## **SENATE, No. 2950**

# STATE OF NEW JERSEY

### 219th LEGISLATURE

INTRODUCED SEPTEMBER 21, 2020

**Sponsored by:** 

Senator DECLAN J. O'SCANLON, JR.

**District 13 (Monmouth)** 

Senator MICHAEL L. TESTA, JR.

**District 1 (Atlantic, Cape May and Cumberland)** 

#### **SYNOPSIS**

Requires ABC to waive certain alcoholic beverage license renewal fees in response to COVID-19 pandemic; allows municipalities to waive renewal fees.

#### **CURRENT VERSION OF TEXT**

As introduced.



1	AN ACT	concerning	certain	alcoholic	beverage	license renewa	l fees.
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**BE IT ENACTED** by the Senate and General Assembly of the State of New Jersey:

1. a. Notwithstanding the provisions of R.S.33:1-10 and R.S.33:1-12 or any other section of law to the contrary, during the period this section remains in effect:

(1) the Director of the Division of Alcoholic Beverage control shall waive the annual State license renewal fees required by current law to hold a plenary retail consumption license, limited brewery license, and restricted brewery license; and

(2) the governing body of a municipality may waive the annual municipal license renewal fee required by current law to hold a plenary retail consumption license.

b. The holder of a plenary retail consumption license, limited brewery license, or restricted brewery license who paid an annual State license renewal fee after March 9, 2020 but prior to the expiration of this enactment shall be reimbursed the fee amount. In addition, the holder of a plenary retail consumption license issued by a municipality that waived the annual renewal fee pursuant to subsection a. of this section shall be reimbursed any fee amount paid after March 9, 2020 but prior to the expiration of this enactment.

2. This act shall take effect immediately, be retroactive to March 9, 2020, and expire on: (a) 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 a licensed premises; or (b) the first day of the thirteenth month following the date of enactment, whichever date occurs later.

#### **STATEMENT**

This bill requires the Director of the Division of Alcoholic Beverage Control (ABC) to waive the renewal fees for plenary retail consumption licenses, which allow bars and restaurants to serve alcoholic beverages. In addition, the bill requires the director to waive the renewal fees to hold a limited brewery license and restricted brewery license. The bill further allows municipal governing bodies to also waive the municipal renewal fees to hold a plenary retail consumption license.

Under current law, the holder of a plenary retail consumption license is required to pay to the ABC an annual \$200 license renewal fee. These license holders also are required to pay the

municipal governing body in which the licensed premises is situated an annual fee established by ordinance of \$250 to \$2,500.

A person who holds a limited brewery license, also known as a "microbrewery" license, is entitled to brew and distribute beer to retailers and manufacturers, but is limited in the amount of beer that he or she may brew in one year. A person holding this license is prohibited from brewing an amount in excess of 300,000 barrels of 31 fluid gallons capacity per year. The fees to hold a limited brewery license are graduated based on the amount of beer brewed per year and are between \$1,250 and \$7,500 per year.

A restricted brewery license, also known as a "brew pub" license, is only issued to a person who also holds a plenary retail consumption license generally issued to bars and restaurants. The brew pub license allows the licensee to brew the beer, while the consumption license allows the licensee to sell that beer and other alcoholic beverages directly to restaurant patrons. The annual fee to hold a restricted brewery license is \$1,250 for up to 1,000 barrels holding 31gallons and an additional \$250 for every additional 1,000 barrels produced.

This bill would take effect immediately and be retroactive to March 9, 2020, which is the date on which the Governor declared a state of emergency in response to the COVID-19 pandemic. License holders who had already paid their annual renewal fee following March 9<sup>th</sup> would be entitled to receive a reimbursement for the cost of the fee.

This temporary enactment has an effective date that expires: (1) on the date on which the coronavirus-related occupancy or customer seating restrictions no longer apply to these licensed premises; or (2) 12 months following the date of the bill's enactment, whichever date occurs later.