 "Sporting facility" means a stadium, arena, team training facility,
14 or similar venue located on public property where alcoholic
15 beverages are served or sold at retail for consumption on the
16 premises by the glass or other open receptacle or in original
17 containers.

18 "Team training facility" shall include team offices and team
19 headquarters.

20 (cf: P.L.2018, c.147, s.1)

21

22 9. This act shall take effect immediately except that section 1
23 shall expire on: (1) the date of expiration, termination, or rescission
24 of any and all executive or administrative orders issued by the
25 Governor or Commissioner of Health establishing coronavirus-
26 related occupancy or customer seating restrictions applicable to
27 licensed premises; or (2) the first day of the seventh month
28 following the date on which the Governor declares that the state of
29 emergency has ended, whichever date occurs later.

30

31

32

STATEMENT

33

34 This bill allows a municipal governing body or local alcoholic
35 beverage licensing board, by ordinance, to extend the licensed
36 premises used in connection with certain alcoholic beverage retail
37 consumption licensees to allow for the sale and outdoor
38 consumption of alcoholic beverages in outdoor places in a manner
39 that adheres to current social distancing practices. The bill requires
40 the ordinance to establish outdoor customer seating requirements
41 which are to be followed by retail consumption license or permit
42 holders in response to the COVID-19 pandemic. This temporary
43 provision has an effective date that expires: (1) six months
44 following the date on which the Governor declares that the state of
45 emergency has ended or (2) on the date on which the coronavirus-
46 related indoor occupancy or customer seating restrictions no longer
47 apply to these licensed premises, whichever date occurs later.

1 The bill defines retail consumption license or permit as a plenary
2 retail consumption license, plenary retail consumption license used
3 in connection with a hotel or motel, or seasonal retail consumption
4 license, or concessionaire permit.

5 In addition, P.L.2020, c.33 was enacted in response to the
6 COVID-19 pandemic to allow the holders of plenary retail
7 consumption licenses and concessionaire permits, generally issued
8 to bars and restaurants, to sell and deliver alcoholic beverages in
9 closed and sealed containers, which would include crowlers and
10 growlers of beer. P.L.2020, c.33 expires six months following the
11 date on which: (1) the state of emergency has ended; or (2) the
12 coronavirus-related occupancy or customer seating restrictions no
13 longer apply to these licensed premises, whichever date occurs
14 later. This bill allows these licensees and permit holders who
15 purchased additional equipment necessary to package and sell malt
16 alcoholic beverages in a crowler or growler in response to the
17 COVID-19 pandemic to continue to use the equipment to sell malt
18 alcoholic beverages in crowlers or growlers following the
19 expiration of P.L.2020, c.33. The provision of the bill would not
20 apply to holder of hotel or motel licenses or single licenses used in
21 connection with multiple restaurants located on the same licensed
22 premises.

23 This bill also allows the holder of a winery, limited brewery,
24 craft distillery, or cidery and meadery license to hold certain
25 activities and events both on and off the licensed premises. Under
26 the bill, the holder of a winery, limited brewery, craft distillery, or
27 cidery and meadery license may hold an unlimited number of on-
28 premises activities. The bill defines on-premises activity as an
29 activity that is open to the public and held on the licensed premises
30 of a limited brewery, craft distillery, cidery, meadery, or other
31 outdoor area, including but not limited to a parking lot, that is
32 owned by the license holder and is adjacent to or adjoining the
33 licensed premises. On-premises activities are to include:

- 34 (1) private parties, birthdays, weddings, anniversaries, civic and
35 political functions, professional and trade association events, class
36 reunion and alumni events;
- 37 (2) video games;
- 38 (3) board games;
- 39 (4) card games for which wagers are not placed;
- 40 (5) trivia and quizzo;
- 41 (6) paint and sip events;
- 42 (7) craftmaking;
- 43 (8) shuffleboard;
- 44 (9) yard games;
- 45 (10) background or radio music;
- 46 (11) live music or music played by a disk jockey;
- 47 (12) educational events and seminars;
- 48 (13) movies and theatrical events;

- 1 (14) animal adoption, to the extent permitted by local ordinance;
2 (15) yoga and exercise classes; or
3 (16) any other similar activity held on the licensed premises or
4 other area owned by the licensee that is adjacent to or adjoining the
5 licensed premises.

6 A municipality may, by ordinance or resolution, as appropriate,
7 limit the types of on-premises activities that the licensee may hold
8 on the licensed premises.

9 The holder of a winery, limited brewery, craft distillery, or cidery
10 and meadery license also may hold extended premises activities
11 which would include activities occurring on an outdoor area either
12 adjacent to or adjoining the licensed premises of a limited or
13 restricted brewery, distillery, cidery, or meadery that is not owned
14 by the license holder and may include, but not be limited to, a
15 sidewalk or parking lot. The holder of the license would be required
16 to obtain, at least 10 days prior to an extended premises activity, the
17 approval of the governing body of the municipality in which the
18 extended premises activity is to be held. However, a municipality
19 may approve an extended premises activity less than 10 days prior
20 to the activity date.

21 Under the bill, approval by the Director of the Division of
22 Alcoholic Beverage Control (ABC) would not be required to hold
23 on-premises or extended premises activities. However, the bill
24 requires the licensee to notify the director at least 10 days prior to
25 an extended premises activity for which tickets are sold in advance.

26 The bill also allows the holder of a winery, limited brewery, craft
27 distillery, or cidery and meadery license to participate in up to 25
28 off-premises events per year. In order to participate in an off-premises
29 event, the holder of the license would be required to apply to the
30 governing body of the municipality in which the event is to be held.
31 The application process for holding an off-premises event would be
32 the same process to hold an extended premises activity. In addition,
33 the license holder also would be required to provide electronic
34 notification to the division at least 10 days prior to hosting an off-
35 premises event. The notification shall include the name of the
36 license holder, the hours during which the activity is to be held, and
37 the anticipated number of attendees of the activity. A licensee shall
38 submit to the division a \$250 filing fee with the notification
39 required pursuant to this section.

40 The bill allows the holder of a winery, limited brewery, distillery,
41 or cidery and meadery license to host another mercantile business
42 on the licensed premises to sell goods or merchandise that are not
43 related or incidental to the licensed business. The holder of the license
44 would be prohibited from owning an interest in, or profiting from, the
45 sale of goods by the mercantile establishment. The license holder also
46 would be prohibited from hosting any mercantile business on the
47 licensed premises on more than four days during each month.

1 The bill also establishes guidelines for beer, wine, and distilled
2 spirits festivals. Under the bill, the holder of a valid winery license,
3 limited brewery license, craft distillery license, or cidery and
4 meadery license, retail consumption license, concessionaire permit, or
5 a social affairs permit may hold a festival that showcases beer, wine,
6 and distilled spirits or a combination thereof. The bill requires the
7 festival host to provide notice to the Director of ABC at least 45
8 days prior to a festival. The notification would include the name of
9 the license or permit holder, the date and hours during which the
10 festival is to be held, the expected attendance of the festival. The
11 licensee also would be required to submit an application to hold a
12 festival to the municipal clerk, who would notify the governing
13 body of the municipality and chief law enforcement officer with
14 jurisdiction over the municipality. An application for a festival
15 must be approved by the governing body of the municipality. The
16 bill also establishes certain requirements and a fee schedule for
17 holding a festival.

18 In addition, the bill increases production limits placed on craft
19 distillery licensees from 20,000 gallons to 100,000 gallons. The bill
20 establishes a graduated fee schedule that would be based on the
21 amount of spirits annually distilled by the license holder.

22 The bill also removes from current law a provision requiring the
23 holder of a limited brewery license or distillery license to provide a
24 tour of the facility when selling the brewery's or distillery's
25 respective products for consumption on the licensed premises.

26 The holder of a limited brewery, craft distillery, or cidery and
27 meadery license also would be permitted to deliver its product to a
28 consumer's home; sell non-alcoholic beverages, whether or not
29 manufactured by the license holder; coordinate with a restaurant,
30 food vendor, or food truck to provide food on the licensed premises;
31 and provide menus to consumers. These licensees would continue
32 to be prohibited from operating a restaurant on the licensed
33 premises as required by current law.

34 The bill also requires holders of Class A licenses
35 (manufacturing) and Class C licenses (retailing) who sell alcoholic
36 beverages for consumption on the licensed premises to obtain
37 liability insurance to insure against loss resulting from liability
38 imposed by law for bodily injury or death sustained by any person
39 resulting from the consumption of alcoholic beverages while on the
40 licensed premises. The bill requires the Director of the ABC and the
41 clerk of the municipality in which the licensed premises is located to
42 be notified if the insurance policy is cancelled for any reason. If the
43 policy is cancelled, the license would be suspended for 30 days or until
44 the licensee has obtained liability insurance, whichever is later. The
45 director would not issue or renew a license until a copy of the
46 licensee's insurance is submitted to ABC.

47 Finally, the bill allows the holder of a plenary retail consumption
48 license to hold up to 12 "open bar" events that allow for the

1 unlimited availability of alcoholic beverages for consumption on
2 the licensed premises for a set price or cover charge. The bill
3 requires the “open bar” event to be held in conjunction with a food
4 pairing and an educational component relating to the type of alcoholic
5 beverages served or promoted at the event. In addition, the holder of
6 a plenary retail consumption license may hold an “open bar” event
7 on New Year’s Eve. An event held on New Year’s Eve would not
8 be required to have a food pairing or educational component.
9 Under the New Jersey administrative code, these events are
10 prohibited unless the “open bar” is for a private party, an event for
11 which tickets are sold by a non-profit organization that is not
12 advertised to the general public, or held on New Year’s Eve.