

# SENATE, No. 2570

## STATE OF NEW JERSEY 217th LEGISLATURE

INTRODUCED SEPTEMBER 26, 2016

**Sponsored by:**

**Senator NILSA CRUZ-PEREZ**

**District 5 (Camden and Gloucester)**

**Senator STEVEN V. OROHO**

**District 24 (Morris, Sussex and Warren)**

**SYNOPSIS**

Creates license to manufacture and sell hard cider and mead.

**CURRENT VERSION OF TEXT**

As introduced.



(Sponsorship Updated As Of: 2/28/2017)

1 AN ACT concerning alcoholic beverage manufacturers and  
2 amending R.S.33:1-10.

3

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

6

7 1. R.S.33:1-10 is amended to read as follows:

8 33:1-10. Class A licenses shall be subdivided and classified as  
9 follows:

10 Plenary brewery license. 1a. The holder of this license shall be  
11 entitled, subject to rules and regulations, to brew any malt alcoholic  
12 beverages and to sell and distribute his products to wholesalers and  
13 retailers licensed in accordance with this chapter, and to sell and  
14 distribute without this State to any persons pursuant to the laws of  
15 the places of such sale and distribution, and to maintain a  
16 warehouse; provided, however, that the delivery of this product by  
17 the holder of this license to retailers licensed under this title shall be  
18 from inventory in a warehouse located in this State which is  
19 operated under a plenary brewery license. The fee for this license  
20 shall be \$10,625.

21 Limited brewery license. 1b. The holder of this license shall be  
22 entitled, subject to rules and regulations, to brew any malt alcoholic  
23 beverages in a quantity to be expressed in said license, dependent  
24 upon the following fees and not in excess of 300,000 barrels of 31  
25 fluid gallons capacity per year and to sell and distribute this product  
26 to wholesalers and retailers licensed in accordance with this  
27 chapter, and to sell and distribute without this State to any persons  
28 pursuant to the laws of the places of such sale and distribution, and  
29 to maintain a warehouse; provided, however, that the delivery of  
30 this product by the holder of this license to retailers licensed under  
31 this title shall be from inventory in a warehouse located in this State  
32 which is operated under a limited brewery license. The holder of  
33 this license shall be entitled to sell this product at retail to  
34 consumers on the licensed premises of the brewery for consumption  
35 on the premises, but only in connection with a tour of the brewery,  
36 or for consumption off the premises in a quantity of not more than  
37 15.5 fluid gallons per person, and to offer samples for sampling  
38 purposes only pursuant to an annual permit issued by the director.  
39 The holder of this license shall not sell food or operate a restaurant  
40 on the licensed premises. The fee for this license shall be graduated  
41 as follows:

42 to so brew not more than 50,000 barrels of 31 liquid gallons  
43 capacity per annum, \$1,250;

44 to so brew not more than 100,000 barrels of 31 fluid gallons  
45 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.**

1 to so brew not more than 200,000 barrels of 31 fluid gallons  
2 capacity per annum, \$5,000;

3 to so brew not more than 300,000 barrels of 31 fluid gallons  
4 capacity per annum, \$7,500.

5 For the purposes of this subsection, "sampling" means the selling  
6 at a nominal charge or the gratuitous offering of an open container  
7 not exceeding four ounces of any malt alcoholic beverage. For the  
8 purposes of this subsection, "product" means any malt alcoholic  
9 beverage that is produced on the premises licensed under this  
10 subsection.

11 Restricted brewery license. 1c. The holder of this license  
12 shall be entitled, subject to rules and regulations, to brew any malt  
13 alcoholic beverages in a quantity to be expressed in such license not  
14 in excess of 10,000 barrels of 31 gallons capacity per year.  
15 Notwithstanding the provisions of R.S.33:1-26, the director shall  
16 issue a restricted brewery license only to a person or an entity  
17 which has identical ownership to an entity which holds a plenary  
18 retail consumption license issued pursuant to R.S.33:1-12, provided  
19 that such plenary retail consumption license is operated in  
20 conjunction with a restaurant regularly and principally used for the  
21 purpose of providing meals to its customers and having adequate  
22 kitchen and dining room facilities, and that the licensed restaurant  
23 premises is immediately adjoining the premises licensed under this  
24 subsection. The holder of this license shall be entitled to sell or  
25 deliver the product to that restaurant premises. The holder of this  
26 license also shall be entitled to sell and distribute the product to  
27 wholesalers licensed in accordance with this chapter. The fee for  
28 this license shall be \$1,250, which fee shall entitle the holder to  
29 brew up to 1,000 barrels of 31 liquid gallons per annum. The  
30 licensee also shall pay an additional \$250 for every additional 1,000  
31 barrels of 31 fluid gallons produced. The fee shall be paid at the  
32 time of application for the license, and additional payments based  
33 on barrels produced shall be paid within 60 days following the  
34 expiration of the license term upon certification by the licensee of  
35 the actual gallons brewed during the license term. No more than 10  
36 restricted brewery licenses shall be issued to a person or entity  
37 which holds an interest in a plenary retail consumption license. If  
38 the governing body of the municipality in which the licensed  
39 premises will be located should file a written objection, the director  
40 shall hold a hearing and may issue the license only if the director  
41 finds that the issuance of the license will not be contrary to the  
42 public interest. All fees related to the issuance of both licenses shall  
43 be paid in accordance with statutory law. The provisions of this  
44 subsection shall not be construed to limit or restrict the rights and  
45 privileges granted by the plenary retail consumption license held by  
46 the holder of the restricted brewery license issued pursuant to this  
47 subsection.

1 The holder of this license shall be entitled to offer samples of its  
2 product for promotional purposes at charitable or civic events off  
3 the licensed premises pursuant to an annual permit issued by the  
4 director.

5 For the purposes of this subsection, "sampling" means the selling  
6 at a nominal charge or the gratuitous offering of an open container  
7 not exceeding four ounces of any malt alcoholic beverage product.  
8 For the purposes of this subsection, "product" means any malt  
9 alcoholic beverage that is produced on the premises licensed under  
10 this subsection.

11 Plenary winery license. 2a. Provided that the holder is  
12 engaged in growing and cultivating grapes or fruit used in the  
13 production of wine on at least three acres on, or adjacent to, the  
14 winery premises, the holder of this license shall be entitled, subject  
15 to rules and regulations, to produce any fermented wines, and to  
16 blend, fortify and treat wines, and to sell and distribute his products  
17 to wholesalers licensed in accordance with this chapter and to  
18 churches for religious purposes, and to sell and distribute without  
19 this State to any persons pursuant to the laws of the places of such  
20 sale and distribution, and to maintain a warehouse, and to sell his  
21 products at retail to consumers on the licensed premises of the  
22 winery for consumption on or off the premises and to offer samples  
23 for sampling purposes only. The fee for this license shall be \$938.  
24 A holder of this license who produces not more than 250,000  
25 gallons per year shall also have the right to sell and distribute his  
26 products to retailers licensed in accordance with this chapter, except  
27 that the holder of this license shall not use a common carrier for  
28 such distribution. The fee for this additional privilege shall be  
29 graduated as follows: a licensee who manufactures more than  
30 150,000 gallons, but not in excess of 250,000 gallons per annum,  
31 \$1,000; a licensee who manufactures more than 100,000 gallons,  
32 but not in excess of 150,000 gallons per annum, \$500; a licensee  
33 who manufactures more than 50,000 gallons, but not in excess of  
34 100,000 gallons per annum, \$250; a licensee who manufactures  
35 50,000 gallons or less per annum, \$100. A holder of this license  
36 who produces not more than 250,000 gallons per year shall have the  
37 right to sell such wine at retail in original packages in 15  
38 salesrooms apart from the winery premises for consumption on or  
39 off the premises and for sampling purposes for consumption on the  
40 premises, at a fee of \$250 for each salesroom. Licensees shall not  
41 jointly control and operate salesrooms. Additionally, the holder of  
42 this license who produces not more than 250,000 gallons per year  
43 may ship not more than 12 cases of wine per year, subject to  
44 regulation, to any person within or without this State over 21 years  
45 of age for personal consumption and not for resale. A case of wine  
46 shall not exceed a maximum of nine liters. A copy of the original  
47 invoice shall be available for inspection by persons authorized to  
48 enforce the alcoholic beverage laws of this State for a minimum

1 period of three years at the licensed premises of the winery. For the  
2 purposes of this subsection, "sampling" means the selling at a  
3 nominal charge or the gratuitous offering of an open container not  
4 exceeding one and one-half ounces of any wine.

5 A holder of this license who produces not more than 250,000  
6 gallons per year shall not own, either in whole or in part, or hold,  
7 either directly or indirectly, any interest in a winery that produces  
8 more than 250,000 gallons per year. In addition, a holder of this  
9 license who produces more than 250,000 gallons per year shall not  
10 own, either in whole or in part, or hold, either directly or indirectly,  
11 any interest in a winery that produces not more than 250,000  
12 gallons per year. For the purposes of this subsection, "product"  
13 means any wine that is produced, blended, fortified, or treated by  
14 the licensee on its licensed premises situated in the State of New  
15 Jersey. For the purposes of this subsection, "wine" shall include  
16 "hard cider" and "mead" as defined in this section.

17 Farm winery license. 2b. The holder of this license shall be  
18 entitled, subject to rules and regulations, to manufacture any  
19 fermented wines and fruit juices in a quantity to be expressed in  
20 said license, dependent upon the following fees and not in excess of  
21 50,000 gallons per year and to sell and distribute his products to  
22 wholesalers and retailers licensed in accordance with this chapter  
23 and to churches for religious purposes and to sell and distribute  
24 without this State to any persons pursuant to the laws of the places  
25 of such sale and distribution, and to maintain a warehouse and to  
26 sell at retail to consumers for consumption on or off the licensed  
27 premises and to offer samples for sampling purposes only. The  
28 license shall be issued only when the winery at which such  
29 fermented wines and fruit juices are manufactured is located and  
30 constructed upon a tract of land exclusively under the control of the  
31 licensee, provided that the licensee is actively engaged in growing  
32 and cultivating an area of not less than three acres on or adjacent to  
33 the winery premises and on which are growing grape vines or fruit  
34 to be processed into wine or fruit juice; and provided, further, that  
35 for the first five years of the operation of the winery such fermented  
36 wines and fruit juices shall be manufactured from at least **51%** 51  
37 percent grapes or fruit grown in the State and that thereafter they  
38 shall be manufactured from grapes or fruit grown in this State at  
39 least to the extent required for labeling as "New Jersey Wine" under  
40 the applicable federal laws and regulations. The containers of all  
41 wine sold to consumers by such licensee shall have affixed a label  
42 stating such information as shall be required by the rules and  
43 regulations of the Director of the Division of Alcoholic Beverage  
44 Control. The fee for this license shall be graduated as follows: to so  
45 manufacture between 30,000 and 50,000 gallons per annum, \$375;  
46 to so manufacture between 2,500 and 30,000 gallons per annum,  
47 \$250; to so manufacture between 1,000 and 2,500 gallons per  
48 annum, \$125; to so manufacture less than 1,000 gallons per annum,

1 \$63. No farm winery license shall be held by the holder of a plenary  
2 winery license or be situated on a premises licensed as a plenary  
3 winery.

4 The holder of this license shall also have the right to sell and  
5 distribute his products to retailers licensed in accordance with this  
6 chapter, except that the holder of this license shall not use a  
7 common carrier for such distribution. The fee for this additional  
8 privilege shall be \$100. The holder of this license shall have the  
9 right to sell his products in original packages at retail to consumers  
10 in 15 salesrooms apart from the winery premises for consumption  
11 on or off the premises, and for sampling purposes for consumption  
12 on the premises, at a fee of \$250 for each salesroom. Licensees  
13 shall not jointly control and operate salesrooms. Additionally, the  
14 holder of this license may ship not more than 12 cases of wine per  
15 year, subject to regulation, to any person within or without this  
16 State over 21 years of age for personal consumption and not for  
17 resale. A case of wine shall not exceed a maximum of nine liters. A  
18 copy of the original invoice shall be available for inspection by  
19 persons authorized to enforce the alcoholic beverage laws of this  
20 State for a minimum period of three years at the licensed premises  
21 of the winery. For the purposes of this subsection, "sampling"  
22 means the selling at a nominal charge or the gratuitous offering of  
23 an open container not exceeding one and one-half ounces of any  
24 wine.

25 A holder of this license who produces not more than 250,000  
26 gallons per year shall not own, either in whole or in part, or hold,  
27 either directly or indirectly, any interest in a winery that produces  
28 more than 250,000 gallons per year.

29 Unless otherwise indicated, for the purposes of this subsection,  
30 with respect to farm winery licenses, "manufacture" means the  
31 vinification, aging, storage, blending, clarification, stabilization and  
32 bottling of wine or juice from New Jersey fruit to the extent  
33 required by this subsection.

34 For the purposes of this subsection, "wine" shall include "hard  
35 cider" and "mead" as defined in this section.

36 Wine blending license. 2c. The holder of this license shall be  
37 entitled, subject to rules and regulations, to blend, treat, mix, and  
38 bottle fermented wines and fruit juices with non-alcoholic  
39 beverages, and to sell and distribute his products to wholesalers and  
40 retailers licensed in accordance with this chapter, and to sell and  
41 distribute without this State to any persons pursuant to the laws of  
42 the places of such sale and distribution, and to maintain a  
43 warehouse. The fee for this license shall be \$625.

44 For the purposes of this subsection, "wine" shall include "hard  
45 cider" and "mead" as defined in this section.

46 Instructional winemaking facility license. 2d. The holder of  
47 this license shall be entitled, subject to rules and regulations, to  
48 instruct persons in and provide them with the opportunity to

1 participate directly in the process of winemaking and to directly  
2 assist such persons in the process of winemaking while in the  
3 process of instruction on the premises of the facility. The holder of  
4 this license also shall be entitled to manufacture wine on the  
5 premises not in excess of an amount of ~~【10%】~~ 10 percent of the  
6 wine produced annually on the premises of the facility, which shall  
7 be used only to replace quantities lost or discarded during the  
8 winemaking process, to maintain a warehouse, and to offer samples  
9 produced by persons who have received instruction in winemaking  
10 on the premises by the licensee for sampling purposes only on the  
11 licensed premises for the purpose of promoting winemaking for  
12 personal or household use or consumption. Wine produced on the  
13 premises of an instructional winemaking facility shall be used,  
14 consumed or disposed of on the facility's premises or distributed  
15 from the facility's premises to a person who has participated  
16 directly in the process of winemaking for the person's personal or  
17 household use or consumption. The holder of this license may sell  
18 mercantile items traditionally associated with winemaking and  
19 novelty wearing apparel identified with the name of the  
20 establishment licensed under the provisions of this section. The  
21 holder of this license may use the licensed premises for an event or  
22 affair, including an event or affair at which a plenary retail  
23 consumption licensee serves alcoholic beverages in compliance  
24 with all applicable statutes and regulations promulgated by the  
25 director. The fee for this license shall be \$1,000. For the purposes  
26 of this subsection, "sampling" means the gratuitous offering of an  
27 open container not exceeding one and one-half ounces of any wine.  
28 For the purposes of this subsection, "wine" shall include "hard  
29 cider" and "mead" as defined in this section.

30 Out-of-State winery license. 2e. Provided that the applicant  
31 does not produce more than 250,000 gallons of wine per year, the  
32 holder of a valid winery license issued in any other state may make  
33 application to the director for this license. The holder of this license  
34 shall have the right to sell and distribute his products to wholesalers  
35 licensed in accordance with this chapter and to sell such wine at  
36 retail in original packages in 16 salesrooms apart from the winery  
37 premises for consumption on or off the premises at a fee of \$250 for  
38 each salesroom. Licensees shall not jointly control and operate  
39 salesrooms. The annual fee for this license shall be \$938. A copy  
40 of a current license issued by another state shall accompany the  
41 application. The holder of this license also shall have the right to  
42 sell and distribute his products to retailers licensed in accordance  
43 with this chapter, except that the holder of this license shall not use  
44 a common carrier for such distribution. The fee for this additional  
45 privilege shall be graduated as follows: a licensee who  
46 manufactures more than 150,000 gallons, but not in excess of  
47 250,000 gallons per annum, \$1,000; a licensee who manufactures  
48 more than 100,000 gallons, but not in excess of 150,000 gallons per

1 annum, \$500; a licensee who manufactures more than 50,000  
2 gallons, but not in excess of 100,000 gallons per annum, \$250; a  
3 licensee who manufactures 50,000 gallons or less per annum, \$100.  
4 Additionally, the holder of this license may ship not more than 12  
5 cases of wine per year, subject to regulation, to any person within or  
6 without this State over 21 years of age for personal consumption  
7 and not for resale. A case of wine shall not exceed a maximum of  
8 nine liters. A copy of the original invoice shall be available for  
9 inspection by persons authorized to enforce the alcoholic beverage  
10 laws of this State for a minimum period of three years at the  
11 licensed premises of the winery.

12 The licensee shall collect from the customer the tax due on the  
13 sale pursuant to the "Sales and Use Tax Act," P.L.1966,  
14 c.30 (C.54:32B-1 et seq.) and shall pay the tax due on the delivery  
15 of alcoholic beverages pursuant to the "Alcoholic beverage tax  
16 law," R.S.54:41-1 et seq. The Director of the Division of Taxation  
17 in the Department of the Treasury shall promulgate such rules and  
18 regulations necessary to effectuate the provisions of this paragraph,  
19 and may provide by regulation for the co-administration of the tax  
20 due on the delivery of alcoholic beverages pursuant to the  
21 "Alcoholic beverage tax law," R.S.54:41-1 et seq. with the  
22 administration of the tax due on the sale pursuant to the "Sales and  
23 Use Tax Act," P.L.1966, c.30 (C.54:32B-1 et seq.).

24 A holder of this license who produces not more than 250,000  
25 gallons per year shall not own, either in whole or in part, or hold,  
26 either directly or indirectly, any interest in a winery that produces  
27 more than 250,000 gallons per year.

28 For the purposes of this subsection, "wine" shall include "hard  
29 cider" and "mead" as defined in this section.

30 Cidery and meadery license. 2f. The holder of this license  
31 shall be entitled, subject to rules and regulations, to manufacture  
32 hard cider and mead and to sell and distribute these products to  
33 wholesalers and retailers licensed in accordance with this chapter,  
34 and to sell and distribute without this State to any persons pursuant  
35 to the laws of the places of such sale and distribution, and to  
36 maintain a warehouse. The holder of this license shall be entitled to  
37 sell these products at retail to consumers on the licensed premises  
38 for consumption on or off the premises and to offer samples for  
39 sampling purposes only. The holder of this license shall be  
40 permitted to offer for sale or make the gratuitous offering of  
41 packaged crackers, chips, nuts, and similar snacks to consumers, but  
42 shall not operate a restaurant on the licensed premises. The fee for  
43 this license shall be \$938.

44 The holder of this license shall be entitled to manufacture hard  
45 cider in a quantity not to exceed 50,000 barrels of 31 fluid gallons  
46 capacity per year. With respect to the sale and distribution of hard  
47 cider to a wholesaler, the licensee shall be subject to the same  
48 statutory and regulatory requirements as a brewer, and hard cider



1 shall be considered a malt alcoholic beverage, for the purposes of  
2 the “Malt Alcoholic Beverage Practices Act,” P.L.2005, c.243  
3 (C.33:1-93.12 et seq.). The holder of this license shall not directly  
4 ship hard cider either within or without this State.

5 The holder of this license shall be entitled to manufacture not  
6 more than 250,000 gallons of mead per year. The holder of this  
7 license may ship not more than 12 cases of mead per year, subject  
8 to regulation, to any person within or without this State over 21  
9 years of age for personal consumption and not for resale. A case of  
10 mead shall not exceed a maximum of nine liters. A copy of the  
11 original invoice shall be available for inspection by persons  
12 authorized to enforce the alcoholic beverage laws of this State for a  
13 minimum period of three years at the licensed premises.

14 As used in this subsection:

15 “Hard cider” means a fermented alcoholic beverage derived  
16 primarily from apples, pears, apple juice concentrate and water, or  
17 pear juice concentrate and water, which may include spices, herbs,  
18 honey, or other flavoring, and which contains at least one half of  
19 one percent but less than eight and one half percent alcohol by  
20 volume.

21 “Mead” means an alcoholic beverage primarily made from  
22 honey, water, and yeast, and which may contain fruit, fruit juices,  
23 spices, or herbs added before or after fermentation has completed,  
24 except that the ratio of fermentable sugars from fruit or fruit juices  
25 shall not exceed 49 percent of the total fermentable sugars used to  
26 produce mead.

27 “Sampling” means the selling at a nominal charge or the  
28 gratuitous offering of an open container not exceeding four ounces  
29 of hard cider or mead produced on the licensed premises.

30 Plenary distillery license. 3a. The holder of this license shall  
31 be entitled, subject to rules and regulations, to manufacture any  
32 distilled alcoholic beverages and rectify, blend, treat and mix, and  
33 to sell and distribute his products to wholesalers and retailers  
34 licensed in accordance with this chapter, and to sell and distribute  
35 without this State to any persons pursuant to the laws of the places  
36 of such sale and distribution, and to maintain a warehouse. The fee  
37 for this license shall be \$12,500.

38 Limited distillery license. 3b. The holder of this license shall  
39 be entitled, subject to rules and regulations, to manufacture and  
40 bottle any alcoholic beverages distilled from fruit juices and rectify,  
41 blend, treat, mix, compound with wine and add necessary  
42 sweetening and flavor to make cordial or liqueur, and to sell and  
43 distribute to wholesalers and retailers licensed in accordance with  
44 this chapter, and to sell and distribute without this State to any  
45 persons pursuant to the laws of the places of such sale and  
46 distribution and to warehouse these products. The fee for this  
47 license shall be \$3,750.

1       Supplementary limited distillery license. 3c. The holder of this  
2 license shall be entitled, subject to rules and regulations, to bottle  
3 and rebottle, in a quantity to be expressed in said license, dependent  
4 upon the following fees, alcoholic beverages distilled from fruit  
5 juices by such holder pursuant to a prior plenary or limited distillery  
6 license, and to sell and distribute his products to wholesalers and  
7 retailers licensed in accordance with this chapter, and to sell and  
8 distribute without this State to any persons pursuant to the laws of  
9 the places of such sale and distribution, and to maintain a  
10 warehouse. The fee for this license shall be graduated as follows:  
11 to so bottle and rebottle not more than 5,000 wine gallons per  
12 annum, \$313; to so bottle and rebottle not more than 10,000 wine  
13 gallons per annum, \$625; to so bottle and rebottle without limit as  
14 to amount, \$1,250.

15       Craft distillery license. 3d. The holder of this license shall be  
16 entitled, subject to rules and regulations, to manufacture not more  
17 than 20,000 gallons of distilled alcoholic beverages, to rectify,  
18 blend, treat and mix distilled alcoholic beverages, to sell and  
19 distribute this product to wholesalers and retailers licensed in  
20 accordance with this chapter, and to sell and distribute without this  
21 State to any persons pursuant to the laws of the places of such sale  
22 and distribution, and to maintain a warehouse. The holder of this  
23 license shall be entitled to sell this product at retail to consumers on  
24 the licensed premises of the distillery for consumption on the  
25 premises, but only in connection with a tour of the distillery, and  
26 for consumption off the premises in a quantity of not more than five  
27 liters per person. In addition, the holder of this license may offer  
28 any person not more than three samples per calendar day for  
29 sampling purposes only. For the purposes of this subsection,  
30 "sampling" means the gratuitous offering of an open container not  
31 exceeding one-half ounce serving of distilled alcoholic beverage  
32 produced on the distillery premises. Nothing in this subsection shall  
33 be deemed to permit the direct shipment of distilled spirits either  
34 within or without this State.

35       The holder of this license shall not sell food or operate a  
36 restaurant on the licensed premises. A holder of this license who  
37 certifies that not less than **[51%]** 51 percent of the raw materials  
38 used in the production of distilled alcoholic beverages under this  
39 section are grown in this State or purchased from providers located  
40 in this State may, consistent with all applicable federal laws and  
41 regulations, label these distilled alcoholic beverages as "New Jersey  
42 Distilled." The fee for this license shall be \$938.

43       Rectifier and blender license. 4. The holder of this license  
44 shall be entitled, subject to rules and regulations, to rectify, blend,  
45 treat and mix distilled alcoholic beverages, and to fortify, blend,  
46 and treat fermented alcoholic beverages, and prepare mixtures of  
47 alcoholic beverages, and to sell and distribute his products to  
48 wholesalers and retailers licensed in accordance with this chapter,

1 and to sell and distribute without this State to any persons pursuant  
2 to the laws of the places of such sale and distribution, and to  
3 maintain a warehouse. The fee for this license shall be \$7,500.

4 Bonded warehouse bottling license. 5. The holder of this  
5 license shall be entitled, subject to rules and regulations, to bottle  
6 alcoholic beverages in bond on behalf of all persons authorized by  
7 federal and State law and regulations to withdraw alcoholic  
8 beverages from bond. The fee for this license shall be \$625. This  
9 license shall be issued only to persons holding permits to operate  
10 Internal Revenue bonded warehouses pursuant to the laws of the  
11 United States.

12 The provisions of section 21 of P.L.2003, c.117 amendatory of  
13 this section shall apply to licenses issued or transferred on or after  
14 July 1, 2003, and to license renewals commencing on or after July  
15 1, 2003.

16 (cf: P.L.2013, c.92, s.1)

17

18 2. This act shall take effect on the first day of the fourth month  
19 next following enactment, but the Director of the Division of  
20 Alcoholic Beverage Control may take any anticipatory action in  
21 advance as shall be necessary for the implementation of this act.

22

23

24

STATEMENT

25

26 This Assembly substitute for Assembly Bill No. 3351 (1R)  
27 creates a cidery and meadery license. Under the provisions of the  
28 substitute, the holder of the license is permitted to manufacture,  
29 sell, and distribute hard cider and mead to wholesalers, retailers,  
30 and consumers. The license authorizes the manufacture of one or  
31 both of these products. The substitute provides that the licensee  
32 may sell these products to consumers for consumption on or off the  
33 licensed premises and may offer samples. The licensee is permitted  
34 to directly ship up to 12 cases of mead per year to a customer 21  
35 years of age or older, but may not directly ship hard cider.  
36 Additionally, the licensee is not permitted to operate a restaurant on  
37 the licensed premises, but is allowed to offer for sale or to make the  
38 gratuitous offering of packaged crackers, chips, nuts, and similar  
39 snacks to consumers. The fee for the license is \$938.

40 The substitute defines hard cider as “a fermented alcoholic  
41 beverage derived primarily from apples, pears, apple juice  
42 concentrate and water, or pear juice concentrate and water, which  
43 may include spices, herbs, honey, or other flavoring, and which  
44 contains at least one half of one percent but less than eight and one  
45 half percent alcohol by volume.”

46 Under the substitute, the licensee is authorized to manufacture  
47 hard cider in a quantity not to exceed 50,000 barrels of 31 fluid  
48 gallons capacity per year. With respect to the sale and distribution

1 of hard cider to a wholesaler, the licensee is subject to the statutory  
2 and regulatory requirements imposed on a brewer under the “Malt  
3 Alcoholic Beverages Practices Act,” P.L.2005, c.243 (C.33:1-93.12  
4 et seq.).

5 The substitute defines mead as “an alcoholic beverage primarily  
6 made from honey, water, and yeast, and which may contain fruit,  
7 fruit juices, spices, or herbs added before or after fermentation has  
8 completed, except that the ratio of fermentable sugars from fruit or  
9 fruit juices shall not exceed 49 percent of the total fermentable  
10 sugars used to produce mead.” Under the substitute, a licensee is  
11 authorized to manufacture up 250,000 gallons of mead per year.