

# SENATE BUDGET AND APPROPRIATIONS COMMITTEE

## STATEMENT TO

### SENATE COMMITTEE SUBSTITUTE FOR SENATE, No. 2522

# STATE OF NEW JERSEY

DATED: JUNE 11, 2020

The Senate Budget and Appropriations Committee reports favorably a committee substitute for Senate Bill No. 2522.

This committee substitute allows restaurants, bars, and breweries to sell food and beverages, including alcoholic beverages if so licensed, to patrons for consumption at outdoor tables in certain public right-of-ways during the period of the COVID-19 emergency. The public rights-of-way include municipal and county streets, roads, and parking lots that have been authorized and approved by the respective municipal or county governing body. Notice must be made to adjacent municipalities and to the public. Businesses wishing to operate under the provisions of the substitute are required to enter into an indemnification agreement with the respective county or municipal governing body.

The substitute also allows restaurants, bars, and breweries to sell food and beverages, including alcoholic beverages if so licensed, to patrons for consumption at outdoor tables on their own property, with certain restrictions, during the period of the COVID-19 emergency. The permitted outdoor spaces include patios, decks, yards, and parking lots that are owned or leased by the business. Businesses must apply to the municipal zoning officer, who shall approve compliant applications within five business days.

The substitute also requires the Division of Alcoholic Beverage Control in the Department of Law and Public Safety to issue a special ruling within seven days of the effective date of the substitute to entitle the holders of plenary retail consumption licenses and limited brewery licenses to extend their licensed premises to allow for the sale and consumption of alcoholic beverages in outdoor spaces on specified public rights-of-way and on the licensee's own property without requiring the submission of an application or a fee.

Businesses wishing to operate pursuant to the provisions of the substitute must comply with all municipal ordinances, including those related to hours of operation, hours of service of alcoholic beverages, and noise.

Restaurants, bars, and breweries have experienced significant business loss as a result of the stay-at-home and non-essential business closure orders implemented during the COVID-19 emergency. The

current staged opening plan allows restaurants, bars and breweries to open only for outdoor service, which is not possible for most establishments due to a lack of available outdoor space, or the restrictions of municipal ordinances and liquor license regulations. Under current law, the process for applying and receiving approval from both the municipality and the Division of Alcoholic Beverage Control to serve food and alcohol outdoors would normally take several months, and involve considerable financial expense. The provisions of this substitute are intended to provide a mechanism for these businesses, that would otherwise remain closed, to begin operating outdoors much sooner and at much less expense than would be possible absent this substitute.

FISCAL IMPACT:

This bill is not certified as requiring a fiscal note.