

# SENATE BUDGET AND APPROPRIATIONS COMMITTEE

## STATEMENT TO

### SENATE, No. 2597

# STATE OF NEW JERSEY

DATED: NOVEMBER 9, 2020

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 2597.

This bill temporarily permits the holder of a summer seasonal retail consumption license to sell alcoholic beverages year round from May 1, 2020 through January 14, 2022.

Current law permits the holder of a seasonal retail consumption license to sell alcoholic beverages for consumption on the licensed premises by the glass or other open receptacle similar to the holder of a plenary retail consumption license, but only during a summer or winter season. The summer seasonal license allows for the sale of alcoholic beverages from May 1 through November 14.

The bill temporarily lifts the date restrictions on the summer seasonal license, effectively permitting holders of summer seasonal licenses to also sell alcoholic beverages during the non-summer season until January 14, 2022. According to the sponsor, temporarily removing the seasonal restrictions will allow these licensees to recoup some of the losses incurred from mandatory restaurant and bar closures during the COVID-19 pandemic.

#### FISCAL IMPACT:

The Office of Legislative Services (OLS) finds the bill will result in temporary, indeterminate increases in State revenues and expenditures due to the extension of the time period during which seasonal retail consumption license holders may sell alcoholic beverages through January 14, 2022. The extent of the potential revenue collected during the extension period from sales tax on products sold is not known, nor is the potential expenditure increase for any additional administrative tasks, regulation, and enforcement that may be necessary.

The bill may also increase municipal expenditures due to increased costs to municipalities for enforcement during the additional days the licensees may operate.