

ASSEMBLY, No. 3041

STATE OF NEW JERSEY 221st LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2024 SESSION

Sponsored by:

Assemblyman CLINTON CALABRESE

District 36 (Bergen and Passaic)

Co-Sponsored by:

Assemblymen Stanley, Spearman, Assemblywoman Flynn, Assemblymen
Sauickie, Daniels, Coughlin, Assemblywomen Murphy and Carter

SYNOPSIS

Establishes sales and events privileges for certain alcoholic beverage manufacturers.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



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2

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
11 pursuant to R.S.33:1-10.

12 “Off-premises special events” means special events that take
13 place at a location other than on the licensed premises or the
14 sidewalk, parking lot, or other area owned by the licensee that is
15 adjacent to or adjoining the licensed premises and shall include, but
16 not be limited to: beer, music, and arts festivals; civic events; foot
17 races, bike races, and other athletic events; craft manufacturer’s
18 anniversary celebrations; 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
21 lot, or other area owned by the licensee that is adjacent to or
22 adjoining the licensed premises. An on-premises special event shall
23 include, but not be limited to: trivia and quiz games; paint and sip;
24 craftmaking; pop up shops; DJs, live music, amplified music and
25 open mic; televised or streamed sporting events; educational events
26 and seminars; movies and theatrical events; animal adoption, to the
27 extent permitted by local ordinance; yoga and exercise classes; and
28 games of skill.

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

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

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 c. The holder of a craft manufacturer's license shall be
2 permitted to offer for sale or make the gratuitous offering of de
3 minimis food items including, but not limited to, packaged crackers,
4 chips, nuts, and similar snacks to consumers. The license holder
5 may sell non-alcoholic beverages, whether or not manufactured by
6 the license holder. The license holder also may coordinate with a
7 food vendor for the provision of food on the licensed premises and
8 provide menus to consumers for the sale of food.

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

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

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

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

44 g. The holder of a craft manufacturer's license shall be entitled
45 to hold on the licensed premises not more than 25 social affair
46 events hosted by the holder of a social affair permit issued pursuant
47 to R.S.33:1-74. Subject to the consent of the license holder, the
48 holder of the social affair permit may sell and serve any wine and

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1 malt alcoholic beverages for on-premises consumption only,
2 provided the wine and malt alcoholic beverages are obtained in
3 accordance with regulations promulgated by the director governing
4 the issuance of social affair permits. A host of a social affair
5 permitted event may hire employees or agents of the licensee to
6 pour the alcoholic beverages served at the event. The holder of this
7 license shall be entitled to sell the products manufactured pursuant
8 to the license for consumption off the craft manufacturer's premises
9 during a social affair permitted event.

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

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

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

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

40

41 2. R.S.33:1-10 is amended to read as follows:

42 33:1-10. Class A licenses shall be subdivided and classified as
43 follows:

44 Plenary brewery license 1a. The holder of this license shall be
45 entitled, subject to rules and regulations, to brew any malt alcoholic
46 beverages and to sell and distribute his products to wholesalers and
47 retailers licensed in accordance with this chapter, and to sell and
48 distribute without this State to any persons pursuant to the laws of

1 the places of such sale and distribution, and to maintain a
2 warehouse; provided, however, that the delivery of this product by
3 the holder of this license to retailers licensed under this title shall be
4 from inventory in a warehouse located in this State which is
5 operated under a plenary brewery license. The fee for this license
6 shall be \$10,625.

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

40 The fee for this license shall be graduated as follows:

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

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

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

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

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1 For the purposes of this subsection, "sampling" means the selling
2 at a nominal charge or the gratuitous offering of an open container
3 not exceeding four ounces of any malt alcoholic beverage. For the
4 purposes of this subsection, "product" means any malt alcoholic
5 beverage that is produced on the premises licensed under this
6 subsection.

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

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

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1 both licenses shall be paid in accordance with statutory law. The
2 provisions of this subsection shall not be construed to limit or
3 restrict the rights and privileges granted by the plenary retail
4 consumption license held by the holder of the restricted brewery
5 license issued pursuant to this subsection.

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

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

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

1 regulation, to any person within or without this State over 21 years
2 of age for personal consumption and not for resale. A case of wine
3 shall not exceed a maximum of nine liters. A copy of the original
4 invoice shall be available for inspection by persons authorized to
5 enforce the alcoholic beverage laws of this State for a minimum
6 period of three years at the licensed premises of the winery. For the
7 purposes of this subsection, "sampling" means the selling at a
8 nominal charge or the gratuitous offering of an open container not
9 exceeding one and one-half ounces of any wine.

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

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

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1 Control. The fee for this license shall be graduated as follows: to so
2 manufacture between 30,000 and 50,000 gallons per annum, \$375;
3 to so manufacture between 2,500 and 30,000 gallons per annum,
4 \$250; to so manufacture between 1,000 and 2,500 gallons per
5 annum, \$125; to so manufacture less than 1,000 gallons per annum,
6 \$63. No farm winery license shall be held by the holder of a
7 plenary winery license or be situated on a premises licensed as a
8 plenary winery.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 pursuant to section 1 of P.L. , c. (C.) (pending before the
2 Legislature as this bill). The holder of this license shall be entitled to
3 engage in the privileges established pursuant to section 1 of P.L. , c.
4 (C.) (pending before the Legislature as this bill). The fee for this
5 license shall be \$938.

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

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

24 As used in this subsection:

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

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

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

40 Plenary distillery license. 3a. The holder of this license shall be
41 entitled, subject to rules and regulations, to manufacture any
42 distilled alcoholic beverages and rectify, blend, treat and mix, and
43 to sell and distribute his products to wholesalers and retailers
44 licensed in accordance with this chapter, and to sell and distribute
45 without this State to any persons pursuant to the laws of the places
46 of such sale and distribution, and to maintain a warehouse. The fee
47 for this license shall be \$12,500.

1 Limited distillery license. 3b. The holder of this license shall be
2 entitled, subject to rules and regulations, to manufacture and bottle
3 any alcoholic beverages distilled from fruit juices and rectify,
4 blend, treat, mix, compound with wine and add necessary
5 sweetening and flavor to make cordial or liqueur, and to sell and
6 distribute to wholesalers and retailers licensed in accordance with
7 this chapter, and to sell and distribute without this State to any
8 persons pursuant to the laws of the places of such sale and
9 distribution and to warehouse these products. The fee for this
10 license shall be \$3,750.

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

25 Craft distillery license. 3d. The holder of this license shall be
26 entitled, subject to rules and regulations, to manufacture not more
27 than 20,000 gallons of distilled alcoholic beverages, to rectify,
28 blend, treat and mix distilled alcoholic beverages, to sell and
29 distribute this product 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
32 and distribution, and to maintain a warehouse. The holder of this
33 license shall be entitled to sell this product at retail to consumers on
34 the licensed premises of the distillery for consumption on the
35 premises, **【but only in connection with a tour of the distillery,】** and
36 for consumption off the premises in a quantity of not more than five
37 liters per person. In addition, the holder of this license may offer
38 any person not more than three samples per calendar day for
39 sampling purposes only. For the purposes of this subsection,
40 "sampling" means the gratuitous offering of an open container not
41 exceeding one-half ounce serving of distilled alcoholic beverage
42 produced on the distillery premises. If the holder of this license
43 holds a bonded warehouse bottling license issued pursuant to
44 subsection 5 of this section, product manufactured in accordance
45 with this subsection and transferred to a bonded warehouse for
46 bottling and storage may be sold at retail and offered for sampling
47 on the licensed premises of the distillery by the holder of this
48 license. Nothing in this subsection shall be deemed to permit the

1 direct shipment of distilled spirits either within or without this
2 State. The holder of this license shall be entitled to engage in the
3 privileges established pursuant to section 1 of P.L. , c. (C.)
4 (pending before the Legislature as this bill).

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

15 Rectifier and blender license. 4. The holder of this license shall
16 be entitled, subject to rules and regulations, to rectify, blend, treat
17 and mix distilled alcoholic beverages, and to fortify, blend, and
18 treat fermented alcoholic beverages, and prepare mixtures of
19 alcoholic beverages, and to sell and distribute his products to
20 wholesalers and retailers licensed in accordance with this chapter,
21 and to sell and distribute without this State to any persons pursuant
22 to the laws of the places of such sale and distribution, and to
23 maintain a warehouse. The fee for this license shall be \$7,500.

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

31 The provisions of section 21 of P.L.2003, c.117 amendatory of
32 this section shall apply to licenses issued or transferred on or after
33 July 1, 2003, and to license renewals commencing on or after July
34 1, 2003.

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

36
37 3. This act shall take effect immediately.
38
39

40 STATEMENT

41
42 This bill allows craft alcoholic beverage manufacturers to hold
43 certain events. Under the bill, a craft alcoholic beverage manufacturer
44 is defined as a limited brewery license, cidery and meadery license,
45 and craft distillery license.

46 Specifically, the bill allows these craft alcoholic beverage
47 manufacturers to hold not more than 25 off-premises special events
48 and an unlimited number of on-premises special events and private

1 parties. In addition, these license holders would be entitled to hold not
2 more than 25 social affair events hosted by the holder of a social affair
3 permit.

4 Under the bill, a craft alcoholic beverage manufacturer would be
5 entitled to sell and serve customers tableside utilizing servers or wait
6 staff employed by the license holder. The license holder also would be
7 entitled to serve the licensee's products for on-premises consumption
8 in outdoor spaces approved by the municipality. A license holder that
9 serves alcoholic beverages in outdoor spaces would be entitled to
10 utilize a permanent or portable tap system located in the approved
11 outdoor space. Pourers and servers employed by a craft
12 manufacturer's license holder are to be certified by an industry-
13 recognized server training program.

14 The bill also allows the holder of a craft manufacturer's license to
15 offer for sale or make the gratuitous offering of de minimis food items
16 including, but not limited to, packaged crackers, chips, nuts, and
17 similar snacks to consumers. The license holder also would be entitled
18 to sell non-alcoholic beverages.

19 Under the bill, a license holder also may coordinate with a food
20 vendor, including food trucks and restaurants, for the provision of food
21 on the licensed premises and provide menus to consumers for the sale
22 of food. The bill prohibits a craft manufacturer's license holder from
23 owning the food vendor. In addition, a craft manufacturer's licensed
24 premises that is adjoining a food vendor's premises would be required
25 to have its own entrance and exit way to and from the licensed
26 premises and would be prohibited from having a doorway that allows
27 direct access and egress to the food vendor's premises.

28 Under the bill, the holder of a craft manufacturer's license would
29 be entitled to offer discounts for promotional purposes, provide
30 targeted discounts, and establish membership programs that offer
31 discounts. A craft manufacturer licensee also would be entitled to
32 show or display any televised program on televisions or other
33 screening devices of any number or size on the licensed premises. The
34 license holder would not be required to provide notice to or obtain a
35 permit from the Division of Alcoholic Beverage Control prior to
36 showing or displaying any televised event.

37 The bill also removes from current law the tour requirement for
38 limited brewery and craft distillery license holders. Under current law,
39 these licensees are authorized to sell their products at retail to
40 consumers on the licensed premises for on-site consumption, but only
41 in connection with a tour of the brewery or distillery. Under the bill,
42 consumers would not be required to take a tour of the brewery or
43 distillery to purchase beverages for on-site consumption.

44 Finally, the bill increases from 10,000 to 300,000 the number of
45 barrels that the holder of a restricted brewery license may manufacture
46 per year. Under current law, a restricted brewery license is only issued

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1 to a person who also holds a Class C consumption license, which is
2 generally issued to bars and restaurants. The restricted brewery license
3 allows the licensee to brew the beer, while the Class C license allows
4 the licensee to sell that beer directly to restaurant patrons. This bill
5 allows the holder of restricted brewery license to manufacture more
6 beer per year. These license holders also would be entitled to directly
7 sell and distribute to retailers 50 percent of the beer that is produced on
8 premises in each year.

WITHDRAWN