

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE COMMITTEE SUBSTITUTE FOR SENATE, No. 2413

STATE OF NEW JERSEY

DATED: MAY 12, 2020

The Senate Budget and Appropriations Committee reports favorably a Committee Substitute for Senate Bill No. 2413.

The legislation allows for the sale and delivery of alcoholic beverages by the holders of certain retail consumption licenses and concessionaire permits during the state of emergency declared by the Governor pursuant to Executive Order No. 103 of 2020 in response to the COVID-19 pandemic. In addition, the committee substitute allows distilleries to sell pre-made mixed cocktails and cocktail ingredients for consumption off the licensed premises.

Specifically, the committee substitute allows the holder of plenary retail consumption licenses, hotel or motel licenses, seasonal retail consumption licenses, or concessionaire permits, generally issued to bars and restaurants, to sell and deliver alcoholic beverages in original containers or in closed and sealed containers and mixed cocktails in closed and sealed containers for consumption off the licensed premises during the state of emergency. Craft distillery licensees would be permitted to sell for consumption off the licensed premises distilled alcoholic beverages that are manufactured on the licensed premises and mixed or blended with other alcoholic or nonalcoholic beverages and sold in closed and sealed containers. The committee substitute also allows craft distilleries to sell distilled alcoholic beverages in original containers accompanied by one or more nonalcoholic beverages or food stuffs that may be combined by the consumer to prepare a mixed drink.

Under the committee substitute, mixed cocktails are to be sold in closed and sealed containers that are affixed with a tamper evident seal and hold not more than 16 fluid ounces. Any other alcoholic beverages may be sold and delivered in original containers of any size.

This temporary enactment has an effective date that expires six months following the date: (1) on which the state of emergency has ended; or (2) on which the coronavirus-related occupancy or customer seating restrictions no longer apply to these licensed premises, whichever date occurs later. In response to the COVID-19 pandemic, the Director of the Division of Alcoholic Beverage Control issued Special Ruling No. 2020-1 to relax the restrictions placed on limited brewery license holders by allowing the delivery of their products to

consumer's homes. This committee substitute requires the special ruling to expire on the substitute's expiration date.

Finally, during a public health emergency, the committee substitute requires the Division of Alcoholic Beverage Control to publish on its website a notice to licensees that the tax under the "Alcoholic Beverage Tax Law" is not imposed on the production of hand sanitizer and other patent, proprietary, medicinal, pharmaceutical, antiseptic and toilet preparations.

FISCAL IMPACT:

This bill is not certified as requiring a fiscal note.