

# ASSEMBLY BUDGET COMMITTEE

## STATEMENT TO

### SENATE, No. 3328

# STATE OF NEW JERSEY

DATED: JUNE 27, 2023

The Assembly Budget Committee reports favorably Senate Bill No. 3328.

This bill allows the governing body of a municipality to issue a plenary retail consumption license to a person or nonprofit entity for use in connection with an art-house movie theater. The bill defines “art-house movie theater” as a theater that is principally used for showing motion pictures and is operated by a nonprofit arts organization, which demonstrates a commitment to enriching its local community by providing opportunities for participation in the arts, offering arts education opportunities, and promoting regional economic prosperity.

Under current law, municipalities are authorized to issue a special plenary retail consumption license, known as a “theater license,” to a nonprofit corporation that conducts musical or theatrical performances or concerts on the licensed premises. The holder of this special license may serve alcoholic beverages for consumption on the licensed premises during the performance and two hours prior to the performance. In addition, large and small theaters may serve alcoholic beverages during the two hours immediately following performances, but small theaters established prior to the effective date of P.L.2019, c.466 with a seating capacity between 50 and 1,000 are limited to doing so for not more than 15 performances in a calendar year.

Theater licenses are not subject to the population restriction placed on plenary retail consumption licenses (for bars and restaurants), which are limited to one for each 3,000 residents in a municipality.

This bill extends the issuance of these theater licenses to nonprofit movie theaters that enrich their local communities by promoting the arts.

As reported by the committee, this bill is identical to Assembly Bill No. 4873 which was also reported by the committee on this date.

#### FISCAL IMPACT:

This bill has not been certified for a fiscal note.