Committee Meeting

of

ASSEMBLY AGRICULTURE AND
NATURAL RESOURCES COMMITTEE

The following Bills will be considered:

Assembly Bill 1046, Assembly Bill 1054, Assembly Bill 1055,
Assembly Bill 1205, Assembly Bill 1512, Assembly Bill 3121,
Assembly Bill 3344, Assembly Bill 3643, Assembly Bill 3921

LOCATION: Jessie Creek Winery
Cape May Court House, New Jersey

DATE: May 3, 2018
1:00 p.m.

MEMBERS OF COMMITTEE PRESENT:

Assemblyman Bob Andrzejczak, Chair
Assemblyman Eric Houghtaling, Vice Chair
Assemblyman R. Bruce Land
Assemblyman Adam J. Taliaferro

ALSO PRESENT:

Judith Horowitz
Neha Mehta Patel
Office of Legislative Services
Committee Aides

Martin Sumners
Assembly Majority Office
Committee Aide

Glen Beebe
Assembly Republican Office
Committee Aide
**COMMITTEE NOTICE**

TO: MEMBERS OF THE ASSEMBLY AGRICULTURE AND NATURAL RESOURCES COMMITTEE  
FROM: ASSEMBLYMAN BOB ANDRZEJCZAK, CHAIRMAN  
SUBJECT: COMMITTEE MEETING - MAY 3, 2018

The public may address comments and questions to Lucinda Tiajoloff, Neha Patel, Committee Aides, or make bill status and scheduling inquiries to Shirley Link, Secretary, at (609) 847-3855, fax (609) 292-0561, or e-mail: OLSAideAAN@njleg.org. Written and electronic comments, questions and testimony submitted to the committee by the public, as well as recordings and transcripts, if any, of oral testimony, are government records and will be available to the public upon request.

The Assembly Agriculture and Natural Resources Committee will meet on Thursday, May 3, 2018 at 1:00 PM at Jessie Creek Winery, 1 Route 47 N, Cape May Court House, New Jersey.

The following bill(s) will be considered:

**A-1046**  
Houghtaling/Andrzejczak/Mazzeo/Taliaferro  
(pending referral)

**S-1057 (1R)**  
Van Drew/Gopal  
(pending referral)

**A-1054**  
Houghtaling/Andrzejczak/Taliaferro  
(pending referral)

**A-1055**  
Houghtaling/Taliaferro/Andrzejczak  
(pending referral)

Requires EDA, in consultation with Department of Agriculture, to establish loan program for certain vineyard and winery capital expenses.

Clarifies certain responsibilities of licensed wineries and retail salesrooms.

Authorizes temporary waiver from requirement that farm winery use NJ grown fruit.

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Issued 4/27/18

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ASSEMBLY, No. 1046

STATE OF NEW JERSEY

218th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2018 SESSION

Sponsored by:
Assemblyman ERIC HOUGHTALING
District 11 (Monmouth)
Assemblyman BOB ANDRZEJCZAK
District 1 (Atlantic, Cape May and Cumberland)
Assemblyman VINCENT MAZZEO
District 2 (Atlantic)
Assemblyman ADAM J. TALIAFerro
District 3 (Cumberland, Gloucester and Salem)

SYNOPSIS
Requires EDA, in consultation with Department of Agriculture, to establish loan program for certain vineyard and winery capital expenses.

CURRENT VERSION OF TEXT
Introduced Pending Technical Review by Legislative Counsel.
AN ACT concerning loans to vineyards and wineries and
supplementing P.L. 1974, c. 80 (C.34:1B-1 et seq.).

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

1. As used in P.L. , c. (C. ) (pending before the
Legislature as this bill):
   "Authority" shall have the same meaning as provided in section 3
   of P.L. 1974, c. 80 (C.34:1B-3).
   "Department" means the Department of Agriculture established
   pursuant to R.S.4:1-1.
   "Qualified capital expense" means all expenditures made by an
   eligible vineyard or winery for land acquisition or improvement,
   infrastructure acquisition or modernization, and the purchase or
   modernization of machinery and equipment, including:
   a. barrels;
   b. bins;
   c. bottling equipment;
   d. canopy management machines;
   e. capsuling equipment;
   f. chemicals;
   g. corkers;
   h. crushers;
   i. deer control fencing;
   j. destemmers;
   k. fermenters or other recognized fermentation devices;
   l. fertilizer and soil amendments;
   m. filters;
   n. fruit harvesters;
   o. fruit plants;
   p. hoses;
   q. irrigation equipment;
   r. labeling equipment;
   s. lugs;
   t. mowers;
   u. poles;
   v. posts;
   w. presses;
   x. pruning equipment;
   y. pumps;
   z. refractometers;
   aa. refrigeration equipment;
   bb. seeders;
   cc. soil;
   dd. small tools;
   ee. tanks;
   ff. tractors;
gg. vats;
hh. weedling and spraying equipment;
ii. wine tanks;
jj. wire; and
kk. any other items as approved by the authority in consultation
with the department.

"Vineyard" means agricultural lands located in the State
consisting of at least 1 contiguous acre dedicated to the growing of
grapes or other fruit that are used or are intended to be used in the
production of wine by a winery as well as any other plants or other
improvements located thereon.

"Winery" means a commercial farm where the owner or operator
of the commercial farm has been issued and is operating in
compliance with a plenary winery license or farm winery license
pursuant to R.S.33:1-10.

2. a. The New Jersey Economic Development Authority, in
consultation with the Department of Agriculture, shall maintain and
administer a loan program and application process for the purpose
of providing loans to eligible vineyards or wineries to pay for
qualified capital expenses.

b. The authority, in consultation with the department, shall
provide a loan to an eligible vineyard or winery to pay for qualified
capital expenses. A loan amount shall be no less than $10,000 and
no greater than $100,000 to each eligible vineyard or winery, bear a
rate of interest between three and five percent, and shall be
repayable over a term of up to ten years, as determined by the
authority and department. A vineyard or winery or an existing
winery or vineyard that plans to use funds from the prospective loan
to acquire more property in order to expand its business shall be
eligible for higher loan amounts with lower interest rates as
determined by the authority and department.

c. A loan to an eligible vineyard or winery authorized under
P.L. , c. (C. ) (pending before the Legislature as this bill)
shall be made pursuant to a loan agreement with the authority and
shall contain any terms and conditions considered appropriate by
the authority that are consistent with the purposes of
P.L. , c. (C. ) (pending before the Legislature as this bill).
The provisions of the loan agreement shall include, but not be
limited to, a statement of an eligible vineyard or winery
proportional shares of ownership, its equipment usage and
maintenance responsibilities, and its loan repayment responsibilities
for any loan proceeds received under the loan program.

d. The authority may, in its discretion, require an eligible
vineyard or winery that receives a loan authorized pursuant to
P.L. , c. (C. ) (pending before the Legislature as this bill) to
submit an annual audited financial statement to the authority in
order to ensure the continued viability of all vineyard or winery
operations.

e. The authority may, either through the adoption of rules and
regulations, or through the terms of the loan agreement made
pursuant to subsection c. of this section, establish terms governing
the incidence of default by an eligible vineyard or winery that
receives a loan under the program administered pursuant to P.L.
, c. (C. ) (pending before the Legislature as this bill).

3. The authority, in consultation with the department, may
adopt rules and regulations, pursuant to the "Administrative
Procedure Act," P.L. 1968, c.410 (C.52:14B-1 et seq.), as may be
necessary to effectuate the purposes of P.L. , c. (C. )
(pending before the Legislature as this bill).

4. This act shall take effect immediately.

STATEMENT

This bill requires the New Jersey Economic Development
Authority (EDA), in consultation with the Department of
Agriculture (department), to establish a loan program and
application process for the purpose of providing loans to eligible
vineyards or wineries to pay for "qualified capital expenses," as that
term is defined in the bill.

Under the bill, the EDA, in consultation with the department, is
to provide a loan to an eligible vineyard or winery to pay for
qualified capital expenses. The loan amount is to be no less than
$10,000 and no greater than $100,000 to each eligible vineyard or
winery, bear a rate of interest between three and five percent, and
be repayable over a term of up to ten years, as determined by the
authority and department. A new vineyard or winery or an existing
winery or vineyard that plans to use funds from the prospective loan
to acquire more property in order to expand its business is to be
eligible for higher loan amounts with lower interest rates as
determined by the authority and department.

Under the bill, "vineyard" means agricultural lands located in the
State consisting of at least 1 contiguous acre dedicated to the
growing of grapes or other fruit that are used or are intended to be
used in the production of wine by a winery as well as any other
plants or other improvements located thereon. "Winery" means a
commercial farm where the owner or operator of the commercial
farm has been issued and is operating in compliance with a plenary
winery license or farm winery license pursuant to R.S.33:1-10.
ASSEMBLY, No. 1054

STATE OF NEW JERSEY

218th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2018 SESSION

Sponsored by:
Assemblyman ERIC HOUGHTALING
District 11 (Monmouth)
Assemblyman BOB ANDRZEJCZAK
District 1 (Atlantic, Cape May and Cumberland)
Assemblyman ADAM J. TALLAFERRO
District 3 (Cumberland, Gloucester and Salem)

SYNOPSIS
Clarifies certain responsibilities of licensed wineries and retail salesrooms.

CURRENT VERSION OF TEXT
Introduced Pending Technical Review by Legislative Counsel.
AN ACT concerning wineries and salesrooms, amending P.L.1999, c.90, and supplementing Title 33 of the Revised Statutes.

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

1. Section 5 of P.L.1999, c.90 (C.2C:33-27) is amended to read as follows:

5. Consumption of alcohol in restaurants.
   a. No person who owns or operates a restaurant, dining room, salesroom, or other public place where food or liquid refreshments are sold or served to the general public, and for which premises a license or permit authorizing the sale of alcoholic beverages for on-premises consumption has not been issued:
   (1) Shall allow the consumption of alcoholic beverages, other than wine or a malt alcoholic beverage, in a portion of the premises which is open to the public; [or]
   (2) Shall charge any admission fee or cover, corkage or service charge or advertise inside or outside of such premises that patrons may bring and consume their own wine or malt alcoholic beverages in a portion of the premises which is open to the public [or]
   (3) Shall allow the consumption of wine or malt alcoholic beverages at times or by persons to whom the service or consumption of alcoholic beverages on licensed premises is prohibited by State or municipal law or regulation [or]
   (4) Shall allow the consumption of wine by a person under the legal age to purchase or consume alcoholic beverages when the premises is used as a salesroom established pursuant to the provisions of subsection 2a. or 2b. of R.S.33:1-10.
   b. Nothing in this act shall restrict the right of a municipality or an owner or operator of a restaurant, dining room or other public place where food or liquid refreshments are sold or served to the general public from prohibiting the consumption of alcoholic beverages on those premises.
   c. A person who violates any provision of this act is a disorderly person, and the court, in addition to the sentence imposed for the disorderly person violation, may by its judgment bar the owner or operator from allowing consumption of wine or malt alcoholic beverages in his premises as authorized by this act.
   (cf: P.L.1999, c.90, s.5)

2. (New section) a. As used in this section, an “authorized person” means a person who completes a training program prior to selling wine at a retail salesroom, and receives supplemental training on at least an annual basis.

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined [thus] is new matter.
b. Any alcohol management plan agreed to by the holder of a plenary winery license or farm winery license, issued pursuant to R.S.33:1-10, and an owner or operator of a retail salesroom shall provide that:
   (1) only an authorized person may sell wine and deliver it to a patron;
   (2) an authorized person is responsible for ensuring the wine is not sold to any person under the legal age for purchasing alcoholic beverages; and
   (3) all authorized persons are under the direction and control of the owner or operator of the retail salesroom.

c. A person who sells wine at a retail salesroom to a person under the legal age for purchasing alcoholic beverages commits a disorderly persons offense under R.S.33:1-77.

d. The owner or operator of a restaurant with a retail salesroom shall comply with the provisions of section 5 of P.L.1999, c.90 (C.2C:33-27).

3. This act shall take effect on the first day of the fourth month next following the date of enactment.

STATEMENT

This bill clarifies the responsibilities of winery licensees and the owners and operators of salesrooms which serve as retail outlets for the licensee’s wine. Under the bill, the salesroom owner or operator is responsible for preventing persons under 21 years of age from purchasing or consuming any wine on the retail outlet premises.

Under current law, wineries may sell their wines at retail outlets, in accordance with statutory law, rules and regulations, and an alcohol management plan agreed to by the licensed winery and the owner or operator of the retail salesroom or outlet (for example, a “bring-your-own-bottle” or BYOB restaurant).

This bill clarifies that the responsibility for ensuring any buyer of alcohol is at least 21 years of age or older rests on the retail outlet and its employees, and not the winery. Any alcohol management plan, agreed to between the winery and outlet, would have to provide that:
   (1) only an authorized person may sell and deliver wine to a patron;
   (2) an authorized person is responsible for ensuring the wine is not sold to an underage person; and
   (3) all authorized persons are under the direction and control of the owner or operator of the retail salesroom.

The bill also provides that to be considered “authorized,” a person is required to complete a training program prior to selling
A person who owns or operates a restaurant that allows patrons to “bring-your-own-bottle” is already responsible for ensuring that no person under the legal drinking age consumes any alcohol on the restaurant premises. An owner or operator of a BYOB restaurant who allows an underage person to consume wine is a disorderly person pursuant to N.J.S.2C:33-27. In addition to the sentence imposed for the disorderly person violation, the court may bar the owner or operator from allowing the consumption of wine or malt alcoholic beverages on the licensed premises.

Under R.S.33:1-77, a person operating under a license issued by the Division of Alcoholic Beverage Control is a disorderly person if the person sells an alcoholic beverage to an underage person. A disorderly persons conviction is punishable by a term of imprisonment of up to six months, a fine of up to $1,000, or both.
ASSEMBLY, No. 1205

STATE OF NEW JERSEY
218th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2018 SESSION

Sponsored by:
Assemblyman ARTHUR BARCLAY
District 5 (Camden and Gloucester)
Assemblyman REED GUSCIORA
District 15 (Hunterdon and Mercer)

SYNOPSIS
Revises acreage requirement for plenary winery licenses.

CURRENT VERSION OF TEXT
Introduced Pending Technical Review by Legislative Counsel.
AN ACT concerning plenary winery licenses and amending
R.S.33:1-10.

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

1. 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 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 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 not sell food or operate a restaurant
on the licensed premises. 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;

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.
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" 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] 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. In the case of a holder of this license who is engaged in growing and cultivating grapes or fruit used in the production of wine on at least three acres situated within five miles of the winery premises, the holder may sell the winery's products at retail to consumers on the licensed premises of the winery for consumption on or off the premises. 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, and who meets the growing, cultivation, and acreage requirements set forth in this subsection, 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

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 on the licensed premises. 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
(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 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. 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 $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)

2. This act shall take effect immediately.

STATEMENT

This bill revises the acreage requirement for a plenary winery.

Under current law, a person is eligible to hold a plenary winery license if the person is engaged in growing and cultivating grapes or fruit used in the production of wine on at least three acres of land on, or adjacent to, the winery premises. Current law also provides that issuance of a plenary winery license allows a holder to sell products at retail to consumers at the winery and its retail outlets.

This bill permits the operation of wineries that do not meet the land requirement, but prohibits those wineries from selling their products at retail. Wineries will retain the right to sell products at retail under the bill if they grow and cultivate grapes on three acres situated on or within five miles of the winery premises.
ASSEMBLY, No. 1512

STATE OF NEW JERSEY
218th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2018 SESSION

Sponsored by:
Assemblyman JOHN J. BURZICHELLI
District 3 (Cumberland, Gloucester and Salem)
Assemblyman JAMEL C. HOLLEY
District 20 (Union)
Assemblyman RONALD S. DANCER
District 12 (Burlington, Middlesex, Monmouth and Ocean)

Co-Sponsored by:
Assemblywomen Lampitt and Vainieri Huttle

SYNOPSIS
Permits wineries to operate salesrooms in certain municipalities with restrictions on the sale of alcoholic beverages.

CURRENT VERSION OF TEXT
Introduced Pending Technical Review by Legislative Counsel.

(Sponsorship Updated As Of: 3/14/2018)
AN ACT concerning the operation of winery salesrooms,
supplementing Title 33 of the Revised Statutes and amending

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

1. (New section) A municipality which prohibits the retail sale
of wine pursuant to the provisions of any statute, regulation,
ordinance, referendum, or resolution shall not prohibit a winery
from operating a salesroom pursuant to the provisions of R.S.33:1-
10 if the operation of that salesroom would otherwise be approved
by the Director of the Division of Alcoholic Beverage Control and
the director finds no other bar to operation of the salesroom.

2. R.S.33:1-44 is amended to read as follows:
33:1-44. Whenever a petition, signed by at least fifteen per
centum (15%) of the qualified electors of any municipality as
evidenced by the total number of votes cast for members of the
General Assembly, at the then next preceding general election held
for the election of all of the members of the General Assembly, in
such municipality, shall be presented to the governing board or
body thereof, requesting a referendum on the question hereinafter
stated, such governing board or body shall adopt forthwith a
resolution directing the clerk of the county in which such
municipality is situated to print, pursuant to Title 19, Elections,
hereinafter referred to as the "general election law," upon the
official ballot to be used in such municipality at the next ensuing
general election a question to read: "Shall the retail sale of
alcoholic beverages other than brewed malt alcoholic beverages and
naturally fermented wine, for consumption on the licensed premises
by the glass or other open receptacle pursuant to chapter one of the
Title Intoxicating Liquors of the Revised Statutes (s. 33:1-1 et seq.),
be permitted in this municipality?" The official ballot also shall
indicate that the referendum shall not be applicable to sales or
tastings conducted in a salesroom of a winery licensed pursuant to
R.S.33:1-10. Thereupon the clerk or secretary of said governing
board or body shall forthwith deliver to the county clerk a certified
copy of such resolution. If the copy shall be delivered to the county
clerk not less than thirty days before such general election, he shall
cause such question to be printed in an appropriate place on the
ballot to be used in such municipality at the next ensuing general
election pursuant to the general election law and thereupon all
proceedings with respect to the referendum on such question shall

EXPLANATION — Matter enclosed in bold-faced brackets [then] in the above bill is
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.
be subject to and governed by the general election law as in other cases of the submission of public questions to the electorate.

If a majority of the legal voters voting upon the question shall vote "Yes," the clerk of the governing board or body of such municipality shall forthwith in writing notify the commissioner and municipal board, if any, having authority to issue such licenses, of the action taken by the legal voters of such municipality and the retail sales as aforesaid of such alcoholic beverages and the issuing of licenses pursuant to this chapter shall be permitted in such municipality.

If a majority of the legal voters voting upon the question shall vote "No," then the clerk of the governing board or body of the municipality shall forthwith in writing notify the commissioner and municipal board, if any, having authority to issue such licenses, of the action taken by the legal voters of the municipality, and after thirty days have elapsed after the date of such vote the retail sale of alcoholic beverages, other than brewed malt alcoholic beverages and naturally fermented wines and products sold on the premises of a winery salesroom, for consumption on the licensed premises by the glass or other open receptacle (such retail sale being sometimes hereinafter called "prohibited sale"), shall be unlawful in such municipality and constitute a violation of this chapter, and it shall forthwith upon such vote be unlawful for the other issuing authority of the municipality, having authority to issue licenses, to issue any license in respect to such municipality which shall permit such prohibited sale, and all licenses theretofore issued in respect to such municipality which shall have licensed such prohibited sale shall, to the extent that they permitted such prohibited sale, become void and inoperative thirty days after the date of such vote. Notwithstanding the foregoing provisions, the director shall not prohibit a winery from operating a salesroom in the municipality pursuant to the provisions of R.S.33:1-10 if the director finds no other bar to the operation of the salesroom other than a referendum disapproved by the voters pursuant to this paragraph.

Whenever a referendum shall have been had in any municipality pursuant to this section, no further referendum on the same question shall be held therein prior to the general election to be held in such municipality in the fifth year thereafter and so long as such referendum remains effective, all ordinances, resolutions or regulations inconsistent with the result of such referendum shall have no effect within such municipality.

(Ref: P.L.1949, c. 296, s.1)

3. R.S.33:1-45 is amended to read as follows:

33:1-45. Whenever a petition signed by at least fifteen percent (15%) of the qualified electors of any municipality as evidenced by the total number of votes cast for members of the General Assembly, at the then next preceding general election held
for the election of all of the members of the General Assembly, in
such municipality, shall be presented to the governing board or
body thereof, requesting a referendum on the question hereinafter
stated, such governing board or body shall adopt forthwith a
resolution directing the clerk of the county in which such
municipality is situated to print, pursuant to Title 19, Elections,
hereinafter referred to as the "general election law," upon the
official ballot to be used in such municipality at the next ensuing
general election a question to read: "Shall the retail sale of all kinds
of alcoholic beverages, for consumption on the licensed premises by
the glass or other open receptacle pursuant to chapter one of the
Title Intoxicating Liquors of the Revised Statutes (s. 33:1-1 et seq.),
be permitted in this municipality?" The official ballot also shall
indicate that the referendum shall not be applicable to sales or
tastings conducted in a salesroom of a winery licensed pursuant to
R.S.33:1-10. Thereupon the clerk or secretary of such governing
board or body shall forthwith deliver to such county clerk a
certified copy of the resolution. If the copy shall be delivered to the
county clerk not less than thirty days before such general election,
he shall cause such question to be printed in an appropriate place on
the ballot to be used in such municipality at the next ensuing
general election pursuant to the general election law and thereupon
all proceedings with respect to the referendum on such question
shall be subject to and governed by the general election law as in
other cases of the submission of public questions to the electorate.

If a majority of the legal voters voting upon the question shall
vote "Yes," the clerk of the governing board or body of such
municipality shall forthwith in writing notify the commissioner and
municipal board, if any, having authority to issue such licenses, of
the action taken by the legal voters of such municipality and the
retail sales as aforesaid of such alcoholic beverages and the issuing
of licenses pursuant to this chapter shall be permitted in such
municipality.

If a majority of the legal voters voting upon the question shall
vote "No," then the clerk of the governing board or body of such
municipality shall forthwith in writing notify the commissioner and
municipal board, if any, having authority to issue such licenses, of
the action taken by the legal voters of the municipality, and after
thirty days have elapsed after the date of such vote, the retail sale of
all kinds of alcoholic beverages for consumption on the licensed
premises by the glass or other open receptacle (such retail sale
being sometimes hereinafter called "prohibited sale"), except for
products sold on the premises of a winery salesroom, shall be
unlawful in such municipality and constitute a violation of this
chapter, and it shall forthwith upon such vote be unlawful for the
other issuing authority of such municipality having authority to
issue licenses to issue any license in respect to such municipality
which shall permit such prohibited sale and all licenses theretofore
issued in respect to such municipality which shall have licensed such prohibited sale shall, to the extent that they permitted such prohibited sale, become void and inoperative thirty days after the date of such vote. The director shall not prohibit a winery from operating a salesroom in the municipality pursuant to the provisions of R.S.33:1-10 if the director finds no other bar to the operation of the salesroom other than a referendum disapproved by the voters pursuant to this paragraph.

Whenever a referendum shall have been had in any municipality pursuant to this section, no further referendum on the same question shall be held therein prior to the general election to be held in such municipality in the fifth year thereafter and so long as such referendum remains effective, all ordinances, resolutions or regulations inconsistent with the result of such referendum shall have no effect within such municipality.

(cf: P.L.1949, c.296, s.2)

4. This act shall take effect immediately.

STATEMENT

This bill requires the Director of the Division of Alcoholic Beverage Control to authorize a winery to operate a salesroom in a municipality that prohibits the retail sale of all alcoholic beverages, including wine, or certain types of wine for consumption on the licensed premises. Provided there is no other impediment to its operation, the director would authorize the salesroom, regardless of whether the sale of all alcoholic beverages, including wine, or certain types of wine for consumption in bars and restaurants has been prohibited by a statute or regulation, or a local ordinance, referendum or resolution.

State law currently permits small plenary and farm wineries to operate 15 salesrooms apart from the winery premises for the retail sale of a winery’s products. Additionally, small out-of-State wineries licensed in New Jersey are permitted to operate up to 16 salesrooms. The fee for each salesroom is $250. Under regulations of the division, the winery is required to receive approval from the director to operate each of these additional premises.

At the salesrooms, wineries are permitted to sell their products by the bottle or in other original packaging for consumption on or off the premises of the salesroom, and to sell samples of their products for consumption on the premises.
ASSEMBLY, No. 3121

STATE OF NEW JERSEY
218th LEGISLATURE

INTRODUCED FEBRUARY 8, 2018

Sponsored by:
Assemblyman JOHN J. BURZICHELLI
District 3 (Cumberland, Gloucester and Salem)

SYNOPSIS
Permits students over 18 years of age to taste wine or malt alcoholic beverage for educational purposes while enrolled in authorized enology or brewing training program.

CURRENT VERSION OF TEXT
As introduced.
AN ACT concerning the tasting of wine and malt alcoholic
beverages by certain underage persons and amending P.L.1979,
c.264 and P.L.1985, c.311.

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

1. Section 1 of P.L.1979, c.264 (C.2C:33-15) is amended to
read as follows:
   1. a. Any person under the legal age to purchase alcoholic
      beverages who knowingly possesses without legal authority or who
      knowingly consumes any alcoholic beverage in any school, public
      conveyance, public place, or place of public assembly, or motor
      vehicle, is guilty of a disorderly persons offense, and shall be fined
      not less than $500.
      b. Whenever this offense is committed in a motor vehicle, the
court shall, in addition to the sentence authorized for the offense,    
suspend or postpone for six months the driving privilege of the
defendant. Upon the conviction of any person under this section,
the court shall forward a report to the New Jersey Motor Vehicle
Commission stating the first and last day of the suspension or
postponement period imposed by the court pursuant to this section.
If a person at the time of the imposition of a sentence is less than 17
years of age, the period of license postponement, including a
suspension or postponement of the privilege of operating a
motorized bicycle, shall commence on the day the sentence is
imposed and shall run for a period of six months after the person
reaches the age of 17 years.

   If a person at the time of the imposition of a sentence has a valid
driver's license issued by this State, the court shall immediately
collect the license and forward it to the commission along with the
report. If for any reason the license cannot be collected, the court
shall include in the report the complete name, address, date of birth,
eye color, and sex of the person as well as the first and last date of
the license suspension period imposed by the court.

   The court shall inform the person orally and in writing that if the
person is convicted of operating a motor vehicle during the period
of license suspension or postponement, the person shall be subject
to the penalties set forth in R.S.39:3-40. A person shall be required
to acknowledge receipt of the written notice in writing. Failure to
receive a written notice or failure to acknowledge in writing the
receipt of a written notice shall not be a defense to a subsequent
charge of a violation of R.S.39:3-40.

   If the person convicted under this section is not a New Jersey
resident, the court shall suspend or postpone, as appropriate, the

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.
non-resident driving privilege of the person based on the age of the
person and submit to the commission the required report. The court
shall not collect the license of a non-resident convicted under this
section. Upon receipt of a report by the court, the commission shall
notify the appropriate officials in the licensing jurisdiction of the
suspension or postponement.

c. In addition to the general penalty prescribed for a disorderly
persons offense, the court may require any person who violates this
act to participate in an alcohol education or treatment program,
authorized by the Division of Mental Health and Addiction Services
in the Department of Human Services, for a period not to exceed the
maximum period of confinement prescribed by law for the offense
for which the individual has been convicted.

d. Nothing in this section shall apply to possession of
alcoholic beverages by any person while actively engaged in any of the following activities:

1. the performance of employment pursuant to an employment
permit issued by the Director of the Division of Alcoholic Beverage
Control, or for a bona fide hotel or restaurant, in accordance with
the provisions of R.S.33:1-26L; or while actively engaged in:

2. the preparation of food while enrolled in a culinary arts or
hotel management program at a county vocational school or post
secondary educational institution; or

3. the production of wine or malt alcoholic beverages while
enrolled in an enology or brewing training program at an institution
of higher education, during which time a qualified student may taste
a sample of the wine or malt alcoholic beverage to be produced,
provided all of the following criteria are met:

(a) the qualified student tastes the wine or malt alcoholic
beverage for educational purposes during the instruction in a
course, either on-campus or off-campus, as required to complete the
enology or brewing training program;

(b) the qualified student does not swallow or otherwise consume
the alcoholic beverage;

(c) the wine or malt alcoholic beverage sample remains in the
control of an authorized instructor; and

(d) the institution of higher education shall be exempt from any
licensing and permit requirement under Title 33 of the Revised
Statutes, provided that no extra charge or fee is imposed on the
qualified student for tasting the wine or malt alcoholic beverage.

e. The provisions of section 3 of P.L.1991, c.169 (C.33:1-
81.1a) shall apply to a parent, guardian or other person with legal
custody of a person under 18 years of age who is found to be in
violation of this section.

f. An underage person and one or two other persons shall be
immune from prosecution under this section if:
(1) one of the underage persons called 9-1-1 and reported that
another underage person was in need of medical assistance due to
alcohol consumption;
(2) the underage person who called 9-1-1 and, if applicable, one
or two other persons acting in concert with the underage person
who called 9-1-1 provided each of their names to the 9-1-1
operator;
(3) the underage person was the first person to make the 9-1-1
report; and
(4) the underage person and, if applicable, one or two other
persons acting in concert with the underage person who made the 9-
1-1 call remained on the scene with the person under the legal age
in need of medical assistance until assistance arrived and
cooperated with medical assistance and law enforcement personnel
on the scene.

The underage person who received medical assistance also shall
be immune from prosecution under this section.

g. For purposes of this section, an alcoholic beverage:
"Alcoholic beverage" includes powdered alcohol as defined by
R.S.33:1-1.

"Authorized instructor" means a person who is 21 years of age or
older and actively employed by an institution of higher education to
instruct an enology or brewing training program.

"Enology or brewing training program" means an Associate's or
Bachelor's degree program that is offered at an institution of higher
education and designed to train industry professionals in the
production of wine or malt alcoholic beverages.

"Qualified student" means a person who is 18 years of age or
older and actively enrolled in an enology or brewing training
program at an institution of higher education.

"Taste" means to draw a beverage into the mouth, but does not
include swallowing or otherwise consuming the beverage.
(cf: P.L.2015, c.137, s.3)

2. Section 1 of P.L.1985, c.311 (C.2C:33-17) is amended to
read as follows:

1. a. Anyone who purposely or knowingly offers or serves or
makes available an alcoholic beverage to a person under the legal
age for consuming alcoholic beverages or entices or encourages that
person to drink an alcoholic beverage is a disorderly person.

This subsection shall not apply to a parent or guardian of the
person under legal age for consuming alcoholic beverages if the
parent or guardian is of the legal age to consume alcoholic
beverages or to a religious observance, ceremony or rite. This
subsection shall also not apply to any person in his home who is of
the legal age to consume alcoholic beverages who offers or serves
or makes available an alcoholic beverage to a person under the legal
age for consuming alcoholic beverages or entices that person to
drink an alcoholic beverage in the presence of and with the
permission of the parent or guardian of the person under the legal
age for consuming alcoholic beverages if the parent or guardian is
of the legal age to consume alcoholic beverages.
This subsection shall not apply to any authorized instructor of an
enology or brewing training program at an institution of higher
education who makes available a sample of wine or malt alcoholic
beverage to a qualified student to be tasted pursuant to the
provisions of paragraph (3) of subsection d. of section 1 of
P.L.1979, c.264 (C.2C:33-15) (pending before the Legislature as
this bill).

b. A person who makes real property owned, leased or
managed by him available to, or leaves that property in the care of,
another person with the purpose that alcoholic beverages will be
made available for consumption by, or will be consumed by,
persons who are under the legal age for consuming alcoholic
beverages is guilty of a disorderly persons offense.
This subsection shall not apply if:
(1) the real property is licensed or required to be licensed by the
Division of Alcoholic Beverage Control in accordance with the
provisions of R.S.33:1-1 et seq.;
(2) the person making the property available, or leaving it in the
care of another person, is of the legal age to consume alcoholic
beverages and is the parent or guardian of the person who consumes
alcoholic beverages while under the legal age for consuming
alcoholic beverages; or
(3) the alcoholic beverages are consumed by a person under the
legal age for consuming alcoholic beverages during a religious
observance, ceremony or rite.

For purposes of this section, an alcoholic beverage includes
powdered alcohol as defined by R.S.33:1-1.
(ef: P.L.2015, c.137, s.4)

3. This act shall take effect immediately.

STATEMENT

This bill permits a person who is 18 years of age or older and
actively enrolled in an enology or brewing training program at an
institution of higher education to taste a sample of wine or beer for
educational purposes during the instruction of a required course.
This bill exempts students and their instructors from the criminal
penalties imposed for the possession of alcoholic beverages by
underage persons if they comply with all of the following criteria:
(1) the student tastes the wine or beer sample for educational
purposes during the instruction of a required course for an enology
or brewing training program offered at an institution of higher
education; (2) the student does not swallow or otherwise consume
the wine or beer sample; (3) the student is at least 18 years of age;
(4) the wine or beer sample remains in the control of the course's
instructor, who is at least 21 years of age; and (5) if the institution
of higher education does not impose an extra charge on the student
for tasting the wine or beer sample, that institution is exempt from
any licensing or permit requirement. Nothing in this bill is to be
interpreted to allow a person under 21 years of age to consume any
alcoholic beverage.

Currently, the statutes prohibiting the possession of alcoholic
beverages by underage persons do not provide an exemption for
college students who are enrolled in a beer or winemaking training
program. Consequently, it is unlawful for a student under 21 years
of age to possess or taste any alcoholic beverage during the course
of study; it also is unlawful for an instructor to make available any
alcoholic beverage to an underage student. A student or instructor
who violates this law is guilty of a disorderly persons offense and
subject to a fine of not less than $500.

This prohibition limits the in-State educational opportunities
available to students seeking to become professionals in the beer
and wine industries. In turn, New Jersey students seeking to study
beer or winemaking are forced to move to states like New York or
California, where college students over 18 years of age already are
legally allowed to taste wine or beer for educational purposes. This
bill therefore supports New Jersey’s growing wine and beer
industries by permitting aspiring industry professionals to receive a
practical education in this State.
SYNOPSIS
Exempts certain plenary winery licensees from filing requirements imposed on retail sellers of litter-generating products.

CURRENT VERSION OF TEXT
As introduced.
AN ACT concerning plenary winery licensees and litter-generating products and amending P.L.2002, c.128.

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

1. Section 4 of P.L.2002, c.128 (C.13:1E-216) is amended to read as follows:

4. a. There is imposed upon each person engaged in business in the State as a manufacturer, wholesaler, or distributor of litter-generating products a user fee of 3/100 of 1% (.0003) on sales of those products within the State, and each person engaged in business in the State as a retailer of litter-generating products a user fee of 2.25/100 of 1% (.000225) on sales of those products within the State, except any retailer with less than $500,000 in annual retail sales of litter-generating products is exempt from the user fee imposed under this section. A sale by a wholesaler or distributor to another wholesaler or distributor, a sale by a company to another company owned wholly by the same individuals or companies, or a sale by a wholesaler or distributor owned cooperatively by retailers to those retailers is not subject to the user fee imposed under this section. For the purposes of this section, "retailer" includes the owner or operator of a take-out or drive-thru restaurant, the principal activity of which consists of selling for consumption off the premises of the restaurant a meal or food prepared and ready to be eaten. A retailer shall not include (1) the owner or operator of a restaurant with less than 10% in annual retail sales of meals or food prepared and ready to be eaten for consumption off the premises of the restaurant; or (2) the owner or operator of a restaurant, the principal activity of which consists of preparing for consumption within the restaurant a meal or food to be eaten on the premises.

b. Every person subject to the user fee on the sale of litter-generating products imposed pursuant to subsection a. of this section shall file with the director a certificate of registration on a form prescribed by the director. Any person who is registered under any law administered by the division or who is subject to and files returns under any of those laws shall not be required to comply with the provisions of this subsection.

c. Every person subject to the user fee on the sale of litter-generating products imposed pursuant to subsection a. of this section shall, on or before March 15 of each year, prepare and file a return, under oath, for the preceding calendar year with the director on forms and containing any information as the director shall prescribe. The return shall indicate the dollar value of the sales within the State of litter-generating products and at the same time the person shall pay the

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.
full amount of user fees due. The holder of a plenary winery license
issued pursuant to R.S.33:1-10 who generates less than $500,000 in
annual retail sales of litter-generating products is exempt from the
return filing requirements established in this section or any other law,
rule, or regulation.

d. If a return required by this section is not filed, or if a return
when filed is incorrect or insufficient in the opinion of the director, the
amount of user fees due shall be determined by the director based on
collections from the person liable for the payment of the user fees
during the previous five years. Notice of the determination shall be
given to the person liable for the payment of the user fees. The
determination shall finally and irrevocably fix the user fees unless the
person against whom it is assessed, within 90 days after the giving of
the notice of the determination, shall file a protest in writing as
provided in R.S.54:49-18 and request a hearing, or unless the director
on the director's own motion shall redetermine the same. After the
hearing the director shall give notice of the determination to the person
to whom the user fees are assessed.

e. Any person who shall fail to file a return when due or to pay
any user fee when the user fee becomes due, as herein provided, shall
be subject to such penalties and interest as may be provided by law. If
the director determines that the failure to comply with any provision of
this section was excusable under the circumstances, the director may
remit any part of the penalty as shall be appropriate under the
circumstances.

f. In addition to the other powers granted by this section, the
director may:

(1) Delegate to any officer or employee of the division those
powers and duties as the director may deem necessary to carry out
efficiently the provisions of this section, and the person or persons to
whom the powers have been delegated shall possess and may exercise
all of the powers and perform all of the duties delegated by the
director;

(2) Prescribe and distribute all necessary forms for the
implementation of this section; and

(3) Adopt any rules and regulations necessary for the
implementation of this section.

g. Notwithstanding the provisions of subparagraph of paragraph
(2) of subsection (k) of section 4 of P.L.1945, c.162 (C.54:10A-4), if
any, to the contrary, any deduction of the user fee imposed pursuant to
subsection a. of this section allowed in computing a taxpayer's taxable
income which the taxpayer is required to report to the United States
Treasury Department for the purpose of computing its federal taxable
income shall be allowed in determining the taxpayer's "entire net
income" pursuant to subsection (k) of section 4 of P.L.1945, c.162
(C.54:10A-4).

h. Subsections a. through g. of this section shall be without effect
on and after the tenth day following a certification by the Director of
the Division of Budget and Accounting in the Department of the
Treasury pursuant to subsection b. of section 13 of P.L.2002, c.128
(C.13:1E-223).
(cf: P.L.2002, c.128, s.4)

2. This act shall take effect immediately.

STATEMENT

This bill would exempt the holder of a plenary winery license, in
most cases, from filing requirements with regard to the user fee
imposed on retail sellers of litter-generating products. Current law
exempts from the user fee a retail seller of less than $500,000 in
annual retail sales of litter-generating products and requires a return
to be filed by retail sellers upon whom the user fee is imposed. The
bill, would affirmatively establish the exemption from the return
filing requirement for a holder of a plenary winery license who has
less than $500,000 in annual retail sales of litter-generating
products and who is already exempt from the user fee.
ASSEMBLY, No. 3643

STATE OF NEW JERSEY
218th LEGISLATURE

INTRODUCED MARCH 12, 2018

Sponsored by:
Assemblyman BOB ANDRZEJczak
District 1 (Atlantic, Cape May and Cumberland)
Assemblyman ROY FREIMAN
District 16 (Hunterdon, Mercer, Middlesex and Somerset)

SYNOPSIS
Creates viticulture trail tourist directional signs.

CURRENT VERSION OF TEXT
As introduced.
AN ACT concerning tourist directional signs for viticulture and
supplementing Title 27 of the Revised Statutes.

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

1. a. The department, in consultation with the Department of
Agriculture, shall create a “Viticulture Trail Sign Program.” The
purpose of the program shall be to provide awareness of and
directional guidance to viticulture in the State through roadway
signs, and support a trail-like path through signage which allows
persons to find and visit wineries and viticulture locations in an
efficient and reasonable manner, and promote these locations within
New Jersey.

b. A person may apply to the department to have viticulture
trail signs installed identifying and directing persons to a winery or
other viticulture area. The department shall place viticulture trail
signs on all eligible roads, including State roads.

c. The department, in consultation with the New Jersey State
Council on the Arts in the Department of State, shall establish a visual
art competition, for aesthetically pleasing, original art to be displayed
on the viticulture trail signage. The department shall establish the
terms of the competition, including the rules of the competition and
submission requirements. The department, in consultation with the
council, shall select the artwork to be displayed which at a minimum
shall be:

(1) submitted in accordance with the rules of the competition,
established pursuant to this subsection;

(2) reflective of the intent of this act; and

(3) reproducible on roadway signage.

The department, in coordination with the council, shall publicize
the competition in such a manner so as to attract artwork submissions,
and to that end the department and council may expend any funds as
may be appropriated or otherwise made available for that purpose.

d. Notwithstanding any rule, regulation, or law to the contrary,
the department shall install an approved viticulture trail sign as
soon as practicable.

2. This act shall take effect immediately.

STATEMENT

This bill creates a “Viticulture Trail Sign Program” to provide
awareness of, and directional guidance to, viticulture in the State.
The location of the signs would support a trail-like path of wineries
and other viticulture locations.
Specifically, the Department of Transportation (DOT), in consultation with the Department of Agriculture, would create the "Viticulture Trail Sign Program." A person may apply to the DOT to have viticulture trail signs installed to identify and direct persons to wineries and other viticulture locations on all eligible roads, including State roads.

The DOT, in consultation with the New Jersey State Council on the Arts in the Department of State, would establish a visual art competition, for aesthetically pleasing, original art to be displayed on the viticulture trail signage. The DOT would establish the terms of the competition, including the rules of the competition and submission requirements. The DOT, in consultation with the council, would select the art to be displayed. The DOT, with the council, would publicize the competition to attract artwork submissions, and may expend funds as may be appropriated or made available for that purpose.

The DOT would install the viticulture trail signs as soon as practicable, after completion of the design competition and production of the signs.
ASSEMBLY, No. 3921

STATE OF NEW JERSEY
218th LEGISLATURE

INTRODUCED MAY 7, 2018

Sponsored by:
Assemblyman VINCENT MAZZEO
District 2 (Atlantic)

SYNOPSIS
Permits sale of certain alcoholic beverages and related products at seasonal farm markets.

CURRENT VERSION OF TEXT
As introduced.
AN ACT concerning the sale of alcoholic beverages and related
products, and supplementing Title 33 of the Revised Statutes.

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

1. a. The director may, subject to rules and regulations, issue
to the holder of a limited brewery license, restricted brewery
license, craft distillery license, plenary winery license, farm winery
license, or cidery and meadery license, as established pursuant to
R.S.33:1-10, a daily or annual permit to sell any of the licensee's
products at a seasonal farm market for consumption off the
premises of the seasonal farm market. The director shall issue a
separate permit for each seasonal farm market at which the
licensee's products are intended to be sold. The director shall not
issue a permit pursuant to this section for use in connection with a
roadside farm stand.

   b. Subject to rules and regulations, a licensee issued a permit
pursuant to this section may:

   (1) transport the licensee's products for the purpose of selling
   them at a seasonal farm market; and

   (2) offer samples for sampling purposes to persons of the legal
   age to consume alcoholic beverages in the amounts authorized
   pursuant to R.S.33:1-10 during each day the seasonal farm market is
   operating.

   c. A daily permit shall be valid for the hours a seasonal farm
market is open during the 24-hour period for which the daily permit
is issued. An annual permit shall be valid for one year from the
date of issuance. The director may renew a permit provided the
permit holder continues to hold a limited brewery license, restricted
brewery license, craft distillery license, plenary winery license,
farm winery license, or cidery and meadery license, as applicable.

   d. The director may establish a fee not to exceed $25 for a
daily permit and not to exceed $75 for an annual permit for the
issuance and renewal of a permit under this section.

c. As used in this section, "roadside farm stand" means a
location owned by a single farmer or producer at which the farmer
or producer sells agricultural products only from the farmer's or
producer's farm directly to consumers.

2. This act shall take effect on the first day of the second month
next following the date of enactment.

STATEMENT

This bill authorizes the Director of the Division of Alcoholic
Beverage Control to issue a daily or annual permit to the holder of a
limited brewery license, restricted brewery license, craft distillery
license, plenary winery license, farm winery license, or cidery and
meadery license to sell the licensee's products at a seasonal farm
market for consumption off the premises. The bill allows for the
director to charge a fee not to exceed $25 for a daily permit, and a
fee not to exceed $75 for an annual permit. In addition, the permit
may be renewed provided the permit holder continues to hold the
applicable limited brewery license, restricted brewery license, craft
distillery license, plenary winery license, farm winery license, or
cidery and meadery license.

The bill also:

1) requires the issuance of a separate permit for each seasonal
farm market at which the licensee's products are intended to be
sold; and

2) prohibits the issuance of a permit for use in connection with a
roadside farm stand.

Under the bill, "roadside farm stand" is defined as a location
owned by a single farmer or producer at which the farmer or
producer sells agricultural products only from the farmer's or
producer's farm directly to consumers.
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Noelle Quirk  
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President  
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APPENDIX:

Testimony  
submitted by  
Eric Orlando  

Testimony  
submitted by  
Michael F. Cerra  
Assistant Executive Director  
New Jersey State League of Municipalities  

E-mails, addressed to  
Assembly Agriculture and Natural Resources Committee  
from  
Jean Public  

pnf: 1-20
ASSEMBLYMAN BOB ANDRZEJCZAK (Chair): We are going to get started.

Please stand for the flag salute. (all recite Pledge)

Roll call.

MS. PATEL (Committee Aide): Assemblyman Space. (no response)

Assemblyman Dancer. (no response)

Assemblyman Taliaferro.

ASSEMBLYMAN TALIAFERRO: Present.

MS. PATEL: Assemblyman Land.

ASSEMBLYMAN LAND: Present.

MS. PATEL: Assemblyman Houghtaling.

ASSEMBLYMAN ERIC HOUGHTALING (Vice Chair): Here.

MS. PATEL: Assemblyman Andrzejczak.

ASSEMBLYMAN ANDRZEJCZAK: Here.

MS. PATEL: You have a quorum.

ASSEMBLYMAN ANDRZEJCZAK: All right.

Thank you all for coming out today.

It’s a very special agenda today; it’s a very special Committee hearing today.

It’s not too often that we get to have Committees outside of the State House; but more so for me, it’s not too often I get to have a Committee two miles from my house. (laughter)

ASSEMBLYMAN LAND: You walked here today. (laughter)

ASSEMBLYMAN ANDRZEJCZAK: Yes.
But we have a pretty awesome agenda today; and to be able to have it here, in this location, at Jessie Creek Winery -- I want to thank them for allowing us to use their facility today. And it is very fitting for the agenda.

So with that, I will jump in and we will begin.

Up first, we have A-1046.

Tim Cosentino, Garden State Winegrowers, in favor.

Would you like to-- No need to testify? Thank you; even better.

Ed Wengryn, New Jersey Farm Bureau, in favor.

I know you’re testifying. (laughter)

ED WENGRYN: We’ll go through all our bills to make sure.

ASSEMBLYMAN ANDRZEJ CZAK: Sure.

MR. WENGRYN: Ed Wengryn, New Jersey Farm Bureau.

Mr. Chairman, members of the Committee, thank you for having us get out of Trenton and stretch our legs a little bit. (laughter) This is a nice trip, and a great location.

So A-1046 and its companion Bill, S-1057, is a unique opportunity for agriculture to work with the Economic Development Authority on investing in agricultural businesses. We’ve had fits and starts working with the EDA over the years, and this is a nice, sort of, tailored program for an industry that’s about to grow and expand in a huge way in this state. And we think it’s an important Bill to help facilitate that. It gets working capital, it gives alternatives to working capital to farms that -- in existence that want to expand and grow in the Garden State.
And we think it’s a really good Bill, so we support it, and we look forward to passage by the Committee.

If you want, I’ll go through all my Bills, and then you don’t have to hear from me again.

ASSEMBLYMAN ANDRZEJCZAK: Sure.

MR. WENGRYN: A-1055 would permit a new winery to get a waiver from the 51 percent requirement for grapes used in producing their wine to come from their facility or New Jersey.

Start-up wineries starting -- you plant your grapes; it’s a couple of years before they, kind of, get into production. It’s usually two or three before you’re really getting a good, solid harvest. So rather than waiting for those numbers to come up, the Director of ABC can review and grant a waiver for them to mix more outside fruit than inside fruit. It’s a faster way to get return on investment.

As long as we stay within those parameters -- of keeping the Bill about getting the winery up and running and established, and that it doesn’t become a long-term dependency on getting outside wine -- we think it’s a really good opportunity and an important step for expanding the industry in New Jersey.

A-1025 is -- removes the requirement to have the three acres in production on-site to the winery. And we think this has some interesting smart growth connections to it. Some of our wineries have run into -- because they build them in agricultural areas; and then as they start doing special events and marketing promotions, it becomes disruptive to the, sort of, rural atmosphere of the town that it’s in. So giving them a place to put the production facility maybe in the warehouse district or a commercial
district in the center of a town, with the grape production right outside of town, you can have that connectivity.

We think it’s important to keep the requirement to grow grapes and to have land in production. We’re intrigued by the concept of kind of separating the production and marketing facility from the growing grounds. It’s something I think we need to discuss more and pursue; but we think it’s a really interesting concept, and could be beneficial to expanding the industry in the state.

And finally, we support A-3643, which is the tourism directional sign program within the winery industry, our viniculture regions in the state; and this would create the trail connecting those wineries together. And, again, it goes to the marketing promotion. And outside of the traditional TODS sign -- Winery 6 miles this way, kind of program -- this would be more of a distinctive regional trail; and again, something for consumers in the state to take advantage of.

And then finally, A -- my eyes are going, folks -- 3921; the seasonal farm market license. We more commonly call these community markets, or community farmers markets. This would allow the Director of ABC to create a permit for wineries -- they would apply for it, get the permit, and then they would be able to market their product at those things.

It expands beyond just the wineries; it’s for our microbreweries, or beer breweries, or microdistilleries. All of those niche market value-added agricultural commodities can take advantage of this. And we think that’s a good idea. The community markets have been a great way for people to get exposed to New Jersey agricultural products.

So thank you very much, and I’ll take any questions.
ASSEMBLYMAN ANDRZEJCZAK: Thank you.
Any questions or comments? (no response)
Thank you.

We have Michael Halfacre, BWA, opposed, no need to testify; Jeff Warsh, NJWSWA, opposed, no need to testify -- for A-1046, that is; and James Bennett, NJLBA, opposed, no need to testify, for 1046.

So for A-1046, do I have a motion to move the Bill?

ASSEMBLYMAN HOUGHTALING: I'll offer.

ASSEMBLYMAN LAND: Second.

ASSEMBLYMAN ANDRZEJCZAK: With amendments.

ASSEMBLYMAN HOUGHTALING: Offer with amendments.

ASSEMBLYMAN LAND: Second.

ASSEMBLYMAN ANDRZEJCZAK: Roll call.

MS. PATEL: On the motion to release A-1046, as amended, Assemblyman Taliaferro.

ASSEMBLYMAN TALIAFERRO: Yes.

MS. PATEL: Assemblyman Land.

ASSEMBLYMAN LAND: Yes.

MS. PATEL: Assemblyman Houghtaling.

ASSEMBLYMAN HOUGHTALING: Yes.

MS. PATEL: Assemblyman Andrzejczak.

ASSEMBLYMAN ANDRZEJCZAK: Yes.

And do I also have a motion to move the Senate version of the same Bill, S-1057?

ASSEMBLYMAN TALIAFERRO: So moved.

ASSEMBLYMAN HOUGHTALING: Second.
ASSEMBLYMAN ANDRZEJCAK: Roll call.
MS. PATEL: Assemblyman Taliaferro.
ASSEMBLYMAN TALIAFERRO: Yes.
MS. PATEL: Assemblyman Land.
ASSEMBLYMAN LAND: Yes.
MS. PATEL: Assemblyman Houghtaling.
ASSEMBLYMAN HOUGHTALING: Yes.
MS. PATEL: Assemblyman Andrzejczak.
ASSEMBLYMAN ANDRZEJCAK: Yes.

Up next we have A-1054; it clarifies certain responsibilities of licensed wineries and retail salesrooms.

We have James Bennett, NJLBA, opposed, no need to testify; Michael Halfacre, BWA, no need to testify, opposed; Jeff Warsh, NJWSWA, opposed, no need to testify; and Tom Cosentino, Garden State Wine Growers, in favor, no need to testify.

Anybody want to -- anybody have any questions or comments on the Bill? (no response)

Do I have a motion to move the Bill?
ASSEMBLYMAN HOUGHTALING: I'll offer.
ASSEMBLYMAN LAND: Second.
ASSEMBLYMAN ANDRZEJCAK: Roll call.
MS. PATEL: Assemblyman Taliaferro.
ASSEMBLYMAN TALIAFERRO: Yes.
MS. PATEL: Assemblyman Land.
ASSEMBLYMAN LAND: Yes.
MS. PATEL: Assemblyman Houghtaling.
ASSEMBLYMAN HOUGHTALING: Yes.
MS. PATEL: Assemblyman Andrzejczak.
ASSEMBLYMAN ANDRZEJCZAK: Yes.

We are actually holding A-1055 today.
And so up next we have A-1205; revises acreage requirement for
plenary winery license.

We have James Bennett, NJLBA, opposed, no need to testify;
Michael Halfacre, BWA; opposed, no need to testify; Jeff Warsh,
NJWSWA, opposed, no need to testify; and Tom Cosentino, Garden State
Wine Growers, opposed.

Tom, would you like to come up and testify on 1205?

THOMAS COSENTINO: (off mike) I'll just say a couple of words.

ASSEMBLYMAN ANDRZEJCZAK: Sure.
MR. COSENTINO: Thank you, Mr. Chairman.
Thank you, Chairman; thank you, members.

On paper, this looks like a fine Bill, and something we would
need.

But when our membership looks at this Bill, we look at a
potential threat.
Right now, the biggest challenge that our wineries have is
grapes -- is getting enough grapes to grow. And we are in favor of any
incentive to get more farmers to plant grapes and sell grapes to our wineries.
We have some wineries that have enough capital to have
distribution centers elsewhere, where their production center is elsewhere
and then they bring the wine on. Our fear here is that this could
potentially open the door down that path to an urban winery-type existence, where someone would set up a production facility, and then that juice would get sent elsewhere, or whatever, and it winds up not coming back to the existing winery.

One of the greatest things we feel that we have is the agricultural component of our industry; you know, having that three acres of land where our consumer can actually go to the vineyard, go into the tasting room, and then walk right outside into the vineyard is important to us.

We have a passport book which every winery gives out. It gets people to go all over the state to visit wineries, and get the page stamped, and they get a chance, if they finish the book, to win a trip to a renowned wine destination courtesy of the Garden State Wine Growers Association. That’s the value -- that those individuals, someone in Bergen County, can come down here to Jessie Creek Winery and visit a winery, not just a production room.

If you just decide to move forward with a Bill like this, you’re setting up production areas that people are not going to see.

So we feel it’s important to have any kind of incentive that would give us the value for our winery owners to add to their land capacity to grow grapes, and add farmers who can grow grapes for those wineries. But taking things offsite just gets away from the path of three acres of land and starting that farm. And the big investment, obviously, for that winery owner is each acre of planted grapes costs, at a minimum, $15,000; and it usually takes about five years before they can make any money off of that.
This, I don’t think, would really accelerate the process because all you’re doing is producing the grapes you’d still be producing on your premise. So right now, as an Association, we just do not think there is any need to change the plenary law; and keep it as is, but look at laws and motions that would help us increase the growing in the state.

Thank you.

ASSEMBLYMAN ANDRZEJCZAK: Thank you.

I understand the fear, as far as having urban wine growers and having it, kind of, divert away from what we’re trying to do. But do you think-- So, I mean, for an area like this, where somebody might have an acre or two not falling within the criteria of the three acres, but who has different plots throughout the area -- which may not be necessarily on their premises of, say, a facility like this -- they would be able to greatly benefit from that. But you don’t--

MR. COSENTINO: Well, we have wineries right now that are purchasing grapes from farms that are nearby them--

ASSEMBLYMAN ANDRZEJCZAK: Right.

MR. COSENTINO: --and have others that are using nearby land to grow extra grapes. But they have the three acres right there on premise; they’ve lived by the law that is. You know, our worry is you’ll have somebody coming into the state that will decide, “We’re going to build a small little tasting room, plant an acre of grapes, then do everything off-premise.” And where are those grapes going? Are they really going to come back and be sold in the tasting room, or are they going to be distributed out, through wholesalers and so on, out of the state?
So that’s our component; we just think that right now this wouldn’t be a step that we need to take. Maybe down the road; I mean, one of the things, too, is we’re one of only a couple of states in the country that have that agricultural land component built into law. You go to other states -- you go to California -- you have nothing but storefront tasting rooms; you know, the wine is all made offsite and you have your big ticket-- But we’re one of the only states in the country that you have to have the vines planted and grown right here, which I think is a great component that we have.

ASSEMBLYMAN ANDRZEJCZAK: Any other questions or comments?

ASSEMBLYMAN HOUGHTALING: Have you reached out to the sponsor to talk to him about this; or would he be willing to--

MR. COSENTINO: We’d like to talk more about it, yes.

ASSEMBLYMAN HOUGHTALING: Yes.

MR. COSENTINO: We’d like to talk more about it, because there may be ways that we can expand on it, you know?

ASSEMBLYMAN HOUGHTALING: Okay.

MR. COSENTINO: It’s just, right now, it’s very cloudy for us, and I speak just on behalf of the 40-plus wineries that are members of the Association. But when this was first looked at, they just were very, very hesitant. So to go on record to support it, we just couldn’t.

ASSEMBLYMAN ANDRZEJCZAK: So there would need to be modifications to it? There would need to be amendments?
MR. COSENTINO: I think we need to really, yes, look at it and see just what would make sense and how it could protect the industry as a whole.

ASSEMBLYMAN ANDRZEJCZAK: Okay.

Any other questions or comments? (no response)

Thank you very much.

MR. COSENTINO: Thank you.

ASSEMBLYMAN ANDRZEJCZAK: All right; thank you for your testimony.

And I do understand the concern, and I see where you’re coming from.

However, the way that the legislature works is -- I would rather move it forward today and modify it along the way. That way we don’t stop it; because, in New Jersey, we know if you stop a bill, the chances of something good coming out it will--

MR. COSENTINO: (off mike) We’re fine with it.

ASSEMBLYMAN ANDRZEJCZAK: Thank you.

With that, do I have a motion to move the Bill?

ASSEMBLYMAN HOUGHTALING: So moved.

ASSEMBLYMAN TALIAFERRO: Second.

ASSEMBLYMAN ANDRZEJCZAK: Roll call.

MS. PATEL: On the motion to release A-1205 as it was referred to Committee, Assemblyman Taliaferro.

ASSEMBLYMAN TALIAFERRO: Yes.

MS. PATEL: Assemblyman Land.

ASSEMBLYMAN LAND: Yes.
MS. PATEL: Assemblyman Houghtaling.

ASSEMBLYMAN HOUGHTALING: Yes.

MS. PATEL: Assemblyman Andrzejczak.

ASSEMBLYMAN ANDRZEJczAK: Yes.

I will be speaking with the sponsor. And Tom -- if you’re okay with it -- I’ll reach out to you as well and see where we can make -- improve it and to be able to move forward with it in the future.

But I will be voting “yes” today.

MR. COSENTINO: (off mike) That’s fine.

ASSEMBLYMAN ANDRZEJczAK: Up next we have A-1512; permits wineries to operate salesrooms in certain municipalities with restrictions on the sale of alcoholic beverages.

We have James Bennett, NJLBA, opposed, no need to testify; Michael Halfacre, BWA, opposed, no need to testify; Jeff Warsh, NJWSWA, opposed, no need to testify; Tom Cosentino, Garden State Wine Growers, in favor.

Are you going to speak on that one, too, Tom?

MR. COSENTINO: (off mike) No.

ASSEMBLYMAN ANDRZEJczAK: No? All right.

Would anybody like to speak on the Bill, or have any questions or comments on it? (no response)

No? All right.

Do I have a motion to move the Bill?

ASSEMBLYMAN TALIAFERRO: So moved.

ASSEMBLYMAN HOUGHTALING: Second.

ASSEMBLYMAN ANDRZEJczAK: Roll call.
MS. PATEL: On the motion to release A-1512, as it was referred to Committee, Assemblyman Taliaferro.

ASSEMBLYMAN TALIAFERRO: Yes.

MS. PATEL: Assemblyman Land.

ASSEMBLYMAN LAND: Yes.

MS. PATEL: Assemblyman Houghtaling.

ASSEMBLYMAN HOUGHTALING: Yes.

MS. PATEL: Assemblyman Andrzejczak.

ASSEMBLYMAN ANDRZEJCAK: Yes.

All right; up next we have A-1512, permits wineries-- Wait; we just did that.

Up next we have A-3121, which permits students over 18 years of age to taste wine or malt alcoholic beverages for educational purposes while enrolled in authorized enology or brewing training program.

We have Eric Orlando, Brewers Guild of New Jersey, in favor, no need to testify.

Anybody else? (no response)

Do I have a motion to move the Bill with amendments?

ASSEMBLYMAN HOUGHTALING: So moved.

ASSEMBLYMAN TALIAFERRO: Second.

ASSEMBLYMAN ANDRZEJCAK: Roll call.

MS. PATEL: On the motion to release the Bill, A-3121, with amendments, Assemblyman Taliaferro.

ASSEMBLYMAN TALIAFERRO: Yes.

MS. PATEL: Assemblyman Land.

ASSEMBLYMAN LAND: Yes.
MS. PATEL: Assemblyman Houghtaling.

ASSEMBLYMAN HOUGHTALING: Yes.

MS. PATEL: Assemblyman Andrzejczak.

ASSEMBLYMAN ANDRZEJCZAK: Yes.

All right; up next we have A-3344, exempts certain plenary winery licensees from filing requirements imposed on retail sellers of litter-generating products.

We have Tom Cosentino, Garden State Wine Growers, in favor.

Any questions or comments on the Bill? (no response)

All right; do I have a motion to move the Bill?

ASSEMBLYMAN HOUGHTALING: So moved.

ASSEMBLYMAN TALIAFERRO: Second.

ASSEMBLYMAN ANDRZEJCZAK: Roll call.

MS. PATEL: On the motion to release A-3344 as it was referred to Committee, Assemblyman Taliaferro.

ASSEMBLYMAN TALIAFERRO: Yes.

MS. PATEL: Assemblyman Land.

ASSEMBLYMAN LAND: Yes.

MS. PATEL: Assemblyman Houghtaling.

ASSEMBLYMAN HOUGHTALING: Yes.

MS. PATEL: Assemblyman Andrzejczak.

ASSEMBLYMAN ANDRZEJCZAK: Yes.

All right; now we have A-3643, creates viticulture trail tourism directional signs.

We have Tom Cosentino, Garden State Wine Growers.
Are you in favor?

MR. COSENTINO: (off mike) (Indiscernible)

ASSEMBLYMAN ANDRZEJCZAK: Yes, okay. (laughter) I’ll just check that for you. (laughter)

MR. COSENTINO: (off mike) That’s a good one; this one was a no-brainer. (laughter)

ASSEMBLYMAN ANDRZEJCZAK: Do I have a motion to move the Bill?

ASSEMBLYMAN HOUGHTALING: So moved.

ASSEMBLYMAN TALIAFERRO: Second.

ASSEMBLYMAN ANDRZEJCZAK: With amendments.

ASSEMBLYMAN HOUGHTALING: So moved with amendments.

ASSEMBLYMAN TALIAFERRO: Second.

ASSEMBLYMAN ANDRZEJCZAK: Roll call.

MS. PATEL: On the motion to release A-3643, with amendments, Assemblyman Taliaferro.

ASSEMBLYMAN TALIAFERRO: Yes.

MS. PATEL: Assemblyman Land.

ASSEMBLYMAN LAND: Yes.

MS. PATEL: Assemblyman Houghtaling.

ASSEMBLYMAN HOUGHTALING: Yes.

MS. PATEL: Assemblyman Andrzejczak.

ASSEMBLYMAN ANDRZEJCZAK: Yes.
All right; last but not least, we have A-3921, which authorizes annual issuance of permit to sell alcoholic beverages at seasonal farm market.

We have James Bennett, NJLBA, opposed, no need to testify; Michael Halfacre, BWA; opposed, no need to testify; we have Jeff Warsh, NJWSWA, opposed, no need to testify; Tom Cosentino, Garden State Wine Growers.

Tom.

MR. COSENTINO: (off mike) I’ll just say two words.

ASSEMBLYMAN ANDRZEJCZAK: Okay.

MR. COSENTINO: The Garden State Wine Growers Association members have been on us to try to get this done for the last couple of years. We have many members who go to weekend farm markets and just pay exorbitant fees. Every week they have to go through the permitting process and pay extra money. To have a streamlined operation like this, where you pay one fee for that location for the whole year; if you want to do multiple locations, it’s one fee -- it makes it so much easier on our winery staffs.

And spreading it across the board, really, is not a problem -- to have the other beverage industries to get the same right.

ASSEMBLYMAN ANDRZEJCZAK: Thank you very much.

And we also have Eric Orlando, Brewers Guild of New Jersey.

ERIC ORLANDO: Thank you, Chairman; members of the Committee.

Eric Orlando, from the Brewers Guild of New Jersey.
Honestly, what Tom just said is exactly where the Brewers Guild is. It’s a new concept, largely, for beer. Some other of our neighboring states, in the last five years, have done it. The fee in this Bill, I believe, is about the average of the fee in those bills and it is done in a very similar way.

It’s been a concept that’s been done out West forever; it affords breweries of all sizes great marketing opportunities to consumers that otherwise might not be able to get to the brewery as easily, being that they’re so spread out.

More or less, it’s a marketing opportunity for breweries. It’s not likely a huge retail component of their overall business. But it’s just to get the word of mouth out there to differentiate yourselves from a lot of the other products that are on the market.

So we ask for your support for the Bill.

Thank you.

ASSEMBLYMAN ANDRZEJczAK: Thank you.

Any questions or comments on the Bill? (no response)

Do I have a motion to move the Bill?

ASSEMBLYMAN HOUGHTALING: So moved.

ASSEMBLYMAN TALIAFERRO: Second.

ASSEMBLYMAN ANDRZEJczAK: Roll call.

MS. PATEL: On the motion to release A-3921, as it was referred to Committee, Assemblyman Taliaferro.

ASSEMBLYMAN TALIAFERRO: Yes.

MS. PATEL: Assemblyman Land.

ASSEMBLYMAN LAND: Yes.
MS. PATEL: Assemblyman Houghtaling.

ASSEMBLYMAN HOUGHTALING: Yes.

MS. PATEL: Assemblyman Andrzejczak.

ASSEMBLYMAN ANDRZEJczAK: All right; that was our last Bill.

I know we have quite a few people here today visiting. You might not necessarily want to speak on the bills, but if anybody would like to come up and speak and share with the Committee-- It’s not too often that we get to come down and hang out in a winery and have the Committee.

Noelle?

NOELLE QUIRK: (off mike) Oh--

ASSEMBLYMAN ANDRZEJczAK: You’re more than--

Thank you for allowing us to come today.

MS. QUIRK: Yes, absolutely. It was a pleasure.

I’m glad you thought of us, and we’re happy to have you here to be able to see what we were able to do with our little bit down here in South Jersey. And wineries are really adding to our community, and our infrastructure, our industry, and creating jobs. It’s really been great. I mean, I see it, being from here. It’s just a great asset.

So thank you for thinking of us.

ASSEMBLYMAN ANDRZEJczAK: Thank you.

MS. QUIRK: Yes.

ASSEMBLYMAN ANDRZEJczAK: And we have Vicki Clark, and she read my mind. I was going to ask her to come up. (laughter)

VICKI CLARK: Well, thank you, Assemblyman.
And my name is Vicki Clark; I’m President of the Cape May County Chamber of Commerce, and also serve as President of the New Jersey Tourism Industry Association.

So on behalf of the Chamber, officially welcome to Cape May County. Thank you so much for being here.

And speaking both for the Chamber and for the State Tourism Association, it is very, very important that this Committee hears this legislation and other bills like it. Beverage tourism is increasingly important to New Jersey; we see every year, with the economic impact report -- which was just released this week -- the growing market that this brings, additional visitors that it brings to New Jersey, both to the state and within the state, as another activity.

And in areas like Cape May County, which has depended so long on seasonal tourism, how it broadens our season and really helps us become more of a year-round attraction.

And so thank you very much for coming to Cape May County with your Committee. It was very nice for me not to drive to Trenton today, (laughter) as I know we’ve heard before from others.

So thank you very much for all you do to help. All the bills today were concerning the wineries, and we thank you for that. But also for all you do for agritourism in general.

So, thank you,

ASSEMBLYMAN ANDRZEJCZAK: Thank you.

ASSEMBLYMAN HOUGHTALING: Thank you.

With that, is there anybody else? (no response)
All right; well, we are going to adjourn. If you are working today, and have to go back to the office, I encourage you not to. (laughter) I highly encourage you to experience the winery, taste some wine. They have cakes out there -- wine cakes, if you haven’t tried them yet already.

But see what our wineries have to provide and what we have to offer. Check out the vineyard, walk around, and experience the grounds. It is something very special that we have here.

And I want to thank Jessie Creek Winery again for allowing us to come down and take over your tasting room. It is greatly appreciated.

With that, we are adjourned.

(MEETING CONCLUDED)