

CHAPTER 131

AN ACT concerning certain alcoholic beverage licenses, amending P.L.1985, c.151 and P.L.2019, c.466, 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 1 of P.L.1985, c.151 (C.33:1-19.7) is amended to read as follows:

C.33:1-19.7 Plenary retail consumption license, issuance to certain nonprofit corporations.

1. The governing board or body of any municipality, upon the approval of the Director of the Division of Alcoholic Beverage Control, may issue a plenary retail consumption license to a nonprofit corporation exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code, including a disregarded entity of the corporation that is a single-member limited liability corporation disregarded for federal income tax purposes pursuant to 26 C.F.R. Part 301, which regularly operates as an art-house movie theater or conducts musical performances, theatrical productions, concerts, or other public entertainment events for which admission is charged.

A license issued pursuant to this section shall be used in connection with premises that have a seating capacity of at least 1,000 persons and are primarily used to host musical performances, theatrical productions, concerts, or other public entertainment events.

The license shall authorize the sale of alcoholic beverages by the nonprofit corporation or its restaurant operator who has been approved pursuant to procedures established by the Division of Alcoholic Beverage Control for consumption on the licensed premises:

- a. during the two hours immediately preceding performances or public entertainment events;
- b. during performances or public entertainment events, including intermission; and
- c. during the two hours immediately following performances or public entertainment events.

For the purposes of this section:

"Art-house movie theater" means a theater that is principally used for the purpose of 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.

"Licensed premises" shall include the premises where the performance or public entertainment event is held and any adjacent premises operated by the licensee.

"Performance" shall include the showing of any motion picture, musical concert, theatrical play, dance recital, literature reading, or other artistic or cultural exhibition.

"Public entertainment event" shall include a sporting event, a simulcast, or other social, charitable, or athletic event.

A license issued under the provisions of this section shall not be counted in determining the number of licenses under P.L.1947, c.94 (C.33:1-12.13 et seq.) or under P.L.1968, c.277 (C.40:48-2.40 et seq.).

At the option of the nonprofit licensee, revenue generated by a concessionaire within or adjacent to the licensed premises may be used to support or subsidize the theater's performances or public entertainment events held at the licensed premises.

For the purposes of this section, the division shall not differentiate for the purposes of approving a nonprofit applicant operating in a publicly owned or nonprofit arts organization-owned theater or art-house movie theater or performing arts center.

2. Section 2 of P.L.2019, c.466 (C.33:1-19.8) is amended to read as follows:

C.33:1-19.8 Issuance, retail consumption license, certain nonprofit corporations.

2. The governing board or body of any municipality, upon the approval of the Director of the Division of Alcoholic Beverage Control, may issue a plenary retail consumption license to a nonprofit corporation exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code, including a disregarded entity of the corporation that is a single-member limited liability corporation disregarded for federal income tax purposes pursuant to 26 C.F.R. Part 301, which regularly operates as an art-house movie theater or conducts musical performances, theatrical productions, concerts, or other public entertainment events for which admission is charged.

A license issued pursuant to this section shall be used in connection with a premises with a seating capacity of 50 persons or more, but less than 1,000 persons that is primarily used to host musical performances, theatrical productions, concerts, or other public entertainment events.

The license shall authorize the sale of alcoholic beverages by the nonprofit corporation or its restaurant operator who has been approved pursuant to procedures established by the Division of Alcoholic Beverage Control for consumption on the licensed premises:

- a. during the two hours immediately preceding performances or public entertainment events;
- b. during performances or public entertainment events, including intermission; and
- c. for not more than 15 performances in a calendar year, during the two hours immediately following performances or public entertainment events.

For the purposes of this section:

"Art-house movie theater" means a theater that is principally used for the purpose of 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.

"Licensed premises" shall include the premises where the performance or public entertainment event is held and any adjacent premises operated by the licensee.

"Performance" shall include the showing of any motion picture, musical concert, theatrical play, dance recital, literature reading, or other artistic or cultural exhibition.

"Public entertainment event" shall include a sporting event, a simulcast, or other social, charitable, or athletic event.

A license issued under the provisions of this section shall not be counted in determining the number of licenses under P.L.1947, c.94 (C.33:1-12.13 et seq.) or under P.L.1968, c.277 (C.40:48-2.40 et seq.).

At the option of the nonprofit licensee, revenue generated by a concessionaire within or adjacent to the licensed premises may be used to support or subsidize the theater's performances or public entertainment events held at the licensed premises.

For the purposes of this section, the division shall not differentiate for the purposes of approving a nonprofit applicant operating in a publicly owned or nonprofit arts organization-owned theater or art-house movie theater or performing arts center.

C.33:1-19.9 Plenary retail consumption license, community theater.

3. a. The governing board or body of any municipality, upon the approval of the Director of the Division of Alcoholic Beverage Control, may issue a plenary retail consumption license to an eligible business entity operating as a community theater for which admission is charged and for which the premises meet the standards required in subsection b. of this section.

b. A license issued pursuant to this section shall be used only in connection with a premises in which:

(1) the space or spaces within the premises that are used for showing performances of musical concerts, theatrical plays, dance recitals, literature readings, or other artistic or cultural exhibitions contain one or more stages with viewer seating areas having a total seating capacity of at least 50 persons, but not more than 1,000 persons and do not contain any movie screens for showing performances of motion pictures; or

(2) the space or spaces within the premises that are used for showing performances of motion pictures contain no more than five movie screens with viewer seating areas having a total seating capacity of at least 50 persons but not more than 600 persons; or

(3) the space or spaces within the premises that are used for showing performances have a total seating capacity of at least 50 persons, but not more than 1,500 persons; contain at least one, but not more than five movie screens for showing motion pictures; and contain at least one stage for showing musical concerts, theatrical plays, dance recitals, literature readings, or other artistic or cultural exhibitions. The seating capacity of the viewer seating areas located in the space or spaces with a stage or stages shall constitute at least 25 percent of the total seating capacity.

c. The license shall authorize the sale of alcoholic beverages by the eligible business entity who has been approved pursuant to procedures established by the Division of Alcoholic Beverage Control for consumption on the licensed premises only during the one hour immediately preceding a performance and during performances, including intermission.

d. For the purposes of this section:

"Community theater" shall mean a theater that is used for the purpose of showing performances of motion pictures, musical concerts, theatrical plays, dance recitals, literature readings, or other artistic or cultural exhibitions and is owned and operated by an eligible business entity.

"Eligible business entity" shall include any corporation, company, partnership, sole proprietorship, or person, including any person or entity owning 10 percent or more of the shares thereof, that:

(1) is not listed or traded on a stock exchange;

(2) is not owned, or partially owned, by a corporation or other entity listed or traded on a stock exchange;

(3) does not own, or partially own, any other plenary retail consumption license issued by the Division of Alcoholic Beverage Control; and

(4) does not include as a shareholder a person or entity that owns 10 percent or more of the shares of the eligible business entity and that owns, or partially owns, any other plenary retail consumption license issued by the Division of Alcoholic Beverage Control.

"Licensed premises" shall include the premises where the performance is held and any adjacent premises operated by the licensee.

"Performance" shall include the showing of any motion picture, musical concert, theatrical play, dance recital, literature reading, or other artistic or cultural exhibition.

e. A license issued under the provisions of this section shall not be counted in determining the number of licenses under P.L.1947, c.94 (C.33:1-12.13 et seq.) or under P.L.1968, c.277 (C.40:48-2.40 et seq.).

4. This act shall take effect immediately.

Approved August 21, 2025.