

ASSEMBLY, No. 5461

STATE OF NEW JERSEY 220th LEGISLATURE

INTRODUCED MAY 11, 2023

Sponsored by:

Assemblyman JOE DANIELSEN

District 17 (Middlesex and Somerset)

Assemblywoman SHANIQUE SPEIGHT

District 29 (Essex)

Assemblyman RAJ MUKHERJI

District 33 (Hudson)

SYNOPSIS

Allows municipalities to transfer inactive alcoholic beverage retail licenses for use in redevelopment areas under certain circumstances; allows retail distribution and seasonal consumption licenses to be converted into consumption licenses.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 6/30/2023)

1 AN ACT concerning alcoholic beverage licensing, supplementing
2 Title 33 of the Revised Statutes, and amending P.L.1977, c.246
3 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) As used in this act:

9 “Host municipality” means a municipality from which a plenary
10 retail consumption or distribution license is transferred pursuant to
11 P.L. , c. (C.) (pending before the Legislature as this bill) to the
12 governing body of a receiving municipality.

13 “Inactive license” means a plenary retail consumption license
14 that has been placed on inactive status and renewed as authorized
15 by the provisions of section 1 of P.L.1977, c.246 (C.33:1-12.39) for
16 a two year period.

17 “Receiving municipality” means a municipality that enters into
18 an agreement to acquire a plenary retail consumption or distribution
19 license from a host municipality.

20 “Redevelopment, improvement, or revitalization area” means an
21 urban enterprise zone designated pursuant to P.L.1983, c.303
22 (C.52:27H-60 et seq.) or P.L.2001, c.347 (C.52:27H-66.2 et al.); a
23 downtown business improvement zone designated pursuant to
24 P.L.1998, c.115 (C.40:56-71.1 et seq.); a pedestrian mall or
25 pedestrian mall improvement or special improvement district as
26 defined in section 2 of P.L.1972, c.134 (C.40:56-66); a transit
27 oriented development as defined by section 2 of P.L.2011, c.149
28 (C.34:1B-243); an area determined to be in need of redevelopment
29 pursuant to sections 5 and 6 of P.L.1992, c.9 (C.40A:12A-5 and
30 40A:12A-6); or an area determined to be in need of rehabilitation
31 pursuant to section 14 of P.L.1992, c.9 (C.40A:12A-14), or any
32 improvement which is 100 percent new construction, which is an
33 entirely new improvement not previously occupied or used for any
34 purpose.

35
36 2. (New section) a. A governing board or body of a host
37 municipality that is authorized to issue a new plenary retail
38 consumption license shall be entitled to offer the license at public
39 sale pursuant to P.L.1981, c.416 (C.33:1-19.3 et seq.) or offer the
40 license at public sale to the highest bidding governing body of any
41 other municipality in this State.

42 A license transferred to a receiving municipality pursuant to this
43 section only shall be used in connection with a premises as part of
44 an economic redevelopment plan or located within a redevelopment,
45 improvement, or revitalization area as defined in section 1 of

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 P.L. , c. (C.) (pending before the Legislature as this bill).
2 The host municipality shall not be entitled to issue a new license
3 pursuant to P.L.1975, c.275 (C.33:1-19.1 et seq.) to replace the
4 license transferred to the receiving municipality pursuant to this
5 section.

6 b. Notice of the public sale shall be provided to the director
7 and other municipalities at least 90 days prior to the sale. The
8 notice to the municipalities shall specify the minimum acceptable
9 bid and general conditions of sale including a statement that the
10 transferring municipality reserves the right to reject all bids where
11 the highest bid is not accepted.

12 The funds derived from the sale shall be remitted to the
13 municipal treasurer for the general use of the host municipality.

14 c. A receiving municipality that acquires a license pursuant to
15 subsection a. of this section shall be entitled to offer the license at
16 public sale pursuant to P.L.1975, c.275 (C.33:1-19.1 et seq.).

17 d. A license issued by the receiving municipality to a qualified
18 bidder that is not actively used in connection with the operation of a
19 premises within two years of the issuance date shall expire and shall
20 not be reissued by the receiving municipality. The license holder
21 shall not be entitled to appeal the expiration of the license to the
22 director or a court of law unless the license holder has been
23 deprived of the use of the licensed premises as a result of eminent
24 domain, fire, or other casualty, and establishes by affidavit filed
25 with the director that the license holder is making a good faith
26 effort to resume active use of the license in connection with the
27 operation of a licensed premises.

28 e. A receiving municipality shall not be entitled to acquire
29 more than one license pursuant to this section each calendar year.

30 f. No person who would fail to qualify as a licensee under Title
31 33 of the Revised Statutes shall be permitted to hold an interest in a
32 license transferred under the provisions of this section.

33 g. Licenses transferred pursuant to the provisions of this
34 section shall be subject to all the provisions of Title 33 of the
35 Revised Statutes, rules and regulations promulgated by the director,
36 and municipal ordinances.

37 h. A license issued pursuant to this section shall not be
38 included in the total combined population necessary to issue a new
39 plenary retail consumption or seasonal retail consumption license
40 pursuant to section 2 of P.L.1947, c.94 (C.33:1-12.14).

41
42 3. (New section) a. The holder of an inactive plenary retail
43 consumption license issued by a host municipality may apply to the
44 governing bodies of the host municipality and a contiguous
45 receiving municipality to use the license in connection with a
46 premises located in the contiguous receiving municipality.

47 An inactive plenary retail consumption license used in a
48 contiguous receiving municipality only shall be used as part of an

1 economic redevelopment plan or in connection with a premises
2 located within a redevelopment, improvement, or revitalization
3 area. b. A license used in the contiguous receiving
4 municipality pursuant to this section shall remain in the receiving
5 municipality permanently and shall not be transferred to any other
6 municipality. The host municipality shall not be entitled to issue a
7 new license pursuant to P.L.1975, c.275 (C.33:1-19.1 et seq.) to
8 replace the license transferred to the receiving municipality
9 pursuant to this section.

10 c. The host and receiving municipality shall submit to the
11 director notice of the intent to transfer a license at least 90 days
12 prior to the transfer. The host and receiving municipalities shall
13 adopt by majority vote identical resolutions authorizing the transfer
14 of the license. The identical resolutions shall establish the license
15 transfer fee, which shall be paid by the license holder and deposited
16 in the general fund of the host municipality. Prior to adopting the
17 resolution pursuant to this section, the governing body of both
18 municipalities shall give special consideration as to whether
19 sufficient attempts were made by the license holder to use or
20 transfer the license for use in connection with a premises located in
21 the host municipality.

22 d. A license transferred to a receiving municipality pursuant to
23 this section that is not actively used in connection with the
24 operation of a premises within two years of the transfer date shall
25 expire and shall not be reissued by the receiving municipality. The
26 license holder shall not be entitled to appeal the expiration of the
27 license to the director or a court of law unless the license holder has
28 been deprived of the use of the licensed premises as a result of
29 eminent domain, fire, or other casualty, and establishes by affidavit
30 filed with the director that the license holder is making a good faith
31 effort to resume active use of the license in connection with the
32 operation of a licensed premises.

33 e. A receiving municipality shall not be entitled to acquire
34 more than one license pursuant to this section in each calendar year.

35 f. Licenses transferred pursuant to the provisions of this
36 section shall be subject to all the provisions of Title 33 of the
37 Revised Statutes, rules and regulations promulgated by the director,
38 and municipal ordinances.

39 g. A license issued pursuant to this section shall not be
40 included in the total combined population necessary to issue a new
41 plenary retail consumption or seasonal retail consumption license
42 pursuant to section 2 of P.L.1947, c.94 (C.33:1-12.14).

43
44 4. (New section) a. The holder of a plenary retail distribution
45 license issued by a host municipality may apply to the governing
46 bodies of the host municipality and a receiving municipality located
47 in the same county to transfer the plenary retail distribution license
48 to the governing body of the receiving municipality for use in

1 connection with a premises as part of an economic redevelopment
2 plan or located within a redevelopment, improvement, or
3 revitalization area as defined in section 1 of P.L. , c. (C.)
4 (pending before the Legislature as this bill).

5 The governing body of the receiving municipality shall convert
6 the plenary retail distribution license to a plenary retail
7 consumption license and offer the consumption license at public
8 sale pursuant to P.L.1975, c.275 (C.33:1-19.1 et seq.).

9 b. A license used in a receiving municipality pursuant to this
10 section shall remain in the receiving municipality permanently and
11 shall not be transferred to any other municipality. The host
12 municipality shall not be entitled to issue a new license pursuant to
13 P.L.1975, c.275 (C.33:1-19.1 et seq.) to replace the license
14 transferred to the receiving municipality pursuant to this section.

15 c. The host and receiving municipality shall submit to the
16 director notice of the intent to transfer a license at least 90 days
17 prior to the transfer. The host and receiving municipalities shall
18 adopt by majority vote identical resolutions authorizing the transfer
19 of the license. The identical resolutions shall establish the license
20 transfer fee, which shall be paid by the license holder and deposited
21 in the general fund of the host municipality.

22 d. A receiving municipality shall not be entitled to acquire
23 more than one license pursuant to this section in each calendar year.

24 e. Licenses transferred pursuant to the provisions of this
25 section shall be subject to all the provisions of Title 33 of the
26 Revised Statutes, rules and regulations promulgated by the director,
27 and municipal ordinances.

28 f. A license issued pursuant to this section shall not be
29 included in the total combined population necessary to issue a new
30 plenary retail consumption or seasonal retail consumption license
31 pursuant to section 2 of P.L.1947, c.94 (C.33:1-12.14).

32
33 5. (New section) a. A receiving municipality in which the
34 number of plenary retail consumption licenses has reached the
35 population limitation established in section 2 of P.L.1947, c.94
36 (C.33:1-12.14) may issue a request for proposal to acquire from a
37 license holder an additional inactive plenary retail consumption
38 license that was initially issued by any other host municipality in
39 this State. The inactive license acquired pursuant to this section
40 shall be used in connection with a premises as part of an economic
41 redevelopment plan or a redevelopment, improvement, or
42 revitalization area as defined in section 1 of P.L. , c. (C.)
43 (pending before the Legislature as this bill).

44 b. The request for proposal issued pursuant to subsection a. of
45 this section shall specify a time and date after which no further
46 applications from license holders will be accepted. The request
47 shall be published in a newspaper circulating generally throughout
48 the State by not less than two insertions, one week apart, the second

1 of which shall be made not less than 30 days prior to the time and
2 date specified in the notice as the time and date after which no
3 further applications will be accepted. In addition, the request for
4 proposal shall be published by the governing body on the official
5 Internet website of the receiving municipality. The request for
6 proposal shall require that all bids shall be sealed and remain
7 confidential to other bidders. Notwithstanding the provisions of
8 section 1 of P.L.1981, c. 416 (C.33:1-19.3) the license shall be
9 awarded to the lowest qualified bidder.

10 c. The holder of an inactive plenary retail consumption license
11 shall apply to the governing body of the host municipality for
12 permission to transfer the inactive plenary retail consumption
13 license from the host municipally prior to submitting a bid in
14 response to the request for proposal. The governing body of the host
15 municipality may approve the application only by a resolution adopted
16 by a majority vote. The host municipality shall not require the
17 applicant to disclose the location of the proposed licensed premises.

18 After the receiving municipality accepts a successful bid, the
19 host municipality shall submit to the director notice of the intent to
20 transfer a license at least 90 days prior to the transfer. The host and
21 receiving municipalities shall adopt by majority vote identical
22 resolutions authorizing the transfer of the license. The identical
23 resolutions shall establish the license transfer fee, which shall be
24 paid by the license holder and deposited in the general fund of the
25 host municipality. Prior to adopting the resolution pursuant to this
26 section, the governing body of both municipalities shall give special
27 consideration as to whether sufficient attempts were made by the
28 license holder to use or transfer the license for use in connection
29 with a premises located in the host municipality.

30 d. A receiving municipality that acquires a license pursuant to
31 subsection a. of this section shall be entitled to offer the license at
32 public sale pursuant to P.L.1975, c.275 (C.33:1-19.1 et seq.). A
33 license issued by the receiving municipality to a qualified bidder
34 that is not actively used in connection with the operation of a
35 premises within two years of the issuance date shall expire and shall
36 not be reissued by the receiving municipality. The license holder
37 shall not be entitled to appeal the expiration of the license to the
38 director or a court of law unless the license holder has been
39 deprived of the use of the licensed premises as a result of eminent
40 domain, fire, or other casualty, and establishes by affidavit filed
41 with the director that the license holder is making a good faith
42 effort to resume active use of the license in connection with the
43 operation of a licensed premises.

44 e. A receiving municipality shall not be entitled to acquire
45 more than one license pursuant to this section in each calendar year.

46 f. Licenses transferred pursuant to the provisions of this
47 section shall be subject to all the provisions of Title 33 of the

1 Revised Statutes, rules and regulations promulgated by the director,
2 and municipal ordinances.

3 g. A license issued pursuant to this section shall not be
4 included in the total combined population necessary to issue a new
5 plenary retail consumption or seasonal retail consumption license
6 pursuant to section 2 of P.L.1947, c.94 (C.33:1-12.14).

7

8 6. Section 1 of P.L.1977, c.246 (C.33:1-12.39) is amended to
9 read as follows:

10 1. **[No]** a. Following the effective date of P.L. _____,
11 c. (C. _____) (pending before the Legislature as this bill), a Class
12 C license [.] as [the same is] defined in R.S.33:1-12 [.] shall not
13 be renewed if the [same] license has not been actively used in
14 connection with the operation of a licensed premises within a period
15 of two years [prior to the commencement date of the license period
16 for which the renewal application is filed unless the director, for
17 good cause and after a hearing, authorizes a further application for
18 one or more renewals within a stated period of years; provided,
19 however that, if] . A license that remains inactive at the end of the
20 two-year period shall expire. Prior to the expiration of a plenary
21 retail consumption license pursuant to this subsection, the license
22 holder may transfer the license for use as part of an economic
23 redevelopment plan or in connection with a redevelopment,
24 improvement, or revitalization area pursuant to P.L. _____, c.
25 (C. _____) (pending before the Legislature as this bill).

26 b. A license shall not expire pursuant to subsection a. of this
27 section if the licensee has been deprived of the use of the licensed
28 premises as a result of eminent domain, fire or other casualty, and
29 establishes by affidavit filed with the director that [he] the licensee
30 is making a good faith effort to resume active use of the license in
31 connection with the operation of a licensed premise then the period
32 of two years provided for in this section shall be automatically
33 extended for an additional period of two years.

34 Any request for relief under this section shall be accompanied by
35 a nonreturnable filing fee of **[\$100.00]** \$100 payable to the
36 director.

37 (cf: P.L.1996, c.127, s.1)

38

39 7. R.S.33:1-12 is amended to read as follows:

40 33:1-12. Class C licenses shall be subdivided and classified as
41 follows:

42 Plenary retail consumption license. 1. The holder of this license
43 shall be entitled, subject to rules and regulations, to sell any
44 alcoholic beverages for consumption on the licensed premises by
45 the glass or other open receptacle, and also to sell any alcoholic
46 beverages in original containers for consumption off the licensed
47 premises; but this license shall not be issued to permit the sale of

1 alcoholic beverages in or upon any premises in which a grocery,
2 delicatessen, drug store or other mercantile business is carried on,
3 except as hereinafter provided. The holder of this license shall be
4 permitted to conduct consumer wine, beer and spirits tasting events
5 and samplings for a fee or on a complimentary basis pursuant to
6 conditions established by rules and regulations of the Division of
7 Alcoholic Beverage Control, provided however, that the holder of
8 this license complies with the terms and conditions set forth in
9 section 3 of P.L.2009, c.216 (C.33:1-12d). Subject to such rules
10 and regulations established from time to time by the director, the
11 holder of this license shall be permitted to sell alcoholic beverages
12 in or upon the premises in which any of the following is carried on:
13 the keeping of a hotel or restaurant including the sale of mercantile
14 items incidental thereto as an accommodation to patrons; the sale, at
15 an entertainment facility as defined in R.S.33:1-1, having a seating
16 capacity for no less than 4,000 patrons, of mercantile items
17 traditionally associated with the type of event or program held at
18 the site; the sale of distillers', brewers' and vintners' packaged
19 merchandise prepacked as a unit with other suitable objects as gift
20 items to be sold only as a unit; the sale of novelty wearing apparel
21 identified with the name of the establishment licensed under the
22 provisions of this section; the sale of cigars, cigarettes, packaged
23 crackers, chips, nuts and similar snacks and ice at retail as an
24 accommodation to patrons, or the retail sale of nonalcoholic
25 beverages as accessory beverages to alcoholic beverages; or, in
26 commercial bowling establishments, the retail sale or rental of
27 bowling accessories and the retail sale from vending machines of
28 candy, ice cream and nonalcoholic beverages. The fee for this
29 license shall be fixed by the governing board or body of the
30 municipality in which the licensed premises are situated, by
31 ordinance, at not less than \$250 and not more than \$2,500. No
32 ordinance shall be enacted which shall raise or lower the fee to be
33 charged for this license by more than 20% from that charged in the
34 preceding license year or \$500.00, whichever is the lesser. The
35 governing board or body of each municipality may, by ordinance,
36 enact that no plenary retail consumption license shall be granted
37 within its respective municipality.

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

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

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

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

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

20 (3) This license shall not be issued to permit the sale of
21 alcoholic beverages in or upon any premises in which a grocery,
22 delicatessen, drug store or other mercantile business is carried on,
23 except as hereinafter provided. Subject to such rules and
24 regulations established from time to time by the director, the holder
25 of this license shall be permitted to sell alcoholic beverages in or
26 upon the premises in which any of the following is carried on: the
27 keeping of a hotel or restaurant including the sale of mercantile
28 items incidental thereto as an accommodation to patrons; the sale of
29 distillers', brewers' and vintners' packaged merchandise prepacked
30 as a unit with other suitable objects as gift items to be sold only as a
31 unit; the sale of novelty wearing apparel identified with the name of
32 the establishment licensed under the provisions of this section; the
33 sale of cigars, cigarettes, packaged crackers, chips, nuts and similar
34 snacks and ice at retail as an accommodation to patrons; or the retail
35 sale of nonalcoholic beverages as accessory beverages to alcoholic
36 beverages.

37 (4) A licensee who held this license prior to the effective date of
38 P.L. , c. (pending before the Legislature as this bill) and wishes
39 to exchange the license for a plenary retail consumption license
40 may surrender the license to the issuing authority, who shall convert
41 the license to a plenary retail consumption license and issue it to the
42 license holder. Thereafter, the licensee may sell any alcoholic
43 beverages during 12 months of each year in accordance with the
44 provisions of this section. A person who exchanges this license
45 for a plenary retail consumption license shall pay the annual fee
46 established by the issuing authority for holding a plenary retail
47 consumption license. The governing board or body of the
48 municipality in which the licensed premises is situated shall not

1 prohibit the holder of this license from converting it in accordance
2 with this subsection or limit the licensee from exercising the same
3 privileges as the holder of a plenary retail consumption license. A
4 person who converts this license shall be entitled to sell alcoholic
5 beverages on the same days and during the same hours as other
6 plenary retail consumption license holders within the same
7 municipality.

8 (5) The fee for this license shall be fixed by the governing board
9 or body of the municipality in which the licensed premises are
10 situated, by ordinance, at **【75%】** 75 percent of the fee fixed by said
11 board or body for plenary retail consumption licenses. The
12 governing board or body of each municipality may, by ordinance,
13 enact that no seasonal retail consumption license shall be granted
14 within its respective municipality.

15 Plenary retail distribution license. 3. a. The holder of this license
16 shall be entitled, subject to rules and regulations, to sell any
17 alcoholic beverages for consumption off the licensed premises, but
18 only in original containers; except that licensees shall be permitted
19 to conduct consumer wine, beer, and spirits tasting events and
20 samplings on a complimentary basis pursuant to conditions
21 established by rules and regulations of the Division of Alcoholic
22 Beverage Control, provided however, that the holder of this license
23 complies with the terms and conditions set forth in section 3 of
24 P.L.2009, c.216 (C.33:1-12d).

25 The governing board or body of each municipality may, by
26 ordinance, enact that this license shall not be issued to permit the
27 sale of alcoholic beverages in or upon any premises in which any
28 other mercantile business is carried on, except that any such
29 ordinance, heretofore or hereafter adopted, shall not prohibit the
30 retail sale of distillers', brewers' and vintners' packaged
31 merchandise prepacked as a unit with other suitable objects as gift
32 items to be sold only as a unit; the sale of novelty wearing apparel
33 identified with the name of the establishment licensed under the
34 provisions of this act; cigars, cigarettes, packaged crackers, chips,
35 nuts and similar snacks, ice, and nonalcoholic beverages as
36 accessory beverages to alcoholic beverages. The fee for this license
37 shall be fixed by the governing board or body of the municipality in
38 which the licensed premises are situated, by ordinance, at not less
39 than \$125 and not more than \$2,500. No ordinance shall be enacted
40 which shall raise or lower the fee to be charged for this license by
41 more than **【20%】** 20 percent from that charged in the preceding
42 license year or **【\$500.00】** \$500, whichever is the lesser. The
43 governing board or body of each municipality may, by ordinance,
44 enact that no plenary retail distribution license shall be granted
45 within its respective municipality.

46 Limited retail distribution license. 3. b. The holder of this license
47 shall be entitled, subject to rules and regulations, to sell any
48 unchilled, brewed, malt alcoholic beverages in quantities of not less

1 than 72 fluid ounces for consumption off the licensed premises, but
2 only in original containers; provided, however, that this license
3 shall be issued only for premises operated and conducted by the
4 licensee as a bona fide grocery store, meat market, meat and
5 grocery store, delicatessen, or other type of bona fide food store at
6 which groceries or other foodstuffs are sold at retail; and provided
7 further that this license shall not be issued except for premises at
8 which the sale of groceries or other foodstuffs is the primary and
9 principal business and at which the sale of alcoholic beverages is
10 merely incidental and subordinate thereto. The fee for this license
11 shall be fixed by the governing body or board of the municipality in
12 which the licensed premises are situated, by ordinance, at not less
13 than \$31 and not more than \$63. The governing board or body of
14 each municipality may, by ordinance, enact that no limited retail
15 distribution license shall be granted within its respective
16 municipality.

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

42 Club license. 5. The holder of this license shall be entitled,
43 subject to rules and regulations, to sell any alcoholic beverages but
44 only for immediate consumption on the licensed premises and only
45 to bona fide club members and their guests. The fee for this license
46 shall be fixed by the governing board or body of the municipality in
47 which the licensed premises are situated, by ordinance, at not less
48 than \$63 and not more than \$188. The governing board or body of

1 each municipality may, by ordinance, enact that no club licenses
2 shall be granted within its respective municipality. Club licenses
3 may be issued only to such corporations, associations and
4 organizations as are operated for benevolent, charitable, fraternal,
5 social, religious, recreational, athletic, or similar purposes, and not
6 for private gain, and which comply with all conditions which may
7 be imposed by the Director of the Division of Alcoholic Beverage
8 Control by rules and regulations.

9 The provisions of section 23 of P.L.2003, c.117 amendatory of
10 this section shall apply to licenses issued or transferred on or after
11 July 1, 2003, and to license renewals commencing on or after July
12 1, 2003.

13 Sporting facility license. 6. The holder of this license shall be
14 entitled, subject to rules and regulations, to sell at retail or to serve
15 any alcoholic beverages as the owner, operator, lessee, or
16 concessionaire of a sporting facility by the glass or other receptacle
17 or in original containers only on the premises of the sporting
18 facility.

19 Notwithstanding any other provision of Title 33 of the Revised
20 Statutes and subject to conditions established by the director, the
21 holder of this license may share direction and control of the
22 premises to be licensed and share proceeds and profits from the sale
23 of alcoholic beverages with the owner, operator, concessionaire, or
24 lessee of the facility. The holder of this license shall be permitted
25 to conduct consumer wine, beer, and spirits tasting events and
26 samplings for a fee or on a complimentary basis provided, however,
27 the license holder complies with the provisions of section 3 of
28 P.L.2009, c.216 (C.33:1-12d) and rules and regulations promulgated
29 thereto. Notwithstanding any law, rule or regulation to the
30 contrary, the holder of this license shall be entitled to establish an
31 all-inclusive area within the licensed sporting facility, provided the
32 all-inclusive area is limited to one area within the sporting facility
33 for each game or event and the capacity of the all-inclusive area
34 does not exceed 500 persons.

35 The fee for this license shall be \$2,500 for venues with a
36 capacity of less than 7,500 persons; \$5,000 for venues with a
37 capacity of not less than 7,500 persons but not more than 14,999
38 persons; \$7,500 for venues with a capacity of not less than 15,000
39 persons but not more than 22,499 persons; and \$10,000 for venues
40 with a capacity of 22,500 persons or more.

41 For the purposes of this subsection:

42 "Sporting facility" means a stadium, arena, team training facility,
43 or similar venue located on public property where alcoholic
44 beverages are served or sold at retail for consumption on the
45 premises by the glass or other open receptacle or in original
46 containers.

1 "Team training facility" shall include team offices and team
2 headquarters.

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

4

5 8. This act shall take effect on the first day of the seventh
6 month following the date of enactment.

7

8

9

STATEMENT

10

11 This bill establishes several procedures by which a plenary retail
12 consumption license, generally issued to bars and restaurants, may
13 be transferred to another municipality.

14 Under current law, a municipality may issue plenary retail
15 consumption licenses until the combined total number in the
16 municipality is fewer than one license for each 3,000 municipal
17 residents. This bill allows a municipality that is entitled to issue an
18 additional plenary retail consumption license to offer the license at
19 public sale to the highest bidding governing body of any other
20 municipality in this State. A license transferred to a receiving
21 municipality pursuant to this section only is to be used in
22 connection with a premises as part of an economic redevelopment
23 plan or located within a redevelopment, improvement, or
24 revitalization area. The bill requires the host municipality to
25 provide notice of the public sale to the director and other
26 municipalities at least 90 days prior to the sale. The notice to the
27 municipalities is to specify the minimum acceptable bid and general
28 conditions of sale including a statement that the transferring
29 municipality reserves the right to reject all bids where the highest
30 bid is not accepted. The funds derived from the sale are to be
31 remitted to the municipal treasurer for the general use of the host
32 municipality. A receiving municipality that acquires the license
33 would be entitled to offer the license at public sale. A license
34 issued by the receiving municipality to a qualified bidder that is not
35 actively used in connection with the operation of a premises within
36 two years of the issuance date is to expire and not be reissued by the
37 receiving municipality. The receiving municipality would be
38 prohibited from acquiring more than one license through this
39 bidding process in each calendar year.

40 In addition, this bill establishes two procedures for transferring
41 an inactive plenary retail consumption license to a different
42 municipality. Under current law, an inactive plenary retail
43 consumption license is a license to sell alcoholic beverages for on
44 premises consumption that is not being used at an open and
45 operating licensed premises. A licensee is required to place the
46 license on "inactive status" when the licensed business ceases
47 operation and the license continues to be held by the licensee of
48 record.

1 Under this bill, a license that remains inactive for two years is to
2 expire. Prior to the expiration of the license, the license holder may
3 apply to the governing body of the host municipality that issued the
4 license and a contiguous neighboring municipality to use the license
5 in connection with a premises located in the contiguous receiving
6 municipality. An inactive plenary retail consumption license used
7 in a contiguous receiving municipality only would be used as part
8 of an economic redevelopment plan or in connection with a
9 premises located within a redevelopment, improvement, or
10 revitalization area. The bill requires the transferred license to
11 remain in the contiguous receiving municipality and prohibits the
12 transfer of the license to any other municipality. Under the bill, the
13 host and receiving municipalities are to submit to the director notice
14 of the intent to transfer a license at least 90 days prior to the
15 transfer. The bill requires the host and receiving municipalities to
16 adopt by majority vote identical resolutions authorizing the transfer
17 of the license. The identical resolutions are to establish the license
18 transfer fee agreed upon by both municipal governing bodies. A
19 receiving municipality that acquires a license would be entitled to
20 offer the license at public sale in accordance with current law. A
21 license issued by a receiving municipality that is not actively used
22 in connection with the operation of a premises within two years of
23 the transfer date would expire and not be reissued by the receiving
24 municipality. The bill prohibits a receiving contiguous
25 municipality from acquiring more than one license through this
26 transfer process in each calendar year.

27 This bill also allows a receiving municipality that has reached
28 the license population limitation established under current law to
29 issue a request for proposal (RFP) to acquire an inactive plenary
30 retail consumption license from any license holder in this State. The
31 bill requires the receiving municipality to issue the license for use
32 in connection with a premises as part of economic redevelopment
33 plan or a redevelopment, improvement, or revitalization area. The
34 RFP would specify a time and date after which no further
35 applications from license holders will be accepted. The
36 municipality is to publish the RFP in a newspaper circulating
37 generally throughout the State by not less than two insertions, one
38 week apart, the second of which is to be made not less than 30 days
39 prior to the time and date specified in the notice as the time and
40 date after which no further applications will be accepted. In
41 addition, the request for proposal is to be published by the
42 governing body on the official Internet website of the receiving
43 municipality. The RFP is to require that all bids to be sealed and
44 remain confidential to other bidders. The holder of an inactive
45 plenary retail consumption license is to apply for permission to
46 transfer the inactive plenary retail consumption license from the
47 host municipality prior to submitting a bid in response to the RFP.
48 The host municipality may approve the application by resolution. The

1 host municipality would be prohibited from requiring the applicant
2 to disclose the location of the proposed licensed premises.

3 After the receiving municipality accepts a successful bid, the
4 host and receiving municipality are to submit to the ABC director
5 notice of the intent to transfer a license at least 90 days prior to the
6 transfer. The bill requires the issuing and receiving municipalities
7 to adopt by majority vote identical resolutions authorizing the
8 transfer of the license. The identical resolutions are to establish the
9 license transfer fee agreed upon by both municipal governing
10 bodies. The bill requires a license that is not actively used within
11 two years of issuance date to expire. A receiving municipality that
12 issued the RFP would be prohibited from acquiring more than one
13 license through this process in each calendar year.

14 In addition, the bill establishes a procedure by which existing
15 plenary retail distribution licenses may be converted to plenary
16 retail consumption licenses as part of an economic redevelopment
17 plan or

18 for use in a redevelopment, improvement, or revitalization area.
19 Under current law, a plenary retail distribution license allows for
20 the sale of alcoholic beverages off the licensed premises and is
21 generally issued to liquor stores and supermarkets. The procedure
22 allows the holder of a plenary retail distribution license to apply to
23 a host municipality and receiving municipality located in the same
24 county to transfer the distribution license to the receiving
25 municipality. Upon receiving the distribution license, the receiving
26 municipality would be required to convert the plenary retail
27 distribution license to a plenary retail consumption license and then
28 issue that license at public sale in accordance with current law. The
29 bill requires the issuing and receiving municipalities to adopt by
30 majority vote identical resolutions authorizing the transfer of the
31 license. The bill prohibits a receiving municipality from acquiring
32 and converting more than one distribution license through this
33 transfer process in each calendar year.

34 The bill also allows a person who held a seasonal retail
35 consumption license prior to the bill's effective date to surrender
36 the license to the issuing authority, which then may exchange the
37 license for a plenary retail consumption license. This license will
38 permit the licensee to sell alcoholic beverages for consumption on
39 the licensed premises throughout the entire year. Under current law,
40 a seasonal retail consumption license allows for the sale of alcoholic
41 beverages for on-site consumption for a limited time during the
42 summer or winter season. A license issued during the summer season
43 allows the licensee to serve alcoholic beverages from May 1 through
44 November 14. The holder of a winter seasonal license may sell
45 alcoholic beverages from November 15 to April 30. This bill allows a
46 seasonal retail consumption license to convert the license to a full-
47 year consumption license and requires the licensee to pay the fees
48 associated with the full-year license.

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1 The plenary retail consumption licenses transferred to or
2 acquired by a receiving municipality under the bill's provisions
3 would not be included in the population formula used to issue new
4 licenses.