

[First Reprint]

ASSEMBLY, No. 2015

STATE OF NEW JERSEY
218th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2018 SESSION

Sponsored by:

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Assemblyman JOSEPH A. LAGANA

District 38 (Bergen and Passaic)

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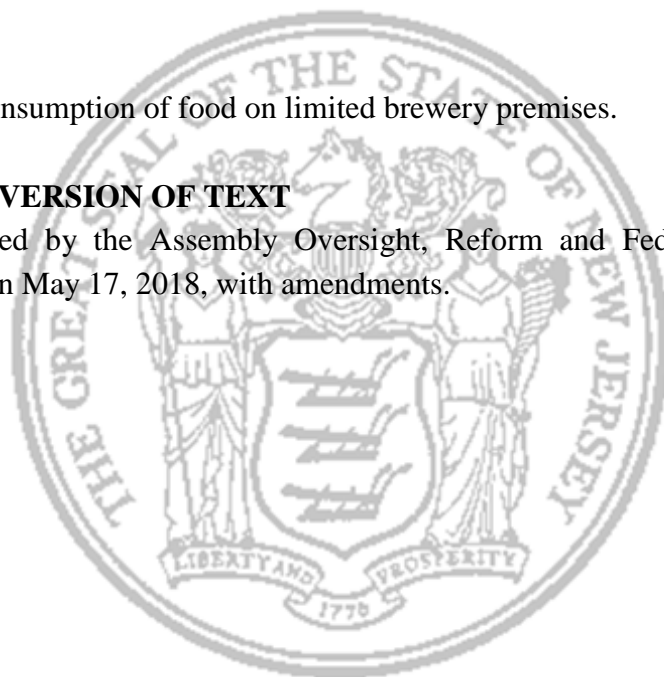
**Assemblywomen N.Munoz, Caride, Assemblyman Johnson,
Assemblywoman Murphy, Assemblyman Calabrese and Assemblywoman
Mosquera**

SYNOPSIS

Allows consumption of food on limited brewery premises.

CURRENT VERSION OF TEXT

As reported by the Assembly Oversight, Reform and Federal Relations
Committee on May 17, 2018, with amendments.



(Sponsorship Updated As Of: 6/8/2018)

1 AN ACT concerning limited breweries and amending R.S.33:1-10.

2

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

5

6 ¹**[**1. R.S.33:1-10 is amended to read as follows:

7 33:1-10. Class A licenses shall be subdivided and classified as
8 follows:

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

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

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

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.

Matter enclosed in superscript numerals has been adopted as follows:

¹Assembly AOF committee amendments adopted May 17, 2018.

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

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

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

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

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

1 held by the holder of the restricted brewery license issued pursuant
2 to this subsection.

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

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

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

1 invoice shall be available for inspection by persons authorized to
2 enforce the alcoholic beverage laws of this State for a minimum
3 period of three years at the licensed premises of the winery. For the
4 purposes of this subsection, "sampling" means the selling at a
5 nominal charge or the gratuitous offering of an open container not
6 exceeding one and one-half ounces of any wine.

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

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

1 to so manufacture less than 1,000 gallons per annum, \$63. No farm
2 winery license shall be held by the holder of a plenary winery
3 license or be situated on a premises licensed as a plenary 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.
18 A 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 Wine blending license. 2c. The holder of this license shall be
35 entitled, subject to rules and regulations, to blend, treat, mix, and
36 bottle fermented wines and fruit juices with non-alcoholic
37 beverages, and to sell and distribute his products to wholesalers and
38 retailers licensed in accordance with this chapter, and to sell and
39 distribute without this State to any persons pursuant to the laws of
40 the places of such sale and distribution, and to maintain a
41 warehouse. The fee for this license shall be \$625.

42 Instructional winemaking facility license. 2d. The holder of this
43 license shall be entitled, subject to rules and regulations, to instruct
44 persons in and provide them with the opportunity to participate
45 directly in the process of winemaking and to directly assist such
46 persons in the process of winemaking while in the process of
47 instruction on the premises of the facility. The holder of this
48 license also shall be entitled to manufacture wine on the premises

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

24 Out-of-State winery license. 2e. Provided that the applicant
25 does not produce more than 250,000 gallons of wine per year, the
26 holder of a valid winery license issued in any other state may make
27 application to the director for this license. The holder of this
28 license shall have the right to sell and distribute his products to
29 wholesalers licensed in accordance with this chapter and to sell
30 such wine at retail in original packages in 16 salesrooms apart from
31 the winery premises for consumption on or off the premises at a fee
32 of \$250 for each salesroom. Licensees shall not jointly control and
33 operate salesrooms. The annual fee for this license shall be \$938.
34 A copy of a current license issued by another state shall accompany
35 the application. The holder of this license also shall have the right
36 to sell and distribute his products to retailers licensed in accordance
37 with this chapter, except that the holder of this license shall not use
38 a common carrier for such distribution. The fee for this additional
39 privilege shall be graduated as follows: a licensee who
40 manufactures more than 150,000 gallons, but not in excess of
41 250,000 gallons per annum, \$1,000; a licensee who manufactures
42 more than 100,000 gallons, but not in excess of 150,000 gallons per
43 annum, \$500; a licensee who manufactures more than 50,000
44 gallons, but not in excess of 100,000 gallons per annum, \$250; a
45 licensee who manufactures 50,000 gallons or less per annum, \$100.
46 Additionally, the holder of this license may ship not more than 12
47 cases of wine per year, subject to regulation, to any person within or
48 without this State over 21 years of age for personal consumption

1 and not for resale. A case of wine shall not exceed a maximum of
2 nine liters. A copy of the original invoice shall be available for
3 inspection by persons authorized to enforce the alcoholic beverage
4 laws of this State for a minimum period of three years at the
5 licensed premises of the winery.

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

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

22 Plenary distillery license. 3a. The holder of this license shall be
23 entitled, subject to rules and regulations, to manufacture any
24 distilled alcoholic beverages and rectify, blend, treat and mix, and
25 to sell and distribute his products to wholesalers and retailers
26 licensed in accordance with this chapter, and to sell and distribute
27 without this State to any persons pursuant to the laws of the places
28 of such sale and distribution, and to maintain a warehouse. The fee
29 for this license shall be \$12,500.

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

40 Supplementary limited distillery license. 3c. The holder of this
41 license shall be entitled, subject to rules and regulations, to bottle
42 and rebottle, in a quantity to be expressed in said license, dependent
43 upon the following fees, alcoholic beverages distilled from fruit
44 juices by such holder pursuant to a prior plenary or limited distillery
45 license, and to sell and distribute his products to wholesalers and
46 retailers licensed in accordance with this chapter, and to sell and
47 distribute without this State to any persons pursuant to the laws of
48 the places of such sale and distribution, and to maintain a

1 warehouse. The fee for this license shall be graduated as follows:
2 to so bottle and rebottle not more than 5,000 wine gallons per
3 annum, \$313; to so bottle and rebottle not more than 10,000 wine
4 gallons per annum, \$625; to so bottle and rebottle without limit as
5 to amount, \$1,250.

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

26 The holder of this license shall not sell food or operate a
27 restaurant on the licensed premises. A holder of this license who
28 certifies that not less than 51% of the raw materials used in the
29 production of distilled alcoholic beverages under this section are
30 grown in this State or purchased from providers located in this State
31 may, consistent with all applicable federal laws and regulations,
32 label these distilled alcoholic beverages as "New Jersey Distilled."
33 The fee for this license shall be \$938.

34 Rectifier and blender license. 4. The holder of this license shall
35 be entitled, subject to rules and regulations, to rectify, blend, treat
36 and mix distilled alcoholic beverages, and to fortify, blend, and
37 treat fermented alcoholic beverages, and prepare mixtures of
38 alcoholic beverages, and to sell and distribute his products to
39 wholesalers and retailers licensed in accordance with this chapter,
40 and to sell and distribute without this State to any persons pursuant
41 to the laws of the places of such sale and distribution, and to
42 maintain a warehouse. The fee for this license shall be \$7,500.

43 Bonded warehouse bottling license. 5. The holder of this license
44 shall be entitled, subject to rules and regulations, to bottle alcoholic
45 beverages in bond on behalf of all persons authorized by federal and
46 State law and regulations to withdraw alcoholic beverages from
47 bond. The fee for this license shall be \$625. This license shall be

1 issued only to persons holding permits to operate Internal Revenue
2 bonded warehouses pursuant to the laws of the United States.

3 The provisions of section 21 of P.L.2003, c.117 amendatory of
4 this section shall apply to licenses issued or transferred on or after
5 July 1, 2003, and to license renewals commencing on or after July
6 1, 2003.

7 (cf: P.L.2013, c.92, s.1)】¹

8

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

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

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

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

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

1 to so brew not more than 100,000 barrels of 31 fluid gallons
2 capacity per annum, \$2,500;
3 to so brew not more than 200,000 barrels of 31 fluid gallons
4 capacity per annum, \$5,000;
5 to so brew not more than 300,000 barrels of 31 fluid gallons
6 capacity per annum, \$7,500.
7 For the purposes of this subsection, "sampling" means the selling
8 at a nominal charge or the gratuitous offering of an open container not
9 exceeding four ounces of any malt alcoholic beverage. For the
10 purposes of this subsection, "product" means any malt alcoholic
11 beverage that is produced on the premises licensed under this
12 subsection. "Direct ownership interest" means the ownership or
13 control of more than 5% of the profits, assets, or stock of a business.
14 Restricted brewery license. 1c. The holder of this license shall
15 be entitled, subject to rules and regulations, to brew any malt alcoholic
16 beverages in a quantity to be expressed in such license not in excess of
17 10,000 barrels of 31 gallons capacity per year. Notwithstanding the
18 provisions of R.S.33:1-26, the director shall issue a restricted brewery
19 license only to a person or an entity which has identical ownership to
20 an entity which holds a plenary retail consumption license issued
21 pursuant to R.S.33:1-12, provided that such plenary retail consumption
22 license is operated in conjunction with a restaurant regularly and
23 principally used for the purpose of providing meals to its customers
24 and having adequate kitchen and dining room facilities, and that the
25 licensed restaurant premises is immediately adjoining the premises
26 licensed under this subsection. The holder of this license shall be
27 entitled to sell or deliver the product to that restaurant premises. The
28 holder of this license also shall be entitled to sell and distribute the
29 product to wholesalers licensed in accordance with this chapter. The
30 fee for this license shall be \$1,250, which fee shall entitle the holder to
31 brew up to 1,000 barrels of 31 liquid gallons per annum. The licensee
32 also shall pay an additional \$250 for every additional 1,000 barrels of
33 31 fluid gallons produced. The fee shall be paid at the time of
34 application for the license, and additional payments based on barrels
35 produced shall be paid within 60 days following the expiration of the
36 license term upon certification by the licensee of the actual gallons
37 brewed during the license term. No more than 10 restricted brewery
38 licenses shall be issued to a person or entity which holds an interest in
39 a plenary retail consumption license. If the governing body of the
40 municipality in which the licensed premises will be located should file
41 a written objection, the director shall hold a hearing and may issue the
42 license only if the director finds that the issuance of the license will
43 not be contrary to the public interest. All fees related to the issuance
44 of both licenses shall be paid in accordance with statutory law. The
45 provisions of this subsection shall not be construed to limit or restrict
46 the rights and privileges granted by the plenary retail consumption
47 license held by the holder of the restricted brewery license issued
48 pursuant to this 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 the
3 licensed premises pursuant to an annual permit issued by the director.

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

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

1 selling at a nominal charge or the gratuitous offering of an open
2 container not exceeding one and one-half ounces of any wine.

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

15 Farm winery license. 2b. The holder of this license shall be
16 entitled, subject to rules and regulations, to manufacture any fermented
17 wines and fruit juices in a quantity to be expressed in said license,
18 dependent upon the following fees and not in excess of 50,000 gallons
19 per year and to sell and distribute his products to wholesalers and
20 retailers licensed in accordance with this chapter and to churches for
21 religious purposes and to sell and distribute without this State to any
22 persons pursuant to the laws of the places of such sale and distribution,
23 and to maintain a warehouse and to sell at retail to consumers for
24 consumption on or off the licensed premises and to offer samples for
25 sampling purposes only. The license shall be issued only when the
26 winery at which such fermented wines and fruit juices are
27 manufactured is located and constructed upon a tract of land
28 exclusively under the control of the licensee, provided that the licensee
29 is actively engaged in growing and cultivating an area of not less than
30 three acres on or adjacent to the winery premises and on which are
31 growing grape vines or fruit to be processed into wine or fruit juice;
32 and provided, further, that for the first five years of the operation of
33 the winery such fermented wines and fruit juices shall be
34 manufactured from at least 51 percent grapes or fruit grown in the
35 State and that thereafter they shall be manufactured from grapes or
36 fruit grown in this State at least to the extent required for labeling as
37 "New Jersey Wine" under the applicable federal laws and regulations.
38 The containers of all wine sold to consumers by such licensee shall
39 have affixed a label stating such information as shall be required by
40 the rules and regulations of the Director of the Division of Alcoholic
41 Beverage Control. The fee for this license shall be graduated as
42 follows: to so manufacture between 30,000 and 50,000 gallons per
43 annum, \$375; to so manufacture between 2,500 and 30,000 gallons per
44 annum, \$250; to so manufacture between 1,000 and 2,500 gallons per
45 annum, \$125; to so manufacture less than 1,000 gallons per annum,
46 \$63. No farm winery license shall be held by the holder of a plenary
47 winery license or be situated on a premises licensed as a plenary
48 winery.

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

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

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

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

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

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

42 Instructional winemaking facility license. 2d. The holder of
43 this license shall be entitled, subject to rules and regulations, to
44 instruct persons in and provide them with the opportunity to participate
45 directly in the process of winemaking and to directly assist such
46 persons in the process of winemaking while in the process of
47 instruction on the premises of the facility. The holder of this license
48 also shall be entitled to manufacture wine on the premises not in

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

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

25 Out-of-State winery license. 2e. Provided that the applicant
26 does not produce more than 250,000 gallons of wine per year, the
27 holder of a valid winery license issued in any other state may make
28 application to the director for this license. The holder of this license
29 shall have the right to sell and distribute his products to wholesalers
30 licensed in accordance with this chapter and to sell such wine at retail
31 in original packages in 16 salesrooms apart from the winery premises
32 for consumption on or off the premises at a fee of \$250 for each
33 salesroom. Licensees shall not jointly control and operate salesrooms.
34 The annual fee for this license shall be \$938. A copy of a current
35 license issued by another state shall accompany the application. The
36 holder of this license also shall have the right to sell and distribute his
37 products to retailers licensed in accordance with this chapter, except
38 that the holder of this license shall not use a common carrier for such
39 distribution. The fee for this additional privilege shall be graduated as
40 follows: a licensee who manufactures more than 150,000 gallons, but
41 not in excess of 250,000 gallons per annum, \$1,000; a licensee who
42 manufactures more than 100,000 gallons, but not in excess of 150,000
43 gallons per annum, \$500; a licensee who manufactures more than
44 50,000 gallons, but not in excess of 100,000 gallons per annum, \$250;
45 a licensee who manufactures 50,000 gallons or less per annum, \$100.
46 Additionally, the holder of this license may ship not more than 12
47 cases of wine per year, subject to regulation, to any person within or
48 without this State over 21 years of age for personal consumption and

1 not for resale. A case of wine shall not exceed a maximum of nine
2 liters. A copy of the original invoice shall be available for inspection
3 by persons authorized to enforce the alcoholic beverage laws of this
4 State for a minimum period of three years at the licensed premises of
5 the winery.

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

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

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

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

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

46 The holder of this license shall be entitled to manufacture not more
47 than 250,000 gallons of mead per year. The holder of this license may
48 ship not more than 12 cases of mead per year, subject to regulation, to

1 any person within or without this State over 21 years of age for
2 personal consumption and not for resale. A case of mead shall not
3 exceed a maximum of nine liters. A copy of the original invoice shall
4 be available for inspection by persons authorized to enforce the
5 alcoholic beverage laws of this State for a minimum period of three
6 years at the licensed premises. As used in this subsection:

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

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

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

20 Plenary distillery license. 3a. The holder of this license shall be
21 entitled, subject to rules and regulations, to manufacture any distilled
22 alcoholic beverages and rectify, blend, treat and mix, and to sell and
23 distribute his products to wholesalers and retailers licensed in
24 accordance with this chapter, and to sell and distribute without this
25 State to any persons pursuant to the laws of the places of such sale and
26 distribution, and to maintain a warehouse. The fee for this license
27 shall be \$12,500.

28 Limited distillery license. 3b. The holder of this license shall be
29 entitled, subject to rules and regulations, to manufacture and bottle any
30 alcoholic beverages distilled from fruit juices and rectify, blend, treat,
31 mix, compound with wine and add necessary sweetening and flavor to
32 make cordial or liqueur, and to sell and distribute to wholesalers and
33 retailers licensed in accordance with this chapter, and to sell and
34 distribute without this State to any persons pursuant to the laws of the
35 places of such sale and distribution and to warehouse these products.
36 The fee for this license shall be \$3,750.

37 Supplementary limited distillery license. 3c. The holder of this
38 license shall be entitled, subject to rules and regulations, to bottle and
39 rebottle, in a quantity to be expressed in said license, dependent upon
40 the following fees, alcoholic beverages distilled from fruit juices by
41 such holder pursuant to a prior plenary or limited distillery license, and
42 to sell and distribute his products to wholesalers and retailers licensed
43 in accordance with this chapter, and to sell and distribute without this
44 State to any persons pursuant to the laws of the places of such sale and
45 distribution, and to maintain a warehouse. The fee for this license
46 shall be graduated as follows: to so bottle and rebottle not more than
47 5,000 wine gallons per annum, \$313; to so bottle and rebottle not more

1 than 10,000 wine gallons per annum, \$625; to so bottle and rebottle
2 without limit as to amount, \$1,250.

3 Craft distillery license. 3d. The holder of this license shall be
4 entitled, subject to rules and regulations, to manufacture not more than
5 20,000 gallons of distilled alcoholic beverages, to rectify, blend, treat
6 and mix distilled alcoholic beverages, to sell and distribute this
7 product to wholesalers and retailers licensed in accordance with this
8 chapter, and to sell and distribute without this State to any persons
9 pursuant to the laws of the places of such sale and distribution, and to
10 maintain a warehouse. The holder of this license shall be entitled to
11 sell this product at retail to consumers on the licensed premises of the
12 distillery for consumption on the premises, but only in connection with
13 a tour of the distillery, and for consumption off the premises in a
14 quantity of not more than five liters per person. In addition, the holder
15 of this license may offer any person not more than three samples per
16 calendar day for sampling purposes only. For the purposes of this
17 subsection, "sampling" means the gratuitous offering of an open
18 container not exceeding one-half ounce serving of distilled alcoholic
19 beverage produced on the distillery premises. Nothing in this
20 subsection shall be deemed to permit the direct shipment of distilled
21 spirits either within or without this State.

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

30 Rectifier and blender license. 4. The holder of this license shall
31 be entitled, subject to rules and regulations, to rectify, blend, treat and
32 mix distilled alcoholic beverages, and to fortify, blend, and treat
33 fermented alcoholic beverages, and prepare mixtures of alcoholic
34 beverages, and to sell and distribute his products to wholesalers and
35 retailers licensed in accordance with this chapter, and to sell and
36 distribute without this State to any persons pursuant to the laws of the
37 places of such sale and distribution, and to maintain a warehouse. The
38 fee for this license shall be \$7,500.

39 Bonded warehouse bottling license. 5. The holder of this license
40 shall be entitled, subject to rules and regulations, to bottle alcoholic
41 beverages in bond on behalf of all persons authorized by federal and
42 State law and regulations to withdraw alcoholic beverages from bond.
43 The fee for this license shall be \$625. This license shall be issued only
44 to persons holding permits to operate Internal Revenue bonded
45 warehouses pursuant to the laws of the United States.

46 The provisions of section 21 of P.L.2003, c.117 amendatory of this
47 section shall apply to licenses issued or transferred on or after July 1,

- 1 2003, and to license renewals commencing on or after July 1, 2003.¹
- 2 (cf: P.L.2017, c.80, s.1)
- 3
- 4 2. This act shall take effect immediately.