

SENATE, No. 3050

STATE OF NEW JERSEY
220th LEGISLATURE

INTRODUCED SEPTEMBER 22, 2022

Sponsored by:
Senator JAMES BEACH
District 6 (Burlington and Camden)

SYNOPSIS

Permits certain alcoholic beverage manufacturers to coordinate food service with certain third-party vendors and operate restaurant on licensed premises.

CURRENT VERSION OF TEXT

As introduced.



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1 AN ACT concerning certain alcoholic beverage manufacturers and
2 amending R.S.33:1-10.

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

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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]** may operate a

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.

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1 restaurant on the licensed premises or enter into an exclusive
2 business arrangement or otherwise coordinate with a third-party
3 food truck, restaurant, or similar retail food vendor to provide food
4 directly to consumers on the licensed premises. The fee for this
5 license shall be graduated as follows:

6 to so brew not more than 50,000 barrels of 31 liquid gallons
7 capacity per annum, \$1,250;

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

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

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

14 For the purposes of this subsection, "sampling" means the selling
15 at a nominal charge or the gratuitous offering of an open container
16 not exceeding four ounces of any malt alcoholic beverage. For the
17 purposes of this subsection, "product" means any malt alcoholic
18 beverage that is produced on the premises licensed under this
19 subsection.

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

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1 shall hold a hearing and may issue the license only if the director
2 finds that the issuance of the license will not be contrary to the
3 public interest. All fees related to the issuance of both licenses
4 shall be paid in accordance with statutory law. The provisions of
5 this subsection shall not be construed to limit or restrict the rights
6 and privileges granted by the plenary retail consumption license
7 held by the holder of the restricted brewery license issued pursuant
8 to this subsection.

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

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

19 Plenary winery license. 2a. Provided that the holder is engaged
20 in growing and cultivating grapes or fruit used in the production of
21 wine on at least three acres on, or adjacent to, the winery premises,
22 the holder of this license shall be entitled, subject to rules and
23 regulations, to produce any fermented wines, and to blend, fortify
24 and treat wines, and to sell and distribute his products to
25 wholesalers licensed in accordance with this chapter and to
26 churches for religious purposes, and to sell and distribute without
27 this State to any persons pursuant to the laws of the places of such
28 sale and distribution, and to maintain a warehouse, and to sell his
29 products at retail to consumers on the licensed premises of the
30 winery for consumption on or off the premises and to offer samples
31 for sampling purposes only. The holder of this license may operate
32 a restaurant on the licensed premises or enter into an exclusive
33 business arrangement or otherwise coordinate with a third-party
34 food truck, restaurant, or similar retail food vendor to provide food
35 directly to consumers on the licensed premises.

36 The fee for this license shall be \$938. A holder of this license
37 who produces not more than 250,000 gallons per year shall also
38 have the right to sell and distribute his products to retailers licensed
39 in accordance with this chapter, except that the holder of this
40 license shall not use a common carrier for such distribution. The
41 fee for this additional privilege shall be graduated as follows: a
42 licensee who manufactures more than 150,000 gallons, but not in
43 excess of 250,000 gallons per annum, \$1,000; a licensee who
44 manufactures more than 100,000 gallons, but not in excess of
45 150,000 gallons per annum, \$500; a licensee who manufactures
46 more than 50,000 gallons, but not in excess of 100,000 gallons per
47 annum, \$250; a licensee who manufactures 50,000 gallons or less
48 per annum, \$100. A holder of this license who produces not more

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1 than 250,000 gallons per year shall have the right to sell such wine
2 at retail in original packages in 15 salesrooms apart from the winery
3 premises for consumption on or off the premises and for sampling
4 purposes for consumption on the premises, at a fee of \$250 for each
5 salesroom. Licensees shall not jointly control and operate
6 salesrooms. Additionally, the holder of this license who produces
7 not more than 250,000 gallons per year 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. For the purposes of this
15 subsection, "sampling" means the selling at a nominal charge or the
16 gratuitous offering of an open container not exceeding one and one-
17 half ounces of any wine.

18 A holder of this license who produces not more than 250,000
19 gallons per year shall not own, either in whole or in part, or hold,
20 either directly or indirectly, any interest in a winery that produces
21 more than 250,000 gallons per year. In addition, a holder of this
22 license who produces more than 250,000 gallons per year shall not
23 own, either in whole or in part, or hold, either directly or indirectly,
24 any interest in a winery that produces not more than 250,000
25 gallons per year. For the purposes of this subsection, "product"
26 means any wine that is produced, blended, fortified, or treated by
27 the licensee on its licensed premises situated in the State of New
28 Jersey. For the purposes of this subsection, "wine" shall include
29 "hard cider" and "mead" as defined in this section.

30 Farm winery license. 2b. The holder of this license shall be
31 entitled, subject to rules and regulations, to manufacture any
32 fermented wines and fruit juices in a quantity to be expressed in
33 said license, dependent upon the following fees and not in excess of
34 50,000 gallons per year and to sell and distribute his products to
35 wholesalers and retailers licensed in accordance with this chapter
36 and to churches for religious purposes and to sell and distribute
37 without this State to any persons pursuant to the laws of the places
38 of such sale and distribution, and to maintain a warehouse and to
39 sell at retail to consumers for consumption on or off the licensed
40 premises and to offer samples for sampling purposes only. The
41 holder of this license may operate a restaurant on the licensed
42 premises or enter into an exclusive business arrangement or
43 otherwise coordinate with a third-party food truck, restaurant, or
44 similar retail food vendor to provide food directly to consumers on
45 the licensed premises. The license shall be issued only when the
46 winery at which such fermented wines and fruit juices are
47 manufactured is located and constructed upon a tract of land
48 exclusively under the control of the licensee, provided that the

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1 licensee is actively engaged in growing and cultivating an area of
2 not less than three acres on or adjacent to the winery premises and
3 on which are growing grape vines or fruit to be processed into wine
4 or fruit juice; and provided, further, that for the first five years of
5 the operation of the winery such fermented wines and fruit juices
6 shall be manufactured from at least 51 percent grapes or fruit grown
7 in the State and that thereafter they shall be manufactured from
8 grapes or fruit grown in this State at least to the extent required for
9 labeling as "New Jersey Wine" under the applicable federal laws
10 and regulations. The containers of all wine sold to consumers by
11 such licensee shall have affixed a label stating such information as
12 shall be required by the rules and regulations of the Director of the
13 Division of Alcoholic Beverage Control. The fee for this license
14 shall be graduated as follows: to so manufacture between 30,000
15 and 50,000 gallons per annum, \$375; to so manufacture between
16 2,500 and 30,000 gallons per annum, \$250; to so manufacture
17 between 1,000 and 2,500 gallons per annum, \$125; to so
18 manufacture less than 1,000 gallons per annum, \$63. No farm
19 winery license shall be held by the holder of a plenary winery
20 license or be situated on a premises licensed as a plenary winery.

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

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

46 Unless otherwise indicated, for the purposes of this subsection,
47 with respect to farm winery licenses, "manufacture" means the
48 vinification, aging, storage, blending, clarification, stabilization and

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1 bottling of wine or juice from New Jersey fruit to the extent
2 required by this subsection.

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

5 Wine blending license. 2c. The holder of this license shall be
6 entitled, subject to rules and regulations, to blend, treat, mix, and
7 bottle fermented wines and fruit juices with non-alcoholic
8 beverages, and to sell and distribute his products to wholesalers and
9 retailers licensed in accordance with this chapter, and to sell and
10 distribute without this State to any persons pursuant to the laws of
11 the places of such sale and distribution, and to maintain a
12 warehouse. The fee for this license shall be \$625.

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

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

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

47 Out-of-State winery license. 2e. Provided that the applicant
48 does not produce more than 250,000 gallons of wine per year, the

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

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

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

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

47 Cidery and meadery license. 2f. The holder of this license shall
48 be entitled, subject to rules and regulations, to manufacture hard

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1 cider and mead and to sell and distribute these products to
2 wholesalers and retailers licensed in accordance with this chapter,
3 and to sell and distribute without this State to any persons pursuant
4 to the laws of the places of such sale and distribution, and to
5 maintain a warehouse. The holder of this license shall be entitled to
6 sell these products at retail to consumers on the licensed premises
7 for consumption on or off the premises and to offer samples for
8 sampling purposes only. The holder of this license shall be
9 permitted to offer for sale or make the gratuitous offering of
10 packaged crackers, chips, nuts, and similar snacks to consumers **],**
11 **but shall not operate a restaurant on the licensed premises].** The
12 holder of this license may operate a restaurant on the licensed
13 premises or enter into an exclusive business arrangement or
14 otherwise coordinate with a third-party food truck, restaurant, or
15 similar retail food vendor to provide food directly to consumers on
16 the licensed premises. The fee for this license shall be \$938.

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

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

35 As used in this subsection:

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

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

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

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

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

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

36 Craft distillery license. 3d. The holder of this license shall be
37 entitled, subject to rules and regulations, to manufacture not more
38 than 20,000 gallons of distilled alcoholic beverages, to rectify,
39 blend, treat and mix distilled alcoholic beverages, to sell and
40 distribute this product to wholesalers and retailers licensed in
41 accordance with this chapter, and to sell and distribute without this
42 State to any persons pursuant to the laws of the places of such sale
43 and distribution, and to maintain a warehouse. The holder of this
44 license shall be entitled to sell this product at retail to consumers on
45 the licensed premises of the distillery for consumption on the
46 premises, but only in connection with a tour of the distillery, and
47 for consumption off the premises in a quantity of not more than five
48 liters per person. In addition, the holder of this license may offer

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1 any person not more than three samples per calendar day for
2 sampling purposes only. For the purposes of this subsection,
3 "sampling" means the gratuitous offering of an open container not
4 exceeding one-half ounce serving of distilled alcoholic beverage
5 produced on the distillery premises. If the holder of this license
6 holds a bonded warehouse bottling license issued pursuant to
7 subsection 5 of this section, product manufactured in accordance
8 with this subsection and transferred to a bonded warehouse for
9 bottling and storage may be sold at retail and offered for sampling
10 on the licensed premises of the distillery by the holder of this
11 license. Nothing in this subsection shall be deemed to permit the
12 direct shipment of distilled spirits either within or without this
13 State.

14 The holder of this license **】shall not sell food or operate a**
15 **restaurant on the licensed premises】** may operate a restaurant on the
16 licensed premises or enter into an exclusive business arrangement
17 or otherwise coordinate with a third-party food truck, restaurant, or
18 similar retail food vendor to provide food directly to consumers on
19 the licensed premises. A holder of this license who certifies that
20 not less than 51 percent of the raw materials used in the production
21 of distilled alcoholic beverages under this section are grown in this
22 State or purchased from providers located in this State may,
23 consistent with all applicable federal laws and regulations, label
24 these distilled alcoholic beverages as "New Jersey Distilled." The
25 fee for this license shall be \$938.

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

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

42 The provisions of section 21 of P.L.2003, c.117 amendatory of
43 this section shall apply to licenses issued or transferred on or after
44 July 1, 2003, and to license renewals commencing on or after July
45 1, 2003.

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

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48 2. This act shall take effect immediately.

STATEMENT

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This bill permits certain breweries, wineries, distilleries, cideries, and meaderies to coordinate food service with certain third-party vendors and operate a restaurant on the licensed premises.

Under current law, the holder of a limited brewery license or a craft distillery license is prohibited from selling food or operating a restaurant on the licensed premises. Current law also prohibits the holder of a cidery and meadery license from operating a restaurant on the licensed premises.

The provisions of this bill provide that the holder of a limited brewery license, plenary winery license, farm winery license, craft distillery license, or cidery and meadery license may operate a restaurant on the licensed premises or enter into an exclusive business arrangement or otherwise coordinate with a third-party food truck, restaurant, or similar retail food vendor to provide food directly to consumers on the licensed premises.

The bill removes the prohibition on the operation of a restaurant on the licensed premises by the holder of a limited brewery license, craft distillery license, or a cidery and meadery license.