ASSEMBLY, No. 5267

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED JANUARY 25, 2021

Sponsored by:
Assemblyman JOHN J. BURZICHELLI
District 3 (Cumberland, Gloucester and Salem)

SYNOPSIS

Permits certain licensees to acquire alcoholic beverage license from retail food store that is bankruptcy asset.

CURRENT VERSION OF TEXT

As introduced.

AN ACT concerning alcoholic beverage licenses, supplementing Title 33 of the Revised Statutes, and amending P.L.1962, c.152.

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

1. (New section) a. For the purposes of this act:

"Retail food store" means any retail establishment where groceries and other foodstuffs are regularly and customarily sold in a bona fide manner for off premises consumption and constitute at least 65 percent of the store's total annual sales in dollars.

"Groceries and other foodstuffs" means dairy products; meat and delicatessen products; produce products; seafood products; carbonated beverages; coffee and other beverages; snack foods; candy products; baked products; paper products; household cleaning items; health and beauty products; frozen foods; pet foods and supplies; and any other edible product not previously listed.

b. The provisions of section 1 of P.L.1962, c.152 (C.33:1-12.31) shall not apply to the acquisition of an additional plenary retail distribution license or an interest therein when that license was used in connection with a retail food store that was an asset in bankruptcy pursuant to Chapter 7 of the federal Bankruptcy Code, 11 U.S.C. s.701 et seq. or Chapter 11 of the federal Bankruptcy Code, 11 U.S.C. s.1101 et seq. and is transferred for use in connection with another retail food store.

2. Section 1 of P.L.1962, c.152 (C.33:1-12.31) is amended to read as follows:

1. a. On and after the effective date of **[**this act no**]** P.L.1962, c. 152 (C.33:1-12.31) et seq. , a person **[**,**]** as **[**the same is**]** defined in R.S. 33:1-1 **[**,**]** shall not, except as hereinafter provided, acquire a beneficial interest in more than a total of two alcoholic beverage retail licenses, but nothing herein shall require any such person who has, on August 3, 1962, such an interest in more than two such licenses to surrender, dispose of, or release his interest in any such license or licenses.

b. The provisions of subsection a. of this section shall not apply to a license acquired pursuant to section 1 of P.L. , c. (C.) (pending before the Legislature as this bill) that is used in connection with a retail food store.

(cf: P.L.1962, c.152, s.1)

3. This act shall take effect immediately and be retroactive to the first day of the 37th month prior to the date of enactment.

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.

STATEMENT

This bill allows a person to hold more than two plenary retail distribution licenses when the additional license or an interest therein was used in connection with a retail food store that was an asset in bankruptcy and is transferred for use in connection with another retail food store.

A plenary retail distribution license is generally issued to retail liquor or food stores and allows the licensee to sell any alcoholic beverage for consumption off the licensed premises. Current law prohibits any person or corporate entity from holding more than two plenary retail distribution licenses to sell alcoholic beverages. This bill waives this two license limitation when an additional license is acquired from a retail food store that was an asset in a bankruptcy proceeding and the license is transferred for use in connection with another retail food store.

The bill's effective date is retroactive to three years prior to the bill's enactment.