

ASSEMBLY, No. 4556

STATE OF NEW JERSEY

220th LEGISLATURE

INTRODUCED SEPTEMBER 22, 2022

Sponsored by:

Assemblywoman VERLINA REYNOLDS-JACKSON

District 15 (Hunterdon and Mercer)

Assemblywoman ELIANA PINTOR MARIN

District 29 (Essex)

Assemblyman WILLIAM W. SPEARMAN

District 5 (Camden and Gloucester)

Co-Sponsored by:

Assemblyman Stanley, Assemblywoman Flynn and Assemblyman Mukherji

SYNOPSIS

Permits certain winery licensees to engage in direct shipping.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 10/11/2022)

1 AN ACT concerning direct shipment of wine and amending
2 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 If the holder of this license holds a bonded warehouse bottling
40 license issued pursuant to subsection 5 of this section, product
41 brewed in accordance with this subsection and transferred to a
42 bonded warehouse for bottling and storage may be sold at retail and
43 offered for sampling on the licensed premises of the brewery by the
44 holder of this license. The holder of this license shall not sell food
45 or operate a restaurant on the licensed premises. The fee for this
46 license shall be graduated as follows:

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 50,000 barrels of 31 liquid gallons
2 capacity per annum, \$1,250;

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

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

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

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

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

1 and privileges granted by the plenary retail consumption license
2 held by the holder of the restricted brewery license issued pursuant
3 to this subsection.

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

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

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

1 shall not exceed a maximum of nine liters. A copy of the original
2 invoice shall be available for inspection by persons authorized to
3 enforce the alcoholic beverage laws of this State for a minimum
4 period of three years at the licensed premises of the winery. For the
5 purposes of this subsection, "sampling" means the selling at a
6 nominal charge or the gratuitous offering of an open container not
7 exceeding one and one-half ounces of any wine.

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

20 Farm winery license. 2b. The holder of this license shall be
21 entitled, subject to rules and regulations, to manufacture any
22 fermented wines and fruit juices in a quantity to be expressed in
23 said license, dependent upon the following fees and not in excess of
24 50,000 gallons per year and to sell and distribute his products to
25 wholesalers and retailers licensed in accordance with this chapter
26 and to churches for religious purposes and to sell and distribute
27 without this State to any persons pursuant to the laws of the places
28 of such sale and distribution, and to maintain a warehouse and to
29 sell at retail to consumers for consumption on or off the licensed
30 premises and to offer samples for sampling purposes only. The
31 license shall be issued only when the winery at which such
32 fermented wines and fruit juices are manufactured is located and
33 constructed upon a tract of land exclusively under the control of the
34 licensee, provided that the licensee is actively engaged in growing
35 and cultivating an area of not less than three acres on or adjacent to
36 the winery premises and on which are growing grape vines or fruit
37 to be processed into wine or fruit juice; and provided, further, that
38 for the first five years of the operation of the winery such fermented
39 wines and fruit juices shall be manufactured from at least 51
40 percent grapes or fruit grown in the State and that thereafter they
41 shall be manufactured from grapes or fruit grown in this State at
42 least to the extent required for labeling as "New Jersey Wine" under
43 the applicable federal laws and regulations. The containers of all
44 wine sold to consumers by such licensee shall have affixed a label
45 stating such information as shall be required by the rules and
46 regulations of the Director of the Division of Alcoholic Beverage
47 Control. The fee for this license shall be graduated as follows: to so
48 manufacture between 30,000 and 50,000 gallons per annum, \$375;

1 to so manufacture between 2,500 and 30,000 gallons per annum,
2 \$250; to so manufacture between 1,000 and 2,500 gallons per
3 annum, \$125; to so manufacture less than 1,000 gallons per annum,
4 \$63. No farm winery license shall be held by the holder of a
5 plenary winery license or be situated on a premises licensed as a
6 plenary winery.

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

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

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

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

39 Wine blending license. 2c. The holder of this license shall be
40 entitled, subject to rules and regulations, to blend, treat, mix, and
41 bottle fermented wines and fruit juices with non-alcoholic
42 beverages, and to sell and distribute his products to wholesalers and
43 retailers licensed in accordance with this chapter, and to sell and
44 distribute without this State to any persons pursuant to the laws of
45 the places of such sale and distribution, and to maintain a
46 warehouse. The fee for this license shall be \$625.

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

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

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

33 Out-of-State winery license. 2e. Provided that the applicant
34 does not produce more than 250,000 gallons of wine per year, the
35 holder of a valid winery license issued in any other state may make
36 application to the director for this license. The holder of this
37 license shall have the right to sell and distribute his products to
38 wholesalers licensed in accordance with this chapter and to sell
39 such wine at retail in original packages in 16 salesrooms apart from
40 the winery premises for consumption on or off the premises at a fee
41 of \$250 for each salesroom. Licensees shall not jointly control and
42 operate salesrooms. The annual fee for this license shall be \$938.
43 A copy of a current license issued by another state shall accompany
44 the application. The holder of this license also shall have the right
45 to sell and distribute his products to retailers licensed in accordance
46 with this chapter, except that the holder of this license shall not use
47 a common carrier for such distribution. The fee for this additional
48 privilege shall be graduated as follows: a licensee who

1 manufactures more than 150,000 gallons, but not in excess of
2 250,000 gallons per annum, \$1,000; a licensee who manufactures
3 more than 100,000 gallons, but not in excess of 150,000 gallons per
4 annum, \$500; a licensee who manufactures more than 50,000
5 gallons, but not in excess of 100,000 gallons per annum, \$250; a
6 licensee who manufactures 50,000 gallons or less per annum, \$100.
7 Additionally, the holder of this license may ship not more than 12
8 cases of wine per year, subject to regulation, to any person within or
9 without this State over 21 years of age for personal consumption
10 and not for resale. A case of wine shall not exceed a maximum of
11 nine liters. A copy of the original invoice shall be available for
12 inspection by persons authorized to enforce the alcoholic beverage
13 laws of this State for a minimum period of three years at the
14 licensed premises of the winery.

15 The licensee shall collect from the customer the tax due on the
16 sale pursuant to the "Sales and Use Tax Act," P.L.1966, c.30
17 (C.54:32B-1 et seq.) and shall pay the tax due on the delivery of
18 alcoholic beverages pursuant to the "Alcoholic beverage tax law,"
19 R.S.54:41-1 et seq. The Director of the Division of Taxation in the
20 Department of the Treasury shall promulgate such rules and
21 regulations necessary to effectuate the provisions of this paragraph,
22 and may provide by regulation for the co-administration of the tax
23 due on the delivery of alcoholic beverages pursuant to the
24 "Alcoholic beverage tax law," R.S.54:41-1 et seq. with the
25 administration of the tax due on the sale pursuant to the "Sales and
26 Use Tax Act," P.L.1966, c.30 (C.54:32B-1 et seq.).

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

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

33 Cidery and meadery license. 2f. The holder of this license shall
34 be entitled, subject to rules and regulations, to manufacture hard
35 cider and mead and to sell and distribute these products to
36 wholesalers and retailers licensed in accordance with this chapter,
37 and to sell and distribute without this State to any persons pursuant
38 to the laws of the places of such sale and distribution, and to
39 maintain a warehouse. The holder of this license shall be entitled to
40 sell these products at retail to consumers on the licensed premises
41 for consumption on or off the premises and to offer samples for
42 sampling purposes only. The holder of this license shall be
43 permitted to offer for sale or make the gratuitous offering of
44 packaged crackers, chips, nuts, and similar snacks to consumers, but
45 shall not operate a restaurant on the licensed premises. The fee for
46 this license shall be \$938.

47 The holder of this license shall be entitled to manufacture hard
48 cider in a quantity not to exceed 50,000 barrels of 31 fluid gallons

1 capacity per year. With respect to the sale and distribution of hard
2 cider to a wholesaler, the licensee shall be subject to the same
3 statutory and regulatory requirements as a brewer, and hard cider
4 shall be considered a malt alcoholic beverage, for the purposes of
5 the "Malt Alcoholic Beverage Practices Act," P.L.2005, c.243
6 (C.33:1-93.12 et seq.). The holder of this license shall not directly
7 ship hard cider either within or without this State.

8 The holder of this license shall be entitled to manufacture not
9 more than 250,000 gallons of mead per year. The holder of this
10 license may ship not more than 12 cases of mead per year, subject
11 to regulation, to any person within or without this State over 21
12 years of age for personal consumption and not for resale. A case of
13 mead shall not exceed a maximum of nine liters. A copy of the
14 original invoice shall be available for inspection by persons
15 authorized to enforce the alcoholic beverage laws of this State for a
16 minimum period of three years at the licensed premises.

17 As used in this subsection:

18 "Hard cider" means a fermented alcoholic beverage derived
19 primarily from apples, pears, apple juice concentrate and water, or
20 pear juice concentrate and water, which may include spices, herbs,
21 honey, or other flavoring, and which contains at least one half of
22 one percent but less than eight and one half percent alcohol by
23 volume.

24 "Mead" means an alcoholic beverage primarily made from
25 honey, water, and yeast, and which may contain fruit, fruit juices,
26 spices, or herbs added before or after fermentation has completed,
27 except that the ratio of fermentable sugars from fruit or fruit juices
28 shall not exceed 49 percent of the total fermentable sugars used to
29 produce mead.

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

33 Direct wine shipping license. 2g. The holder of a valid winery
34 license issued in this State or any other state may make application
35 to the director for this license, provided the license holder has not
36 distributed wine through a New Jersey licensed wholesaler in the
37 120 days immediately preceding the application. The holder of this
38 license shall not distribute wine through a New Jersey licensed
39 wholesaler during the term of the license. The annual fee for this
40 license shall be \$938. A winery licensee operating in another State
41 shall include a copy of a current license in the application. The
42 holder of this license may ship not more than 12 cases of wine per
43 year, subject to regulation, to any person within or without this
44 State over 21 years of age for personal consumption and not for
45 resale. A case of wine shall not exceed a maximum of nine liters. A
46 copy of the original invoice shall be available for inspection by
47 persons authorized to enforce the alcoholic beverage laws of this
48 State for a minimum period of three years at the licensed premises

1 of the winery. The licensee shall collect from the customer the tax
2 due on the sale pursuant to the "Sales and Use Tax Act," P.L.1966,
3 c.30 (C.54:32B-1 et seq.) and shall pay the tax due on the delivery
4 of alcoholic beverages pursuant to the "Alcoholic beverage tax
5 law," R.S.54:41-1 et seq. The Director of the Division of Taxation
6 in the Department of the Treasury shall promulgate rules and
7 regulations necessary to effectuate the provisions of this paragraph,
8 and may provide by regulation for the co-administration of the tax
9 due on the delivery of alcoholic beverages pursuant to the
10 "Alcoholic beverage tax law," R.S.54:41-1 et seq. with the
11 administration of the tax due on the sale pursuant to the "Sales and
12 Use Tax Act," P.L.1966, c.30 (C.54:32B-1 et seq.).

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

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

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

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

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

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

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

40 Bonded warehouse bottling license. 5. The holder of this license
41 shall be entitled, subject to rules and regulations, to bottle alcoholic
42 beverages in bond on behalf of all persons authorized by federal and
43 State law and regulations to withdraw alcoholic beverages from
44 bond. The fee for this license shall be \$625. This license shall be
45 issued only to persons holding permits to operate Internal Revenue
46 bonded warehouses pursuant to the laws of the United States.

47 The provisions of section 21 of P.L.2003, c.117 amendatory of
48 this section shall apply to licenses issued or transferred on or after

1 July 1, 2003, and to license renewals commencing on or after July
2 1, 2003.

3 (cf: P.L.2021, c.407, s.1)
4

5 2. This act shall take effect immediately.
6
7

8 STATEMENT
9

10 This bill creates a Direct Wine Shipping License, which allows
11 New Jersey and out-of-State wineries to directly ship wine to
12 consumers. The license only may be issued to a winery that has not
13 distributed wine through a New Jersey licensed wholesaler in the
14 120 days immediately preceding the winery's application. In
15 addition, license holders are not allowed to distribute wine through
16 a New Jersey licensed wholesaler during the term of the license.

17 Under current law, small plenary wineries that produce 250,000
18 gallons or less per year and farm wineries are permitted to directly
19 ship wine to New Jersey residents and consumers residing in other
20 states. In addition, out-of-State wineries that annually produce
21 250,000 gallons or less may obtain a license to directly ship wine to
22 New Jersey residents. Wineries that produce more than the 250,000
23 gallon capacity cap are currently prohibited from directly shipping
24 wine.