# ASSEMBLY, No. 1662

# STATE OF NEW JERSEY

## 222nd LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2026 SESSION

**Sponsored by:**
**Assemblywoman MITCHELLE DRULIS**
**District 16 (Hunterdon, Mercer, Middlesex and Somerset)**
**Assemblyman ROY FREIMAN**
**District 16 (Hunterdon, Mercer, Middlesex and Somerset)**
**Assemblyman CODY D. MILLER**
**District 4 (Atlantic, Camden and Gloucester)**

**Co-Sponsored by:**
**Assemblywoman Reynolds-Jackson, Assemblyman Sauickie and Assemblywoman Simmons**

**SYNOPSIS**

Permits certain winery license holders to sell wine produced by other winery licensees under certain circumstances; establishes supplemental wine production facility license.

**CURRENT VERSION OF TEXT**

Introduced Pending Technical Review by Legislative Counsel.

**AN ACT** concerning certain winery licenses and amending R.S.33:1-10.

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

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

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

Plenary brewery license. 1a. The holder of this license shall be entitled, subject to rules and regulations, to brew any malt alcoholic beverages and to sell and distribute **[**his**]** those products to wholesalers and retailers licensed in accordance with this chapter, and to sell and distribute without this State to any persons pursuant to the laws of the places of such sale and distribution, and to maintain a warehouse; provided, however, that the delivery of this product by the holder of this license to retailers licensed under this title shall be from inventory in a warehouse located in this State which is operated under a plenary brewery license. The fee for this license shall be $10,625.

Limited brewery license. 1b. The holder of this license shall be entitled, subject to rules and regulations, to brew any malt alcoholic beverages in a quantity to be expressed in said license, dependent upon the following fees and not in excess of 300,000 barrels of 31 fluid gallons capacity per year and to sell and distribute this product to wholesalers and retailers licensed in accordance with this chapter, and to sell and distribute without this State to any persons pursuant to the laws of the places of such sale and distribution, and to maintain a warehouse; provided, however, that the delivery of this product by the holder of this license to retailers licensed under this title shall be from inventory in a warehouse located in this State which is operated under a limited brewery license. The holder of this license shall be entitled to sell this product at retail to consumers on the licensed premises of the brewery for consumption on the premises, or in a quantity of not more than 15.5 fluid gallons per person for consumption off the premises, and to offer samples for sampling purposes. The holder of this license shall not be required to pay a fee to the division for the privilege of offering samples pursuant to this section. If the holder of this license holds a bonded warehouse bottling license issued pursuant to subsection 5 of this section, product brewed in accordance with this subsection and transferred to a bonded warehouse for bottling and storage may be sold at retail and offered for sampling on the licensed premises of the brewery by the holder of this license. The holder of this license shall not sell food or operate a restaurant on the licensed

**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.**

premises, but may coordinate with food vendors pursuant to section 1 of P.L.2023, c.290 (C.33:1-10b). The holder of this license shall be entitled to engage in the privileges established pursuant to section 1 of P.L.2023, c.290 (C.33:1-10b).

The fee for this license shall be graduated as follows:

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

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

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

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

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

Restricted brewery license. 1c. The holder of this license shall be entitled, subject to rules and regulations, to brew any malt alcoholic beverages in a quantity to be expressed in such license not in excess of 300,000 barrels of 31 gallons capacity per year. Notwithstanding the provisions of R.S.33:1-26, the director shall issue a restricted brewery license only to a person or an entity which has identical ownership to an entity which holds a plenary retail consumption license issued pursuant to R.S.33:1-12, provided that such plenary retail consumption license is operated in conjunction with a restaurant regularly and principally used for the purpose of providing meals to its customers and having adequate kitchen and dining room facilities, and that the licensed restaurant premises is immediately adjoining the premises licensed under this subsection. The holder of this license shall be entitled to sell or deliver the product to that restaurant premises. The holder of this license also shall be entitled to sell and distribute the product to wholesalers and retailers licensed in accordance with this chapter and to sell and distribute without this State to any persons pursuant to the laws of those places of such sale and distribution, and to maintain a warehouse; provided, however, that the delivery of this product by the holder of this license to retailers licensed under this title shall be from inventory in a warehouse located in this State which is operated under a restricted brewery license. The amount of malt alcoholic beverages that may be sold and distributed directly to retailers pursuant to this subsection on an annual basis shall be not more than 50 percent of the product manufactured in that year by the holder of this license. The fee for this license shall be $1,250, which fee shall entitle the holder to brew up to 1,000 barrels of 31 liquid gallons per annum. The licensee also shall pay an additional

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

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

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

Farm brewery license. 1d. The holder of this license shall be entitled, subject to rules and regulations, to brew any malt alcoholic beverages in a quantity to be expressed in the license not in excess of 2,500 barrels of 31 fluid gallons per year and to sell products to consumers for consumption off the licensed premises and to offer samples for sampling purposes only. The license shall be issued only when the brewery at which such malt alcoholic beverages are brewed is located and constructed upon a tract of land exclusively under the control of the licensee, the licensee is actively engaged in farming on or adjacent to the brewery premises, and the malt alcoholic beverages are substantially produced from hops or other ingredients grown or cultivated on that tract of land. The holder of this license shall not sell or offer food for consumption on the licensed premises.

The fee for this license shall be graduated as follows: to manufacture between 1,200 and 2,500 barrels per year, $300; to manufacture between 100 and 1,199 barrels per year, $200; to manufacture fewer than 100 barrels per year, $100. An individual or entity shall not hold more than one farm brewery license.

For purposes of this subsection, "sampling" means the selling at a nominal charge or the gratuitous offering of an open container not exceeding one and one-half ounces of a malt alcoholic beverage.

Plenary winery license. 2a. Provided that the holder is engaged in growing and cultivating grapes or fruit used in the production of wine on at least three acres on, or adjacent to, the winery premises, except as otherwise provided in this subsection for certain alternating proprietorship agreements, the holder of this license shall be entitled, subject to rules and regulations, to produce any fermented wines, and to blend, fortify and treat wines, and to sell and distribute **[**his**]** those products to wholesalers licensed in accordance with this chapter and to churches for religious purposes, and to sell and distribute without this State to any persons pursuant to the laws of the places of such sale and distribution, and to maintain a warehouse, and to sell **[**his**]** those products at retail to consumers on the licensed premises of the winery for consumption on or off the premises and to offer samples for sampling purposes only. The fee for this license shall be $938. A holder of this license who produces not more than 250,000 gallons per year shall also have the right to sell and distribute **[**his**]** those products to retailers licensed in accordance with this chapter, except that the holder of this license shall not use a common carrier for such distribution. The fee for this additional privilege shall be graduated as follows: a licensee who manufactures more than 150,000 gallons, but not in excess of 250,000 gallons per annum, $1,000; a licensee who manufactures more than 100,000 gallons, but not in excess of 150,000 gallons per annum, $500; a licensee who manufactures more than 50,000 gallons, but not in excess of 100,000 gallons per annum, $250; a licensee who manufactures 50,000 gallons or less per annum, $100. A holder of this license who produces not more than 250,000 gallons per year shall have the right to sell such wine at retail in original packages in 15 salesrooms apart from the winery premises for consumption on or off the premises and for sampling purposes for consumption on the premises, at a fee of $250 for each salesroom. Licensees shall not jointly control and operate salesrooms. Additionally, the holder of this license who produces not more than 250,000 gallons per year may ship not more than 12 cases of wine per year, subject to regulation, to any person within or without this State over 21 years of age for personal consumption and not for resale. A case of wine shall not exceed a maximum of nine liters. A copy of the original invoice shall be available for inspection by persons authorized to enforce the alcoholic beverage laws of this State for a minimum period of three years at the licensed premises of the winery. For the purposes of this subsection, "sampling" means the selling at a nominal charge or the gratuitous offering of an open container not exceeding one and one-half ounces of any wine.

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

A holder of this license who produces not more than 250,000 gallons per year shall be permitted to sell the wine it produces to any plenary winery license holder or farm winery license holder in this State for purposes of sale by the purchaser on the licensed premises of the winery or to sell the wine it produces to any other winery outside of this State in accordance with the laws of the state of purchase. Wine sold to another winery shall not be considered towards the calculation of the number of gallons produced per year by the seller but shall be considered towards the calculation of the number of gallons produced per year by the purchasing winery.

An applicant for a plenary winery license or the holder of a plenary winery license may apply to the director for approval to enter into an agreement with a host New Jersey winery to use the host's equipment and space in an alternating proprietorship for production of wine, provided that the applicant or holder has obtained approval of the proposed alternating proprietorship arrangement from the Alcohol and Tobacco Tax and Trade Bureau. The director shall approve the agreement if the director determines that the Alcohol and Tobacco Tax and Trade Bureau has approved the agreement and the agreement does not violate any applicable New Jersey alcohol licensing and taxation laws and related regulations or special rulings of the director. The director shall approve or deny the application no later than 180 days after receipt of the application, unless the applicant agrees to an extension.

An applicant for a plenary winery license who also applies to the director to enter into an alternating proprietorship agreement pursuant to this subsection shall, upon approval by the director of both applications, be permitted to grow and cultivate grapes or fruit used in the production of wine on at least three acres within a five-mile radius of the host winery premises.

For the purposes of this subsection, "product" means any wine that is produced, blended, fortified, or treated by the licensee on its licensed premises situated in the State of New Jersey or pursuant to an alternating proprietorship agreement or any wine purchased from another license holder in accordance with the provisions of this section, provided that no less than 50 percent of the wine sold by the licensee in a given year is produced, fortified, or treated by the licensee on its licensed premises. For the purposes of this subsection, "wine" shall include "hard cider" and "mead" as defined in this section.

Farm winery license. 2b. The holder of this license shall be entitled, subject to rules and regulations, to manufacture any fermented wines and fruit juices in a quantity to be expressed in said license, dependent upon the following fees and not in excess of 50,000 gallons per year and to sell and distribute **[**his**]** those products to wholesalers and retailers licensed in accordance with this chapter and to churches for religious purposes and to sell and distribute without this State to any persons pursuant to the laws of the places of such sale and distribution, and to maintain a warehouse and to sell at retail to consumers for consumption on or off the licensed premises and to offer samples for sampling purposes only. The license shall be issued only when the winery at which such fermented wines and fruit juices are manufactured is located and constructed upon a tract of land exclusively under the control of the licensee, provided that the licensee is actively engaged in growing and cultivating an area of not less than three acres on or adjacent to the winery premises and on which are growing grape vines or fruit to be processed into wine or fruit juice, except in the case of certain alternating proprietorship agreements, as provided in this subsection; and provided, further, that for the first five years of the operation of the winery such fermented wines and fruit juices shall be manufactured from at least 51 percent grapes or fruit grown in the State and that thereafter they shall be manufactured from grapes or fruit grown in this State at least to the extent required for labeling as "New Jersey Wine" under the applicable federal laws and regulations. The containers of all wine sold to consumers by such licensee shall have affixed a label stating such information as shall be required by the rules and regulations of the Director of the Division of Alcoholic Beverage Control. The fee for this license shall be graduated as follows: to so manufacture between 30,000 and 50,000 gallons per annum, $375; to so manufacture between 2,500 and 30,000 gallons per annum, $250; to so manufacture between 1,000 and 2,500 gallons per annum, $125; to so manufacture less than 1,000 gallons per annum, $63. No farm winery license shall be held by the holder of a plenary winery license.

The holder of this license shall also have the right to sell and distribute **[**his**]** those products to retailers licensed in accordance with this chapter, except that the holder of this license shall not use a common carrier for such distribution. The fee for this additional privilege shall be $100. The holder of this license shall have the right to sell **[**his**]** those products in original packages at retail to consumers in 15 salesrooms apart from the winery premises for consumption on or off the premises, and for sampling purposes for consumption on the premises, at a fee of $250 for each salesroom. Licensees shall not jointly control and operate salesrooms. Additionally, the holder of this license may ship not more than 12 cases of wine per year, subject to regulation, to any person within or

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

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

A holder of this license who produces not more than 250,000 gallons per year shall be permitted to sell the wine it produces to any plenary winery license holder or farm winery license holder in this State for purposes of sale by the purchaser on the licensed premises of the winery or to sell the wine it produces to any other winery outside of this State in accordance with the laws of that State. Wine sold to another winery shall not be considered towards the calculation of the amount of gallons produced per year by the seller but shall be considered towards the calculation of the amount of gallons produced per year by the purchasing winery.

An applicant for a farm winery license or the holder of a farm winery license may apply to the director for approval to enter into an agreement with a host New Jersey winery to use the host's equipment and space in an alternating proprietorship for production of wine, provided that the applicant or holder has obtained approval of the proposed alternating proprietorship arrangement from the Alcohol and Tobacco Tax and Trade Bureau. The director shall approve the agreement if the director determines that the Alcohol and Tobacco Tax and Trade Bureau has approved the agreement and the agreement does not violate any applicable New Jersey alcohol licensing and taxation laws and related regulations or special rulings of the director. The director shall approve or deny the application no later than 180 days after receipt of the application, unless the applicant agrees to an extension.

An applicant for a farm winery license who also applies to the director to enter into an alternating proprietorship agreement pursuant to this subsection shall, upon approval by the director of both applications, be permitted to grow and cultivate grapes or fruit used in the production of wine on at least three acres within a five-mile radius of the host winery premises.

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

For the purposes of this subsection, "product" means any wine that is produced, blended, fortified, or treated by the licensee on its licensed premises situated in the State of New Jersey or pursuant to an alternating proprietorship agreement or any wine purchased from another license holder in accordance with the provisions of this section, provided that no less than 50 percent of the wine sold by the licensee in a given year is produced, fortified, or treated by the licensee on its licensed premises. For the purposes of this subsection, "wine" shall include "hard cider" and "mead" as defined in this section.

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

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

Instructional winemaking facility license. 2d. The holder of this license shall be entitled, subject to rules and regulations, to instruct persons in and provide them with the opportunity to participate directly in the process of winemaking and to directly assist such persons in the process of winemaking while in the process of instruction on the premises of the facility. The holder of this license also shall be entitled to manufacture wine on the premises not in excess of an amount of 10 percent of the wine produced annually on the premises of the facility, which shall be used only to replace quantities lost or discarded during the winemaking process, to maintain a warehouse, and to offer samples produced by persons who have received instruction in winemaking on the premises by the licensee for sampling purposes only on the licensed premises for the purpose of promoting winemaking for personal or household use or consumption. Wine produced on the premises of an instructional winemaking facility shall be used, consumed or disposed of on the facility's premises or distributed from the facility's premises to a person who has participated directly in the process of winemaking for the person's personal or household use or consumption. The holder of this license may sell mercantile items traditionally associated with winemaking and novelty wearing apparel identified with the name of the establishment licensed under the provisions of this section. The holder of this license may use the licensed premises for an event or affair, including an event or affair at which a plenary retail consumption licensee serves alcoholic beverages in compliance with all applicable statutes and regulations promulgated by the director. The fee for this license shall be $1,000. For the purposes of this subsection, "sampling" means the gratuitous

offering of an open container not exceeding one and one-half ounces of any wine.

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

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

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

A holder of this license who produces not more than 250,000 gallons per year shall not own, either in whole or in part, or hold,

either directly or indirectly, any interest in a winery that produces more than 250,000 gallons per year.

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

Cidery and meadery license. 2f. The holder of this license shall be entitled, subject to rules and regulations, to manufacture hard cider and mead and to sell and distribute these products to wholesalers and retailers licensed in accordance with this chapter, and to sell and distribute without this State to any persons pursuant to the laws of the places of such sale and distribution, and to maintain a warehouse. The holder of this license shall be entitled to sell these products at retail to consumers on the licensed premises for consumption on or off the premises and to offer samples for sampling purposes only. The holder of this license shall be permitted to offer for sale or make the gratuitous offering of packaged crackers, chips, nuts, and similar snacks to consumers. The holder of this license shall not operate a restaurant on the licensed premises, but may coordinate with food vendors pursuant to section 1 of P.L.2023, c.290 (C.33:1-10b). The holder of this license shall be entitled to engage in the privileges established pursuant to section 1 of P.L.2023, c.290 (C.33:1-10b). The fee for this license shall be $938.

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

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

As used in this subsection:

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

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

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

Supplemental wine production facility sublicense. 2g. In accordance with any applicable laws or regulations, the holder of a plenary winery license or farm winery license engaged in the production of wine on the licensed premises of the winery shall be entitled to produce wine at a supplemental wine production facility in the State of New Jersey that is owned or leased by the license holder, provided that the supplemental wine production facility is operated by the license holder. Any wine produced at a supplemental wine production facility that is not sold by the license holder to any other plenary winery license holder or farm winery license holder shall be used to calculate the total gallons per annum of wine produced by the license holder for purposes of determining any fees, limitations, and eligibility for privileges pertaining to a holder of a plenary winery license or farm winery license. The holder of this sublicense shall be entitled, subject to rules and regulations, to transfer wine produced at the supplemental wine production facility to the licensed premises of the winery or salesroom for sale at retail to consumers and to otherwise sell and distribute wine produced at the supplemental wine production facility pursuant to the laws of the place of sale and distribution. The holder of this sublicense shall not sell products at retail to consumers on the premises of the supplemental wine production facility. The fee for this sublicense shall be $750.

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

Limited distillery license. 3b. The holder of this license shall be entitled, subject to rules and regulations, to manufacture and bottle any alcoholic beverages distilled from fruit juices and rectify, blend, treat, mix, compound with wine and add necessary sweetening and flavor to make cordial or liqueur, and to sell and distribute to wholesalers and retailers licensed in accordance with this chapter, and to sell and distribute without this State to any persons pursuant to the laws of the places of such sale and

distribution and to warehouse these products. The fee for this license shall be $3,750.

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

Craft distillery license. 3d. The holder of this license shall be entitled, subject to rules and regulations, to manufacture not more than 20,000 gallons of distilled alcoholic beverages, to rectify, blend, treat and mix distilled alcoholic beverages, to sell and distribute this product to wholesalers and retailers licensed in accordance with this chapter, and to sell and distribute without this State to any persons pursuant to the laws of the places of such sale and distribution, and to maintain a warehouse. The holder of this license shall be entitled to sell this product at retail to consumers on the licensed premises of the distillery for consumption on the premises and for consumption off the premises in a quantity of not more than five liters per person. In addition, the holder of this license may offer any person not more than three samples per calendar day for sampling purposes only. For the purposes of this subsection, "sampling" means the gratuitous offering of an open container not exceeding one-half ounce serving of distilled alcoholic beverage produced on the distillery premises. If the holder of this license holds a bonded warehouse bottling license issued pursuant to subsection 5 of this section, product manufactured in accordance with this subsection and transferred to a bonded warehouse for bottling and storage may be sold at retail and offered for sampling on the licensed premises of the distillery by the holder of this license. Nothing in this subsection shall be deemed to permit the direct shipment of distilled spirits either within or without this State. The holder of this license shall be entitled to engage in the privileges established pursuant to section 1 of P.L.2023, c.290 (C.33:1-10b).

The holder of this license shall not sell food or operate a restaurant on the licensed premises, but may coordinate with food vendors pursuant to section 1 of P.L.2023, c.290 (C.33:1-10b). A holder of this license who certifies that not less than 51 percent of the raw materials used in the production of distilled alcoholic

beverages under this section are grown in this State or purchased from providers located in this State may, consistent with all applicable federal laws and regulations, label these distilled alcoholic beverages as "New Jersey Distilled." The fee for this license shall be $938.

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

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

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

2. This act shall take effect on the first day of the sixth month next following enactment.

STATEMENT

This bill permits plenary and farm winery license holders who produce not more than 250,000 gallons per year to sell the wine they produce to any other plenary or farm winery license holder in this State for purposes of sale by the purchaser on the licensed premises of the winery or to sell wine to any winery outside of this State in accordance with the laws of the purchaser's state. Under the bill, wine sold to another winery is not to be considered towards the calculation of the amount of wine produced by the seller but is to be considered towards the total number of gallons produced per year by the purchasing winery. The bill provides that no less than 50 percent of the wine sold per year is required to be produced on the license holder's premises.

In addition, this bill establishes a supplemental wine production facility sublicense. The holder of a plenary winery license or a farm winery license engaged in the production of wine on the licensed premises of the winery who holds a supplemental wine

production facility sublicense would be entitled to produce wine at the supplemental wine production facility owned and leased by the license holder.

Under the bill, the holder of this sublicense is additionally entitled, subject to rules and regulations, to transfer wine produced at the supplemental wine production facility to the licensed premises of the winery or salesroom for sale at retail to consumers and to otherwise sell and distribute wine produced at the supplemental wine production facility pursuant to the laws of the place of sale and distribution.

The bill provides that any wine produced at the supplemental production facility that is not sold to another winery license holder is to be considered when calculating the total gallons per year of wine produced by the licensee for purposes of determining any fees, limitations, and eligibility for privileges that may pertain to the holder of a plenary winery license or farm winery license.

The bill prohibits the sale of wine at retail to consumers on the premises of the supplemental wine production facility.

Under the bill, the fee for the sublicense is $750.