

[First Reprint]

SENATE COMMITTEE SUBSTITUTE FOR
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STATE OF NEW JERSEY
220th LEGISLATURE

ADOPTED JUNE 12, 2023

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Assemblywomen Murphy and Carter

SYNOPSIS

Establishes sales and events privileges for certain alcoholic beverage manufacturers.

CURRENT VERSION OF TEXT

As reported by the Senate Budget and Appropriations Committee on June 20, 2023, with amendments.

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

1 AN ACT concerning alcoholic beverage manufacturers,
2 supplementing Title 33 of the Revised Statutes, and amending
3 R.S.33:1-10.
4

5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:
7

8 1. (New section) a. As used in this section:

9 “Craft manufacturer’s license” means a limited brewery license,
10 cidery and meadery license, and craft distillery license issued pursuant
11 to R.S.33:1-10.

12 “Off-premises special events” means special events that take place
13 at a location other than on the licensed premises or the sidewalk,
14 parking lot, or other area owned by the licensee that is adjacent to or
15 adjoining the licensed premises and shall include, but not be limited to:
16 beer, music, and arts festivals; civic events; foot races, bike races, and
17 other athletic events; craft manufacturer’s anniversary celebrations;
18 and holiday celebrations.

19 “On-premises special event” means an event that is open to the
20 public and held on the licensed premises or the sidewalk, parking lot,
21 or other area owned by the licensee that is adjacent to or adjoining the
22 licensed premises. An on-premises special event shall include, but not
23 be limited to: trivia and quiz games; paint and sip; craftmaking; pop up
24 shops; DJs, live music, amplified music and open mic; televised or
25 streamed sporting events; educational events and seminars; movies and
26 theatrical events; animal adoption, to the extent permitted by local
27 ordinance; yoga and exercise classes; and games of skill.

28 “Private party” means an event that is held on the licensed
29 premises and closed to the general public, either by the establishment
30 of a special area of the licensed premises that may be reserved to be
31 occupied only by the hosts or guests of the private party, or by closure
32 of the licensed premises to the public for the duration of the private
33 party.

34 b. The holder of a craft manufacturer’s license shall be entitled to
35 sell and serve customers tableside utilizing servers or wait staff
36 employed by the license holder. The license holder shall be entitled to
37 serve the licensee’s products for on-premises consumption in outdoor
38 spaces approved by the municipality. A craft manufacturer that serves
39 alcoholic beverages in outdoor spaces may utilize a permanent or
40 portable tap system located in the approved outdoor space. Pourers
41 and servers employed by a craft manufacturer’s license holder shall be
42 certified by an industry-recognized server training program.

43 c. The holder of a craft manufacturer’s license shall be permitted
44 to offer for sale or make the gratuitous offering of de minimis food

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

Matter enclosed in superscript numerals has been adopted as follows:

¹ Senate SBA committee amendments adopted June 20, 2023.

1 items including, but not limited to, packaged crackers, chips, nuts, and
2 similar snacks to consumers. The license holder may sell non-
3 alcoholic beverages, whether or not manufactured by the license
4 holder. The license holder also may coordinate with a food vendor for
5 the provision of food on the licensed premises and provide menus to
6 consumers for the sale of food.

7 The holder of a craft manufacturer's license may offer for sale
8 suitable gift items and novelty wearing apparel identified with the
9 name of the craft manufacturer, or to promote the craft beverage
10 industry.

11 d. The license holder shall be entitled to hold an unlimited
12 number of on-premises special events, for which the license holder
13 may sell tickets or charge a cover fee for attendance. The license
14 holder shall not be required to obtain a permit or provide electronic
15 notification to the division of on-premises special events.

16 e. The holder of a craft manufacturer's license shall be entitled to
17 'annually' hold '[an unlimited number of] not more than 25' off-
18 premises special events authorized by a permit issued by the director
19 for each off-premises special event. An off-premises special event
20 permit may be issued for an event that is held for up to three
21 consecutive days. The license holder shall be entitled to coordinate
22 with food vendors for the provision of food at off-premises events. If
23 an off-premises special event is to be held on a publicly-owned or
24 controlled property, the license holder shall be required to obtain the
25 consent of the political subdivision that owns or controls the property
26 or the chief law enforcement officer of the law enforcement agency
27 that has jurisdiction over the property.

28 f. The holder of a craft manufacturer's license shall be entitled to
29 hold an unlimited number of private parties per year to occur on the
30 licensed premises including, but not limited to, birthdays, weddings,
31 anniversaries, civic and political functions, professional and trade
32 association events, or class reunions and alumni events. The license
33 holder shall be entitled to coordinate with food vendors for the
34 provision of food at private parties. Subject to the consent of the
35 licensee, the host of a private party may provide wine and malt
36 alcoholic beverages purchased off the licensed premises to be served at
37 the private party. A host of a private party may hire an employee of
38 the craft manufacturer's license to pour the alcoholic beverages served
39 at the party. The license holder shall not be required to obtain a permit
40 or provide electronic notification to the director of private parties.

41 g. The holder of a craft manufacturer's license shall be entitled to
42 hold on the licensed premises not more than 25 social affair events
43 hosted by the holder of a social affair permit issued pursuant to
44 R.S.33:1-74. Subject to the consent of the license holder, the holder of
45 the social affair permit may sell and serve any wine and malt alcoholic
46 beverages for on-premises consumption only, provided the wine and
47 malt alcoholic beverages are obtained in accordance with regulations
48 promulgated by the director governing the issuance of social affair

1 permits. A host of a social affair permitted event may hire employees
2 or agents of the licensee to pour the alcoholic beverages served at the
3 event. The holder of this license shall be entitled to sell the products
4 manufactured pursuant to the license for consumption off the craft
5 manufacturer's premises during a social affair permitted event.

6 h. The holder of a craft manufacturer's license shall be entitled to
7 sell the holder's products at a discount for promotional purposes, provide
8 targeted discounts, and establish membership programs that offer
9 discounts provided that the licensee's products are not sold below the cost
10 of manufacturing the product. Nothing in this subsection shall waive the
11 requirement that the holder of a craft manufacturer's license file a current
12 price list with the division in accordance with rules and regulations.

13 i. The holder of a craft manufacturer's license shall be entitled to
14 exercise the privileges established pursuant to this section and R.S.33:1-
15 10 regardless of whether the property on which alcoholic beverages
16 are manufactured is owned or leased by the licensee.

17 j. The holder of a craft manufacturer's license shall be entitled to
18 show or display any televised program on televisions or other
19 screening devices of any number or size on the licensed premises. The
20 televised programs may include any sporting event, including live-
21 televised championship sporting events. The holder of this license
22 may publicly advertise that a televised event will be displayed on the
23 licensed premises in advance thereof. The license holder shall not be
24 required to provide notice to or obtain a permit from the division prior
25 to showing or displaying any televised event.

26 k. The holder of a craft manufacturer's license who coordinates
27 with a food vendor pursuant to this section, including, but not limited
28 to, a food truck or restaurant, shall not own or operate the food vendor.
29 The holder of a craft manufacturer's license that is used in connection
30 with a licensed premises that is adjoining a food vendor's premises
31 shall have its own entrance and exit way to and from the licensed
32 premises and shall not have a doorway that allows direct access and
33 egress to the food vendor's premises.

34
35 2. 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 be
39 entitled, subject to rules and regulations, to brew any malt alcoholic
40 beverages and to sell and distribute his products to wholesalers and
41 retailers licensed in accordance with this chapter, and to sell and
42 distribute without this State to any persons pursuant to the laws of the
43 places of such sale and distribution, and to maintain a warehouse;
44 provided, however, that the delivery of this product by the holder of
45 this license to retailers licensed under this title shall be from inventory
46 in a warehouse located in this State which is operated under a plenary
47 brewery license. The fee for this license shall be \$10,625.

1 Limited brewery license 1b. The holder of this license shall be
2 entitled, subject to rules and regulations, to brew any malt alcoholic
3 beverages in a quantity to be expressed in said license, dependent upon
4 the following fees and not in excess of 300,000 barrels of 31 fluid
5 gallons capacity per year and to sell and distribute this product to
6 wholesalers and retailers licensed in accordance with this chapter, and
7 to sell and distribute without this State to any persons pursuant to the
8 laws of the places of such sale and distribution, and to maintain a
9 warehouse; provided, however, that the delivery of this product by the
10 holder of this license to retailers licensed under this title shall be from
11 inventory in a warehouse located in this State which is operated under
12 a limited brewery license. The holder of this license shall be entitled
13 to sell this product at retail to consumers on the licensed premises of
14 the brewery for consumption on the premises, **but only in connection**
15 **with a tour of the brewery,** or **for consumption off the premises** in a
16 quantity of not more than 15.5 fluid gallons per person for
17 consumption off the premises, and to offer samples for sampling
18 purposes **only pursuant to an annual permit issued by the director**.
19 The holder of this license shall not be required to pay a fee to the
20 division for the privilege of offering samples pursuant to this section.
21 If the holder of this license holds a bonded warehouse bottling license
22 issued pursuant to subsection 5 of this section, product brewed in
23 accordance with this subsection and transferred to a bonded warehouse
24 for bottling and storage may be sold at retail and offered for sampling
25 on the licensed premises of the brewery by the holder of this license.
26 The holder of this license shall not sell food or operate a restaurant on
27 the licensed premises but may coordinate with food vendors pursuant
28 to section 1 of P.L. , c. (C.) (pending before the Legislature as this
29 bill). The holder of this license shall be entitled to engage in the
30 privileges established pursuant to section 1 of P.L. , c. (C.)
31 (pending before the Legislature as this bill).

32 The fee for this license shall be graduated as follows:
33 to so brew not more than 50,000 barrels of 31 liquid gallons
34 capacity per annum, \$1,250;
35 to so brew not more than 100,000 barrels of 31 fluid gallons
36 capacity per annum, \$2,500;
37 to so brew not more than 200,000 barrels of 31 fluid gallons
38 capacity per annum, \$5,000;
39 to so brew not more than 300,000 barrels of 31 fluid gallons
40 capacity per annum, \$7,500.

41 For the purposes of this subsection, "sampling" means the selling
42 at a nominal charge or the gratuitous offering of an open container not
43 exceeding four ounces of any malt alcoholic beverage. For the
44 purposes of this subsection, "product" means any malt alcoholic
45 beverage that is produced on the premises licensed under this
46 subsection.

47 Restricted brewery license. 1c. The holder of this license shall be
48 entitled, subject to rules and regulations, to brew any malt alcoholic

1 beverages in a quantity to be expressed in such license not in excess of
2 **【10,000】** 300,000 barrels of 31 gallons capacity per year.
3 Notwithstanding the provisions of R.S.33:1-26, the director shall issue
4 a restricted brewery license only to a person or an entity which has
5 identical ownership to an entity which holds a plenary retail
6 consumption license issued pursuant to R.S.33:1-12, provided that
7 such plenary retail consumption license is operated in conjunction with
8 a restaurant regularly and principally used for the purpose of providing
9 meals to its customers and having adequate kitchen and dining room
10 facilities, and that the licensed restaurant premises is immediately
11 adjoining the premises licensed under this subsection. The holder of
12 this license shall be entitled to sell or deliver the product to that
13 restaurant premises. The holder of this license also shall be entitled to
14 sell and distribute the product to wholesalers and retailers licensed in
15 accordance with this chapter, and to sell and distribute without this
16 State to any persons pursuant to the laws of those places of such sale
17 and distribution, and to maintain a warehouse; provided, however, that
18 the delivery of this product by the holder of this license to retailers
19 licensed under this title shall be from inventory in a warehouse located
20 in this State which is operated under a restricted brewery license. ¹The
21 amount of malt alcoholic beverages that may be sold and distributed
22 directly to retailers pursuant to this subsection on an annual basis shall
23 be not more than 50 percent of the product manufactured in that year
24 by the holder of this license.¹

25 The fee for this license shall be \$1,250, which fee shall entitle the
26 holder to brew up to 1,000 barrels of 31 liquid gallons per annum. The
27 licensee also shall pay an additional \$250 for every additional 1,000
28 barrels of 31 fluid gallons produced. The fee shall be paid at the time
29 of application for the license, and additional payments based on barrels
30 produced shall be paid within 60 days following the expiration of the
31 license term upon certification by the licensee of the actual gallons
32 brewed during the license term. No more than 10 restricted brewery
33 licenses shall be issued to a person or entity which holds an interest in
34 a plenary retail consumption license. If the governing body of the
35 municipality in which the licensed premises will be located should file
36 a written objection, the director shall hold a hearing and may issue the
37 license only if the director finds that the issuance of the license will
38 not be contrary to the public interest. All fees related to the issuance
39 of both licenses shall be paid in accordance with statutory law. The
40 provisions of this subsection shall not be construed to limit or restrict
41 the rights and privileges granted by the plenary retail consumption
42 license held by the holder of the restricted brewery license issued
43 pursuant to this subsection.

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

47 For the purposes of this subsection, "sampling" means the selling
48 at a nominal charge or the gratuitous offering of an open container not

1 exceeding four ounces of any malt alcoholic beverage product. For the
2 purposes of this subsection, "product" means any malt alcoholic
3 beverage that is produced on the premises licensed under this
4 subsection.

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

45 A holder of this license who produces not more than 250,000
46 gallons per year shall not own, either in whole or in part, or hold,
47 either directly or indirectly, any interest in a winery that produces
48 more than 250,000 gallons per year. In addition, a holder of this

1 license who produces more than 250,000 gallons per year shall not
2 own, either in whole or in part, or hold, either directly or indirectly,
3 any interest in a winery that produces not more than 250,000 gallons
4 per year. For the purposes of this subsection, "product" means any
5 wine that is produced, blended, fortified, or treated by the licensee on
6 its licensed premises situated in the State of New Jersey. For the
7 purposes of this subsection, "wine" shall include "hard cider" and
8 "mead" as defined in this section.

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

43 The holder of this license shall also have the right to sell and
44 distribute his products to retailers licensed in accordance with this
45 chapter, except that the holder of this license shall not use a common
46 carrier for such distribution. The fee for this additional privilege shall
47 be \$100. The holder of this license shall have the right to sell his
48 products in original packages at retail to consumers in 15 salesrooms

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

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

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

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

26 Wine blending license. 2c. The holder of this license shall be
27 entitled, subject to rules and regulations, to blend, treat, mix, and bottle
28 fermented wines and fruit juices with non-alcoholic beverages, and to
29 sell and distribute his products to wholesalers and retailers licensed in
30 accordance with this chapter, and to sell and distribute without this
31 State to any persons pursuant to the laws of the places of such sale and
32 distribution, and to maintain a warehouse. The fee for this license
33 shall be \$625.

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

36 Instructional winemaking facility license. 2d. The holder of this
37 license shall be entitled, subject to rules and regulations, to instruct
38 persons in and provide them with the opportunity to participate
39 directly in the process of winemaking and to directly assist such
40 persons in the process of winemaking while in the process of
41 instruction on the premises of the facility. The holder of this license
42 also shall be entitled to manufacture wine on the premises not in
43 excess of an amount of 10 percent of the wine produced annually on
44 the premises of the facility, which shall be used only to replace
45 quantities lost or discarded during the winemaking process, to
46 maintain a warehouse, and to offer samples produced by persons who
47 have received instruction in winemaking on the premises by the
48 licensee for sampling purposes only on the licensed premises for the

1 purpose of promoting winemaking for personal or household use or
2 consumption. Wine produced on the premises of an instructional
3 winemaking facility shall be used, consumed or disposed of on the
4 facility's premises or distributed from the facility's premises to a
5 person who has participated directly in the process of winemaking for
6 the person's personal or household use or consumption. The holder of
7 this license may sell mercantile items traditionally associated with
8 winemaking and novelty wearing apparel identified with the name of
9 the establishment licensed under the provisions of this section. The
10 holder of this license may use the licensed premises for an event or
11 affair, including an event or affair at which a plenary retail
12 consumption licensee serves alcoholic beverages in compliance with
13 all applicable statutes and regulations promulgated by the director.
14 The fee for this license shall be \$1,000. For the purposes of this
15 subsection, "sampling" means the gratuitous offering of an open
16 container not exceeding one and one-half ounces of any wine.

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

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

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

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

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

19 Cidery and meadery license. 2f. The holder of this license shall be
20 entitled, subject to rules and regulations, to manufacture hard cider and
21 mead and to sell and distribute these products to wholesalers and
22 retailers licensed in accordance with this chapter, and to sell and
23 distribute without this State to any persons pursuant to the laws of the
24 places of such sale and distribution, and to maintain a warehouse. The
25 holder of this license shall be entitled to sell these products at retail to
26 consumers on the licensed premises for consumption on or off the
27 premises and to offer samples for sampling purposes only. The holder
28 of this license shall be permitted to offer for sale or make the
29 gratuitous offering of packaged crackers, chips, nuts, and similar
30 snacks to consumers **[, but]** . The holder of this license shall not
31 operate a restaurant on the licensed premises but may coordinate with
32 food vendors pursuant to section 1 of P.L. , c. (C.) (pending
33 before the Legislature as this bill). The holder of this license shall be
34 entitled to engage in the privileges established pursuant to section 1 of
35 P.L. , c. (C.) (pending before the Legislature as this bill). The fee
36 for this license shall be \$938.

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

46 The holder of this license shall be entitled to manufacture not more
47 than 250,000 gallons of mead per year. The holder of this license may
48 ship not more than 12 cases of mead per year, subject to regulation, to

1 any person within or without this State over 21 years of age for
2 personal consumption and not for resale. A case of mead shall not
3 exceed a maximum of nine liters. A copy of the original invoice shall
4 be available for inspection by persons authorized to enforce the
5 alcoholic beverage laws of this State for a minimum period of three
6 years at the licensed premises.

7 As used in this subsection:

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

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

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

21 Plenary distillery license. 3a. The holder of this license shall be
22 entitled, subject to rules and regulations, to manufacture any distilled
23 alcoholic beverages and rectify, blend, treat and mix, and to sell and
24 distribute his products to wholesalers and retailers licensed in
25 accordance with this chapter, and to sell and distribute without this
26 State to any persons pursuant to the laws of the places of such sale and
27 distribution, and to maintain a warehouse. The fee for this license
28 shall be \$12,500.

29 Limited distillery license. 3b. The holder of this license shall be
30 entitled, subject to rules and regulations, to manufacture and bottle any
31 alcoholic beverages distilled from fruit juices and rectify, blend, treat,
32 mix, compound with wine and add necessary sweetening and flavor to
33 make cordial or liqueur, and to sell and distribute 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 the
36 places of such sale and distribution and to warehouse these products.
37 The fee for this license shall be \$3,750.

38 Supplementary limited distillery license. 3c. The holder of this
39 license shall be entitled, subject to rules and regulations, to bottle and
40 rebottle, in a quantity to be expressed in said license, dependent upon
41 the following fees, alcoholic beverages distilled from fruit juices by
42 such holder pursuant to a prior plenary or limited distillery license, and
43 to sell and distribute his products to wholesalers and retailers licensed
44 in accordance with this chapter, and to sell and distribute without this
45 State to any persons pursuant to the laws of the places of such sale and
46 distribution, and to maintain a warehouse. The fee for this license
47 shall be graduated as follows: to so bottle and rebottle not more than
48 5,000 wine gallons per annum, \$313; to so bottle and rebottle not more

1 than 10,000 wine gallons per annum, \$625; to so bottle and rebottle
2 without limit as to amount, \$1,250.

3 Craft distillery license. 3d. The holder of this license shall be
4 entitled, subject to rules and regulations, to manufacture not more than
5 20,000 gallons of distilled alcoholic beverages, to rectify, blend, treat
6 and mix distilled alcoholic beverages, to sell and distribute this
7 product to wholesalers and retailers licensed in accordance with this
8 chapter, and to sell and distribute without this State to any persons
9 pursuant to the laws of the places of such sale and distribution, and to
10 maintain a warehouse. The holder of this license shall be entitled to
11 sell this product at retail to consumers on the licensed premises of the
12 distillery for consumption on the premises, [but only in connection
13 with a tour of the distillery,] and for consumption off the premises in a
14 quantity of not more than five liters per person. In addition, the holder
15 of this license may offer any person not more than three samples per
16 calendar day for sampling purposes only. For the purposes of this
17 subsection, "sampling" means the gratuitous offering of an open
18 container not exceeding one-half ounce serving of distilled alcoholic
19 beverage produced on the distillery premises. If the holder of this
20 license holds a bonded warehouse bottling license issued pursuant to
21 subsection 5 of this section, product manufactured in accordance with
22 this subsection and transferred to a bonded warehouse for bottling and
23 storage may be sold at retail and offered for sampling on the licensed
24 premises of the distillery by the holder of this license. Nothing in this
25 subsection shall be deemed to permit the direct shipment of distilled
26 spirits either within or without this State. The holder of this license
27 shall be entitled to engage in the privileges established pursuant to section
28 1 of P.L. , c. (C.) (pending before the Legislature as this bill).

29 The holder of this license shall not sell food or operate a restaurant
30 on the licensed premises but may coordinate with food vendors
31 pursuant to section 1 of P.L. , c. (C.) (pending before the
32 Legislature as this bill). A holder of this license who certifies that not
33 less than 51 percent of the raw materials used in the production of
34 distilled alcoholic beverages under this section are grown in this State
35 or purchased from providers located in this State may, consistent with
36 all applicable federal laws and regulations, label these distilled
37 alcoholic beverages as "New Jersey Distilled." The fee for this license
38 shall be \$938.

39 Rectifier and blender license. 4. The holder of this license shall be
40 entitled, subject to rules and regulations, to rectify, blend, treat and
41 mix distilled alcoholic beverages, and to fortify, blend, and treat
42 fermented alcoholic beverages, and prepare mixtures of alcoholic
43 beverages, and to sell and distribute his products to wholesalers and
44 retailers licensed in accordance with this chapter, and to sell and
45 distribute without this State to any persons pursuant to the laws of the
46 places of such sale and distribution, and to maintain a warehouse. The
47 fee for this license shall be \$7,500.

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

8 The provisions of section 21 of P.L.2003, c.117 amendatory of this
9 section shall apply to licenses issued or transferred on or after July 1,
10 2003, and to license renewals commencing on or after July 1, 2003.

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

12

13 3. This act shall take effect immediately.