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.
AN ACT concerning alcoholic beverage licensing and
supplementing and amending Title 33 of the Revised Statutes.

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

1. (New section) a. As used in this section:
   “Craft manufacturer license” means a plenary winery license, farm
   winery license, out-of-State winery license, limited brewery
   license, restricted brewery license, cidery and meadery license, and
craft distillery license issued pursuant to R.S.33:1-10.
   “Retail consumption license or permit” means a plenary retail
   consumption license, plenary retail consumption license used in
   connection with a hotel or motel, or seasonal retail consumption
   license issued pursuant to R.S.33:1-12, or concessionaire permit
   issued pursuant to Title 33 of the Revised Statutes that authorizes
   the sale of all alcoholic beverages for consumption on the licensed
   premises.

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

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

2. (New section) a. As used in this section,
   “Crowler” means a fillable and machine-sealable can which
   does not hold more than 32 ounces of malt alcoholic beverage and
   may be used to package draft malt alcoholic beverages for
   consumption off the licensed premises of a limited brewery with
   event privileges.
   “Growler” means a glass, ceramic, or stainless steel receptacle
   which does not hold more than 128 ounces of malt alcoholic
   beverage and is used to transport draft malt alcoholic beverage for
   consumption off the licensed premises of a limited brewery with
   event privileges.

   b. The holder of a plenary retail consumption license issued
   pursuant to R.S.33:1-10 or concessionaire permit who, following
the enactment of P.L.2020, c.33, purchased additional equipment
necessary to package and sell malt alcoholic beverages in a growler
or growler for consumption off the licensed premises in response to
the COVID-19 pandemic shall be entitled to continue to use the
equipment to sell malt alcoholic beverages in crowlers or growlers
following the expiration of P.L.2020, c.33.

d. The provisions of this section shall not apply to the holder of:
   (1) a plenary retail consumption license used in connection with
       a hotel or motel; or
   (2) a single plenary retail consumption license that is used in
       connection with multiple restaurants or other establishments located
       on the same licensed premises.

3. (New section) a. As used in P.L. , c. (C. ) (pending
before the Legislature as this bill) and R.S.33:1-10:
   “Extended premises activity” means any activity occurring on an
outdoor area either adjacent to or adjoining the licensed premises of a
winery, limited brewery, distillery, cidery, or meadery that is not
owned by the license holder and may include but not be limited to a
sidewalk or parking lot. An “extended premises activity” shall not
include an off-premises event or festival as defined by sections 4
and 5 of P.L. , c. (C. ) (pending before the Legislature as this
bill).

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

   “On-premises activity” means any activity that is open to the
public and held on the licensed premises of a winery, limited
brewery, craft distillery, cidery, meadery, or other outdoor area,
including but not limited to a parking lot that is owned by the
license holder and is adjacent to or adjoining the licensed premises.
An “on-premises activity” shall include, but not be limited to:
   (1) private parties, birthdays, weddings, anniversaries, civic and
       political functions, professional and trade association events, class
       reunion and alumni events;
   (2) video games;
   (3) board games;
   (4) card games for which wagers are not placed;
   (5) trivia and quizzo;
   (6) paint and sip events;
   (7) crafting;
   (8) shuffleboard;
   (9) yard games;
   (10) background or radio music;
   (11) live music or music played by a disc jockey;
   (12) educational events and seminars;
   (13) movies and theatrical events;
animal adoption, to the extent permitted by local ordinance;
(15) yoga and exercise classes; or
(16) any other similar activity held on the licensed premises or
other area owned by the licensee that is adjacent to or adjoining the
licensed premises.

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

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

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

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

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

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

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

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

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

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

c. Application to hold an off-premises event activity shall be made to the clerk of the municipality in which the licensee intends to hold the activity. The clerk of the municipality shall notify the governing body of the municipality and the chief law enforcement officer of the municipality. The governing body of the municipality shall approve or deny the application. The holder of the license shall be required to obtain this approval at least 10 days prior to the off premises event. The governing body, in its discretion, may grant approval less than 10 days prior to the off premises event.

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

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

f. The license holders may remove any of the their unused or unopened products following the event for the purpose of resale.
The fee for the first day and each consecutive day on which an off-premise event is held shall be $250 and shall be payable to the division.

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

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

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

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

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

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

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

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

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

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

e. The provisions of this section shall not prohibit a person from
applying to the director for a social affairs permit for an event that
does not constitute a festival as defined in subsection a. of this section.
f. A festival shall be subject to the following conditions:
   (1) the categories for festivals shall be malt alcoholic beverage,
wine, cider, mead, distilled spirits, or a combination thereof;
   (2) the festival host shall be in control of and responsible for the
   event and the premises at all times;
   (3) the festival attendees shall be the legal age to purchase and
   consume alcoholic beverages;
   (4) alcoholic beverages used or consumed at a festival shall be
   brand registered, stored securely with all transportation permits intact
   and purchased in accordance with Title 33 of the Revised Statutes and
   rules and regulations promulgated by the director;
   (5) a festival session shall not exceed four hours in duration, but
   multiple sessions separated by a break of at least one hour are
   permitted provided attendees are not permitted to attend more than one
   four hour session per day. The governing body of the municipality
   may extend a session for not more than one hour upon a showing of
   good cause;
   (6) festival participants may sell alcoholic beverages in original
   containers for off-premises consumption. However, the holder of a
   limited brewery license may sell malt alcoholic beverages for off-
   premises consumption in a crowler or growler as defined in R.S.33:1-
   10;
   (7) a festival shall not be held on more than three consecutive days;
   (8) sample sizes used at a festival shall not exceed:
      (a) two ounce samples for malt alcoholic beverages;
      (b) one ounce samples for wine; and
      (c) one-half ounce samples for distilled spirits.
   (9) all pourers and servers shall be supervised by an employee who
   is certified by an industry recognized server training program;
   (10) a festival shall have sufficient food and non-alcoholic
   beverages available, whether complimentary or for purchase; and
   (11) a festival participant may remove any unused or unopened
   products following the event. The holder of a winery license,
   limited brewery license, craft distillery license, or cidery and
   meadery license, retail consumption license, or concessionaire permit
   may resell the unused or unopened products.
   g. A third party promoter who participates in a festival shall meet
   the qualifications of a licensee, permittee, or employee under
   N.J.S.33:1-26 prior to the festival event.
h. The fee for a festival shall be paid to the municipality. Except as provided in subsection i. and j. of this section, the fee for the first day and each consecutive day on which a festival is held shall be:
   (1) $300 for an expected attendance of less than 1,000 people;
   (2) $1,000 for an expected attendance of between 1,001 and 5,000 people;
   (3) $2,000 for an expected attendance of between 5,001 and 10,000 people; and
   (4) $3,000 for an expected attendance of more than 10,000 people.

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

j. The fee for the first day and each consecutive day of a festival that utilizes a third party promoter shall be:
   (1) $2,500 for an expected attendance of less than 5,000 people; and
   (2) $5,000 for an expected attendance of 5,000 or more people.

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

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

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

7. R.S.33:1-10 is amended to read as follows:
33:1-10. Class A licenses shall be subdivided and classified as follows:

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

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

The holder of this license shall not sell food except as otherwise permitted pursuant to this section or operate a restaurant as defined in R.S.33:1-1 on the licensed premises but may offer to consumers or maintain on the licensed premises menus for the sale of food by any restaurant, food vendor, or food truck that is situated off the licensed premises. The license holder also may allow a person to consume on the licensed premises food that was prepared by a restaurant, food vendor, or food truck that is situated off the licensed premises. The holder of this license may sell any non-alcoholic beverages on the licensed premises, whether or not manufactured by the license holder. The holder of this license shall
be permitted to offer for sale or make the gratuitous offering of packaged crackers, chips, nuts, and similar snacks to consumers.

The fee for this license shall be graduated as follows:

to so brew not more than 50,000 barrels of 31 liquid gallons capacity per annum, $1,250;
to so brew not more than 100,000 barrels of 31 fluid gallons capacity per annum, $2,500;
to so brew not more than 200,000 barrels of 31 fluid gallons capacity per annum, $5,000;
to so brew not more than 300,000 barrels of 31 fluid gallons capacity per annum, $7,500.

For the purposes of this subsection [], "sampling";

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

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

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

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

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

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

Plenary winery license. 2a. Provided that the holder is engaged
in growing and cultivating grapes or fruit used in the production of
wine on at least three acres on, or adjacent to, the winery premises,
the holder of this license shall be entitled, subject to rules and
regulations, to produce any fermented wines, and to blend, fortify
and treat wines, and to sell and distribute his products to
wholesalers licensed in accordance with this chapter and to
churches for religious purposes, and to sell and distribute without
this State to any persons pursuant to the laws of the places of such
sale and distribution, and to maintain a warehouse, and to sell his
products at retail to consumers on the licensed premises of the
winery for consumption on or off the premises and to offer samples
for sampling purposes only. The fee for this license shall be $938.
A holder of this license who produces not more than 250,000
gallons per year shall also have the right to sell and distribute his
products to retailers licensed in accordance with this chapter, except
that the holder of this license shall not use a common carrier for
such distribution. The fee for this additional privilege shall be
graduated as follows: a licensee who manufactures more than
150,000 gallons, but not in excess of 250,000 gallons per annum,
$1,000; a licensee who manufactures more than 100,000 gallons,
but not in excess of 150,000 gallons per annum, $500; a licensee
who manufactures more than 50,000 gallons, but not in excess of
100,000 gallons per annum, $250; a licensee who manufactures
50,000 gallons or less per annum, $100. A holder of this license
who produces not more than 250,000 gallons per year shall have the
right to sell such wine at retail in original packages in 15
salesrooms apart from the winery premises for consumption on or
off the premises and for sampling purposes for consumption on the
premises, at a fee of $250 for each salesroom. Licensees shall not
jointly control and operate salesrooms. Additionally, the holder of
this license who produces not more than 250,000 gallons per year
may ship not more than 12 cases of wine per year, subject to
regulation, to any person within or without this State over 21 years
of age for personal consumption and not for resale. A case of wine
shall not exceed a maximum of nine liters. A copy of the original
invoice shall be available for inspection by persons authorized to
enforce the alcoholic beverage laws of this State for a minimum
period of three years at the licensed premises of the winery. For the
purposes of this subsection, "sampling" means the selling at a
nominal charge or the gratuitous offering of an open container not
exceeding one and one-half ounces of any wine.

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

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

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

A holder of this license who produces not more than 250,000 gallons per year shall not own, either in whole or in part, or hold, either directly or indirectly, any interest in a winery that produces more than 250,000 gallons per year. Unless otherwise indicated, for the purposes of this subsection, with respect to farm winery licenses, "manufacture" means the vinification, aging, storage, blending, clarification, stabilization and bottling of wine or juice from New Jersey fruit to the extent required by this subsection.

For the purposes of this subsection, "wine" shall include "hard cider" and "mead" as defined in this section.
Wine blending license.  2c. The holder of this license shall be entitled, subject to rules and regulations, to blend, treat, mix, and bottle fermented wines and fruit juices with non-alcoholic beverages, and to sell and distribute his products to wholesalers and retailers licensed in accordance with this chapter, and to sell and distribute without this State to any persons pursuant to the laws of the places of such sale and distribution, and to maintain a warehouse. The fee for this license shall be $625.

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

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

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

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

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

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

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

Cidery and meadery license. 2f. The holder of this license shall be entitled, subject to rules and regulations, to manufacture hard cider and mead and to sell and distribute these products to wholesalers and retailers licensed in accordance with this chapter, and to sell and distribute without this State to any persons pursuant to the laws of the places of such sale and distribution, and to
maintain a warehouse. The holder of this license shall be entitled to sell these products at retail to consumers on the licensed premises for consumption on or off the premises and to offer samples for sampling purposes only. The holder of this license shall be permitted to offer for sale or make the gratuitous offering of packaged crackers, chips, nuts, and similar snacks to consumers, but shall not operate a restaurant as defined in R.S.33:1-1 on the licensed premises.

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

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

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

As used in this subsection:
"Hard cider" means a fermented alcoholic beverage derived primarily from apples, pears, apple juice concentrate and water, or pear juice concentrate and water, which may include spices, herbs, honey, or other flavoring, and which contains at least one half of one percent but less than eight and one half percent alcohol by volume.

"Mead" means an alcoholic beverage primarily made from honey, water, and yeast, and which may contain fruit, fruit juices,
spices, or herbs added before or after fermentation has completed, except that the ratio of fermentable sugars from fruit or fruit juices shall not exceed 49 percent of the total fermentable sugars used to produce mead.

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

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

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

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

Craft distillery license. 3d. The holder of this license shall be entitled, subject to rules and regulations, to manufacture not more than [20,000] 100,000 gallons of distilled alcoholic beverages, to rectify, blend, treat and mix distilled alcoholic beverages, to sell and distribute this product to wholesalers and retailers licensed in accordance with this chapter, and to sell and distribute without this State to any persons pursuant to the laws of the places of such sale and distribution, and to maintain a warehouse.
The holder of this license shall be entitled to sell this product at retail to consumers on the licensed premises of the distillery for consumption on the premises, but only in connection with a tour of the distillery, and for consumption off the premises in a quantity of not more than five liters per person. The holder of this license shall be entitled to hold on-premises activities, extended premises activities, off-premises events, and festivals pursuant P.L. , c. (pending before the Legislature as this bill). The license holder may offer to consumers or maintain on the licensed premises menus for the sale of food by any restaurant, food vendor, or food truck that is situated off the licensed premises. The license holder also may allow a person to consume on the licensed premises food that was prepared by a restaurant, food vendor, or food truck that is situated off the licensed premises. The holder of this license may sell any non-alcoholic beverages on the licensed premises, whether or not manufactured by the license holder.

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

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

The fee for this license shall be graduated as follows: to so manufacture more than 80,000 gallons, but not in excess of 100,000 gallons per annum, $4,690; to so manufacture more than 60,000 gallons, but not in excess of 80,000 gallons per annum, $3,752; to so manufacture more than 40,000 gallons, but not in excess of 60,000 gallons per annum, $2,814; to so manufacture more than 20,000 gallons, but not in excess of 40,000 gallons per annum, $1,876; to so manufacture 20,000 gallons or less per annum, $938.

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

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

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

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

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

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

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

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

The holder of this license also may hold a promotional event that allows for the unlimited availability of alcoholic beverages for consumption on the licensed premises on New Year’s Eve in addition to the 12 events permitted pursuant to this section. A license holder who holds an event on New Year’s Eve shall not be required to offer a food pairing or educational component. Tickets for a promotional event may be sold in advance or on the day of the promotional event.
Subject to such rules and regulations established from time to time by the director, the holder of this license shall be permitted to sell alcoholic beverages in or upon the premises in which any of the following is carried on: the keeping of a hotel or restaurant including the sale of mercantile items incidental thereto as an accommodation to patrons; the sale, at an entertainment facility as defined in R.S.33:1-1, having a seating capacity for no less than 4,000 patrons, of mercantile items traditionally associated with the type of event or program held at the site; the sale of distillers', brewers' and vintners' packaged merchandise prepacked as a unit with other suitable objects as gift items to be sold only as a unit; the sale of novelty wearing apparel identified with the name of the establishment licensed under the provisions of this section; the sale of cigars, cigarettes, packaged crackers, chips, nuts and similar snacks and ice at retail as an accommodation to patrons, or the retail sale of nonalcoholic beverages as accessory beverages to alcoholic beverages; or, in commercial bowling establishments, the retail sale or rental of bowling accessories and the retail sale from vending machines of candy, ice cream and nonalcoholic beverages. The fee for this license shall be fixed by the governing board or body of the municipality in which the licensed premises are situated, by ordinance, at not less than $250 and not more than $2,500. No ordinance shall be enacted which shall raise or lower the fee to be charged for this license by more than 20% from that charged in the preceding license year or $500.00, whichever is the lesser. The governing board or body of each municipality may, by ordinance, enact that no plenary retail consumption license shall be granted within its respective municipality.

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

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

(2) In addition, the director shall issue to the holder of this license, upon request by the licensee, one-day permits that shall entitle the license holder to sell alcoholic beverages for consumption on the licensed premises during the season when the license holder is not authorized to sell alcoholic beverages pursuant to subparagraph (1) of this subsection. The number of one-day
permits issued to a licensee pursuant to this subsection shall not exceed an aggregate of 14 permits in one calendar year. A one-day permit issued pursuant to this subsection shall be valid for 24 consecutive hours. The fee for each one-day permit shall be $500.

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

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

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

The governing board or body of each municipality may, by ordinance, enact that this license shall not be issued to permit the sale of alcoholic beverages in or upon any premises in which any other mercantile business is carried on, except that any such ordinance, heretofore or hereafter adopted, shall not prohibit the
retail sale of distillers', brewers' and vintners' packaged
merchandise prepacked as a unit with other suitable objects as gift
items to be sold only as a unit; the sale of novelty wearing apparel
identified with the name of the establishment licensed under the
provisions of this act; cigars, cigarettes, packaged crackers, chips,
nuts and similar snacks, ice, and nonalcoholic beverages as
accessory beverages to alcoholic beverages. The fee for this license
shall be fixed by the governing board or body of the municipality in
which the licensed premises are situated, by ordinance, at not less
than $125 and not more than $2,500. No ordinance shall be enacted
which shall raise or lower the fee to be charged for this license by
more than 20% from that charged in the preceding license year or
$500.00, whichever is the lesser. The governing board or body of
each municipality may, by ordinance, enact that no plenary retail
distribution license shall be granted within its respective
municipality.

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

Plenary retail transit license. 4. The holder of this license shall be
entitled, subject to rules and regulations, to sell any alcoholic
beverages, for consumption only, on railroad trains, airplanes,
limosines and boats, while in transit. The fee for this license for
use by a railroad or air transport company shall be $375, for use by
the owners of limousines shall be $31 per vehicle, and for use on a
boat shall be $63 on a boat 65 feet or less in length, $125 on a boat
more than 65 feet in length but not more than 110 feet in length,
and $375 on a boat more than 110 feet in length; such boat lengths
shall be determined in the manner prescribed by the Bureau of
Customs of the United States Government or any federal agency
successor thereto for boat measurement in connection with issuance
of marine documents. A license issued under this provision to a
railroad or air transport company shall cover all railroad cars and
planes operated by any such company within the State of New
Jersey. A license for a boat or limousine issued under this
provision shall apply only to the particular boat or limousine for
which issued, and shall permit the purchase of alcoholic beverages
for sale or service in a boat or limousine to be made from any Class
A and B licensee or from any Class C licensee whose license
privilege permits the sale of alcoholic beverages in original
containers for off-premises consumption. An interest in a plenary
retail transit license issued in accordance with this section shall be
excluded in determining the maximum number of retail licenses
permitted under P.L.1962, c.152 (C.33:1-12.31 et seq.).

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

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

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

Notwithstanding any other provision of Title 33 of the Revised
Statutes and subject to conditions established by the director, the
holder of this license may share direction and control of the
premises to be licensed and share proceeds and profits from the sale
of alcoholic beverages with the owner, operator, concessionaire, or
lessee of the facility. The holder of this license shall be permitted
to conduct consumer wine, beer, and spirits tasting events and
samplings for a fee or on a complimentary basis provided, however,
the license holder complies with the provisions of section 3 of
P.L.2009, c.216 (C.33:1-12d) and rules and regulations promulgated
thereto. Notwithstanding any law, rule or regulation to the
contrary, the holder of this license shall be entitled to establish an all-inclusive area within the licensed sporting facility, provided the all-inclusive area is limited to one area within the sporting facility for each game or event and the capacity of the all-inclusive area does not exceed 500 persons.

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

For the purposes of this subsection:

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

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

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

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

STATEMENT

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

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

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

1. private parties, birthdays, weddings, anniversaries, civic and political functions, professional and trade association events, class reunion and alumni events;
2. video games;
3. board games;
4. card games for which wagers are not placed;
5. trivia and quizzo;
6. paint and sip events;
7. craftmaking;
8. shuffleboard;
9. yard games;
10. background or radio music;
11. live music or music played by a disk jockey;
12. educational events and seminars;
13. movies and theatrical events;
animal adoption, to the extent permitted by local ordinance; or
any other similar activity held on the licensed premises or other area owned by the licensee that is adjacent to or adjoining the licensed premises.
A municipality may, by ordinance or resolution, as appropriate, limit the types of on-premises activities that the licensee may hold on the licensed premises.
The holder of a winery, limited brewery, craft distillery, or cidery and meadery license also may hold extended premises activities which would include activities occurring on an outdoor area either adjacent to or adjoining the licensed premises of a limited or restricted brewery, distillery, cidery, or meadery that is not owned by the license holder and may include, but not be limited to, a sidewalk or parking lot. The holder of the license would be required to obtain, at least 10 days prior to an extended premises activity, the approval of the governing body of the municipality in which the extended premises activity is to be held. However, a municipality may approve an extended premises activity less than 10 days prior to the activity date.
Under the bill, approval by the Director of the Division of Alcoholic Beverage Control (ABC) would not be required to hold on-premises or extended premises activities. However, the bill requires the licensee to notify the director at least 10 days prior to an extended premises activity for which tickets are sold in advance.
The bill also allows the holder of a winery, limited brewery, craft distillery, or cidery and meadery license to participate in up to 25 off-premises events per year. In order to participate in an off-premises event, the holder of the license would be required to apply to the governing body of the municipality in which the event is to be held. The application process for holding an off-premises event would be the same process to hold an extended premises activity. In addition, the license holder also would be required to provide electronic notification to the division at least 10 days prior to hosting an off-premises event. The notification shall include the name of the license holder, the hours during which the activity is to be held, and the anticipated number of attendees of the activity. A licensee shall submit to the division a $250 filing fee with the notification required pursuant to this section.
The bill allows the holder of a winery, limited brewery, distillery, or cidery and meadery license to host another mercantile business on the licensed premises to sell goods or merchandise that are not related or incidental to the licensed business. The holder of the license would be prohibited from owning an interest in, or profiting from, the sale of goods by the mercantile establishment. The license holder also would be prohibited from hosting any mercantile business on the licensed premises on more than four days during each month.
The bill also establishes guidelines for beer, wine, and distilled spirits festivals. Under the bill, the holder of a valid winery license, limited brewery license, craft distillery license, or cidery and meadery license, retail consumption license, concessionaire permit, or a social affairs permit may hold a festival that showcases beer, wine, and distilled spirits or a combination thereof. The bill requires the festival host to provide notice to the Director of ABC at least 45 days prior to a festival. The notification would include the name of the license or permit holder, the date and hours during which the festival is to be held, the expected attendance of the festival. The licensee also would be required to submit an application to hold a festival to the municipal clerk, who would notify the governing body of the municipality and chief law enforcement officer with jurisdiction over the municipality. An application for a festival must be approved by the governing body of the municipality. The bill also establishes certain requirements and a fee schedule for holding a festival.

In addition, the bill increases production limits placed on craft distillery licensees from 20,000 gallons to 100,000 gallons. The bill establishes a graduated fee schedule that would be based on the amount of spirits annually distilled by the license holder. The bill also removes from current law a provision requiring the holder of a limited brewery license or distillery license to provide a tour of the facility when selling the brewery’s or distillery’s respective products for consumption on the licensed premises.

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

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

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