

SENATE, No. 1595

STATE OF NEW JERSEY
219th LEGISLATURE

INTRODUCED FEBRUARY 13, 2020

Sponsored by:

Senator JAMES BEACH

District 6 (Burlington and Camden)

SYNOPSIS

Makes various changes to law governing winery salesrooms.

CURRENT VERSION OF TEXT

As introduced.



1 **AN ACT** concerning winery salesrooms, amending R.S.33:1-10, and
2 supplementing Title 33 of the Revised Statutes.

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.

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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 shall
43 be paid in accordance with statutory law. The provisions of this
44 subsection shall not be construed to limit or restrict the rights and
45 privileges granted by the plenary retail consumption license held by
46 the holder of the restricted brewery license issued pursuant to this
47 subsection.

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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 Plenary winery license. 2a. Provided that the holder is engaged
12 in growing and cultivating grapes or fruit used in the production of
13 wine on at least three acres on, or adjacent to, the winery premises,
14 the holder of this license shall be entitled, subject to rules and
15 regulations, to produce any fermented wines, and to blend, fortify
16 and treat wines, and to sell and distribute his products to
17 wholesalers licensed in accordance with this chapter and to
18 churches for religious purposes, and to sell and distribute without
19 this State to any persons pursuant to the laws of the places of such
20 sale and distribution, and to maintain a warehouse, and to sell his
21 products at retail to consumers on the licensed premises of the
22 winery for consumption on or off the premises and to offer samples
23 for sampling purposes only. The fee for this license shall be \$938.
24 A holder of this license who produces not more than 250,000
25 gallons per year shall also have the right to sell and distribute his
26 products to retailers licensed in accordance with this chapter, except
27 that the holder of this license shall not use a common carrier for
28 such distribution. The fee for this additional privilege shall be
29 graduated as follows: a licensee who manufactures more than
30 150,000 gallons, but not in excess of 250,000 gallons per annum,
31 \$1,000; a licensee who manufactures more than 100,000 gallons,
32 but not in excess of 150,000 gallons per annum, \$500; a licensee
33 who manufactures more than 50,000 gallons, but not in excess of
34 100,000 gallons per annum, \$250; a licensee who manufactures
35 50,000 gallons or less per annum, \$100. A holder of this license
36 who produces not more than 250,000 gallons per year shall have the
37 right to sell such wine at retail in original packages in 15
38 salesrooms apart from the winery premises for consumption on or
39 off the premises and for sampling purposes for consumption on the
40 premises, at a fee of \$250 for each salesroom. The director shall
41 approve or deny a winery salesroom application within 90 days of
42 receipt of the application.

43 Licensees shall not jointly control and operate salesrooms. A
44 licensee may pay the owner of a retail store or restaurant where a
45 saleroom is located a restocking fee for maintaining and operating
46 the salesroom in an amount to be agreed upon by the parties. The
47 fee may vary based upon the price of the wine delivered to the
48 salesroom.

1 Additionally, the holder of this license who produces not more
2 than 250,000 gallons per year may ship not more than 12 cases of
3 wine per year, subject to regulation, to any person within or without
4 this State over 21 years of age for personal consumption and not for
5 resale. A case of wine shall not exceed a maximum of nine liters.
6 A copy of the original invoice shall be available for inspection by
7 persons authorized to enforce the alcoholic beverage laws of this
8 State for a minimum period of three years at the licensed premises
9 of the winery. For the purposes of this subsection, "sampling"
10 means the selling at a nominal charge or the gratuitous offering of
11 an open container not exceeding one and one-half ounces of any
12 wine.

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

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

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

12 The holder of this license shall also have the right to sell and
13 distribute his products to retailers licensed in accordance with this
14 chapter, except that the holder of this license shall not use a
15 common carrier for such distribution. The fee for this additional
16 privilege shall be \$100. The holder of this license shall have the
17 right to sell his products in original packages at retail to consumers
18 in 15 salesrooms apart from the winery premises for consumption
19 on or off the premises, and for sampling purposes for consumption
20 on the premises, at a fee of \$250 for each salesroom. The director
21 shall approve or deny a winery salesroom application within 90
22 days of receipt of the application.

23 Licensees shall not jointly control and operate salesrooms. A
24 licensee may pay the owner of a retail store or restaurant where a
25 saleroom is located a restocking fee for maintaining and operating
26 the salesroom in an amount to be agreed upon by the parties. The
27 fee may vary based upon the price of the wine delivered to the
28 salesroom.

29 Additionally, the holder of this license may ship not more than
30 12 cases of wine per year, subject to regulation, to any person
31 within or without this State over 21 years of age for personal
32 consumption and not for resale. A case of wine shall not exceed a
33 maximum of nine liters. A copy of the original invoice shall be
34 available for inspection by persons authorized to enforce the
35 alcoholic beverage laws of this State for a minimum period of three
36 years at the licensed premises of the winery. For the purposes of
37 this subsection, "sampling" means the selling at a nominal charge or
38 the gratuitous offering of an open container not exceeding one and
39 one-half ounces of any wine.

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

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

3 Wine blending license. 2c. The holder of this license shall be
4 entitled, subject to rules and regulations, to blend, treat, mix, and
5 bottle fermented wines and fruit juices with non-alcoholic
6 beverages, and to sell and distribute his products to wholesalers and
7 retailers licensed in accordance with this chapter, and to sell and
8 distribute without this State to any persons pursuant to the laws of
9 the places of such sale and distribution, and to maintain a
10 warehouse. The fee for this license shall be \$625.

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

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

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

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

1 shall have the right to sell and distribute his products to wholesalers
2 licensed in accordance with this chapter and to sell such wine at
3 retail in original packages in 16 salesrooms apart from the winery
4 premises for consumption on or off the premises at a fee of \$250 for
5 each salesroom. The director shall approve or deny a winery
6 salesroom application within 90 days of receipt of the application.

7 Licensees shall not jointly control and operate salesrooms. A
8 licensee may pay the owner of a retail store or restaurant where a
9 saleroom is located a restocking fee for maintaining and operating
10 the salesroom in an amount to be agreed upon by the parties. The
11 fee may vary based upon the price of the wine delivered to the
12 salesroom.

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

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

46 A holder of this license who produces not more than 250,000
47 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 For the purposes of this subsection, "wine" shall include "hard
4 cider" and "mead" as defined in this section.

5 Cidery and meadery license. 2f. The holder of this license shall
6 be entitled, subject to rules and regulations, to manufacture hard
7 cider and mead and to sell and distribute these products to
8 wholesalers and retailers licensed in accordance with this chapter,
9 and to sell and distribute without this State to any persons pursuant
10 to the laws of the places of such sale and distribution, and to
11 maintain a warehouse. The holder of this license shall be entitled to
12 sell these products at retail to consumers on the licensed premises
13 for consumption on or off the premises and to offer samples for
14 sampling purposes only. The holder of this license shall be
15 permitted to offer for sale or make the gratuitous offering of
16 packaged crackers, chips, nuts, and similar snacks to consumers, but
17 shall not operate a restaurant on the licensed premises. The fee for
18 this license shall be \$938.

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

28 The holder of this license shall be entitled to manufacture not
29 more than 250,000 gallons of mead per year. The holder of this
30 license may ship not more than 12 cases of mead per year, subject
31 to regulation, to any person within or without this State over 21
32 years of age for personal consumption and not for resale. A case of
33 mead shall not exceed a maximum of nine liters. A copy of the
34 original invoice shall be available for inspection by persons
35 authorized to enforce the alcoholic beverage laws of this State for a
36 minimum period of three years at the licensed premises. As used in
37 this subsection:

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

44 "Mead" means an alcoholic beverage primarily made from
45 honey, water, and yeast, and which may contain fruit, fruit juices,
46 spices, or herbs added before or after fermentation has completed,
47 except that the ratio of fermentable sugars from fruit or fruit juices

1 shall not exceed 49 percent of the total fermentable sugars used to
2 produce mead.

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

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

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

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

38 Craft distillery license. 3d. The holder of this license shall be
39 entitled, subject to rules and regulations, to manufacture not more
40 than 20,000 gallons of distilled alcoholic beverages, to rectify,
41 blend, treat and mix distilled alcoholic beverages, to sell and
42 distribute this product to wholesalers and retailers licensed in
43 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
45 and distribution, and to maintain a warehouse. The holder of this
46 license shall be entitled to sell this product at retail to consumers on
47 the licensed premises of the distillery for consumption on the
48 premises, but only in connection with a tour of the distillery, and

1 for consumption off the premises in a quantity of not more than five
2 liters per person. In addition, the holder of this license may offer
3 any person not more than three samples per calendar day for
4 sampling purposes only. For the purposes of this subsection,
5 "sampling" means the gratuitous offering of an open container not
6 exceeding one-half ounce serving of distilled alcoholic beverage
7 produced on the distillery premises. Nothing in this subsection shall
8 be deemed to permit the direct shipment of distilled spirits either
9 within or without this State.

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

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

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

34 The provisions of section 21 of P.L.2003, c.117 amendatory of
35 this section shall apply to licenses issued or transferred on or after
36 July 1, 2003, and to license renewals commencing on or after July
37 1, 2003.

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

39
40 2. (New section) Unless otherwise prohibited by federal statute
41 or regulation, a plenary winery, farm winery, or out-of-State winery
42 licensee may provide samples of wine and sell wine in original
43 packages in any area of a salesroom operated pursuant to R.S.33:1-
44 10.

45
46 3. This act shall take effect immediately.

STATEMENT

This bill makes various changes to the law governing winery salesrooms. Specifically, the bill requires applications for winery salesrooms to be processed within 90 days, permits winery licensees to vary certain fees associated with the salesrooms, and permits winery licensees to provide samples of wine and sell wine in any area of a salesroom.

Under current law, the holder of a plenary winery license who does not produce more than 250,000 gallons of wine per year and the holder of farm winery license are permitted to sell the licensee's wine in 15 salesrooms apart from the winery premises. In addition, the holder of an out-of-State winery license is permitted to sell the licensee's wine in 16 salesrooms in this State, provided that the licensee does not produce more than 250,000 gallons of wine per year.

This bill requires the Director of the Division of Alcoholic Beverage Control to approve or deny a winery salesroom application within 90 days of receipt of the application.

In addition, this bill clarifies that the holder of a plenary winery license, a farm winery license, or an out-of-State winery license may vary the restocking fee paid to the owner of a retail store or restaurant where a winery salesroom is located. The restocking fee is for the maintenance and operation of the salesroom and is set at an amount agreed upon by the parties.

Currently, under the Alcohol Management Plan for Retail Outlets the restocking fee may only vary based upon the volume of the bottles of wine that the licensee delivers to the salesroom. Under this bill, the fee may vary based upon the price of the wine delivered to the salesroom.

Finally, the bill allows plenary winery, farm winery, and out-of-State winery licensees to provide samples of wine and sell wine in original packages in any area of a salesroom, unless otherwise prohibited by federal law.