

COMMITTEE STATEMENT: ASSEMBLY: Yes

SENATE: No

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FLOOR AMENDMENT STATEMENT: Yes

LEGISLATIVE FISCAL ESTIMATE: No

VETO MESSAGE: No

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CL/MM

P.L. 2024, CHAPTER 31, *approved July 10, 2024*
Senate, No. 2825 (*First Reprint*)

1 AN ACT concerning alcoholic beverage licensing and amending
2 P.L.2018, c.101 ¹and P.L.2023, c.290¹.

3

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

6

7 1. Section 1 of P.L.2018, c.101 (C.33:1-12.52) is amended to read
8 as follows:

9 1. a. As used in this act:

10 "Host municipality" means a municipality within a project area.

11 "Original transferee" means the State, a political subdivision or
12 subdivisions thereof, or a board, commission, authority, or agency
13 established by the State, to which control of a project area has been
14 transferred for purposes of conversion, redevelopment, or revitalization.

15 "Project area" means an area located within the borders of three
16 municipalities and at which a federally owned or operated military
17 installation was closed or scheduled for closure by recommendation of
18 the federal Base Realignment and Closure Commission on or after May
19 13, 2005, the control of which has been transferred to an original
20 transferee.

21 "Special license" means a plenary retail consumption license to sell
22 alcoholic beverages for consumption on the premises issued by a host
23 municipality pursuant to this section.

24 b. Notwithstanding the provisions of section 2 of P.L.1947, c.94
25 (C.33:1-12.14), at the request of the original transferee, the issuing
26 authority of a host municipality located within a project area may, by
27 ordinance or resolution, issue special licenses to one or more individual
28 corporations or other types of legal entities operating a hotel, restaurant,
29 or bar on any premises located within a project area as defined in
30 subsection a. of this section. **【The special licenses may be issued within
31 36 months following the effective date of this act.】**

32 The special licenses shall be issued by the three host municipalities
33 in the following manner:

34 (1) The host municipality with the largest population shall issue two
35 licenses;

36 (2) The host municipality with the smallest population shall issue
37 ¹**【four licenses】** one license¹; and

38 (3) the remaining host municipality shall issue ¹**【six】** five¹ licenses.

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹**Assembly floor amendments adopted June 28, 2024.**

1 c. Notwithstanding the provisions of any other law to the contrary,
2 a special license shall be provided for every 100 acres of the project area
3 with 12 special licenses for a project area over 1,000 acres.

4 d. ¹ [A host municipality that has not issued a license pursuant to
5 subsection b. of this section [as of the first day of the 37th month
6 following the effective date of this act,] may [have up to two years to]
7 transfer the license, for a fee, to another host municipality for issuance
8 within a premises located within a project area. The fee shall be based
9 upon the average sales price of a plenary retail consumption license in
10 the receiving host municipality.] (Deleted by amendment, P.L. _____,

11 c.) (pending before the Legislature as this bill)¹

12 e. The fee for the initial issuance of a license issued pursuant to
13 this section shall be based upon the average sales price of plenary retail
14 consumption licenses in the applicable host municipality or
15 municipalities during the five years immediately preceding the date of
16 enactment of P.L.2018, c.101 (C.33:1-12.52 et seq.). If less than three
17 plenary retail consumption licenses have been sold in the host
18 municipality within the previous five years, the host municipality shall
19 obtain an appraisal, at the applicant's expense, to determine the
20 appropriate fair market value of the license. The appraisal process shall
21 include an examination of previous transactions in the host municipality
22 or municipalities, as the case may be, and shall reflect what a willing
23 buyer, under no pressure to buy, would pay a willing seller, under no
24 pressure to sell, for a plenary retail consumption license in the host
25 municipality or municipalities.

26 f. The initial issuance fee established pursuant to this section for a
27 special license shall be reduced by the fair market value of the limitation
28 on transferability, as set forth in subsection g. of this section.

29 g. (1) A special license issued pursuant to this section shall not be
30 issued to any person who would not qualify as a plenary retail
31 consumption licensee pursuant to Title 33 of the Revised Statutes and
32 rules and regulations of the director.

33 (2) A special license issued pursuant to this section shall not be
34 issued to any entity under subsection b. of this section that has not
35 completed the mandatory conceptual review process, when applicable,
36 established pursuant to subsection b. of section 17 of P.L.2010, c.51
37 (C.52:27I-34) and the regulations issued in accordance therewith.

38 h. If the property upon which the special license will be sited is
39 owned by the original transferee:

40 (1) the license shall be issued without being designated for a site or
41 licensed premises and shall remain inactive until the property is
42 transferred to a private individual or entity; and

43 (2) an application for renewal of an inactive special license issued
44 in accordance with paragraph (1) of this subsection shall not be
45 approved by the issuing authority unless accompanied by a letter of
46 consent from the original transferee.

1 i. A special license issued pursuant to this section shall not be
2 transferred to any premises other than a premises located in the project
3 area until the dissolution of the authority overseeing, administering, and
4 implementing the plan for the project area. Following the dissolution of
5 the authority overseeing administering, and implementing the plan for
6 the project area, the special licenses issued pursuant to this section may
7 be used in connection with any premises located within the host
8 municipality. A special license issued pursuant to this section shall not
9 be transferred out of the issuing municipality except as provided in
10 subsection d. of this section.

11 j. Any increase in population in the host municipalities resulting
12 from residential development in the project area shall not be included in
13 the total combined population necessary to issue a new plenary retail
14 consumption or seasonal retail consumption license pursuant to section
15 2 of P.L.1947, c.94 (C.33:1-12.14).
16 (cf: P.L.2018, c.101, s.1)

17

18 ¹2. Section 3 of P.L.2018, c.101 (C.33:1-12.54) is amended to read
19 as follows:

20 3. Pursuant to the "Administrative Procedure Act," P.L.1968, c.410
21 (C.52:14B-1 et seq.), the Director of the Division of Alcoholic Beverage
22 Control may promulgate regulations necessary to effectuate the
23 provisions of P.L.2018, c.101 (C.33:1-12.52 et seq.) and P.L. _____, c.
24 (pending before the Legislature as this bill).¹
25 (cf: P.L.2018, c.101, s.3)

26

27 ¹3. Section 6 of P.L.2023, c.290 (C.33:1-12.55) is amended to read
28 as follows:

29 6. a. As used in this section:

30 "Eligible municipality" means a municipality in which at least one
31 shopping mall is located and the number of plenary retail consumption
32 licenses has reached the population limitation established in section 2 of
33 P.L.1947, c.94 (C.33:1-12.14).

34 "Enforcing agency" means the enforcing agency in any municipality
35 designated to administer and enforce the "State Uniform Construction
36 Code Act" pursuant to section 8 of P.L.1975, c.217 (C. 52:27D-126),
37 and regulations promulgated thereunder.

38 "Shopping mall" means a standalone, publicly accessible enclosed
39 walkway or hall area that serves to connect retail, entertainment, and
40 food and beverage establishments, and office space and:

41 (1) that is under common ownership or control and connects with or
42 provides access to separate retail establishments, including at least one
43 restaurant or other establishment that serves alcoholic beverages
44 pursuant to a plenary retail consumption license; and

45 (2) was constructed prior to the effective date of P.L. _____, c.
46 (C. _____) (pending before the Legislature as this bill) or for which an
47 application for a construction permit has been declared complete by an

1 enforcing agency prior to the effective date of P.L. , c. (C.)
2 (pending before the Legislature as this bill).

3 “Strip mall” means a retail shopping complex that consists of stores,
4 restaurants, or other businesses in adjacent spaces or storefronts in one
5 or more buildings that are connected by a doorway or open onto a
6 common parking lot or outdoor pedestrian walkway.

7 b. The governing body of an eligible municipality may, by
8 ordinance or resolution, issue within the municipality not more than:

9 (1) two special licenses to a person or other legal entity for use in
10 connection with a food and beverage establishment located within a
11 shopping mall with a minimum gross square footage of not less than
12 750,000; and

13 (2) four special licenses to a person or other legal entity for use in
14 connection with a food and beverage establishment located within a
15 shopping mall with a gross square footage of 1,500,000 or more.

16 c. A special license issued pursuant to subsection b. of this section
17 shall authorize the sale of alcoholic beverages for immediate
18 consumption on the operator's premises.

19 d. A person who would fail to qualify as a licensee under Title 33
20 of the Revised Statutes shall not be permitted to hold an interest in a
21 special license under the provisions of this section.

22 e. Licenses shall be subject to all the provisions of Title 33 of the
23 Revised Statutes, rules and regulations promulgated by the director, and
24 municipal ordinances.

25 f. A special license issued pursuant to this section shall not be
26 transferred for use in connection with any premises other than a
27 premises that is operated as a food and beverage establishment located
28 within the same shopping mall.

29 g. Application for the initial issuance and renewal of each license
30 shall be made to the municipal governing body on an annual basis. The
31 fee for the initial issuance of the license shall be at least \$250,000.

32 One half of the initial issuance fee for the license shall be paid upon
33 the issuance of the license and the other half of that amount shall be paid
34 one year later. The governing body of the municipality shall establish
35 an annual fee for the license which shall not exceed the fee which may
36 be imposed by a municipality for a plenary retail consumption license
37 pursuant to R.S.33:1-12. The fee for the initial issuance of the license
38 shall be paid to the eligible municipality in which the license is issued.

39 h. If the individual corporation or entity holding the license
40 determines to transfer a special license issued pursuant to this section,
41 the license shall be sold for the sum paid pursuant to subsection g. of
42 this section. A special license issued pursuant to this section shall not
43 be transferred to the governing body of another municipality or for use
44 in connection with any premises other than a premises that is operated
45 as a food and beverage establishment located within a shopping mall.

46 i. **【**The director shall not issue a special concessionaire permit for
47 any location or premises which is eligible to obtain a license to serve

1 alcoholic beverages under the provisions of this section.】 (Deleted by
2 amendment, P.L. , c.) (pending before the Legislature as this bill)

3 j. A special license issued pursuant to this section shall not be
4 subject to the population limitation established pursuant to section 2 of
5 P.L.1947, c.94 (C.33:1-12.14). An interest in a special license issued
6 pursuant to this section shall be excluded in determining the maximum
7 number of plenary retail consumption licenses issued to a person
8 pursuant to P.L.1962, c.152 (C.33:1-12.31 et seq.).

9 k. The provisions of this section shall not apply to a strip mall as
10 defined in subsection a. of this section.

11 l. Pursuant to the "Administrative Procedure Act," P.L.1968, c.410
12 (C.52:14B-1 et seq.), the director may adopt rules and regulations to
13 effectuate the purposes of this act.¹
14 (cf: P.L.2023, c.290, s.6)

15

16 ¹【2.】4.¹ This act shall take effect immediately.

17

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19

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21 Removes time limitation on issuance of additional alcoholic
22 beverage licenses within boundaries of former federal military
23 installations.

CHAPTER 31

AN ACT concerning alcoholic beverage licensing and amending P.L.2018, c.101 and P.L.2023, c.290.

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

1. Section 1 of P.L.2018, c.101 (C.33:1-12.52) is amended to read as follows:

C.33:1-12.52 Definitions relative to issuance of alcoholic beverage licenses in special project areas.

1. a. As used in this act:

"Host municipality" means a municipality within a project area.

"Original transferee" means the State, a political subdivision or subdivisions thereof, or a board, commission, authority, or agency established by the State, to which control of a project area has been transferred for purposes of conversion, redevelopment, or revitalization.

"Project area" means an area located within the borders of three municipalities and at which a federally owned or operated military installation was closed or scheduled for closure by recommendation of the federal Base Realignment and Closure Commission on or after May 13, 2005, the control of which has been transferred to an original transferee.

"Special license" means a plenary retail consumption license to sell alcoholic beverages for consumption on the premises issued by a host municipality pursuant to this section.

b. Notwithstanding the provisions of section 2 of P.L.1947, c.94 (C.33:1-12.14), at the request of the original transferee, the issuing authority of a host municipality located within a project area may, by ordinance or resolution, issue special licenses to one or more individual corporations or other types of legal entities operating a hotel, restaurant, or bar on any premises located within a project area as defined in subsection a. of this section.

The special licenses shall be issued by the three host municipalities in the following manner:

- (1) The host municipality with the largest population shall issue two licenses;
- (2) The host municipality with the smallest population shall issue one license; and
- (3) the remaining host municipality shall issue five licenses.

c. Notwithstanding the provisions of any other law to the contrary, a special license shall be provided for every 100 acres of the project area with 12 special licenses for a project area over 1,000 acres.

- d. (Deleted by amendment, P.L.2024, c.31)

e. The fee for the initial issuance of a license issued pursuant to this section shall be based upon the average sales price of plenary retail consumption licenses in the applicable host municipality or municipalities during the five years immediately preceding the date of enactment of P.L.2018, c.101 (C.33:1-12.52 et seq.). If less than three plenary retail consumption licenses have been sold in the host municipality within the previous five years, the host municipality shall obtain an appraisal, at the applicant's expense, to determine the appropriate fair market value of the license. The appraisal process shall include an examination of previous transactions in the host municipality or municipalities, as the case may be, and shall reflect what a willing buyer, under no pressure to buy, would pay a willing seller, under no pressure to sell, for a plenary retail consumption license in the host municipality or municipalities.

f. The initial issuance fee established pursuant to this section for a special license shall be reduced by the fair market value of the limitation on transferability, as set forth in subsection g. of this section.

g. (1) A special license issued pursuant to this section shall not be issued to any person who would not qualify as a plenary retail consumption licensee pursuant to Title 33 of the Revised Statutes and rules and regulations of the director.

(2) A special license issued pursuant to this section shall not be issued to any entity under subsection b. of this section that has not completed the mandatory conceptual review process, when applicable, established pursuant to subsection b. of section 17 of P.L.2010, c.51 (C.52:27I-34) and the regulations issued in accordance therewith.

h. If the property upon which the special license will be sited is owned by the original transferee:

(1) the license shall be issued without being designated for a site or licensed premises and shall remain inactive until the property is transferred to a private individual or entity; and

(2) an application for renewal of an inactive special license issued in accordance with paragraph (1) of this subsection shall not be approved by the issuing authority unless accompanied by a letter of consent from the original transferee.

i. A special license issued pursuant to this section shall not be transferred to any premises other than a premises located in the project area until the dissolution of the authority overseeing, administering, and implementing the plan for the project area. Following the dissolution of the authority overseeing administering, and implementing the plan for the project area, the special licenses issued pursuant to this section may be used in connection with any premises located within the host municipality. A special license issued pursuant to this section shall not be transferred out of the issuing municipality except as provided in subsection d. of this section.

j. Any increase in population in the host municipalities resulting from residential development in the project area shall not be included in the total combined population necessary to issue a new plenary retail consumption or seasonal retail consumption license pursuant to section 2 of P.L.1947, c.94 (C.33:1-12.14).

2. Section 3 of P.L.2018, c.101 (C.33:1-12.54) is amended to read as follows:

C.33:1-12.54 Regulations.

3. Pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), the Director of the Division of Alcoholic Beverage Control may promulgate regulations necessary to effectuate the provisions of P.L.2018, c.101 (C.33:1-12.52 et seq.) and P.L.2024, c.31 (C.33:1-12.52 et al.).

3. Section 6 of P.L.2023, c.290 (C.33:1-12.55) is amended to read as follows:

C.33:1-12.55 Definitions.

6. a. As used in this section:

“Eligible municipality” means a municipality in which at least one shopping mall is located and the number of plenary retail consumption licenses has reached the population limitation established in section 2 of P.L.1947, c.94 (C.33:1-12.14).

“Enforcing agency” means the enforcing agency in any municipality designated to administer and enforce the "State Uniform Construction Code Act" pursuant to section 8 of P.L.1975, c.217 (C. 52:27D-126), and regulations promulgated thereunder.

“Shopping mall” means a standalone, publicly accessible enclosed walkway or hall area that serves to connect retail, entertainment, food and beverage establishments, and office space and:

that is under common ownership or control and connects with or provides access to separate retail establishments, including at least one restaurant or other establishment that serves alcoholic beverages pursuant to a plenary retail consumption license; and

was constructed prior to the effective date of P.L.2023, c.290 (C.33:1-10b et al.) or for which an application for a construction permit has been declared complete by an enforcing agency prior to the effective date of P.L.2023, c.290 (C.33:1-10b et al.).

“Strip mall” means a retail shopping complex that consists of stores, restaurants, or other businesses in adjacent spaces or storefronts in one or more buildings that are connected by a doorway or open onto a common parking lot or outdoor pedestrian walkway.

b. The governing body of an eligible municipality may, by ordinance or resolution, issue within the municipality not more than:

(1) two special licenses to a person or other legal entity for use in connection with a food and beverage establishment located within a shopping mall with a minimum gross square footage of not less than 750,000; and

(2) four special licenses to a person or other legal entity for use in connection with a food and beverage establishment located within a shopping mall with a gross square footage of 1,500,000 or more.

c. A special license issued pursuant to subsection b. of this section shall authorize the sale of alcoholic beverages for immediate consumption on the operator's premises.

d. A person who would fail to qualify as a licensee under Title 33 of the Revised Statutes shall not be permitted to hold an interest in a special license under the provisions of this section.

e. Licenses shall be subject to all the provisions of Title 33 of the Revised Statutes, rules and regulations promulgated by the director, and municipal ordinances.

f. A special license issued pursuant to this section shall not be transferred for use in connection with any premises other than a premises that is operated as a food and beverage establishment located within the same shopping mall.

g. Application for the initial issuance and renewal of each license shall be made to the municipal governing body on an annual basis. The fee for the initial issuance of the license shall be at least \$250,000.

One half of the initial issuance fee for the license shall be paid upon the issuance of the license and the other half of that amount shall be paid one year later. The governing body of the municipality shall establish an annual fee for the license which shall not exceed the fee which may be imposed by a municipality for a plenary retail consumption license pursuant to R.S.33:1-12. The fee for the initial issuance of the license shall be paid to the eligible municipality in which the license is issued.

h. If the individual corporation or entity holding the license determines to transfer a special license issued pursuant to this section, the license shall be sold for the sum paid pursuant to subsection g. of this section. A special license issued pursuant to this section shall not be transferred to the governing body of another municipality or for use in connection with any premises other than a premises that is operated as a food and beverage establishment located within a shopping mall.

i. (Deleted by amendment, P.L.2024, c.31)

j. A special license issued pursuant to this section shall not be subject to the population limitation established pursuant to section 2 of P.L.1947, c.94 (C.33:1-12.14). An interest in a special license issued pursuant to this section shall be excluded in determining the maximum number of plenary retail consumption licenses issued to a person pursuant to P.L.1962, c.152 (C.33:1-12.31 et seq.).

P.L. 2024, CHAPTER 31

4

k. The provisions of this section shall not apply to a strip mall as defined in subsection a. of this section.

1. Pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), the director may adopt rules and regulations to effectuate the purposes of this act.

4. This act shall take effect immediately.

Approved July 10, 2024.

SENATE, No. 2825

STATE OF NEW JERSEY

221st LEGISLATURE

INTRODUCED FEBRUARY 27, 2024

Sponsored by:

Senator VIN GOPAL

District 11 (Monmouth)

SYNOPSIS

Removes time limitation on issuance of additional alcoholic beverage licenses within boundaries of former federal military installations.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning alcoholic beverage licensing and amending
2 P.L.2018, c.101.

3

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

6

7 1. Section 1 of P.L.2018, c.101 (C.33:1-12.52) is amended to
8 read as follows:

9 1. a. As used in this act:

10 "Host municipality" means a municipality within a project area.

11 "Original transferee" means the State, a political subdivision or
12 subdivisions thereof, or a board, commission, authority, or agency
13 established by the State, to which control of a project area has been
14 transferred for purposes of conversion, redevelopment, or
15 revitalization.

16 "Project area" means an area located within the borders of three
17 municipalities and at which a federally owned or operated military
18 installation was closed or scheduled for closure by recommendation
19 of the federal Base Realignment and Closure Commission on or
20 after May 13, 2005, the control of which has been transferred to an
21 original transferee.

22 "Special license" means a plenary retail consumption license to
23 sell alcoholic beverages for consumption on the premises issued by
24 a host municipality pursuant to this section.

25 b. Notwithstanding the provisions of section 2 of P.L.1947,
26 c.94 (C.33:1-12.14), at the request of the original transferee, the
27 issuing authority of a host municipality located within a project area
28 may, by ordinance or resolution, issue special licenses to one or
29 more individual corporations or other types of legal entities
30 operating a hotel, restaurant, or bar on any premises located within
31 a project area as defined in subsection a. of this section. **[The**
32 special licenses may be issued within 36 months following the
33 effective date of this act.]

34 The special licenses shall be issued by the three host
35 municipalities in the following manner:

36 (1) The host municipality with the largest population shall issue
37 two licenses;

38 (2) The host municipality with the smallest population shall
39 issue four licenses; and

40 (3) the remaining host municipality shall issue six licenses.

41 c. Notwithstanding the provisions of any other law to the
42 contrary, a special license shall be provided for every 100 acres of
43 the project area with 12 special licenses for a project area over
44 1,000 acres.

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 d. A host municipality that has not issued a license pursuant to
2 subsection b. of this section [as of the first day of the 37th month
3 following the effective date of this act,] may [have up to two years
4 to] transfer the license, for a fee, to another host municipality for
5 issuance within a premises located within a project area. The fee
6 shall be based upon the average sales price of a plenary retail
7 consumption license in the receiving host municipality.

8 e. The fee for the initial issuance of a license issued pursuant to
9 this section shall be based upon the average sales price of plenary
10 retail consumption licenses in the applicable host municipality or
11 municipalities during the five years immediately preceding the date
12 of enactment of P.L.2018, c.101 (C.33:1-12.52 et seq.). If less than
13 three plenary retail consumption licenses have been sold in the host
14 municipality within the previous five years, the host municipality
15 shall obtain an appraisal, at the applicant's expense, to determine
16 the appropriate fair market value of the license. The appraisal
17 process shall include an examination of previous transactions in the
18 host municipality or municipalities, as the case may be, and shall
19 reflect what a willing buyer, under no pressure to buy, would pay a
20 willing seller, under no pressure to sell, for a plenary retail
21 consumption license in the host municipality or municipalities.

22 f. The initial issuance fee established pursuant to this section
23 for a special license shall be reduced by the fair market value of the
24 limitation on transferability, as set forth in subsection g. of this
25 section.

26 g. (1) A special license issued pursuant to this section shall not
27 be issued to any person who would not qualify as a plenary retail
28 consumption licensee pursuant to Title 33 of the Revised Statutes
29 and rules and regulations of the director.

30 (2) A special license issued pursuant to this section shall not be
31 issued to any entity under subsection b. of this section that has not
32 completed the mandatory conceptual review process, when
33 applicable, established pursuant to subsection b. of section 17 of
34 P.L.2010, c.51 (C.52:27I-34) and the regulations issued in
35 accordance therewith.

36 h. If the property upon which the special license will be sited is
37 owned by the original transferee:

38 (1) the license shall be issued without being designated for a site
39 or licensed premises and shall remain inactive until the property is
40 transferred to a private individual or entity; and

41 (2) an application for renewal of an inactive special license
42 issued in accordance with paragraph (1) of this subsection shall not
43 be approved by the issuing authority unless accompanied by a letter
44 of consent from the original transferee.

45 i. A special license issued pursuant to this section shall not be
46 transferred to any premises other than a premises located in the
47 project area until the dissolution of the authority overseeing,
48 administering, and implementing the plan for the project area.

1 Following the dissolution of the authority overseeing administering,
2 and implementing the plan for the project area, the special licenses
3 issued pursuant to this section may be used in connection with any
4 premises located within the host municipality. A special license
5 issued pursuant to this section shall not be transferred out of the
6 issuing municipality except as provided in subsection d. of this
7 section.

8 j. Any increase in population in the host municipalities
9 resulting from residential development in the project area shall not
10 be included in the total combined population necessary to issue a
11 new plenary retail consumption or seasonal retail consumption
12 license pursuant to section 2 of P.L.1947, c.94 (C.33:1-12.14).
13 (cf: P.L.2018, c.101, s.1)

14

15 2. This act shall take effect immediately.

16

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STATEMENT

19

20 This bill removes from current law a time limitation imposed on
21 municipalities to issue special alcoholic beverage consumption
22 licenses for use in a project area located in a former federal military
23 installation.

24 Under current law, a municipality may issue one plenary retail
25 consumption license (for bars and restaurants) for each 3,000 of its
26 population. However, P.L.2018, c.101 was enacted to allow the
27 issuance of additional alcoholic beverage licenses in a project area
28 within the borders of three municipalities and at which a federally
29 owned or operated military installation is closed and transferred to a
30 government entity for the purpose of conversion, redevelopment, or
31 revitalization. The special licenses allow the license holder to sell
32 alcoholic beverages for consumption on the licensed premises.

33 P.L.2018, c.101 specifically applied to the Fort Monmouth
34 redevelopment area. Municipalities located within the Fort
35 Monmouth redevelopment area were entitled to issue these special
36 licenses within three years of the effective date of P.L.2018, c.101.
37 Following the three-year period, a municipality that had not issued a
38 license would have up to two years to transfer the license, for a fee, to
39 another municipality located within the redevelopment area. This bill
40 removes from P.L.2018, c.101 the five-year limitation and grants
41 municipalities more time to issue or transfer these licenses for use
42 within the redevelopment area.

[First Reprint]

SENATE, No. 2825

STATE OF NEW JERSEY

221st LEGISLATURE

INTRODUCED FEBRUARY 27, 2024

Sponsored by:

Senator VIN GOPAL

District 11 (Monmouth)

Assemblywoman LUANNE M. PETERPAUL

District 11 (Monmouth)

Assemblywoman MARGIE DONLON, M.D.

District 11 (Monmouth)

Assemblywoman VICTORIA A. FLYNN

District 13 (Monmouth)

Co-Sponsored by:

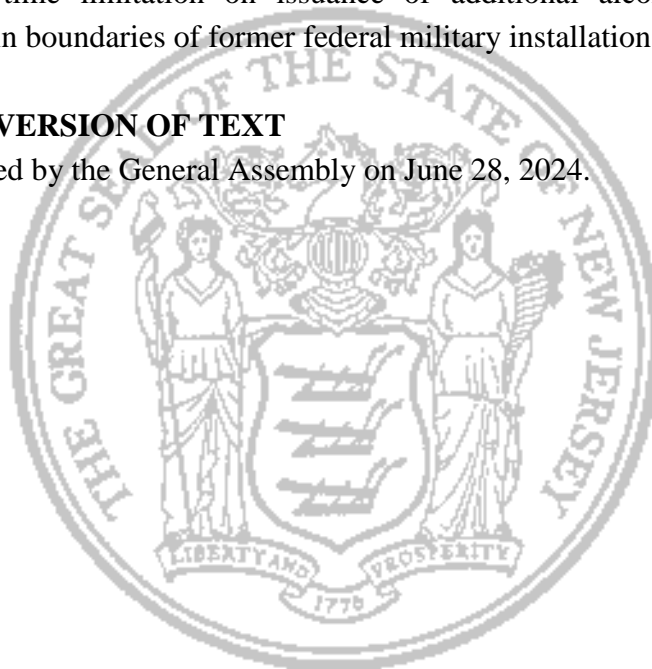
Assemblywoman Speight

SYNOPSIS

Removes time limitation on issuance of additional alcoholic beverage licenses within boundaries of former federal military installations.

CURRENT VERSION OF TEXT

As amended by the General Assembly on June 28, 2024.



(Sponsorship Updated As Of: 6/28/2024)

1 AN ACT concerning alcoholic beverage licensing and amending
2 P.L.2018, c.101 ¹and P.L.2023, c.290¹.

3

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

6

7 1. Section 1 of P.L.2018, c.101 (C.33:1-12.52) is amended to read
8 as follows:

9 1. a. As used in this act:

10 "Host municipality" means a municipality within a project area.

11 "Original transferee" means the State, a political subdivision or
12 subdivisions thereof, or a board, commission, authority, or agency
13 established by the State, to which control of a project area has been
14 transferred for purposes of conversion, redevelopment, or
15 revitalization.

16 "Project area" means an area located within the borders of three
17 municipalities and at which a federally owned or operated military
18 installation was closed or scheduled for closure by recommendation of
19 the federal Base Realignment and Closure Commission on or after
20 May 13, 2005, the control of which has been transferred to an original
21 transferee.

22 "Special license" means a plenary retail consumption license to sell
23 alcoholic beverages for consumption on the premises issued by a host
24 municipality pursuant to this section.

25 b. Notwithstanding the provisions of section 2 of P.L.1947, c.94
26 (C.33:1-12.14), at the request of the original transferee, the issuing
27 authority of a host municipality located within a project area may, by
28 ordinance or resolution, issue special licenses to one or more
29 individual corporations or other types of legal entities operating a
30 hotel, restaurant, or bar on any premises located within a project area
31 as defined in subsection a. of this section. **【The special licenses may
32 be issued within 36 months following the effective date of this act.】**

33 The special licenses shall be issued by the three host municipalities
34 in the following manner:

35 (1) The host municipality with the largest population shall issue
36 two licenses;

37 (2) The host municipality with the smallest population shall issue
38 ¹**【four licenses】** one license¹; and

39 (3) the remaining host municipality shall issue ¹**【six】** five¹
40 licenses.

41 c. Notwithstanding the provisions of any other law to the
42 contrary, a special license shall be provided for every 100 acres of the
43 project area with 12 special licenses for a project area over 1,000
44 acres.

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹**Assembly floor amendments adopted June 28, 2024.**

1 d. ¹~~【A host municipality that has not issued a license pursuant to~~
2 ~~subsection b. of this section 【as of the first day of the 37th month~~
3 ~~following the effective date of this act,】 may 【have up to two years to】~~
4 ~~transfer the license, for a fee, to another host municipality for issuance~~
5 ~~within a premises located within a project area. The fee shall be based~~
6 ~~upon the average sales price of a plenary retail consumption license in~~
7 ~~the receiving host municipality.】 (Deleted by amendment, P.L. _____,
8 c.) (pending before the Legislature as this bill)¹~~

9 e. The fee for the initial issuance of a license issued pursuant to
10 this section shall be based upon the average sales price of plenary
11 retail consumption licenses in the applicable host municipality or
12 municipalities during the five years immediately preceding the date of
13 enactment of P.L.2018, c.101 (C.33:1-12.52 et seq.). If less than three
14 plenary retail consumption licenses have been sold in the host
15 municipality within the previous five years, the host municipality shall
16 obtain an appraisal, at the applicant's expense, to determine the
17 appropriate fair market value of the license. The appraisal process
18 shall include an examination of previous transactions in the host
19 municipality or municipalities, as the case may be, and shall reflect
20 what a willing buyer, under no pressure to buy, would pay a willing
21 seller, under no pressure to sell, for a plenary retail consumption
22 license in the host municipality or municipalities.

23 f. The initial issuance fee established pursuant to this section for
24 a special license shall be reduced by the fair market value of the
25 limitation on transferability, as set forth in subsection g. of this section.

26 g. (1) A special license issued pursuant to this section shall not be
27 issued to any person who would not qualify as a plenary retail
28 consumption licensee pursuant to Title 33 of the Revised Statutes and
29 rules and regulations of the director.

30 (2) A special license issued pursuant to this section shall not be
31 issued to any entity under subsection b. of this section that has not
32 completed the mandatory conceptual review process, when applicable,
33 established pursuant to subsection b. of section 17 of P.L.2010, c.51
34 (C.52:27I-34) and the regulations issued in accordance therewith.

35 h. If the property upon which the special license will be sited is
36 owned by the original transferee:

37 (1) the license shall be issued without being designated for a site or
38 licensed premises and shall remain inactive until the property is
39 transferred to a private individual or entity; and

40 (2) an application for renewal of an inactive special license issued
41 in accordance with paragraph (1) of this subsection shall not be
42 approved by the issuing authority unless accompanied by a letter of
43 consent from the original transferee.

44 i. A special license issued pursuant to this section shall not be
45 transferred to any premises other than a premises located in the project
46 area until the dissolution of the authority overseeing, administering,
47 and implementing the plan for the project area. Following the
48 dissolution of the authority overseeing administering, and

1 implementing the plan for the project area, the special licenses issued
2 pursuant to this section may be used in connection with any premises
3 located within the host municipality. A special license issued pursuant
4 to this section shall not be transferred out of the issuing municipality
5 except as provided in subsection d. of this section.

6 j. Any increase in population in the host municipalities resulting
7 from residential development in the project area shall not be included
8 in the total combined population necessary to issue a new plenary
9 retail consumption or seasonal retail consumption license pursuant to
10 section 2 of P.L.1947, c.94 (C.33:1-12.14).

11 (cf: P.L.2018, c.101, s.1)

12

13 ¹2. Section 3 of P.L.2018, c.101 (C.33:1-12.54) is amended to
14 read as follows:

15 3. Pursuant to the "Administrative Procedure Act," P.L.1968,
16 c.410 (C.52:14B-1 et seq.), the Director of the Division of Alcoholic
17 Beverage Control may promulgate regulations necessary to effectuate
18 the provisions of P.L.2018, c.101 (C.33:1-12.52 et seq.) and P.L. , c.
19 (pending before the Legislature as this bill).¹

20 (cf: P.L.2018, c.101, s.3)

21

22 ¹3. Section 6 of P.L.2023, c.290 (C.33:1-12.55) is amended to read
23 as follows:

24 6. a. As used in this section:

25 "Eligible municipality" means a municipality in which at least one
26 shopping mall is located and the number of plenary retail consumption
27 licenses has reached the population limitation established in section 2
28 of P.L.1947, c.94 (C.33:1-12.14).

29 "Enforcing agency" means the enforcing agency in any
30 municipality designated to administer and enforce the "State Uniform
31 Construction Code Act" pursuant to section 8 of
32 P.L.1975, c.217 (C. 52:27D-126), and regulations promulgated
33 thereunder.

34 "Shopping mall" means a standalone, publicly accessible enclosed
35 walkway or hall area that serves to connect retail, entertainment, and
36 food and beverage establishments, and office space and:

37 (1) that is under common ownership or control and connects with
38 or provides access to separate retail establishments, including at least
39 one restaurant or other establishment that serves alcoholic beverages
40 pursuant to a plenary retail consumption license; and

41 (2) was constructed prior to the effective date of P.L. , c.
42 (C.) (pending before the Legislature as this bill) or for which an
43 application for a construction permit has been declared complete by an
44 enforcing agency prior to the effective date of P.L. , c. (C.)
45 (pending before the Legislature as this bill).

46 "Strip mall" means a retail shopping complex that consists of
47 stores, restaurants, or other businesses in adjacent spaces or storefronts

- 1 in one or more buildings that are connected by a doorway or open onto
2 a common parking lot or outdoor pedestrian walkway.
- 3 b. The governing body of an eligible municipality may, by
4 ordinance or resolution, issue within the municipality not more than:
- 5 (1) two special licenses to a person or other legal entity for use in
6 connection with a food and beverage establishment located within a
7 shopping mall with a minimum gross square footage of not less than
8 750,000; and
- 9 (2) four special licenses to a person or other legal entity for use in
10 connection with a food and beverage establishment located within a
11 shopping mall with a gross square footage of 1,500,000 or more.
- 12 c. A special license issued pursuant to subsection b. of this
13 section shall authorize the sale of alcoholic beverages for immediate
14 consumption on the operator's premises.
- 15 d. A person who would fail to qualify as a licensee under Title 33
16 of the Revised Statutes shall not be permitted to hold an interest in a
17 special license under the provisions of this section.
- 18 e. Licenses shall be subject to all the provisions of Title 33 of the
19 Revised Statutes, rules and regulations promulgated by the director,
20 and municipal ordinances.
- 21 f. A special license issued pursuant to this section shall not be
22 transferred for use in connection with any premises other than a
23 premises that is operated as a food and beverage establishment located
24 within the same shopping mall.
- 25 g. Application for the initial issuance and renewal of each license
26 shall be made to the municipal governing body on an annual basis.
27 The fee for the initial issuance of the license shall be at least \$250,000.
28 One half of the initial issuance fee for the license shall be paid
29 upon the issuance of the license and the other half of that amount shall
30 be paid one year later. The governing body of the municipality shall
31 establish an annual fee for the license which shall not exceed the fee
32 which may be imposed by a municipality for a plenary retail
33 consumption license pursuant to R.S.33:1-12. The fee for the initial
34 issuance of the license shall be paid to the eligible municipality in
35 which the license is issued.
- 36 h. If the individual corporation or entity holding the license
37 determines to transfer a special license issued pursuant to this section,
38 the license shall be sold for the sum paid pursuant to subsection g. of
39 this section. A special license issued pursuant to this section shall not
40 be transferred to the governing body of another municipality or for use
41 in connection with any premises other than a premises that is operated
42 as a food and beverage establishment located within a shopping mall.
- 43 i. **【The director shall not issue a special concessionaire permit for**
44 **any location or premises which is eligible to obtain a license to serve**
45 **alcoholic beverages under the provisions of this section.】** (Deleted by
46 amendment, P.L. , c.) (pending before the Legislature as this bill)
- 47 j. A special license issued pursuant to this section shall not be
48 subject to the population limitation established pursuant to section 2 of

1 P.L.1947, c.94 (C.33:1-12.14). An interest in a special license issued
2 pursuant to this section shall be excluded in determining the maximum
3 number of plenary retail consumption licenses issued to a person
4 pursuant to P.L.1962, c.152 (C.33:1-12.31 et seq.).

5 k. The provisions of this section shall not apply to a strip mall as
6 defined in subsection a. of this section.

7 l. Pursuant to the "Administrative Procedure Act," P.L.1968,
8 c.410 (C.52:14B-1 et seq.), the director may adopt rules and
9 regulations to effectuate the purposes of this act.¹

10 (cf: P.L.2023, c.290, s.6)

11

12 ¹[2.] 4.¹ This act shall take effect immediately.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE, No. 2825

STATE OF NEW JERSEY

DATED: APRIL 11, 2024

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 2825.

This bill removes from current law a time limitation imposed on municipalities to issue special alcoholic beverage consumption licenses for use in a project area located in a former federal military installation.

Under current law, a municipality may issue one plenary retail consumption license (for bars and restaurants) for each 3,000 of its population. However, P.L.2018, c.101 was enacted to allow the issuance of additional alcoholic beverage licenses in a project area within the borders of three municipalities and at which a federally owned or operated military installation is closed and transferred to a government entity for the purpose of conversion, redevelopment, or revitalization. The special licenses allow the license holder to sell alcoholic beverages for consumption on the licensed premises.

P.L.2018, c.101 specifically applied to the Fort Monmouth redevelopment area. Municipalities located within the Fort Monmouth redevelopment area were entitled to issue these special licenses within three years of the effective date of P.L.2018, c.101. Following the three-year period, a municipality that had not issued a license would have up to two years to transfer the license, for a fee, to another municipality located within the redevelopment area. This bill removes from P.L.2018, c.101 the five-year limitation and grants municipalities more time to issue or transfer these licenses for use within the redevelopment area.

FISCAL IMPACT:

This bill is not certified as requiring a fiscal note.

STATEMENT TO
SENATE, No. 2825

with Assembly Floor Amendments
(Proposed by Assemblywoman PETERPAUL)

ADOPTED: JUNE 28, 2024

Senate Bill No. 2825 removes from current law a time limitation imposed on municipalities to issue special alcoholic beverage consumption licenses for use in a project area located in a former federal military installation.

Under current law, a municipality is limited as to the number of plenary retail consumption licenses (for bars and restaurants) it may issue. However, P.L.2018, c.101 was enacted to allow host municipalities located within the Fort Monmouth redevelopment area to issue these special alcoholic beverage licenses. A host municipality with the largest population was entitled to issue two licenses. A host municipality with the smallest population was entitled to issue four licenses; the remaining host municipality was entitled to issue six licenses.

These Senate amendments revise the license distribution to allow a host municipality with the smallest population to issue one license. While the number of licenses that could be issued by the largest municipality is unchanged in these amendments, the amendments permit the remaining host municipality to issue five licenses. The Senate amendments also remove from current law a provision allowing host municipalities to transfer these special licenses to another host municipality located within the project area.

In addition, current law allows the Director of the Division of Alcoholic Beverage Control (ABC) to issue special mall licenses for use in connection with a food and beverage establishment located within a shopping mall. The license authorizes the sale of alcoholic beverages for immediate consumption on the operator's premises. The director is prohibited from issuing a special concessionaire permit for any location eligible to receive a special mall license. A concessionaire permit generally allows the permit holder to sell alcoholic beverages in any public building belonging to, or under the control of, the State or any political subdivision. These Senate amendments remove from current law the provision prohibiting the Director of ABC from issuing a concessionaire permit for a location or premises which is eligible to receive a special mall license.

ASSEMBLY, No. 3906

STATE OF NEW JERSEY

221st LEGISLATURE

INTRODUCED FEBRUARY 27, 2024

Sponsored by:

Assemblywoman LUANNE M. PETERPAUL

District 11 (Monmouth)

Assemblywoman MARGIE DONLON, M.D.

District 11 (Monmouth)

Assemblywoman VICTORIA A. FLYNN

District 13 (Monmouth)

Co-Sponsored by:

Assemblywoman Speight

SYNOPSIS

Removes time limitation on issuance of additional alcoholic beverage licenses within boundaries of former federal military installations.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 5/13/2024)

1 AN ACT concerning alcoholic beverage licensing and amending
2 P.L.2018, c.101.

3

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

6

7 1. Section 1 of P.L.2018, c.101(C.33:1-12.52) is amended to
8 read as follows:

9 1. a. As used in this act:

10 "Host municipality" means a municipality within a project area.

11 "Original transferee" means the State, a political subdivision or
12 subdivisions thereof, or a board, commission, authority, or agency
13 established by the State, to which control of a project area has been
14 transferred for purposes of conversion, redevelopment, or
15 revitalization.

16 "Project area" means an area located within the borders of three
17 municipalities and at which a federally owned or operated military
18 installation was closed or scheduled for closure by recommendation
19 of the federal Base Realignment and Closure Commission on or
20 after May 13, 2005, the control of which has been transferred to an
21 original transferee.

22 "Special license" means a plenary retail consumption license to
23 sell alcoholic beverages for consumption on the premises issued by
24 a host municipality pursuant to this section.

25 b. Notwithstanding the provisions of section 2 of P.L.1947,
26 c.94 (C.33:1-12.14), at the request of the original transferee, the
27 issuing authority of a host municipality located within a project area
28 may, by ordinance or resolution, issue special licenses to one or
29 more individual corporations or other types of legal entities
30 operating a hotel, restaurant, or bar on any premises located within
31 a project area as defined in subsection a. of this section. **[The**
32 special licenses may be issued within 36 months following the
33 effective date of this act.]

34 The special licenses shall be issued by the three host
35 municipalities in the following manner:

36 (1) The host municipality with the largest population shall issue
37 two licenses;

38 (2) The host municipality with the smallest population shall
39 issue four licenses; and

40 (3) the remaining host municipality shall issue six licenses.

41 c. Notwithstanding the provisions of any other law to the
42 contrary, a special license shall be provided for every 100 acres of
43 the project area with 12 special licenses for a project area over
44 1,000 acres.

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 d. A host municipality that has not issued a license pursuant to
2 subsection b. of this section [as of the first day of the 37th month
3 following the effective date of this act,] may [have up to two years
4 to] transfer the license, for a fee, to another host municipality for
5 issuance within a premises located within a project area. The fee
6 shall be based upon the average sales price of a plenary retail
7 consumption license in the receiving host municipality.

8 e. The fee for the initial issuance of a license issued pursuant to
9 this section shall be based upon the average sales price of plenary
10 retail consumption licenses in the applicable host municipality or
11 municipalities during the five years immediately preceding the date
12 of enactment of P.L.2018, c.101 (C.33:1-12.52 et seq.). If less than
13 three plenary retail consumption licenses have been sold in the host
14 municipality within the previous five years, the host municipality
15 shall obtain an appraisal, at the applicant's expense, to determine
16 the appropriate fair market value of the license. The appraisal
17 process shall include an examination of previous transactions in the
18 host municipality or municipalities, as the case may be, and shall
19 reflect what a willing buyer, under no pressure to buy, would pay a
20 willing seller, under no pressure to sell, for a plenary retail
21 consumption license in the host municipality or municipalities.

22 f. The initial issuance fee established pursuant to this section
23 for a special license shall be reduced by the fair market value of the
24 limitation on transferability, as set forth in subsection g. of this
25 section.

26 g. (1) A special license issued pursuant to this section shall not
27 be issued to any person who would not qualify as a plenary retail
28 consumption licensee pursuant to Title 33 of the Revised Statutes
29 and rules and regulations of the director.

30 (2) A special license issued pursuant to this section shall not be
31 issued to any entity under subsection b. of this section that has not
32 completed the mandatory conceptual review process, when
33 applicable, established pursuant to subsection b. of section 17 of
34 P.L.2010, c.51 (C.52:27I-34) and the regulations issued in
35 accordance therewith.

36 h. If the property upon which the special license will be sited is
37 owned by the original transferee:

38 (1) the license shall be issued without being designated for a site
39 or licensed premises and shall remain inactive until the property is
40 transferred to a private individual or entity; and

41 (2) an application for renewal of an inactive special license
42 issued in accordance with paragraph (1) of this subsection shall not
43 be approved by the issuing authority unless accompanied by a letter
44 of consent from the original transferee.

45 i. A special license issued pursuant to this section shall not be
46 transferred to any premises other than a premises located in the
47 project area until the dissolution of the authority overseeing,
48 administering, and implementing the plan for the project area.

1 Following the dissolution of the authority overseeing administering,
2 and implementing the plan for the project area, the special licenses
3 issued pursuant to this section may be used in connection with any
4 premises located within the host municipality. A special license
5 issued pursuant to this section shall not be transferred out of the
6 issuing municipality except as provided in subsection d. of this
7 section.

8 j. Any increase in population in the host municipalities
9 resulting from residential development in the project area shall not
10 be included in the total combined population necessary to issue a
11 new plenary retail consumption or seasonal retail consumption
12 license pursuant to section 2 of P.L.1947, c.94 (C.33:1-12.14).
13 (cf: P.L.2018, c.101, s.1)

14

15 2. This act shall take effect immediately.

16

17

18

STATEMENT

19

20 This bill removes from current law a time limitation imposed on
21 municipalities to issue special alcoholic beverage consumption
22 licenses for use in a project area located in a former federal military
23 installation.

24 Under current law, a municipality may issue one plenary retail
25 consumption license (for bars and restaurants) for each 3,000 of its
26 population. However, P.L.2018, c.101 was enacted to allow the
27 issuance of additional alcoholic beverage licenses in a project area
28 within the borders of three municipalities and at which a federally
29 owned or operated military installation is closed and transferred to a
30 government entity for the purpose of conversion, redevelopment, or
31 revitalization. The special licenses allow the license holder to sell
32 alcoholic beverages for consumption on the licensed premises.

33 P.L.2018, c.101 specifically applied to the Fort Monmouth
34 redevelopment area. Municipalities located within the Fort
35 Monmouth redevelopment area were entitled to issue these special
36 licenses within three years of the effective date of P.L.2018, c.101.
37 Following the three-year period, a municipality that had not issued a
38 license would have up to two years to transfer the license, for a fee, to
39 another municipality located within the redevelopment area. This bill
40 removes from P.L.2018, c.101 the five-year limitation and grants
41 municipalities more time to issue or transfer these licenses for use
42 within the redevelopment area.

[First Reprint]

ASSEMBLY, No. 3906

STATE OF NEW JERSEY
221st LEGISLATURE

INTRODUCED FEBRUARY 27, 2024

Sponsored by:

Assemblywoman LUANNE M. PETERPAUL

District 11 (Monmouth)

Assemblywoman MARGIE DONLON, M.D.

District 11 (Monmouth)

Assemblywoman VICTORIA A. FLYNN

District 13 (Monmouth)

Co-Sponsored by:

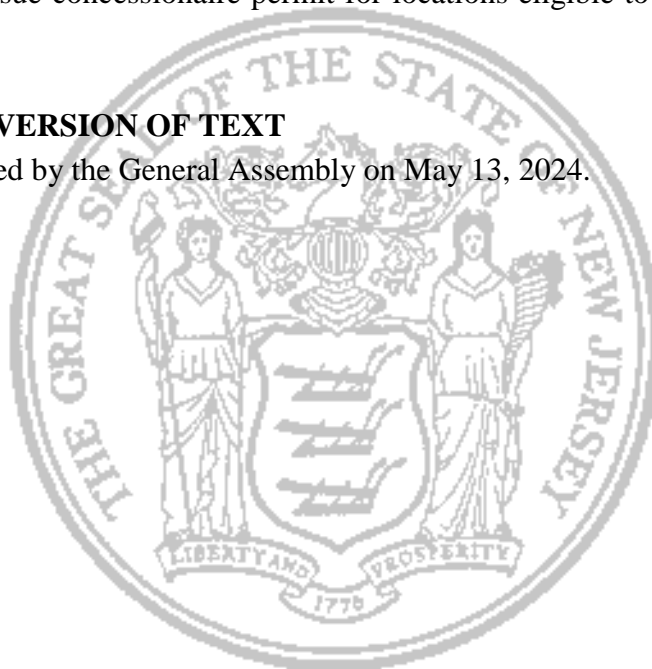
Assemblywoman Speight

SYNOPSIS

Removes time limitation on issuance of additional alcoholic beverage licenses within boundaries of former federal military installations; allows ABC Director to issue concessionaire permit for locations eligible to receive special mall license.

CURRENT VERSION OF TEXT

As amended by the General Assembly on May 13, 2024.



(Sponsorship Updated As Of: 5/13/2024)

1 AN ACT concerning alcoholic beverage licensing and amending
2 P.L.2018, c.101 ¹and P.L.2023, c.290¹.

3

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

6

7 1. Section 1 of P.L.2018, c.101 (C.33:1-12.52) is amended to
8 read as follows:

9 1. a. As used in this act:

10 "Host municipality" means a municipality within a project area.

11 "Original transferee" means the State, a political subdivision or
12 subdivisions thereof, or a board, commission, authority, or agency
13 established by the State, to which control of a project area has been
14 transferred for purposes of conversion, redevelopment, or
15 revitalization.

16 "Project area" means an area located within the borders of three
17 municipalities and at which a federally owned or operated military
18 installation was closed or scheduled for closure by recommendation
19 of the federal Base Realignment and Closure Commission on or
20 after May 13, 2005, the control of which has been transferred to an
21 original transferee.

22 "Special license" means a plenary retail consumption license to
23 sell alcoholic beverages for consumption on the premises issued by
24 a host municipality pursuant to this section.

25 b. Notwithstanding the provisions of section 2 of P.L.1947,
26 c.94 (C.33:1-12.14), at the request of the original transferee, the
27 issuing authority of a host municipality located within a project area
28 may, by ordinance or resolution, issue special licenses to one or
29 more individual corporations or other types of legal entities
30 operating a hotel, restaurant, or bar on any premises located within
31 a project area as defined in subsection a. of this section. **【The**
32 special licenses may be issued within 36 months following the
33 effective date of this act. **】**

34 The special licenses shall be issued by the three host
35 municipalities in the following manner:

36 (1) The host municipality with the largest population shall issue
37 two licenses;

38 (2) The host municipality with the smallest population shall
39 issue ¹**【four licenses】** one license¹ ; and

40 (3) the remaining host municipality shall issue ¹**【six】** five¹
41 licenses.

42 c. Notwithstanding the provisions of any other law to the
43 contrary, a special license shall be provided for every 100 acres of

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹**Assembly floor amendments adopted May 13, 2024.**

1 the project area with 12 special licenses for a project area over
2 1,000 acres.

3 d. ¹ ~~【A host municipality that has not issued a license pursuant
4 to subsection b. of this section 【as of the first day of the 37th month
5 following the effective date of this act,】 may 【have up to two years
6 to】 transfer the license, for a fee, to another host municipality for
7 issuance within a premises located within a project area. The fee
8 shall be based upon the average sales price of a plenary retail
9 consumption license in the receiving host municipality.】 (Deleted
10 by amendment, P.L. , c.) (pending before the Legislature as this
11 bill)¹~~

12 e. The fee for the initial issuance of a license issued pursuant to
13 this section shall be based upon the average sales price of plenary
14 retail consumption licenses in the applicable host municipality or
15 municipalities during the five years immediately preceding the date
16 of enactment of P.L.2018, c.101 (C.33:1-12.52 et seq.). If less than
17 three plenary retail consumption licenses have been sold in the host
18 municipality within the previous five years, the host municipality
19 shall obtain an appraisal, at the applicant's expense, to determine
20 the appropriate fair market value of the license. The appraisal
21 process shall include an examination of previous transactions in the
22 host municipality or municipalities, as the case may be, and shall
23 reflect what a willing buyer, under no pressure to buy, would pay a
24 willing seller, under no pressure to sell, for a plenary retail
25 consumption license in the host municipality or municipalities.

26 f. The initial issuance fee established pursuant to this section
27 for a special license shall be reduced by the fair market value of the
28 limitation on transferability, as set forth in subsection g. of this
29 section.

30 g. (1) A special license issued pursuant to this section shall not
31 be issued to any person who would not qualify as a plenary retail
32 consumption licensee pursuant to Title 33 of the Revised Statutes
33 and rules and regulations of the director.

34 (2) A special license issued pursuant to this section shall not be
35 issued to any entity under subsection b. of this section that has not
36 completed the mandatory conceptual review process, when
37 applicable, established pursuant to subsection b. of section 17 of
38 P.L.2010, c.51 (C.52:27I-34) and the regulations issued in
39 accordance therewith.

40 h. If the property upon which the special license will be sited is
41 owned by the original transferee:

42 (1) the license shall be issued without being designated for a site
43 or licensed premises and shall remain inactive until the property is
44 transferred to a private individual or entity; and

45 (2) an application for renewal of an inactive special license
46 issued in accordance with paragraph (1) of this subsection shall not

1 be approved by the issuing authority unless accompanied by a letter
2 of consent from the original transferee.

3 i. A special license issued pursuant to this section shall not be
4 transferred to any premises other than a premises located in the
5 project area until the dissolution of the authority overseeing,
6 administering, and implementing the plan for the project area.
7 Following the dissolution of the authority overseeing administering,
8 and implementing the plan for the project area, the special licenses
9 issued pursuant to this section may be used in connection with any
10 premises located within the host municipality. A special license
11 issued pursuant to this section shall not be transferred out of the
12 issuing municipality except as provided in subsection d. of this
13 section.

14 j. Any increase in population in the host municipalities
15 resulting from residential development in the project area shall not
16 be included in the total combined population necessary to issue a
17 new plenary retail consumption or seasonal retail consumption
18 license pursuant to section 2 of P.L.1947, c.94 (C.33:1-12.14).
19 (cf: P.L.2018, c.101, s.1)

20

21 ¹2. Section 3 of P.L.2018, c.101 (C.33:1-12.54) is amended to
22 read as follows:

23 3. Pursuant to the "Administrative Procedure Act," P.L.1968,
24 c.410 (C.52:14B-1 et seq.), the Director of the Division of
25 Alcoholic Beverage Control may promulgate regulations necessary
26 to effectuate the provisions of P.L.2018, c.101 (C.33:1-12.52 et
27 seq.) and P.L. , c. (pending before the Legislature as this bill).¹
28 (cf: P.L.2018, c.101, s.3)

29

30 ¹3. Section 6 of P.L.2023, c.290 (C.33:1-12.55) is amended to
31 read as follows:

32 6. (New section) a. As used in this section:

33 "Eligible municipality" means a municipality in which at least
34 one shopping mall is located and the number of plenary retail
35 consumption licenses has reached the population limitation
36 established in section 2 of P.L.1947, c.94 (C.33:1-12.14).

37 "Enforcing agency" means the enforcing agency in any
38 municipality designated to administer and enforce the "State
39 Uniform Construction Code Act" pursuant to section 8 of
40 P.L.1975, c.217 (C. 52:27D-126), and regulations promulgated
41 thereunder.

42 "Shopping mall" means a standalone, publicly accessible
43 enclosed walkway or hall area that serves to connect retail,
44 entertainment, and food and beverage establishments, and office
45 space and:

46 (1) that is under common ownership or control and connects
47 with or provides access to separate retail establishments, including

1 at least one restaurant or other establishment that serves alcoholic
2 beverages pursuant to a plenary retail consumption license; and

3 (2) was constructed prior to the effective date of
4 P.L. , c. (C.) (pending before the Legislature as this bill) or for
5 which an application for a construction permit has been declared
6 complete by an enforcing agency prior to the effective date of
7 P.L. , c. (C.) (pending before the Legislature as this bill).

8 “Strip mall” means a retail shopping complex that consists of
9 stores, restaurants, or other businesses in adjacent spaces or
10 storefronts in one or more buildings that are connected by a
11 doorway or open onto a common parking lot or outdoor pedestrian
12 walkway.

13 b. The governing body of an eligible municipality may, by
14 ordinance or resolution, issue within the municipality not more
15 than:

16 (1) two special licenses to a person or other legal entity for use
17 in connection with a food and beverage establishment located
18 within a shopping mall with a minimum gross square footage of not
19 less than 750,000; and

20 (2) four special licenses to a person or other legal entity for use
21 in connection with a food and beverage establishment located
22 within a shopping mall with a gross square footage of 1,500,000 or
23 more.

24 c. A special license issued pursuant to subsection b. of this
25 section shall authorize the sale of alcoholic beverages for immediate
26 consumption on the operator's premises.

27 d. A person who would fail to qualify as a licensee under Title
28 33 of the Revised Statutes shall not be permitted to hold an interest
29 in a special license under the provisions of this section.

30 e. Licenses shall be subject to all the provisions of Title 33 of
31 the Revised Statutes, rules and regulations promulgated by the
32 director, and municipal ordinances.

33 f. A special license issued pursuant to this section shall not be
34 transferred for use in connection with any premises other than a
35 premises that is operated as a food and beverage establishment
36 located within the same shopping mall.

37 g. Application for the initial issuance and renewal of each
38 license shall be made to the municipal governing body on an annual
39 basis. The fee for the initial issuance of the license shall be at least
40 \$250,000.

41 One half of the initial issuance fee for the license shall be paid
42 upon the issuance of the license and the other half of that amount
43 shall be paid one year later. The governing body of the
44 municipality shall establish an annual fee for the license which shall
45 not exceed the fee which may be imposed by a municipality for a
46 plenary retail consumption license pursuant to R.S.33:1-12. The fee
47 for the initial issuance of the license shall be paid to the eligible
48 municipality in which the license is issued.

1 h. If the individual corporation or entity holding the license
2 determines to transfer a special license issued pursuant to this
3 section, the license shall be sold for the sum paid pursuant to
4 subsection g. of this section. A special license issued pursuant to
5 this section shall not be transferred to the governing body of
6 another municipality or for use in connection with any premises
7 other than a premises that is operated as a food and beverage
8 establishment located within a shopping mall.

9 i. **【The director shall not issue a special concessionaire permit
10 for any location or premises which is eligible to obtain a license to
11 serve alcoholic beverages under the provisions of this section.】**
12 (Deleted by amendment, P.L. _____, c. _____) (pending before the
13 Legislature as this bill)

14 j. A special license issued pursuant to this section shall not be
15 subject to the population limitation established pursuant to section 2
16 of P.L.1947, c.94 (C.33:1-12.14). An interest in a special license
17 issued pursuant to this section shall be excluded in determining the
18 maximum number of plenary retail consumption licenses issued to a
19 person pursuant to P.L.1962, c.152 (C.33:1-12.31 et seq.).

20 k. The provisions of this section shall not apply to a strip mall
21 as defined in subsection a. of this section.

22 l. Pursuant to the "Administrative Procedure Act," P.L.1968,
23 c.410 (C.52:14B-1 et seq.), the director may adopt rules and
24 regulations to effectuate the purposes of this act.¹
25 (cf: P.L.2023, c.290, s.6)

26
27 ¹**【2.】** 4.¹ This act shall take effect immediately.

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 3906

STATE OF NEW JERSEY

DATED: MARCH 14, 2024

The Assembly Appropriations Committee reports favorably Assembly Bill No. 3906.

This bill removes from current law a time limitation imposed on municipalities to issue special alcoholic beverage consumption licenses for use in a project area located in a former federal military installation.

Under current law, a municipality may issue one plenary retail consumption license (for bars and restaurants) for each 3,000 of its population. However, P.L.2018, c.101 was enacted to allow the issuance of additional alcoholic beverage licenses in a project area within the borders of three municipalities and at which a federally owned or operated military installation is closed and transferred to a government entity for the purpose of conversion, redevelopment, or revitalization. The special licenses allow the license holder to sell alcoholic beverages for consumption on the licensed premises.

P.L.2018, c.101 specifically applied to the Fort Monmouth redevelopment area. Municipalities located within the Fort Monmouth redevelopment area were entitled to issue these special licenses within three years of the effective date of P.L.2018, c.101. Following the three-year period, a municipality that had not issued a license would have up to two years to transfer the license, for a fee, to another municipality located within the redevelopment area. This bill removes from P.L.2018, c.101 the five-year limitation and grants municipalities more time to issue or transfer these licenses for use within the redevelopment area.

FISCAL IMPACT:

This bill is not certified as requiring a fiscal note.

STATEMENT TO
ASSEMBLY, No. 3906

with Assembly Floor Amendments
(Proposed by Assemblywoman Peterpaul)

ADOPTED: MAY 13, 2024

Assembly Bill No. 3906 removes from current law a time limitation imposed on municipalities to issue special alcoholic beverage consumption licenses for use in a project area located in a former federal military installation.

Under current law, a municipality is limited as to the number of plenary retail consumption licenses (for bars and restaurants) it may issue. However, P.L.2018, c.101 was enacted to allow host municipalities located within the Fort Monmouth redevelopment area to issue these special alcoholic beverage licenses. A host municipality with the largest population was entitled to issue two licenses. A host municipality with the smallest population was entitled to issue four licenses; the remaining host municipality was entitled to issue six licenses.

These Assembly amendments change the license distribution to allow a host municipality with the smallest population to issue one license and the remaining host municipality to issue five licenses. The Assembly amendments also remove from current law a provision allowing host municipalities to transfer these special licenses to another host municipality located within the project area.

In addition, current law allows the Director of the Division of Alcoholic Beverage Control (ABC) to issue special mall licenses for use in connection with a food and beverage establishment located within a shopping mall. The license authorizes the sale of alcoholic beverages for immediate consumption on the operator's premises. The director is prohibited from issuing a special concessionaire permit for any location eligible to receive a special mall license. A concessionaire permit generally allows the permit holder to sell alcoholic beverages in any public building belonging to, or under the control of, the State or any political subdivision. These Assembly amendments remove from current law the provision prohibiting the Director of ABC from issuing a concessionaire permit for a location or premises which is eligible to receive a special mall license.

Governor Murphy Takes Action on Legislation

07/10/2024

TRENTON – Today, Governor Murphy signed the following bills into law:

S-2792/A-3697 (Cruz-Perez, Turner/Spearman, Park, Simmons) - Appropriates \$500,000 from constitutionally dedicated CBT revenues and “2009 Farmland Preservation Fund” to State Agriculture Development Committee for municipal planning incentive grants for farmland preservation purposes

S-2793/A-3698 (Cruz-Perez, Turner/Reynolds-Jackson, Fantasia, Stanley) - Appropriates \$1.723 million from constitutionally dedicated CBT revenues and “2009 Farmland Preservation Fund” to State Agriculture Development Committee for grants to certain nonprofit organizations for farmland preservation purposes

S-2825/A-3906 (Gopal/Peterpaul, Donlon, Flynn) - Removes time limitation on issuance of additional alcoholic beverage licenses within boundaries of former federal military installations

S-3192/A-4454 (Diegnan, Moriarty/Freiman, Pintor Marin, DiMaio) - “Real Estate Consumer Protection Enhancement Act”

S-3275/A-4448 (Gopal, McKeon/Donlon, Pintor Marin, Wimberly) - Revises various provisions of film and digital media content production tax credit program

S-3371/A-4457 (Pou, Singer/Freiman) - Revises limits for net cash surrender and net cash withdrawal values for certain annuity policies and contracts from \$100,000 to \$250,000

S-3384/A-4426 (Burzichelli, Schepisi/Katz, Atkins, Drulis) - Appropriates funds to DEP for environmental infrastructure projects for FY2025

S-3385/A-4602 (Singleton/Lopez) - Concerns deadline for municipality to report certain non-residential development fee information

S-3474/A-4570 (Greenstein/Carter, Speight, Wimberly) - Appropriates \$10,067,905 to DEP from constitutionally dedicated CBT revenues for grants to certain nonprofit entities to acquire or develop lands for recreation and conservation purposes, and for certain administrative expenses

A-1677/S-3263 (Lampitt, Bagolie, Stanley/Diegnan, Turner) - Authorizes extended terms for lease and purchase contracts for electric school buses; permits New Jersey School Boards Association to serve as government aggregator to obtain energy services for local units

A-3772/S-2334 (McCann Stamato, Sampson, Lopez/Stack, McKnight) - Revises process for property tax lien holder to foreclose right to redeem property tax lien; allows property owner to protect remaining equity

A-4046/S-3303 (Pintor Marin, Spearman/Pou, Mukherji) - Extends certain accommodations for businesses participating in State economic development programs

- A-4425/S-3383 (Ramirez, Spearman, Atkins/Gopal, Mukherji)** - Authorizes NJ Infrastructure Bank to expend certain sums to make loans for environmental infrastructure projects for FY2025
- A-4458/S-3342 (Sumter, Sampson/Greenstein, Sarlo)** - Establishes exemptions and revises implementation timeline for requirement that newly constructed townhouses be installed with automatic fire sprinkler system
- A-4478/S-3367 (Calabrese, Karabinchak, Wimberly/Burzichelli)** - Authorizes NJ Infrastructure Bank to expend certain sums to make loans for transportation infrastructure projects for FY2025; makes appropriation
- A-4572/S-3473 (Donlon, Sumter, Drulis/McKeon, Space)** - Appropriates \$101,696,535 from constitutionally dedicated CBT revenues to DEP for local government open space acquisition and park development projects, and for certain administrative expenses
- A-4581/S-3471 (Haider, Sampson, Tully/Mukherji, O'Scanlon)** - Authorizes NJ Infrastructure Bank to expend certain sums to make loans for Community Hazard Assistance Mitigation Program projects for FY 2025
- A-4587/S-3451 (Stanley/Cryan, Pou)** - Increases hours required for individual to obtain licensure as teacher in cosmetology and hairstyling or as massage and bodywork therapist