

**SENATE, No. 2854**

**STATE OF NEW JERSEY**

**221st LEGISLATURE**

INTRODUCED MARCH 4, 2024

**Sponsored by:**

**Senator LINDA R. GREENSTEIN**

**District 14 (Mercer and Middlesex)**

**SYNOPSIS**

Establishes license allowing supermarkets to sell certain alcoholic beverages manufactured in this State; designated as The Garden State Grocery Liquor Licensing Act.

**CURRENT VERSION OF TEXT**

As introduced.



S2854 GREENSTEIN

2

1 AN ACT concerning alcoholic beverage licensing, designated as the  
2 Garden State Grocery Liquor Licensing Act, and amending  
3 R.S.33:1-12.

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

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

9 33:1-12. Class C licenses shall be subdivided and classified as  
10 follows:

11 Plenary retail consumption license. 1. The holder of this license  
12 shall be entitled, subject to rules and regulations, to sell any  
13 alcoholic beverages for consumption on the licensed premises by  
14 the glass or other open receptacle, and also to sell any alcoholic  
15 beverages in original containers for consumption off the licensed  
16 premises; but this license shall not be issued to permit the sale of  
17 alcoholic beverages in or upon any premises in which a grocery,  
18 delicatessen, drug store or other mercantile business is carried on,  
19 except as hereinafter provided. The holder of this license shall be  
20 permitted to conduct consumer wine, beer and spirits tasting events  
21 and samplings for a fee or on a complimentary basis pursuant to  
22 conditions established by rules and regulations of the Division of  
23 Alcoholic Beverage Control, provided however, that the holder of  
24 this license complies with the terms and conditions set forth in  
25 section 3 of P.L.2009, c.216 (C.33:1-12d). Subject to such rules  
26 and regulations established from time to time by the director, the  
27 holder of this license shall be permitted to sell alcoholic beverages  
28 in or upon the premises in which any of the following is carried on:  
29 the keeping of a hotel or restaurant including the sale of mercantile  
30 items incidental thereto as an accommodation to patrons; the sale, at  
31 an entertainment facility as defined in R.S.33:1-1, having a seating  
32 capacity for no less than 4,000 patrons, of mercantile items  
33 traditionally associated with the type of event or program held at  
34 the site; the sale of distillers', brewers' and vintners' packaged  
35 merchandise prepacked as a unit with other suitable objects as gift  
36 items to be sold only as a unit; the sale of novelty wearing apparel  
37 identified with the name of the establishment licensed under the  
38 provisions of this section; the sale of cigars, cigarettes, packaged  
39 crackers, chips, nuts and similar snacks and ice at retail as an  
40 accommodation to patrons, or the retail sale of nonalcoholic  
41 beverages as accessory beverages to alcoholic beverages; or, in  
42 commercial bowling establishments, the retail sale or rental of  
43 bowling accessories and the retail sale from vending machines of  
44 candy, ice cream and nonalcoholic beverages. The fee for this  
45 license shall be fixed by the governing board or body of the

**EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.**

**Matter underlined thus is new matter.**

1 municipality in which the licensed premises are situated, by  
2 ordinance, at not less than \$250 and not more than \$2,500. No  
3 ordinance shall be enacted which shall raise or lower the fee to be  
4 charged for this license by more than 20% from that charged in the  
5 preceding license year or \$500.00, whichever is the lesser. The  
6 governing board or body of each municipality may, by ordinance,  
7 enact that no plenary retail consumption license shall be granted  
8 within its respective municipality.

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

15 Seasonal retail consumption license. 2. (1) The holder of this  
16 license shall be entitled, subject to rules and regulations, to sell any  
17 alcoholic beverages for consumption on the licensed premises by  
18 the glass or other open receptacle, and also to sell any alcoholic  
19 beverages in original containers for consumption off the licensed  
20 premises, during the summer season from May 1 until November  
21 14, inclusive, or during the winter season from November 15 until  
22 April 30, inclusive.

23 (2) In addition, the director shall issue to the holder of this  
24 license, upon request by the licensee, one-day permits that shall  
25 entitle the license holder to sell alcoholic beverages for  
26 consumption on the licensed premises during the season when the  
27 license holder is not authorized to sell alcoholic beverages pursuant  
28 to subparagraph (1) of this subsection. The number of one-day  
29 permits issued to a licensee pursuant to this subsection shall not  
30 exceed an aggregate of 14 permits in one calendar year. A one-day  
31 permit issued pursuant to this subsection shall be valid for 24  
32 consecutive hours. The fee for each one-day permit shall be \$500.

33 The governing body of the municipality in which the licensed  
34 premises is situated may place reasonable conditions upon a one-  
35 day permit for the purpose of maintaining public safety on the  
36 licensed premises and immediately surrounding area. The costs  
37 associated with the reasonable conditions placed on the one-day  
38 permit shall be assumed by the holder of this license.

39 (3) This license shall not be issued to permit the sale of  
40 alcoholic beverages in or upon any premises in which a grocery,  
41 delicatessen, drug store or other mercantile business is carried on,  
42 except as hereinafter provided. Subject to such rules and  
43 regulations established from time to time by the director, the holder  
44 of this license shall be permitted to sell alcoholic beverages in or  
45 upon the premises in which any of the following is carried on: the  
46 keeping of a hotel or restaurant including the sale of mercantile  
47 items incidental thereto as an accommodation to patrons; the sale of  
48 distillers', brewers' and vintners' packaged merchandise prepacked

1 as a unit with other suitable objects as gift items to be sold only as a  
2 unit; the sale of novelty wearing apparel identified with the name of  
3 the establishment licensed under the provisions of this section; the  
4 sale of cigars, cigarettes, packaged crackers, chips, nuts and similar  
5 snacks and ice at retail as an accommodation to patrons; or the retail  
6 sale of nonalcoholic beverages as accessory beverages to alcoholic  
7 beverages. The fee for this license shall be fixed by the governing  
8 board or body of the municipality in which the licensed premises  
9 are situated, by ordinance, at 75% of the fee fixed by said board or  
10 body for plenary retail consumption licenses. The governing board  
11 or body of each municipality may, by ordinance, enact that no  
12 seasonal retail consumption license shall be granted within its  
13 respective municipality.

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

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

45 Limited retail distribution license. 3. b. The holder of this license  
46 shall be entitled, subject to rules and regulations, to sell any  
47 unchilled, brewed, malt alcoholic beverages in quantities of not less  
48 than 72 fluid ounces for consumption off the licensed premises, but

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

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

41 Club license. 5. The holder of this license shall be entitled,  
42 subject to rules and regulations, to sell any alcoholic beverages but  
43 only for immediate consumption on the licensed premises and only  
44 to bona fide club members and their guests. The fee for this license  
45 shall be fixed by the governing board or body of the municipality in  
46 which the licensed premises are situated, by ordinance, at not less  
47 than \$63 and not more than \$188. The governing board or body of  
48 each municipality may, by ordinance, enact that no club licenses

1 shall be granted within its respective municipality. Club licenses  
2 may be issued only to such corporations, associations and  
3 organizations as are operated for benevolent, charitable, fraternal,  
4 social, religious, recreational, athletic, or similar purposes, and not  
5 for private gain, and which comply with all conditions which may  
6 be imposed by the Director of the Division of Alcoholic Beverage  
7 Control by rules and regulations.

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

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

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

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

40 For the purposes of this subsection:

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

46 "Team training facility" shall include team offices and team  
47 headquarters.

1     Restricted retail food store license 7. The holder of this license  
2 shall be entitled, subject to rules and regulations, to sell any  
3 alcoholic beverages in connection with the operation of a retail food  
4 store for consumption off the licensed premises and in original  
5 containers. The holder of this license only shall be entitled to sell  
6 products manufactured in this State by the holder of a limited  
7 brewery license, restricted brewery license, plenary winery license,  
8 farm winery license, cidery and meadery license, or craft distillery  
9 license issued pursuant to R.S.33:1-10. A license holder may sell  
10 and display alcoholic beverages in any location of the retail food  
11 store floor area and the restriction on the sale and display of  
12 alcoholic beverages pursuant to section 3 of P.L.2021, c.48 (C.33:1-  
13 101) shall not apply to alcoholic beverages sold pursuant to this  
14 subsection.

15     The governing board or body of each municipality shall not enact  
16 an ordinance providing that a restricted supermarket license shall  
17 not be granted within its respective municipality

18     The restriction in section 2 of P.L.1947, c.94 (C.33:1-12.14)  
19 concerning the number of retail consumption licenses that may be  
20 issued in a municipality shall not be applicable to a permit issued  
21 pursuant to this section.

22     The license shall be issued by the director and may be renewed  
23 annually. The initial issuance fee for the license shall be \$5,000 for  
24 a retail food store with a gross square footage of less than 5,000;  
25 \$15,000 for a retail food store with a gross square footage between  
26 5,000 and 20,000; and \$30,000 for a retail food store with a gross  
27 square footage of more than 20,000. Twenty-five percent of the  
28 initial issuance fee shall be allocated to the director and the  
29 remaining 75 percent of the fee shall be allocated to the  
30 municipality in which the licensed premises is located. The annual  
31 renewal fee shall be \$1,000, which shall be divided equally between  
32 the division and municipal governing body.

33     As used in this subsection,

34     “Retail food store” means any retail establishment where  
35 groceries and other foodstuffs are regularly and customarily sold in  
36 a bona fide manner for off-premises consumption and which  
37 constitute at least 65 percent of the store’s total annual sales in  
38 dollars, and at which the sale of alcoholic beverages is merely  
39 incidental and subordinate thereto.

40     “Groceries and other foodstuffs” means dairy products; meat and  
41 delicatessen products; produce products; seafood products;  
42 carbonated beverages; coffee and other beverages; snack foods;  
43 candy products; baked products; paper products; household  
44 cleaning items; health and beauty products; frozen foods; pet foods  
45 and supplies; and any other edible product not previously listed.

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

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48     2. This act shall take effect immediately.

STATEMENT

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This bill, designated as the Garden State Grocery Liquor Licensing Act, establishes a new retail alcoholic beverage license authorizing retail food stores to sell alcoholic beverages manufactured in this State for consumption off the licensed premises. The bill defines “retail food store” as any retail establishment where groceries and other foodstuffs are regularly and customarily sold in a bona fide manner for off-premises consumption and which constitute at least 65 percent of the store’s total annual sales in dollars, and at which the sale of alcoholic beverages is merely incidental. Under the bill, alcoholic beverages may be displayed and sold in any location of the retail food store floor area where groceries and other foodstuffs are displayed and sold.

The initial fee for the restricted retail food store license would be based on the square footage of the retail food store. The bill establishes an initial \$5,000 fee for a retail food store with a gross square footage of less than 5,000; a \$15,000 fee for a retail food store with a gross square footage between 5,000 and 20,000; and \$30,000 fee for a retail food with a gross square footage of more than 20,000. The bill also establishes an annual renewal fee would of \$1,000 regardless of the food store’s square footage. Under the bill, 25 percent of the initial and annual fee would be allocated to the Director of the Division of Alcoholic Beverage Control and the remaining 75 percent of the fee would be allocated to the governing body of the municipality in which the licensed premises is located. The bill also establishes a \$1,000 annual renewal fee regardless of the food store’s square footage to be divided equally between the division and the municipal governing body.

The license would not be subject to the population limitation that restricts a municipality from issuing more than one plenary retail distribution license for every 7,500 persons residing in that municipality.