

# ASSEMBLY, No. 3150

## STATE OF NEW JERSEY 220th LEGISLATURE

INTRODUCED MARCH 7, 2022

**Sponsored by:**

**Assemblyman JOHN F. MCKEON**

**District 27 (Essex and Morris)**

**Assemblywoman CAROL A. MURPHY**

**District 7 (Burlington)**

**Co-Sponsored by:**

**Assemblyman Rumpf**

**SYNOPSIS**

Permits issuance of special license in certain municipalities with shopping malls.

**CURRENT VERSION OF TEXT**

As introduced.



**(Sponsorship Updated As Of: 3/9/2023)**

1 AN ACT concerning alcoholic beverage licenses and supplementing  
2 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. a. As used in this section,

8 “Eligible municipality” means a municipality in which at least  
9 one shopping mall is located and the number of plenary retail  
10 consumption licenses has reached the population limitation established  
11 in section 2 of P.L.1947, c.94 (C.33:1-12.14).

12 “Shopping mall” means an enclosed walkway or hall area under  
13 common ownership or control, that is open to the public and  
14 connects with or provides access to separate retail establishments,  
15 including at least one restaurant or other establishment that serves  
16 alcoholic beverages pursuant to a plenary retail consumption  
17 license.

18 b. The Director of the Division of Alcoholic Beverage Control,  
19 upon approval of an eligible municipality, may issue one special  
20 license for each license that is sited in a premises located within a  
21 shopping mall in the municipality. The license may be issued to one or  
22 more individual corporations or other types of legal entities operating a  
23 premises where alcoholic beverages are intended to be served, which  
24 is located other than within a shopping mall. The license shall  
25 authorize the sale of alcoholic beverages for immediate consumption  
26 on the operator's premises.

27 c. No person who would fail to qualify as a licensee under Title  
28 33 of the Revised Statutes shall be permitted to hold an interest in a  
29 special license under the provisions of this section.

30 d. Licenses shall be subject to all the provisions of Title 33 of the  
31 Revised Statutes, rules and regulations promulgated by the director  
32 and municipal ordinances.

33 e. A license issued pursuant to this section shall not be transferred  
34 to any premises located within a shopping mall.

35 f. Application for the initial issuance and renewal of each license  
36 shall be made to the director on an annual basis. The fee for the initial  
37 issuance of the license shall be two and one half times the average sale  
38 price for the three most recent sales of plenary retail consumption  
39 licenses in the municipality where the license is being issued during  
40 the preceding five years. If less than three plenary retail consumption  
41 licenses have been sold in the municipality or municipalities, as the  
42 case may be, within the previous five years, the municipality or  
43 municipalities, as the case may be, shall obtain an appraisal, at the  
44 applicant's expense, to determine the appropriate fee for the license.  
45 The appraisal process shall include an examination of previous

**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 transactions in the municipality or municipalities, as the case may be,  
2 and shall reflect what a willing buyer, under no pressure to buy, would  
3 pay a willing seller, under no pressure to sell, for a plenary retail  
4 consumption license in that municipality or municipalities, as the case  
5 may be. One half of the amount of the application fee for the initial  
6 issuance of the license shall be paid upon the issuance of the license  
7 and the other half of that amount shall be paid one year later. The  
8 director shall establish an annual fee for the license which shall not  
9 exceed the fee which may be imposed by a municipality for a plenary  
10 retail consumption license pursuant to R.S.33:1-12.

11 g. The fee for the initial issuance of the license shall be  
12 distributed in the following manner:

13 (1) Fifty percent shall be paid to the eligible municipality in which  
14 the license is issued; and

15 (2) Fifty percent shall be paid to the Director of the Division of  
16 Alcoholic Beverage Control.

17 h. If the individual corporation or entity holding the license  
18 determines to sell a license issued pursuant to this section, the license  
19 shall be sold for the sum paid pursuant to subsection f. of this section.

20 i. The director shall not issue a special concessionaire permit for  
21 any location or premises which is eligible to obtain a license to serve  
22 alcoholic beverages under the provisions of this act.

23 j. Pursuant to the "Administrative Procedure Act," P.L.1968,  
24 c.410 (C.52:14B-1 et seq.), the director shall adopt rules and  
25 regulations to effectuate the purposes of this act.

26

27 2. This act shall take effect on the first day of seventh month  
28 next following the date of enactment, except the Director of the  
29 Division of Alcoholic Beverage control may take anticipatory  
30 administrative action in advance thereof as shall be necessary for  
31 the implementation of this act.

32

33

34

STATEMENT

35

36 This bill authorizes the issuance of special licenses in certain  
37 municipalities with shopping malls.

38 Under the bill, the Director of the Division of Alcoholic Beverage  
39 Control, upon approval of an eligible municipality, may issue one  
40 special license for each plenary retail consumption license that is sited  
41 in a premises within a shopping mall located in the municipality. The  
42 license may be issued to one or more individual corporations or other  
43 types of legal entities operating a premises not located in a shopping  
44 mall, where alcoholic beverages are intended to be served. The license  
45 authorizes the sale of alcoholic beverages for immediate consumption  
46 on the operator's premises.

47 The bill defines an "eligible municipality" as one in which at least  
48 one shopping mall is located and the number of plenary retail

1 consumption licenses issued has reached the population limitation. A  
2 “shopping mall” is defined in the bill as an enclosed walkway or hall  
3 area under common ownership or control, that is open to the public  
4 and connects with or provides access to separate retail  
5 establishments, including at least one restaurant or other  
6 establishment that serves alcoholic beverages pursuant to a plenary  
7 retail consumption license.

8 Current law provides that one plenary retail consumption license  
9 may be issued per 3,000 residents of a municipality. It has become  
10 increasingly common that plenary retail consumption licenses in  
11 municipalities with shopping malls are obtained, upon becoming  
12 available, by businesses located within the shopping malls, making it  
13 difficult for local businesses in downtowns and other areas of the  
14 municipalities to compete. This bill is intended to provide an alternate  
15 method for a business, such as a bar or restaurant, not located within a  
16 shopping mall to obtain a license to sell alcoholic beverages for  
17 consumption on the premises.