

SENATE, No. 72

STATE OF NEW JERSEY 219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:

Senator CHRISTOPHER "KIP" BATEMAN

District 16 (Hunterdon, Mercer, Middlesex and Somerset)

Senator VIN GOPAL

District 11 (Monmouth)

SYNOPSIS

Establishes farm brewery and winery-brewery beverage license and permits farm wineries to produce hard cider.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



(Sponsorship Updated As Of: 2/10/2020)

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

3

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

6

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

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

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

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

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

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

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

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

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

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

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

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

11 Farm brewery license. 1d. The holder of this license shall be
12 entitled, subject to rules and regulations, to brew any malt alcoholic
13 beverages in a quantity to be expressed in the license not in excess of
14 2,000 barrels of 31 fluid gallons per year and to maintain a warehouse
15 and to sell products to consumers for consumption off the licensed
16 premises and to offer samples for sampling purposes only. The license
17 shall be issued only when the brewery at which such malt alcoholic
18 beverages are brewed is located and constructed upon a tract of land
19 exclusively under the control of the licensee, provided the licensee is
20 actively engaged in farming on or adjacent to the brewery premises
21 and is growing and cultivating hops or another product which is used
22 in the production of the malt alcoholic beverages. The fee for this
23 license shall be graduated as follows: to manufacture between 1,200
24 and 2,000 barrels per year, \$300; to manufacture between 100 and
25 1,199 barrels per year, \$200; to manufacture fewer than 100 barrels per
26 year, \$100. For purposes of this subsection, "sampling" means the
27 selling at a nominal charge or the gratuitous offering of an open
28 container not exceeding one and one-half ounces of a malt alcoholic
29 beverage. No individual or entity shall hold more than one farm
30 brewery license.

31 Plenary winery license. 2a. Provided that the holder is engaged
32 in growing and cultivating grapes or fruit used in the production of
33 wine on at least three acres on, or adjacent to, the winery premises,
34 the holder of this license shall be entitled, subject to rules and
35 regulations, to produce any fermented wines, and to blend, fortify
36 and treat wines, and to sell and distribute his products to
37 wholesalers licensed in accordance with this chapter and to
38 churches for religious purposes, and to sell and distribute without
39 this State to any persons pursuant to the laws of the places of such
40 sale and distribution, and to maintain a warehouse, and to sell his
41 products at retail to consumers on the licensed premises of the
42 winery for consumption on or off the premises and to offer samples
43 for sampling purposes only. The fee for this license shall be \$938.
44 A holder of this license who produces not more than 250,000
45 gallons per year shall also have the right to sell and distribute his
46 products to retailers licensed in accordance with this chapter, except
47 that the holder of this license shall not use a common carrier for
48 such distribution. The fee for this additional privilege shall be

1 graduated as follows: a licensee who manufactures more than
2 150,000 gallons, but not in excess of 250,000 gallons per annum,
3 \$1,000; a licensee who manufactures more than 100,000 gallons,
4 but not in excess of 150,000 gallons per annum, \$500; a licensee
5 who manufactures more than 50,000 gallons, but not in excess of
6 100,000 gallons per annum, \$250; a licensee who manufactures
7 50,000 gallons or less per annum, \$100. A holder of this license
8 who produces not more than 250,000 gallons per year shall have the
9 right to sell such wine at retail in original packages in 15
10 salesrooms apart from the winery premises for consumption on or
11 off the premises and for sampling purposes for consumption on the
12 premises, at a fee of \$250 for each salesroom. Licensees shall not
13 jointly control and operate salesrooms. Additionally, the holder of
14 this license who produces not more than 250,000 gallons per year
15 may ship not more than 12 cases of wine per year, subject to
16 regulation, to any person within or without this State over 21 years
17 of age for personal consumption and not for resale. A case of wine
18 shall not exceed a maximum of nine liters. A copy of the original
19 invoice shall be available for inspection by persons authorized to
20 enforce the alcoholic beverage laws of this State for a minimum
21 period of three years at the licensed premises of the winery. For the
22 purposes of this subsection, "sampling" means the selling at a
23 nominal charge or the gratuitous offering of an open container not
24 exceeding one and one-half ounces of any 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. In addition, a holder of this
29 license who produces more than 250,000 gallons per year shall not
30 own, either in whole or in part, or hold, either directly or indirectly,
31 any interest in a winery that produces not more than 250,000
32 gallons per year. For the purposes of this subsection, "product"
33 means any wine that is produced, blended, fortified, or treated by
34 the licensee on its licensed premises situated in the State of New
35 Jersey.

36 Farm winery license. 2b. The holder of this license shall be
37 entitled, subject to rules and regulations, to manufacture any
38 fermented wines ~~and~~, fruit juices, and fermented ciders with an
39 alcohol content which exceeds regulated levels, in a quantity to be
40 expressed in said license, dependent upon the following fees and
41 not in excess of 50,000 gallons per year and to sell and distribute
42 his products to wholesalers and retailers licensed in accordance
43 with this chapter and to churches for religious purposes and to sell
44 and distribute without this State to any persons pursuant to the laws
45 of the places of such sale and distribution, and to maintain a
46 warehouse and to sell at retail to consumers for consumption on or
47 off the licensed premises and to offer samples for sampling
48 purposes only. The license shall be issued only when the winery at

1 which such fermented wines ~~and~~, fruit juices, and fermented
2 ciders are manufactured is located and constructed upon a tract of
3 land exclusively under the control of the licensee, provided that the
4 licensee is actively engaged in growing and cultivating an area of
5 not less than three acres on or adjacent to the winery premises and
6 on which are growing grape vines or fruit to be processed into wine
7 ~~or~~ fruit juice, and fermented ciders; and provided, further, that for
8 the first five years of the operation of the winery such fermented
9 wines ~~and~~, fruit juices, and fermented ciders shall be
10 manufactured from at least 51% grapes or fruit grown in the State
11 and that thereafter ~~they~~ the wine, fruit juice, and fermented cider
12 shall be manufactured from grapes or fruit grown in this State at
13 least to the extent required for labeling as "New Jersey Wine" under
14 the applicable federal laws and regulations. The containers of all
15 wine sold to consumers by such licensee shall have affixed a label
16 stating such information as shall be required by the rules and
17 regulations of the Director of the Division of Alcoholic Beverage
18 Control. The fee for this license shall be graduated as follows: to so
19 manufacture between 30,000 and 50,000 gallons per annum, \$375;
20 to so manufacture between 2,500 and 30,000 gallons per annum,
21 \$250; to so manufacture between 1,000 and 2,500 gallons per
22 annum, \$125; to so manufacture less than 1,000 gallons per annum,
23 \$63. No farm winery license shall be held by the holder of a
24 plenary winery license or be situated on a premises licensed as a
25 plenary winery.

26 The holder of this license shall also have the right to sell and
27 distribute his products to retailers licensed in accordance with this
28 chapter, except that the holder of this license shall not use a
29 common carrier for such distribution. The fee for this additional
30 privilege shall be \$100. The holder of this license shall have the
31 right to sell his products in original packages at retail to consumers
32 in 15 salesrooms apart from the winery premises for consumption
33 on or off the premises, and for sampling purposes for consumption
34 on the premises, at a fee of \$250 for each salesroom. Licensees
35 shall not jointly control and operate salesrooms. Additionally, the
36 holder of this license may ship not more than 12 cases of wine per
37 year, subject to regulation, to any person within or without this
38 State over 21 years of age for personal consumption and not for
39 resale. A case of wine shall not exceed a maximum of nine liters.
40 A copy of the original invoice shall be available for inspection by
41 persons authorized to enforce the alcoholic beverage laws of this
42 State for a minimum period of three years at the licensed premises
43 of the winery. For the purposes of this subsection, "sampling"
44 means the selling at a nominal charge or the gratuitous offering of
45 an open container not exceeding one and one-half ounces of any
46 wine or fermented cider.

47 A holder of this license who produces not more than 250,000
48 gallons per year shall not own, either in whole or in part, or hold,

1 either directly or indirectly, any interest in a winery that produces
2 more than 250,000 gallons per year.

3 Unless otherwise indicated, for the purposes of this subsection,
4 with respect to farm winery licenses, "manufacture" means the
5 vinification, aging, storage, blending, clarification, stabilization and
6 bottling of wine **【or】** , juice, or fermented cider from New Jersey
7 fruit to the extent required by this subsection.

8 Wine blending license. 2c. The holder of this license shall be
9 entitled, subject to rules and regulations, to blend, treat, mix, and
10 bottle fermented wines and fruit juices with non-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. The fee for this license shall be \$625.

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

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

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

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

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

44 Winery-brewery sublicense. 2f. The holder of a plenary winery
45 license or a farm winery license, provided that the licensee is
46 engaged in farming on or adjacent to the winery premises and is
47 growing and cultivating hops or another product used in the
48 production of malt alcoholic beverages, shall be entitled, subject to

1 rules and regulations, to brew any malt alcoholic beverages in a
2 quantity expressed in the license not in excess of 3,000 barrels of 31
3 fluid gallons capacity per year. The fee for this sublicense shall be
4 \$750. The holder of this sublicense shall be entitled to maintain a
5 warehouse and to sell his products at retail to consumers for
6 consumption off the licensed premises and to offer samples for
7 sampling purposes only. For purposes of this subsection,
8 “sampling” means the selling at a nominal charge or the gratuitous
9 offering of an open container not exceeding one and one-half
10 ounces of any malt alcoholic beverage. No individual or entity
11 shall hold more than one winery-brewery sublicense.

12 Plenary distillery license. 3a. The holder of this license shall be
13 entitled, subject to rules and regulations, to manufacture any
14 distilled alcoholic beverages and rectify, blend, treat and mix, and
15 to sell and distribute his products to wholesalers and retailers
16 licensed in accordance with this chapter, and to sell and distribute
17 without this State to any persons pursuant to the laws of the places
18 of such sale and distribution, and to maintain a warehouse. The fee
19 for this license shall be \$12,500.

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

30 Supplementary limited distillery license. 3c. The holder of this
31 license shall be entitled, subject to rules and regulations, to bottle
32 and rebottle, in a quantity to be expressed in said license, dependent
33 upon the following fees, alcoholic beverages distilled from fruit
34 juices by such holder pursuant to a prior plenary or limited distillery
35 license, and to sell and distribute his products to wholesalers and
36 retailers licensed in accordance with this chapter, and to sell and
37 distribute without this State to any persons pursuant to the laws of
38 the places of such sale and distribution, and to maintain a
39 warehouse. The fee for this license shall be graduated as follows:
40 to so bottle and rebottle not more than 5,000 wine gallons per
41 annum, \$313; to so bottle and rebottle not more than 10,000 wine
42 gallons per annum, \$625; to so bottle and rebottle without limit as
43 to amount, \$1,250.

44 Craft distillery license. 3d. The holder of this license shall be
45 entitled, subject to rules and regulations, to manufacture not more
46 than 20,000 gallons of distilled alcoholic beverages, to rectify,
47 blend, treat and mix distilled alcoholic beverages, to sell and
48 distribute this product to wholesalers and retailers licensed in

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

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

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

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

40 The provisions of section 21 of P.L.2003, c.117 amendatory of
41 this section shall apply to licenses issued or transferred on or after
42 July 1, 2003, and to license renewals commencing on or after July
43 1, 2003.

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

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46 2. This act shall take effect on the first day of the fourth month
47 following enactment.

STATEMENT

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This bill amends R.S.33:1-10 to: (1) establish a winery-brewery sublicense that would permit wineries to produce malt alcoholic beverages for retail sale to consumers for consumption off the licensed premises; (2) authorize farm wineries to produce fermented alcoholic cider, commonly called “hard cider”; and (3) establish a farm brewery license that would permit farm breweries to produce malt alcoholic beverages for retail sale to consumers for consumption off the licensed premises.

A farm brewery would operate in much the same manner as a farm winery, using locally grown farm products in brewing malt beverages which would be sold at the farm. A licensee would be required to be actively engaged in farming on or adjacent to the brewery site and to be actively cultivating hops or other products used in the production of the malt alcoholic beverages.

A farm brewery licensee would be permitted to brew up to 2,000 barrels of malt alcoholic beverages a year for retail sale for consumption off the premises and to offer samples. A graduated license based on volume would range in cost from \$100 to \$300 a year. A single individual or entity would be permitted to hold only one farm brewery license.

The winery-brewery sublicense established by the bill would be available to plenary and farm winery licensees, provided they are actively engaged in farming on or adjacent to the winery premises and are growing and cultivating hops or another product used in the production of the malt alcoholic beverages.

Under the provisions of the bill, the holder of a winery-brewery sublicense would be permitted to brew up to 3,000 barrels of malt beverages a year and to sell this product at retail for off premises consumption and to offer samples. The bill does not authorize a licensee to sell any malt alcoholic beverages to wholesalers and retailers. The annual fee for this sublicense would be \$750.

A winery-brewery licensee would be permitted to hold only one such sublicense under the bill.