

SENATE, No. 3582

STATE OF NEW JERSEY
217th LEGISLATURE

INTRODUCED DECEMBER 4, 2017

Sponsored by:

Senator ROBERT M. GORDON

District 38 (Bergen and Passaic)

SYNOPSIS

Permits certain breweries, wineries, and distilleries to sell each other's products on licensed premises.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning the sale of certain alcoholic beverages 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 be entitled to sell at retail products
40 produced by a holder of a plenary winery license who produces not
41 more than 250,000 gallons per year, a farm winery license, or a
42 craft distillery license issued pursuant to this section to consumers
43 on the licensed premises of the brewery for consumption off the
44 premises. The holder of this license shall not sell food or operate a

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 restaurant on the licensed premises. The fee for this license shall be
2 graduated as follows:

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

5 to so brew not more than 100,000 barrels of 31 fluid gallons
6 capacity per annum, \$2,500;

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

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

11 For the purposes of this subsection, "sampling" means the selling
12 at a nominal charge or the gratuitous offering of an open container
13 not exceeding four ounces of any malt alcoholic beverage. For the
14 purposes of this subsection, "product" means any malt alcoholic
15 beverage that is produced on the premises licensed under this
16 subsection.

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

1 statutory law. The provisions of this subsection shall not be
2 construed to limit or restrict the rights and privileges granted by the
3 plenary retail consumption license held by the holder of the
4 restricted brewery license issued pursuant to this subsection.

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

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

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

1 of age for personal consumption and not for resale. A case of wine
2 shall not exceed a maximum of nine liters. A copy of the original
3 invoice shall be available for inspection by persons authorized to
4 enforce the alcoholic beverage laws of this State for a minimum
5 period of three years at the licensed premises of the winery. A
6 holder of this license who produces not more than 250,000 gallons
7 per year shall be entitled to sell at retail products produced by a
8 holder of a limited brewery license, a farm winery license, or a craft
9 distillery license issued pursuant to this section to consumers on the
10 licensed premises of the winery for consumption off the premises.
11 For the purposes of this subsection, "sampling" means the selling at
12 a nominal charge or the gratuitous offering of an open container not
13 exceeding one and one-half ounces of any wine.

14 A holder of this license who produces not more than 250,000
15 gallons per year shall not own, either in whole or in part, or hold,
16 either directly or indirectly, any interest in a winery that produces
17 more than 250,000 gallons per year. In addition, a holder of this
18 license who produces more than 250,000 gallons per year shall not
19 own, either in whole or in part, or hold, either directly or indirectly,
20 any interest in a winery that produces not more than 250,000
21 gallons per year. For the purposes of this subsection, "product"
22 means any wine that is produced, blended, fortified, or treated by
23 the licensee on its licensed premises situated in the State of New
24 Jersey. For the purposes of this subsection, "wine" shall include
25 "hard cider" and "mead" as defined in this section.

26 Farm winery license. 2b. The holder of this license shall
27 be entitled, subject to rules and regulations, to manufacture any
28 fermented wines and fruit juices in a quantity to be expressed in
29 said license, dependent upon the following fees and not in excess of
30 50,000 gallons per year and to sell and distribute his products to
31 wholesalers and retailers licensed in accordance with this chapter
32 and to churches for religious purposes and to sell and distribute
33 without this State to any persons pursuant to the laws of the places
34 of such sale and distribution, and to maintain a warehouse and to
35 sell at retail to consumers for consumption on or off the licensed
36 premises and to offer samples for sampling purposes only. The
37 license shall be issued only when the winery at which such
38 fermented wines and fruit juices are manufactured is located and
39 constructed upon a tract of land exclusively under the control of the
40 licensee, provided that the licensee is actively engaged in growing
41 and cultivating an area of not less than three acres on or adjacent to
42 the winery premises and on which are growing grape vines or fruit
43 to be processed into wine or fruit juice; and provided, further, that
44 for the first five years of the operation of the winery such fermented
45 wines and fruit juices shall be manufactured from at least 51
46 percent grapes or fruit grown in the State and that thereafter they
47 shall be manufactured from grapes or fruit grown in this State at
48 least to the extent required for labeling as "New Jersey Wine" under

1 the applicable federal laws and regulations. The containers of all
2 wine sold to consumers by such licensee shall have affixed a label
3 stating such information as shall be required by the rules and
4 regulations of the Director of the Division of Alcoholic Beverage
5 Control. The fee for this license shall be graduated as follows: to so
6 manufacture between 30,000 and 50,000 gallons per annum, \$375;
7 to so manufacture between 2,500 and 30,000 gallons per annum,
8 \$250; to so manufacture between 1,000 and 2,500 gallons per
9 annum, \$125; to so manufacture less than 1,000 gallons per annum,
10 \$63. No farm winery license shall be held by the holder of a plenary
11 winery license or be situated on a premises licensed as a plenary
12 winery.

13 The holder of this license shall also have the right to sell and
14 distribute his products to retailers licensed in accordance with this
15 chapter, except that the holder of this license shall not use a
16 common carrier for such distribution. The fee for this additional
17 privilege shall be \$100. The holder of this license shall have the
18 right to sell his products in original packages at retail to consumers
19 in 15 salesrooms apart from the winery premises for consumption
20 on or off the premises, and for sampling purposes for consumption
21 on the premises, at a fee of \$250 for each salesroom. Licensees
22 shall not jointly control and operate salesrooms. Additionally, the
23 holder of this license may ship not more than 12 cases of wine per
24 year, subject to regulation, to any person within or without this
25 State over 21 years of age for personal consumption and not for
26 resale. A case of wine shall not exceed a maximum of nine liters. A
27 copy of the original invoice shall be available for inspection by
28 persons authorized to enforce the alcoholic beverage laws of this
29 State for a minimum period of three years at the licensed premises
30 of the winery. The holder of this license shall be entitled to sell at
31 retail products produced by a holder of a limited brewery license, a
32 plenary winery license who produces not more than 250,000 gallons
33 per year, or a craft distillery license issued pursuant to this section
34 to consumers on the licensed premises of the winery for
35 consumption off the premises. For the purposes of this subsection,
36 "sampling" means the selling at a nominal charge or the gratuitous
37 offering of an open container not exceeding one and one-half
38 ounces of any wine.

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

43 Unless otherwise indicated, for the purposes of this subsection,
44 with respect to farm winery licenses, "manufacture" means the
45 vinification, aging, storage, blending, clarification, stabilization and
46 bottling of wine or juice from New Jersey fruit to the extent
47 required by this subsection.

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

3 Wine blending license. 2c. The holder of this license shall be
4 entitled, subject to rules and regulations, to blend, treat, mix, and
5 bottle fermented wines and fruit juices with non-alcoholic
6 beverages, 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 \$625.

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

13 Instructional winemaking facility license. 2d. The holder of this
14 license shall be entitled, subject to rules and regulations, to instruct
15 persons in and provide them with the opportunity to participate
16 directly in the process of winemaking and to directly assist such
17 persons in the process of winemaking while in the process of
18 instruction on the premises of the facility. The holder of this
19 license also shall be entitled to manufacture wine on the premises
20 not in excess of an amount of 10 percent of the wine produced
21 annually on the premises of the facility, which shall be used only to
22 replace quantities lost or discarded during the winemaking process,
23 to maintain a warehouse, and to offer samples produced by persons
24 who have received instruction in winemaking on the premises by
25 the licensee for sampling purposes only on the licensed premises for
26 the purpose of promoting winemaking for personal or household use
27 or consumption. Wine produced on the premises of an instructional
28 winemaking facility shall be used, consumed or disposed of on the
29 facility's premises or distributed from the facility's premises to a
30 person who has participated directly in the process of winemaking
31 for the person's personal or household use or consumption. The
32 holder of this license may sell mercantile items traditionally
33 associated with winemaking and novelty wearing apparel identified
34 with the name of the establishment licensed under the provisions of
35 this section. The holder of this license may use the licensed
36 premises for an event or affair, including an event or affair at which
37 a plenary retail consumption licensee serves alcoholic beverages in
38 compliance with all applicable statutes and regulations promulgated
39 by the director. The fee for this license shall be \$1,000. For the
40 purposes of this subsection, "sampling" means the gratuitous
41 offering of an open container not exceeding one and one-half
42 ounces of any wine.

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

45 Out-of-State winery license. 2e. Provided that the applicant
46 does not produce more than 250,000 gallons of wine per year, the
47 holder of a valid winery license issued in any other state may make
48 application to the director for this license. The holder of this license

1 shall have the right to sell and distribute his products to wholesalers
2 licensed in accordance with this chapter and to sell such wine at
3 retail in original packages in 16 salesrooms apart from the winery
4 premises for consumption on or off the premises at a fee of \$250 for
5 each salesroom. Licensees shall not jointly control and operate
6 salesrooms. The annual fee for this license shall be \$938. A copy
7 of a current license issued by another state shall accompany the
8 application. The holder of this license also shall have the right to
9 sell and distribute his products to retailers licensed in accordance
10 with this chapter, except that the holder of this license shall not use
11 a common carrier for such distribution. The fee for this additional
12 privilege shall be graduated as follows: a licensee who
13 manufactures more than 150,000 gallons, but not in excess of
14 250,000 gallons per annum, \$1,000; a licensee who manufactures
15 more than 100,000 gallons, but not in excess of 150,000 gallons per
16 annum, \$500; a licensee who manufactures more than 50,000
17 gallons, but not in excess of 100,000 gallons per annum, \$250; a
18 licensee who manufactures 50,000 gallons or less per annum, \$100.
19 Additionally, the holder of this license may ship not more than 12
20 cases of wine per year, subject to regulation, to any person within or
21 without this State over 21 years of age for personal consumption
22 and not for resale. A case of wine shall not exceed a maximum of
23 nine liters. A copy of the original invoice shall be available for
24 inspection by persons authorized to enforce the alcoholic beverage
25 laws of this State for a minimum period of three years at the
26 licensed premises of the winery.

27 The licensee shall collect from the customer the tax due on the
28 sale pursuant to the "Sales and Use Tax Act," P.L.1966, c.30
29 (C.54:32B-1 et seq.) and shall pay the tax due on the delivery of
30 alcoholic beverages pursuant to the "Alcoholic beverage tax law,"
31 R.S.54:41-1 et seq. The Director of the Division of Taxation in the
32 Department of the Treasury shall promulgate such rules and
33 regulations necessary to effectuate the provisions of this paragraph,
34 and may provide by regulation for the co-administration of the tax
35 due on the delivery of alcoholic beverages pursuant to the
36 "Alcoholic beverage tax law," R.S.54:41-1 et seq. with the
37 administration of the tax due on the sale pursuant to the "Sales and
38 Use Tax Act," P.L.1966, c.30 (C.54:32B-1 et seq.).

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

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

45 Cidery and meadery license. 2f. The holder of this license
46 shall be entitled, subject to rules and regulations, to manufacture
47 hard cider and mead and to sell and distribute these 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 holder of this license shall be entitled to
4 sell these products at retail to consumers on the licensed premises
5 for consumption on or off the premises and to offer samples for
6 sampling purposes only. The holder of this license shall be
7 permitted to offer for sale or make the gratuitous offering of
8 packaged crackers, chips, nuts, and similar snacks to consumers, but
9 shall not operate a restaurant on the licensed premises. The fee for
10 this license shall be \$938.

11 The holder of this license shall be entitled to manufacture hard
12 cider in a quantity not to exceed 50,000 barrels of 31 fluid gallons
13 capacity per year. With respect to the sale and distribution of hard
14 cider to a wholesaler, the licensee shall be subject to the same
15 statutory and regulatory requirements as a brewer, and hard cider
16 shall be considered a malt alcoholic beverage, for the purposes of
17 the "Malt Alcoholic Beverage Practices Act," P.L.2005, c.243
18 (C.33:1-93.12 et seq.). The holder of this license shall not directly
19 ship hard cider either within or without this State.

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

29 As used in this subsection:

30 "Hard cider" means a fermented alcoholic beverage derived
31 primarily from apples, pears, apple juice concentrate and water, or
32 pear juice concentrate and water, which may include spices, herbs,
33 honey, or other flavoring, and which contains at least one half of
34 one percent but less than eight and one half percent alcohol by
35 volume.

36 "Mead" means an alcoholic beverage primarily made from
37 honey, water, and yeast, and which may contain fruit, fruit juices,
38 spices, or herbs added before or after fermentation has completed,
39 except that the ratio of fermentable sugars from fruit or fruit juices
40 shall not exceed 49 percent of the total fermentable sugars used to
41 produce mead.

42 "Sampling" means the selling at a nominal charge or the
43 gratuitous offering of an open container not exceeding four ounces
44 of hard cider or mead produced on the licensed premises.

45 Plenary distillery license. 3a. The holder of this license shall
46 be entitled, subject to rules and regulations, to manufacture any
47 distilled alcoholic beverages and rectify, blend, treat and mix, and
48 to sell and distribute his products to wholesalers and retailers

1 licensed in accordance with this chapter, and to sell and distribute
2 without this State to any persons pursuant to the laws of the places
3 of such sale and distribution, and to maintain a warehouse. The fee
4 for this license shall be \$12,500.

5 Limited distillery license. 3b. The holder of this license shall
6 be entitled, subject to rules and regulations, to manufacture and
7 bottle any alcoholic beverages distilled from fruit juices and rectify,
8 blend, treat, mix, compound with wine and add necessary
9 sweetening and flavor to make cordial or liqueur, and to sell and
10 distribute to wholesalers and retailers licensed in accordance with
11 this chapter, and to sell and distribute without this State to any
12 persons pursuant to the laws of the places of such sale and
13 distribution and to warehouse these products. The fee for this
14 license shall be \$3,750.

15 Supplementary limited distillery license. 3c. The holder of this
16 license shall be entitled, subject to rules and regulations, to bottle
17 and rebottle, in a quantity to be expressed in said license, dependent
18 upon the following fees, alcoholic beverages distilled from fruit
19 juices by such holder pursuant to a prior plenary or limited distillery
20 license, and to sell and distribute his products to wholesalers and
21 retailers licensed in accordance with this chapter, and to sell and
22 distribute without this State to any persons pursuant to the laws of
23 the places of such sale and distribution, and to maintain a
24 warehouse. The fee for this license shall be graduated as follows:
25 to so bottle and rebottle not more than 5,000 wine gallons per
26 annum, \$313; to so bottle and rebottle not more than 10,000 wine
27 gallons per annum, \$625; to so bottle and rebottle without limit as
28 to amount, \$1,250.

29 Craft distillery license. 3d. The holder of this license shall be
30 entitled, subject to rules and regulations, to manufacture not more
31 than 20,000 gallons of distilled alcoholic beverages, to rectify,
32 blend, treat and mix distilled alcoholic beverages, to sell and
33 distribute this product to wholesalers and retailers licensed in
34 accordance with this chapter, and to sell and distribute without this
35 State to any persons pursuant to the laws of the places of such sale
36 and distribution, and to maintain a warehouse. The holder of this
37 license shall be entitled to sell this product at retail to consumers on
38 the licensed premises of the distillery for consumption on the
39 premises, but only in connection with a tour of the distillery, and
40 for consumption off the premises in a quantity of not more than five
41 liters per person. In addition, the holder of this license may offer
42 any person not more than three samples per calendar day for
43 sampling purposes only. For the purposes of this subsection,
44 "sampling" means the gratuitous offering of an open container not
45 exceeding one-half ounce serving of distilled alcoholic beverage
46 produced on the distillery premises. The holder of this license shall
47 be entitled to sell at retail products produced by a holder of a
48 limited brewery license, a plenary winery license who produces not

1 more than 250,000 gallons per year, or a farm winery license issued
2 pursuant to this section to consumers on the licensed premises of
3 the distillery for consumption off the premises. Nothing in this
4 subsection shall be deemed to permit the direct shipment of distilled
5 spirits either within or without this State.

6 The holder of this license shall not sell food or operate a
7 restaurant on the licensed premises. A holder of this license who
8 certifies that not less than 51 percent of the raw materials used in
9 the production of distilled alcoholic beverages under this section are
10 grown in this State or purchased from providers located in this State
11 may, consistent with all applicable federal laws and regulations,
12 label these distilled alcoholic beverages as "New Jersey Distilled."
13 The fee for this license shall be \$938.

14 Rectifier and blender license. 4. The holder of this license
15 shall be entitled, subject to rules and regulations, to rectify, blend,
16 treat and mix distilled alcoholic beverages, and to fortify, blend,
17 and treat fermented alcoholic beverages, and prepare mixtures of
18 alcoholic beverages, and to sell and distribute his products to
19 wholesalers and retailers licensed in accordance with this chapter,
20 and to sell and distribute without this State to any persons pursuant
21 to the laws of the places of such sale and distribution, and to
22 maintain a warehouse. The fee for this license shall be \$7,500.

23 Bonded warehouse bottling license. 5. The holder of this
24 license shall be entitled, subject to rules and regulations, to bottle
25 alcoholic beverages in bond on behalf of all persons authorized by
26 federal and State law and regulations to withdraw alcoholic
27 beverages from bond. The fee for this license shall be \$625. This
28 license shall be issued only to persons holding permits to operate
29 Internal Revenue bonded warehouses pursuant to the laws of the
30 United States.

31 The provisions of section 21 of P.L.2003, c.117 amendatory of
32 this section shall apply to licenses issued or transferred on or after
33 July 1, 2003, and to license renewals commencing on or after July
34 1, 2003.

35 (cf: P.L.2017, c.80, s.1)

36

37 2. This act shall take effect immediately.

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39

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STATEMENT

41

42 This bill permits certain New Jersey breweries, wineries, and
43 distilleries to sell each other's products on the licensed premises.

44 Specifically, under the provisions of this bill, limited breweries,
45 plenary wineries that produce less than 250,000 gallons per year,
46 farm wineries, and craft distilleries are permitted to sell each other's
47 products on their licensed premises.

1 A person who holds a limited brewery license is entitled to brew
2 and distribute beer to wholesalers and retailers, but is prohibited
3 from brewing more than 300,000 barrels per year. The holder of
4 this license is entitled to sell this product at retail to consumers on
5 the licensed premises for consumption on the premises, but only in
6 connection with a tour of the brewery or for consumption off the
7 premises in a quantity of not more than 15.5 fluid gallons per
8 person.

9 A plenary winery license allows a person to produce any
10 fermented wines, and to blend, fortify, and treat wines, and to sell
11 and distribute the product to wholesalers and retailers. The holder
12 of this license may sell wine to consumers on the licensed premises
13 of the winery for consumption on or off the premises. The
14 provisions of this bill only apply to the holder of a plenary winery
15 license who produces not more than 250,000 gallons per year.

16 The holder of a farm winery license is permitted to manufacture
17 any fermented wines and fruit juices and sell and distribute the
18 product to wholesalers and retailers; however, the licensee is
19 prohibited from producing more than 50,000 gallons per year. In
20 addition, the holder of this license is required to produce wine
21 manufactured from at least 50 percent grapes or fruit grown in New
22 Jersey for the first five years of the operation of the winery. After
23 five years, the wine is required to be manufactured from grapes or
24 fruit grown in New Jersey to the extent required for labeling as
25 “New Jersey Wine” under applicable federal laws and regulations.
26 The holder of this license is permitted to sell the product at retail to
27 consumers for consumption on or off the licensed premises.

28 Finally, a craft distillery license permits a licensee to
29 manufacture up to 20,000 gallons of distilled alcoholic beverages,
30 which can be sold and distributed to wholesalers and retailers. The
31 license holder can sell the distillery’s products for consumption on
32 the premises to consumers who have toured the distillery. In
33 addition, the distillery can sell its products to consumers for
34 consumption off the premises in a quantity of not more than five
35 liters per person.