

ASSEMBLY, No. 5524

STATE OF NEW JERSEY 218th LEGISLATURE

INTRODUCED JUNE 6, 2019

Sponsored by:

Assemblyman LOUIS D. GREENWALD

District 6 (Burlington and Camden)

Assemblyman JOHN J. BURZICHELLI

District 3 (Cumberland, Gloucester and Salem)

Assemblyman RAJ MUKHERJI

District 33 (Hudson)

Co-Sponsored by:

Assemblyman Calabrese

SYNOPSIS

Establishes advisory council for the brewery, cidery, meadery, and distillery industries in NJ and provides for funding through certain alcoholic beverage tax receipts.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 6/28/2019)

1 AN ACT concerning the promotion of the brewery, cidery, meadery,
2 and distillery industries in the State and supplementing Title 33
3 of the Revised Statutes.

4

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

7

8 1. As used in P.L. , c. (C.) (pending before the
9 Legislature as this bill):

10 "Account" means the New Jersey Brewery, Cidery, Meadery,
11 and Distillery Industry Promotion Account established pursuant to
12 section 2 of P.L. , c. (C.) (pending before the Legislature as
13 this bill).

14 "Advisory council" means the New Jersey Brewery, Cidery,
15 Meadery, and Distillery Industry Advisory Council established
16 pursuant to section 3 of P.L. , c. (C.) (pending before the
17 Legislature as this bill).

18 "Beer" means beer, lager beer, ale, stout, porter, and all similar
19 fermented malt beverages having an alcoholic content of one-half of
20 one percent (1/2 of 1%) or more by volume.

21 "Chief executive officer" means the Chief Executive Officer of
22 the New Jersey Economic Development Authority.

23 "Department" means the Department of State.

24 "Division" means the Division of Travel and Tourism in the
25 Department of State.

26 "Executive director" means Executive Director of the Division of
27 Travel and Tourism in the Department of State.

28 "Cider" means a beverage made from the alcoholic fermentation of
29 the juice of apples, including but not limited to flavored, sparkling
30 or carbonated cider.

31 "Liquors" means all distilled or rectified spirits, alcohol, brandy,
32 whisky, rum, gin and all similar distilled alcoholic beverages,
33 including all dilutions and mixtures of one or more of the foregoing,
34 such as liqueurs, cordials, and similar compounds, having an
35 alcoholic content of one-half of one percent (1/2 of 1%) or more by
36 volume.

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

43 "Qualifying licensee" means a person or entity that holds a
44 limited brewery license, a restricted brewery license, a cidery and
45 meadery license, or a craft distillery license issued pursuant to
46 R.S.33:1-10.

1 2. a. There is established in the Division of Travel and
2 Tourism in the Department of State the "New Jersey Brewery,
3 Cidery, Meadery, and Distillery Industry Promotion Account." All
4 monies received in this account shall be expended by the executive
5 director for research and development concerning the brewery,
6 cidery, meadery, and distillery industries in the State and for the
7 promotion of New Jersey's brewery, cidery, meadery, and distillery
8 industries, consistent with the recommendations of the advisory
9 council created pursuant to section 3 of P.L. , c. (C.)
10 (pending before the Legislature as this bill).

11 b. The account shall be credited annually, in an appropriation
12 by law, with an amount equal to 50 percent of the receipts from the
13 per gallon tax, as provided for pursuant to R.S.54:43-1, imposed on
14 all sales of beer, cider, mead, and liquors sold by a qualifying
15 licensee during the preceding taxable year.

16 c. The account shall also be credited with any monies made
17 available to it from the General Fund or any non-State public or
18 private source.

19 d. The Secretary of State shall include with the annual budget
20 request for the department a request for funds sufficient to carry out
21 the purposes and intent of P.L. , c. (C.) (pending before the
22 Legislature as this bill).

23
24 3. a. There is established in the division the "New Jersey
25 Brewery, Cidery, Meadery, and Distillery Industry Advisory
26 Council," comprising seven members, one of whom shall be the
27 executive director and one of whom shall be the Chief Executive
28 Officer of the New Jersey Economic Development Authority, or
29 their respective designees, who shall serve ex officio and as
30 nonvoting members, and five public members to be appointed by
31 the Secretary of State, following consultation with the executive
32 director and chief executive officer, two of whom shall be
33 representatives of the brewery industry, one of whom shall be a
34 representative of the cidery industry, one of whom shall be a
35 representative of the meadery industry, and one of whom shall be a
36 representative of the distillery industry. To the maximum extent
37 practicable and feasible, the members appointed from the general
38 public shall be chosen so as to collectively provide wide
39 geographical representation. The members appointed from the
40 general public shall serve for terms of three years and may be
41 reappointed and may serve until a successor has been appointed. Of
42 the public members first appointed, the representatives of the
43 brewery industry shall be appointed for terms of three years, the
44 representatives of the cidery and distillery industries shall be
45 appointed for terms of two years, and the representative of the
46 meadery industry shall be appointed for a term of one year. A
47 vacancy in the membership occurring other than by expiration of a
48 term shall be filled in the same manner as the original appointment

1 for the remainder of the unexpired term. The members of the
2 advisory council shall serve without compensation, but the advisory
3 council may, within the limits of funds appropriated or otherwise
4 made available to it, reimburse members for actual expenses
5 necessarily incurred in the discharge of their official duties.

6 b. The advisory council shall organize as soon as its
7 membership has been appointed and shall select a chairman and
8 vice-chairman from among its members and may select a secretary,
9 who need not be a member of the advisory council. The advisory
10 council shall meet twice annually, and at other times as determined
11 by the advisory council.

12 c. It shall be the duty of the advisory council to assess the
13 condition of the brewery, cidery, meadery, and distillery industries
14 of the State and to advise the executive director on expenditures
15 from the account for research, development, and promotion of the
16 New Jersey brewery, cidery, meadery, and distillery industries.

17 d. The advisory council is entitled to call to its assistance and
18 avail itself of the services of such employees of any State, county or
19 municipal department, board, bureau, commission, or agency as it
20 may require and as may be available to it for these purposes.

21 e. The advisory council shall promulgate rules and regulations
22 subject to the approval of the Secretary of State to effectuate the
23 purposes of P.L. , c. (C.) (pending before the Legislature as
24 this bill). The advisory council may employ, prescribe the duties,
25 and fix and pay the compensation of such persons it may deem
26 necessary to carry out the duties of the advisory council within the
27 limits of available appropriations and subject to the approval of the
28 Secretary of State.

29

30 4. The Director of the Division of Taxation shall certify by
31 March 1 annually to the advisory council the taxable volume of
32 beer, cider, mead, and liquors sold by qualifying licensees during
33 the preceding taxable year.

34

35 5. This act shall take effect immediately.

36

37

38

STATEMENT

39

40 This bill establishes the “New Jersey Brewery, Cidery, Meadery,
41 and Distillery Industry Advisory Council” (advisory council), and
42 provides for funding through certain alcoholic beverage tax
43 receipts.

44 The advisory council is to comprise seven members, including
45 the Executive Director of the Division of Travel and Tourism
46 (executive director) in the Department of State and Chief Executive
47 Officer of the New Jersey Economic Development Authority, or
48 their designees, and five public members to be appointed by the

1 Secretary of State for terms of three years, following consultation
2 with the executive director and chief executive officer, two of
3 whom shall be representatives of the brewery industry, one of
4 whom shall be a representative of the cidery industry, one of whom
5 shall be a representative of the meadery industry, and one of whom
6 shall be a representative of the distillery industry. The members of
7 the advisory council are to serve without compensation, but may be
8 reimbursed for certain expenses. The advisory council is to meet
9 twice annually and at other times as determined by the advisory
10 council. The advisory council is to assess the condition of the
11 brewery, cidery, meadery, and distillery industries of the State

12 The bill also establishes a "New Jersey Brewery, Cidery,
13 Meadery, and Distillery Industry Promotion Account" (account).
14 All monies received in this account are to be expended by the
15 executive director for research and development concerning the
16 brewery, cidery, meadery, and distillery industries in the State and
17 for the promotion of New Jersey's brewery, cidery, meadery, and
18 distillery industries, consistent with the recommendations of the
19 advisory council. The bill provides that the account is to be
20 credited annually, in an appropriation by law, with an amount equal
21 to 50 percent of the receipts from the per gallon tax imposed on all
22 sales of beer, cider, mead, and liquors sold by breweries, cideries,
23 meaderies, and distilleries in this State, and any other monies made
24 available to it. The bill also requires the Secretary of State to
25 include with the annual budget request for the Department of State a
26 request for funds sufficient to carry out the purposes and intent of
27 the bill. The advisory council is to advise the executive director on
28 expenditures from the account for research, development, and
29 promotion of the New Jersey brewery, cidery, meadery, and
30 distillery industries.

31 The bill further requires the Director of the Division of Taxation
32 to certify by March 1 annually to the advisory council the taxable
33 volume of beer, cider, mead, and liquors sold by qualifying
34 licensees during the preceding taxable year.