

SENATE, No. 2952

STATE OF NEW JERSEY
219th LEGISLATURE

INTRODUCED SEPTEMBER 21, 2020

Sponsored by:

Senator DECLAN J. O'SCANLON, JR.

District 13 (Monmouth)

SYNOPSIS

Allows alcoholic beverage retailers and craft distilleries to sell and deliver alcoholic beverages and mixed drinks for consumption off the licensed premises; allows limited brewery licensees to deliver beer to consumer's residence.

CURRENT VERSION OF TEXT

As introduced.



1 **AN ACT** concerning the delivery and sale of alcoholic beverages,
2 supplementing Title 33 of the Revised Statutes, and amending
3 R.S.33:1-10 and R.S.33:1-12.

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

7
8 1. (New section) a. The holder of a plenary retail consumption
9 license, plenary retail consumption license used in connection with
10 a hotel or motel, seasonal retail consumption license issued
11 pursuant to R.S.33:1-12, or concessionaire permit shall be entitled
12 to:

13 (1) sell on the licensed or permitted premises for consumption
14 off the licensed premises any alcoholic beverages in original
15 containers or in any other closed and sealed containers or any
16 distilled alcoholic beverages mixed or blended with other alcoholic
17 or nonalcoholic beverages in closed and sealed containers; and

18 (2) deliver, by common carrier or otherwise, to the residence of
19 a consumer within this State who is 21 years of age or older for
20 consumption off the licensed or permitted premises any alcoholic
21 beverages in original containers or in any other closed and sealed
22 containers or any distilled alcoholic beverages mixed or blended
23 with other alcoholic or nonalcoholic beverages in closed and sealed
24 containers.

25 b. Containers in which alcoholic beverages are sold or
26 delivered pursuant to this section shall be affixed with a tamper
27 evident seal and may be of any size, except that containers, other
28 than original containers, in which any distilled alcoholic beverages
29 mixed or blended with other alcoholic or nonalcoholic beverages
30 are sold or delivered pursuant to this section shall have a maximum
31 capacity of 16 fluid ounces.

32
33 2. R.S. 33:1-12 is amended to read as follows:

34 33:1-12. Class C licenses shall be subdivided and classified as
35 follows:

36 Plenary retail consumption license. 1. The holder of this license
37 shall be entitled, subject to rules and regulations, to sell any
38 alcoholic beverages for consumption on the licensed premises by
39 the glass or other open receptacle, and also to sell any alcoholic
40 beverages in original containers for consumption off the licensed
41 premises; but this license shall not be issued to permit the sale of
42 alcoholic beverages in or upon any premises in which a grocery,
43 delicatessen, drug store or other mercantile business is carried on,
44 except as hereinafter provided. The holder of this license shall be
45 permitted to conduct consumer wine, beer and spirits tasting events

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 and samplings for a fee or on a complimentary basis pursuant to
2 conditions established by rules and regulations of the Division of
3 Alcoholic Beverage Control, provided however, that the holder of
4 this license complies with the terms and conditions set forth in
5 section 3 of P.L.2009, c.216 (C.33:1-12d). The holder of this
6 license shall be entitled to sell and deliver alcoholic beverages for
7 consumption off the licensed premises pursuant to section 1 of
8 P.L. , c. (C.) (pending before the Legislature as this bill).

9 Subject to such rules and regulations established from time to
10 time by the director, the holder of this license shall be permitted to
11 sell alcoholic beverages in or upon the premises in which any of the
12 following is carried on: the keeping of a hotel or restaurant
13 including the sale of mercantile items incidental thereto as an
14 accommodation to patrons; the sale, at an entertainment facility as
15 defined in R.S.33:1-1, having a seating capacity for no less than
16 4,000 patrons, of mercantile items traditionally associated with the
17 type of event or program held at the site; the sale of distillers',
18 brewers' and vintners' packaged merchandise prepacked as a unit
19 with other suitable objects as gift items to be sold only as a unit; the
20 sale of novelty wearing apparel identified with the name of the
21 establishment licensed under the provisions of this section; the sale
22 of cigars, cigarettes, packaged crackers, chips, nuts and similar
23 snacks and ice at retail as an accommodation to patrons, or the retail
24 sale of nonalcoholic beverages as accessory beverages to alcoholic
25 beverages; or, in commercial bowling establishments, the retail sale
26 or rental of bowling accessories and the retail sale from vending
27 machines of candy, ice cream and nonalcoholic beverages. The fee
28 for this license shall be fixed by the governing board or body of the
29 municipality in which the licensed premises are situated, by
30 ordinance, at not less than \$250 and not more than \$2,500. No
31 ordinance shall be enacted which shall raise or lower the fee to be
32 charged for this license by more than 20% from that charged in the
33 preceding license year or \$500.00, whichever is the lesser. The
34 governing board or body of each municipality may, by ordinance,
35 enact that no plenary retail consumption license shall be granted
36 within its respective municipality.

37 The holder of this license shall be permitted to obtain a restricted
38 brewery license issued pursuant to subsection 1c. of R.S.33:1-10
39 and to operate a restricted brewery immediately adjoining the
40 licensed premises in accordance with the restrictions set forth in
41 that subsection. All fees related to the issuance of both licenses
42 shall be paid in accordance with statutory law.

43 Seasonal retail consumption license. 2. (1) The holder of this
44 license shall be entitled, subject to rules and regulations, to sell any
45 alcoholic beverages for consumption on the licensed premises by
46 the glass or other open receptacle, and also to sell any alcoholic
47 beverages in original containers for consumption off the licensed
48 premises, during the summer season from May 1 until November

1 14, inclusive, or during the winter season from November 15 until
2 April 30, inclusive.

3 (2) In addition, the director shall issue to the holder of this
4 license, upon request by the licensee, one-day permits that shall
5 entitle the license holder to sell alcoholic beverages for
6 consumption on the licensed premises during the season when the
7 license holder is not authorized to sell alcoholic beverages pursuant
8 to subparagraph (1) of this subsection. The number of one-day
9 permits issued to a licensee pursuant to this subsection shall not
10 exceed an aggregate of 14 permits in one calendar year. A one-day
11 permit issued pursuant to this subsection shall be valid for 24
12 consecutive hours. The fee for each one-day permit shall be \$500.

13 The governing body of the municipality in which the licensed
14 premises is situated may place reasonable conditions upon a one-
15 day permit for the purpose of maintaining public safety on the
16 licensed premises and immediately surrounding area. The costs
17 associated with the reasonable conditions placed on the one-day
18 permit shall be assumed by the holder of this license.

19 (3) This license shall not be issued to permit the sale of
20 alcoholic beverages in or upon any premises in which a grocery,
21 delicatessen, drug store or other mercantile business is carried on,
22 except as hereinafter provided. Subject to such rules and
23 regulations established from time to time by the director, the holder
24 of this license shall be permitted to sell alcoholic beverages in or
25 upon the premises in which any of the following is carried on: the
26 keeping of a hotel or restaurant including the sale of mercantile
27 items incidental thereto as an accommodation to patrons; the sale of
28 distillers', brewers' and vintners' packaged merchandise prepacked
29 as a unit with other suitable objects as gift items to be sold only as a
30 unit; the sale of novelty wearing apparel identified with the name of
31 the establishment licensed under the provisions of this section; the
32 sale of cigars, cigarettes, packaged crackers, chips, nuts and similar
33 snacks and ice at retail as an accommodation to patrons; or the retail
34 sale of nonalcoholic beverages as accessory beverages to alcoholic
35 beverages. The fee for this license shall be fixed by the governing
36 board or body of the municipality in which the licensed premises
37 are situated, by ordinance, at 75% of the fee fixed by said board or
38 body for plenary retail consumption licenses. The governing board
39 or body of each municipality may, by ordinance, enact that no
40 seasonal retail consumption license shall be granted within its
41 respective municipality.

42 (4) The holder of this license shall be entitled to sell and deliver
43 alcoholic beverages for consumption off the licensed premises
44 pursuant to section 1 of P.L. _____, c. (C. _____) (pending before the
45 Legislature as this bill).

46 Plenary retail distribution license. 3. a. The holder of this
47 license shall be entitled, subject to rules and regulations, to sell any
48 alcoholic beverages for consumption off the licensed premises, but

1 only in original containers; except that licensees shall be permitted
2 to conduct consumer wine, beer, and spirits tasting events and
3 samplings on a complimentary basis pursuant to conditions
4 established by rules and regulations of the Division of Alcoholic
5 Beverage Control, provided however, that the holder of this license
6 complies with the terms and conditions set forth in section 3 of
7 P.L.2009, c.216 (C.33:1-12d).

8 The governing board or body of each municipality may, by
9 ordinance, enact that this license shall not be issued to permit the
10 sale of alcoholic beverages in or upon any premises in which any
11 other mercantile business is carried on, except that any such
12 ordinance, heretofore or hereafter adopted, shall not prohibit the
13 retail sale of distillers', brewers' and vintners' packaged
14 merchandise prepacked as a unit with other suitable objects as gift
15 items to be sold only as a unit; the sale of novelty wearing apparel
16 identified with the name of the establishment licensed under the
17 provisions of this act; cigars, cigarettes, packaged crackers, chips,
18 nuts and similar snacks, ice, and nonalcoholic beverages as
19 accessory beverages to alcoholic beverages. The fee for this license
20 shall be fixed by the governing board or body of the municipality in
21 which the licensed premises are situated, by ordinance, at not less
22 than \$125 and not more than \$2,500. No ordinance shall be enacted
23 which shall raise or lower the fee to be charged for this license by
24 more than 20% from that charged in the preceding license year or
25 \$500.00, whichever is the lesser. The governing board or body of
26 each municipality may, by ordinance, enact that no plenary retail
27 distribution license shall be granted within its respective
28 municipality.

29 Limited retail distribution license. 3. b. The holder of this
30 license shall be entitled, subject to rules and regulations, to sell any
31 unchilled, brewed, malt alcoholic beverages in quantities of not less
32 than 72 fluid ounces for consumption off the licensed premises, but
33 only in original containers; provided, however, that this license
34 shall be issued only for premises operated and conducted by the
35 licensee as a bona fide grocery store, meat market, meat and
36 grocery store, delicatessen, or other type of bona fide food store at
37 which groceries or other foodstuffs are sold at retail; and provided
38 further that this license shall not be issued except for premises at
39 which the sale of groceries or other foodstuffs is the primary and
40 principal business and at which the sale of alcoholic beverages is
41 merely incidental and subordinate thereto. The fee for this license
42 shall be fixed by the governing body or board of the municipality in
43 which the licensed premises are situated, by ordinance, at not less
44 than \$31 and not more than \$63. The governing board or body of
45 each municipality may, by ordinance, enact that no limited retail
46 distribution license shall be granted within its respective
47 municipality.

1 Plenary retail transit license. 4. The holder of this license shall
2 be entitled, subject to rules and regulations, to sell any alcoholic
3 beverages, for consumption only, on railroad trains, airplanes,
4 limousines and boats, while in transit. The fee for this license for
5 use by a railroad or air transport company shall be \$375, for use by
6 the owners of limousines shall be \$31 per vehicle, and for use on a
7 boat shall be \$63 on a boat 65 feet or less in length, \$125 on a boat
8 more than 65 feet in length but not more than 110 feet in length,
9 and \$375 on a boat more than 110 feet in length; such boat lengths
10 shall be determined in the manner prescribed by the Bureau of
11 Customs of the United States Government or any federal agency
12 successor thereto for boat measurement in connection with issuance
13 of marine documents. A license issued under this provision to a
14 railroad or air transport company shall cover all railroad cars and
15 planes operated by any such company within the State of New
16 Jersey. A license for a boat or limousine issued under this
17 provision shall apply only to the particular boat or limousine for
18 which issued, and shall permit the purchase of alcoholic beverages
19 for sale or service in a boat or limousine to be made from any Class
20 A and B licensee or from any Class C licensee whose license
21 privilege permits the sale of alcoholic beverages in original
22 containers for off-premises consumption. An interest in a plenary
23 retail transit license issued in accordance with this section shall be
24 excluded in determining the maximum number of retail licenses
25 permitted under P.L.1962, c.152 (C.33:1-12.31 et seq.).

26 Club license. 5. The holder of this license shall be entitled,
27 subject to rules and regulations, to sell any alcoholic beverages but
28 only for immediate consumption on the licensed premises and only
29 to bona fide club members and their guests. The fee for this license
30 shall be fixed by the governing board or body of the municipality in
31 which the licensed premises are situated, by ordinance, at not less
32 than \$63 and not more than \$188. The governing board or body of
33 each municipality may, by ordinance, enact that no club licenses
34 shall be granted within its respective municipality. Club licenses
35 may be issued only to such corporations, associations and
36 organizations as are operated for benevolent, charitable, fraternal,
37 social, religious, recreational, athletic, or similar purposes, and not
38 for private gain, and which comply with all conditions which may
39 be imposed by the Director of the Division of Alcoholic Beverage
40 Control by rules and regulations.

41 The provisions of section 23 of P.L.2003, c.117 amendatory of
42 this section shall apply to licenses issued or transferred on or after
43 July 1, 2003, and to license renewals commencing on or after July
44 1, 2003.

45 Sporting facility license. 6. The holder of this license shall be
46 entitled, subject to rules and regulations, to sell at retail or to serve
47 any alcoholic beverages as the owner, operator, lessee, or
48 concessionaire of a sporting facility by the glass or other receptacle

1 or in original containers only on the premises of the sporting
2 facility.

3 Notwithstanding any other provision of Title 33 of the Revised
4 Statutes and subject to conditions established by the director, the
5 holder of this license may share direction and control of the
6 premises to be licensed and share proceeds and profits from the sale
7 of alcoholic beverages with the owner, operator, concessionaire, or
8 lessee of the facility. The holder of this license shall be permitted
9 to conduct consumer wine, beer, and spirits tasting events and
10 samplings for a fee or on a complimentary basis provided, however,
11 the license holder complies with the provisions of section 3 of
12 P.L.2009, c.216 (C.33:1-12d) and rules and regulations promulgated
13 thereto. Notwithstanding any law, rule or regulation to the
14 contrary, the holder of this license shall be entitled to establish an
15 all-inclusive area within the licensed sporting facility, provided the
16 all-inclusive area is limited to one area within the sporting facility
17 for each game or event and the capacity of the all-inclusive area
18 does not exceed 500 persons.

19 The fee for this license shall be \$2,500 for venues with a
20 capacity of less than 7,500 persons; \$5,000 for venues with a
21 capacity of not less than 7,500 persons but not more than 14,999
22 persons; \$7,500 for venues with a capacity of not less than 15,000
23 persons but not more than 22,499 persons; and \$10,000 for venues
24 with a capacity of 22,500 persons or more.

25 For the purposes of this subsection:

26 "Sporting facility" means a stadium, arena, team training facility,
27 or similar venue located on public property where alcoholic
28 beverages are served or sold at retail for consumption on the
29 premises by the glass or other open receptacle or in original
30 containers.

31 "Team training facility" shall include team offices and team
32 headquarters.

33 (cf: P.L.2018, c.147, s.1)

34

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

36 33:1-10. Class A licenses shall be subdivided and classified as
37 follows:

38 Plenary brewery license. 1a. The holder of this license shall
39 be entitled, subject to rules and regulations, to brew any malt
40 alcoholic beverages and to sell and distribute his products to
41 wholesalers and retailers licensed in accordance with this chapter,
42 and to sell and distribute without this State to any persons pursuant
43 to the laws of the places of such sale and distribution, and to
44 maintain a warehouse; provided, however, that the delivery of this
45 product by the holder of this license to retailers licensed under this
46 title shall be from inventory in a warehouse located in this State
47 which is operated under a plenary brewery license. The fee for this
48 license shall be \$10,625.

1 Limited brewery license. 1b. The holder of this license shall
2 be entitled, subject to rules and regulations, to brew any malt
3 alcoholic beverages in a quantity to be expressed in said license,
4 dependent upon the following fees and not in excess of 300,000
5 barrels of 31 fluid gallons capacity per year and to sell and
6 distribute this product to wholesalers and retailers licensed in
7 accordance with this chapter, and to sell and distribute without this
8 State to any persons pursuant to the laws of the places of such sale
9 and distribution, and to maintain a warehouse; provided, however,
10 that the delivery of this product by the holder of this license to
11 retailers licensed under this title shall be from inventory in a
12 warehouse located in this State which is operated under a limited
13 brewery license. The holder of this license shall be entitled to sell
14 this product at retail to consumers on the licensed premises of the
15 brewery for consumption on the premises, but only in connection
16 with a tour of the brewery, or for consumption off the premises in a
17 quantity of not more than 15.5 fluid gallons per person, and to offer
18 samples for sampling purposes only pursuant to an annual permit
19 issued by the director. The holder of this license shall be entitled to
20 deliver to the residence of a consumer within this State who is 21
21 years of age or older the licensee's products in original packages for
22 personal consumption and not for resale. The holder of this license
23 shall not sell food or operate a restaurant on the licensed premises.
24 The fee for this license shall be graduated as follows:
25 to so brew not more than 50,000 barrels of 31 liquid gallons
26 capacity per annum, \$1,250;
27 to so brew not more than 100,000 barrels of 31 fluid gallons
28 capacity per annum, \$2,500;
29 to so brew not more than 200,000 barrels of 31 fluid gallons
30 capacity per annum, \$5,000;
31 to so brew not more than 300,000 barrels of 31 fluid gallons
32 capacity per annum, \$7,500.
33 For the purposes of this subsection, "sampling" means the selling
34 at a nominal charge or the gratuitous offering of an open container
35 not exceeding four ounces of any malt alcoholic beverage. For the
36 purposes of this subsection, "product" means any malt alcoholic
37 beverage that is produced on the premises licensed under this
38 subsection.
39 Restricted brewery license. 1c. The holder of this license shall
40 be entitled, subject to rules and regulations, to brew any malt
41 alcoholic beverages in a quantity to be expressed in such license not
42 in excess of 10,000 barrels of 31 gallons capacity per year.
43 Notwithstanding the provisions of R.S.33:1-26, the director shall
44 issue a restricted brewery license only to a person or an entity
45 which has identical ownership to an entity which holds a plenary
46 retail consumption license issued pursuant to R.S.33:1-12, provided
47 that such plenary retail consumption license is operated in
48 conjunction with a restaurant regularly and principally used for the

1 purpose of providing meals to its customers and having adequate
2 kitchen and dining room facilities, and that the licensed restaurant
3 premises is immediately adjoining the premises licensed under this
4 subsection. The holder of this license shall be entitled to sell or
5 deliver the product to that restaurant premises. The holder of this
6 license also shall be entitled to sell and distribute the product to
7 wholesalers licensed in accordance with this chapter. The fee for
8 this license shall be \$1,250, which fee shall entitle the holder to
9 brew up to 1,000 barrels of 31 liquid gallons per annum. The
10 licensee also shall pay an additional \$250 for every additional 1,000
11 barrels of 31 fluid gallons produced. The fee shall be paid at the
12 time of application for the license, and additional payments based
13 on barrels produced shall be paid within 60 days following the
14 expiration of the license term upon certification by the licensee of
15 the actual gallons brewed during the license term. No more than 10
16 restricted brewery licenses shall be issued to a person or entity
17 which holds an interest in a plenary retail consumption license. If
18 the governing body of the municipality in which the licensed
19 premises will be located should file a written objection, the director
20 shall hold a hearing and may issue the license only if the director
21 finds that the issuance of the license will not be contrary to the
22 public interest. All fees related to the issuance of both licenses shall
23 be paid in accordance with statutory law. The provisions of this
24 subsection shall not be construed to limit or restrict the rights and
25 privileges granted by the plenary retail consumption license held by
26 the holder of the restricted brewery license issued pursuant to this
27 subsection.

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

32 For the purposes of this subsection, "sampling" means the selling
33 at a nominal charge or the gratuitous offering of an open container
34 not exceeding four ounces of any malt alcoholic beverage product.
35 For the purposes of this subsection, "product" means any malt
36 alcoholic beverage that is produced on the premises licensed under
37 this subsection.

38 Plenary winery license. 2a. Provided that the holder is
39 engaged in growing and cultivating grapes or fruit used in the
40 production of wine on at least three acres on, or adjacent to, the
41 winery premises, the holder of this license shall be entitled, subject
42 to rules and regulations, to produce any fermented wines, and to
43 blend, fortify and treat wines, and to sell and distribute his products
44 to wholesalers licensed in accordance with this chapter and to
45 churches for religious purposes, and to sell and distribute without
46 this State to any persons pursuant to the laws of the places of such
47 sale and distribution, and to maintain a warehouse, and to sell his
48 products at retail to consumers on the licensed premises of the

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

32 A holder of this license who produces not more than 250,000
33 gallons per year shall not own, either in whole or in part, or hold,
34 either directly or indirectly, any interest in a winery that produces
35 more than 250,000 gallons per year. In addition, a holder of this
36 license who produces more than 250,000 gallons per year shall not
37 own, either in whole or in part, or hold, either directly or indirectly,
38 any interest in a winery that produces not more than 250,000
39 gallons per year. For the purposes of this subsection, "product"
40 means any wine that is produced, blended, fortified, or treated by
41 the licensee on its licensed premises situated in the State of New
42 Jersey. For the purposes of this subsection, "wine" shall include
43 "hard cider" and "mead" as defined in this section.

44 Farm winery license. 2b. The holder of this license shall
45 be entitled, subject to rules and regulations, to manufacture any
46 fermented wines and fruit juices in a quantity to be expressed in
47 said license, dependent upon the following fees and not in excess of
48 50,000 gallons per year and to sell and distribute his products to

1 wholesalers and retailers licensed in accordance with this chapter
2 and to churches for religious purposes and to sell and distribute
3 without this State to any persons pursuant to the laws of the places
4 of such sale and distribution, and to maintain a warehouse and to
5 sell at retail to consumers for consumption on or off the licensed
6 premises and to offer samples for sampling purposes only. The
7 license shall be issued only when the winery at which such
8 fermented wines and fruit juices are manufactured is located and
9 constructed upon a tract of land exclusively under the control of the
10 licensee, provided that the licensee is actively engaged in growing
11 and cultivating an area of not less than three acres on or adjacent to
12 the winery premises and on which are growing grape vines or fruit
13 to be processed into wine or fruit juice; and provided, further, that
14 for the first five years of the operation of the winery such fermented
15 wines and fruit juices shall be manufactured from at least 51
16 percent grapes or fruit grown in the State and that thereafter they
17 shall be manufactured from grapes or fruit grown in this State at
18 least to the extent required for labeling as "New Jersey Wine" under
19 the applicable federal laws and regulations. The containers of all
20 wine sold to consumers by such licensee shall have affixed a label
21 stating such information as shall be required by the rules and
22 regulations of the Director of the Division of Alcoholic Beverage
23 Control. The fee for this license shall be graduated as follows: to so
24 manufacture between 30,000 and 50,000 gallons per annum, \$375;
25 to so manufacture between 2,500 and 30,000 gallons per annum,
26 \$250; to so manufacture between 1,000 and 2,500 gallons per
27 annum, \$125; to so manufacture less than 1,000 gallons per annum,
28 \$63. No farm winery license shall be held by the holder of a plenary
29 winery license or be situated on a premises licensed as a plenary
30 winery.

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

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

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

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

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

15 Wine blending license. 2c. The holder of this license shall
16 be entitled, subject to rules and regulations, to blend, treat, mix, and
17 bottle fermented wines and fruit juices with non-alcoholic
18 beverages, and to sell and distribute his products to wholesalers and
19 retailers licensed in accordance with this chapter, and to sell and
20 distribute without this State to any persons pursuant to the laws of
21 the places of such sale and distribution, and to maintain a
22 warehouse. The fee for this license shall be \$625.

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

25 Instructional winemaking facility license. 2d. The
26 holder of this license shall be entitled, subject to rules and
27 regulations, to instruct persons in and provide them with the
28 opportunity to participate directly in the process of winemaking and
29 to directly assist such persons in the process of winemaking while
30 in the process of instruction on the premises of the facility. The
31 holder of this license also shall be entitled to manufacture wine on
32 the premises not in excess of an amount of 10 percent of the wine
33 produced annually on the premises of the facility, which shall be
34 used only to replace quantities lost or discarded during the
35 winemaking process, to maintain a warehouse, and to offer samples
36 produced by persons who have received instruction in winemaking
37 on the premises by the licensee for sampling purposes only on the
38 licensed premises for the purpose of promoting winemaking for
39 personal or household use or consumption. Wine produced on the
40 premises of an instructional winemaking facility shall be used,
41 consumed or disposed of on the facility's premises or distributed
42 from the facility's premises to a person who has participated
43 directly in the process of winemaking for the person's personal or
44 household use or consumption. The holder of this license may sell
45 mercantile items traditionally associated with winemaking and
46 novelty wearing apparel identified with the name of the
47 establishment licensed under the provisions of this section. The
48 holder of this license may use the licensed premises for an event or

1 affair, including an event or affair at which a plenary retail
2 consumption licensee serves alcoholic beverages in compliance
3 with all applicable statutes and regulations promulgated by the
4 director. The fee for this license shall be \$1,000. For the purposes
5 of this subsection, "sampling" means the gratuitous offering of an
6 open container not exceeding one and one-half ounces of any wine.

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

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

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

1 administration of the tax due on the sale pursuant to the "Sales and
2 Use Tax Act," P.L.1966, c.30 (C.54:32B-1 et seq.).

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.

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

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

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

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

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

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

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

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

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

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

42 Craft distillery license. 3d. The holder of this license shall
43 be entitled, subject to rules and regulations, to manufacture not
44 more than 20,000 gallons of distilled alcoholic beverages, to rectify,
45 blend, treat and mix distilled alcoholic beverages, to sell and
46 distribute this product to wholesalers and retailers licensed in
47 accordance with this chapter, and to sell and distribute without this
48 State to any persons pursuant to the laws of the places of such sale

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

14 The holder of this license shall be entitled to sell on the licensed
15 premises for consumption off the licensed premises distilled
16 alcoholic beverages that are manufactured on the licensed premises
17 and mixed or blended with other alcoholic or nonalcoholic
18 beverages and sold in closed and sealed containers.

19 The holder of this license shall be entitled to sell on the licensed
20 premises for consumption off the licensed premises distilled
21 alcoholic beverages that are manufactured on the licensed premises
22 and sold in original containers and accompanied by one or more
23 nonalcoholic beverages or foodstuffs that may be combined by the
24 consumer to prepare a mixed drink. Any foodstuffs sold pursuant to
25 the subsection shall be sold only as a mixed drink ingredient and
26 not as a separate meal.

27 Containers in which distilled alcoholic beverages mixed with
28 other alcoholic or nonalcoholic beverages are sold pursuant to this
29 section shall be affixed with a tamper evident seal and have a
30 maximum capacity of 16 fluid ounces.

31 The holder of this license shall not sell food **【or】** aside from
32 foodstuffs sold as a mixed drink ingredient pursuant to this
33 subsection. The holder of this license shall not operate a restaurant
34 on the licensed premises. A holder of this license who certifies that
35 not less than 51 percent of the raw materials used in the production
36 of distilled alcoholic beverages under this section are grown in this
37 State or purchased from providers located in this State may,
38 consistent with all applicable federal laws and regulations, label
39 these distilled alcoholic beverages as "New Jersey Distilled." The
40 fee for this license shall be \$938.

41 Rectifier and blender license. 4. The holder of this
42 license shall be entitled, subject to rules and regulations, to rectify,
43 blend, treat and mix distilled alcoholic beverages, and to fortify,
44 blend, and treat fermented alcoholic beverages, and prepare
45 mixtures of alcoholic beverages, and to sell and distribute his
46 products to wholesalers and retailers licensed in accordance with
47 this chapter, and to sell and distribute without this State to any
48 persons pursuant to the laws of the places of such sale and

1 distribution, and to maintain a warehouse. The fee for this license
2 shall be \$7,500.

3 Bonded warehouse bottling license. 5. The holder of this
4 license shall be entitled, subject to rules and regulations, to bottle
5 alcoholic beverages in bond on behalf of all persons authorized by
6 federal and State law and regulations to withdraw alcoholic
7 beverages from bond. The fee for this license shall be \$625. This
8 license shall be issued only to persons holding permits to operate
9 Internal Revenue bonded warehouses pursuant to the laws of the
10 United States.

11 The provisions of section 21 of P.L.2003, c.117 amendatory of
12 this section shall apply to licenses issued or transferred on or after
13 July 1, 2003, and to license renewals commencing on or after July
14 1, 2003.

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

16

17 4. This act shall take effect immediately.

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19

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STATEMENT

21

22 This bill allows the holder of plenary retail consumption
23 licenses, hotel or motel licenses, seasonal retail consumption
24 licenses, or concessionaire permits, generally issued to bars and
25 restaurants, to sell and deliver alcoholic beverages in original
26 containers or in closed and sealed containers and mixed cocktails in
27 closed and sealed containers for consumption off the licensed
28 premises.

29 In addition, the bill allows craft distillery licensees to sell for
30 consumption off the licensed premises distilled alcoholic beverages
31 that are manufactured on the licensed premises and mixed or
32 blended with other alcoholic or nonalcoholic beverages and sold in
33 closed and sealed containers. The bill also allows craft distilleries
34 to sell distilled alcoholic beverages in original containers
35 accompanied by one or more nonalcoholic beverages or foodstuffs
36 that may be combined by the consumer to prepare a mixed drink.

37 Under the bill, mixed cocktails are to be sold in closed and
38 sealed containers that are affixed with a tamper evident seal and
39 hold not more than 16 fluid ounces. Any other alcoholic beverages
40 may be sold and delivered in original containers of any size.

41 Finally, the bill allows limited brewery licensees to deliver beer
42 to the residence of a consumer who is age 21 or older.

43 This bill makes permanent provisions of P.L.2020, c.33, which
44 temporarily granted retail licensees and craft distillery licensees
45 certain privileges. P.L.2020, c.33 was enacted in response to the
46 COVID-19 pandemic and expires: 1) six months following the date
47 the on which the state of emergency has ended; or (2) the date on

1 which the coronavirus-related occupancy or customer seating
2 restrictions no longer apply, whichever date occurs later.

3 In response to the COVID-19 pandemic, the Director of the
4 Division of Alcoholic Beverage Control issued Special Ruling No.
5 2020-1 to relax the restrictions placed on limited brewery license
6 holders by allowing the delivery of their products to consumer's
7 homes. This bill also makes this special ruling permanent.