

33: 1-10

LEGISLATIVE HISTORY CHECKLIST

NJSA: 33:1-10 (Wine-farm licensee--use up to 49%
out-of-state grapes)

LAWS OF: 1985 CHAPTER: 131

Bill No: S1737

Sponsor(s): Dumont

Date Introduced: May 14, 1984

Committee: Assembly: Law, Public Safety and Defense

Senate: Law, Public Safety and Defense

Amended during passage: No

Date of Passage: Assembly: February 25, 1985

Senate: December 17, 1984

Date of Approval: April 12, 1985

Following statements are attached if available:

Sponsor statement: Yes

Committee statement: Assembly Yes

Senate Yes

Fiscal Note: No

Veto Message: No

Message on Signing: No

Following were printed:

Reports: No

Hearings: No

See newspaper clipping (attached): "Tasting New Jersey," 3-15-85 Trenton Times.



SENATE, No. 1737

STATE OF NEW JERSEY

INTRODUCED MAY 14, 1984

By Senator DUMONT

Referred to Committee on Law, Public Safety and Defense

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

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

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

2 33:1-10. Plenary brewery license. 1a. The holder of this license
3 shall be entitled, subject to rules and regulations, to brew any malt
4 alcoholic beverages and to sell and distribute his products to whole-
5 salers and retailers licensed in accordance with this chapter, and to
6 sell and distribute without this State to any persons pursuant to
7 the laws of the places of such sale and distribution, and to maintain
8 a warehouse. The fee for this license shall be \$8,500.00.

9 Limited brewery license. 1b. The holder of this license shall be
10 entitled, subject to rules and regulations, to brew any malt alcoholic
11 beverages in a quantity to be expressed in said license, dependent
12 upon the following fees and not in excess of 300,000 barrels of 31
13 fluid gallons capacity per year and to sell and distribute his prod-
14 ucts to wholesalers and retailers licensed in accordance with this
15 chapter, and to sell and distribute without this State to any persons
16 pursuant to the laws of the places of such sale and distribution, and
17 to maintain a warehouse. The fee for this license shall be gradu-
18 ated as follows: To so brew not more than 50,000 barrels of 31 fluid
19 gallons capacity per annum, \$1,000.00; to so brew not more than
20 100,000 barrels of 31 fluid gallons capacity per annum, \$2,000.00;
21 to so brew not more than 200,000 barrels of 31 fluid gallons capacity
22 per annum, \$4,000.00; to so brew not more than 300,000 barrels of
23 31 fluid gallons capacity per annum, \$6,000.00.

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 printed in italics *thus* is new matter.

24 Plenary winery license. 2a. The holder of this license shall be
25 entitled, subject to rules and regulations, to manufacture any
26 fermented wines, and to blend, fortify and treat wines, and to sell
27 and distribute his products to wholesalers and retailers licensed in
28 accordance with this chapter and to churches for religious purposes,
29 and to sell and distribute without this State to any persons pur-
30 suant to the laws of the places of such sale and distribution, and to
31 maintain a warehouse. The fee for this license shall be \$750.00.
32 Upon payment of an additional fee of \$200.00 for each but not in
33 excess of two premises, in addition to the licensed premises of the
34 winery, the holder of this license shall have the right to sell such
35 wine at retail for consumption on or off the premises as is manu-
36 factured, blended, fortified or treated by the licensee in his licensed
37 premises and sold as the licensee's products under the label or labels
38 of the licensee or in lieu of such additional fee of \$200.00 but upon
39 payment of an additional fee of \$600.00 the holder of this license
40 shall have the right to sell wines and other alcoholic beverages at
41 retail on the licensed premises; provided, however, that such sales
42 shall be made only for consumption off the licensed premises; and
43 provided further, that such wines and other alcoholic beverages
44 shall be manufactured or blended, fortified, distilled or treated by
45 the licensee in his licensed premises or by the licensee's subsidiary
46 corporation and sold only under the label or labels of the licensee.
47 The combined total number of plenary winery licensees having retail
48 privileges, shall not exceed one per each million of population in
49 the State as shown by the last preceding federal census. In the
50 granting of such plenary winery licenses, the Director of the Di-
51 vision of Alcoholic Beverage Control may, in the exercise of his
52 discretion and pursuant to such rules and regulations as he may
53 adopt, give prior consideration to applicants engaged in growing
54 and cultivating grapes upon land owned by the applicant, having
55 an area not less than three acres. The containers of all wine sold at
56 retail by such licensee shall have attached thereto a label setting
57 forth such information as shall be required by the rules and regu-
58 lations of the Director of Alcoholic Beverage Control.

59 Farm winery license. 2b. The holder of this license shall be en-
60 titled, subject to rules and regulations, to manufacture any fer-
61 mented wines and fruit juices in a quantity to be expressed in said
62 license, dependent upon the following fees and not in excess of
63 50,000 gallons per year and to sell and distribute his products to
64 wholesalers and retailers licensed in accordance with this chapter
65 and to sell and distribute without this State to any persons pur-
66 suant to the laws of the places of such sale and distribution, and

67 to maintain a warehouse and to sell at retail to consumers; pro-
68 vided, however, that such sale to consumers shall be made only for
69 consumption off the licensed premises and then only when the
70 winery at which such fermented wines and fruit juices are manu-
71 factured is located and constructed upon a tract of land owned
72 exclusively by the holder of such farm winery license, which said
73 tract of land shall have an area of not less than three acres and
74 have growing and under cultivation upon said land at least 1,200
75 grape vines; and provided, further, that *for the first five years of*
76 *the operation of the winery* such fermented wines and fruit juices
77 *shall be manufactured from at least 51% grapes or fruit grown in*
78 *the State and that thereafter they* shall be manufactured only from
79 grapes or fruit grown in this State. The containers of all wine sold
80 to consumers by such licensee shall have attached thereto a label
81 stating [in substance that the wine has been produced from 100%]
82 *the percentage of New Jersey grown grapes or fruit used to produce*
83 *the wines* and setting forth such information as shall be required by
84 the rules and regulations of the Director of Alcoholic Beverage
85 Control. The fee for this license shall be graduated as follows:
86 To so manufacture between 2,500 and 50,000 gallons per annum,
87 \$200.00; to so manufacture between 1,000 and 2,500 gallons per
88 annum, \$100.00; to so manufacture less than 1,000 gallons per an-
89 num, \$50.00.

90 The license granted hereunder shall authorize, subject to such
91 rules and regulations as may be deemed necessary or appropriate
92 by the Director of the Division of Alcoholic Beverage Control, the
93 offering and tasting on the licensed premises of free samples of
94 wine, to visitors and prospective retail customers.

95 [For] *Unless otherwise indicated for the purposes of this sub-*
96 *section, with respect to farm winery licenses, "manufacture"*
97 *means the vinification, aging, storage, blending, clarification, stabi-*
98 *lization and bottling of wine or juice from 100% New Jersey grown*
99 *fruit.*

100 Plenary distillery license. 3a. The holder of this license shall be
101 entitled, subject to rules and regulations, to manufacture any dis-
102 tilled alcoholic beverages and rectify, blend, treat and mix, and to
103 sell and distribute his products to wholesalers and retailers licensed
104 in accordance with this chapter, and to sell and distribute without
105 this State to any persons pursuant to the laws of the places of such
106 sale and distribution, and to maintain a warehouse. The fee for
107 this license shall be \$10,000.00.

108 Limited distillery license. 3b. The holder of this license shall be
109 entitled, subject to rules and regulations, to manufacture and bottle

110 any alcoholic beverages distilled from fruit juices and rectify,
111 blend, treat, mix, compound with wine and add necessary sweeten-
112 ing and flavor to make cordial or liqueur, and to sell and distrib-
113 ute to wholesalers and retailers licensed in accordance with this
114 chapter, and to sell and distribute without this State, to any
115 persons pursuant to the laws of the places of such sale and
116 distribution and to warehouse these products. The fee for this
117 license shall be \$3,000.00.

118 Supplementary limited distillery license. 3c. The holder of this
119 license shall be entitled, subject to rules and regulations, to bottle
120 and rebottle, in a quantity to be expressed in said license, dependent
121 upon the following fees, alcoholic beverages distilled from fruit
122 juices by such holder pursuant to a prior plenary or limited dis-
123 tillery license, and to sell and distribute his products to wholesalers
124 and retailers licensed in accordance with this chapter, and to sell
125 and distribute without this State to any persons pursuant to the
126 laws of the places of such sale and distribution, and to maintain a
127 warehouse. The fee for this license shall be graduated as follows:
128 To so bottle and rebottle not more than 5,000 wine gallons per
129 annum, \$250.00; to so bottle and rebottle not more than 10,000 wine
130 gallons per annum, \$500.00; to so bottle and rebottle without limit
131 as to amount, \$1,000.00.

132 Rectifier and blender license. 4. The holder of this license shall
133 be entitled, subject to rules and regulations, to rectify, blend, treat
134 and mix distilled alcoholic beverages, and to fortify, blend, and
135 treat fermented alcoholic beverages, and prepare mixtures of
136 alcoholic beverages, and to sell and distribute his products to whole-
137 salers and retailers licensed in accordance with this chapter, and to
138 sell and distribute without this State to any persons pursuant to the
139 laws of the places of such sale and distribution, and to maintain a
140 warehouse. The fee for this license shall be \$6,000.00.

141 Bonded warehouse bottling license. 5. The holder of this license
142 shall be entitled, subject to rules and regulations, to bottle alcoholic
143 beverages in bond on behalf of all persons authorized by federal
144 and State law and regulations to withdraw alcoholic beverages from
145 bond. The fee for this license shall be \$500.00. This license shall be
146 issued only to persons holding permits to operate Internal Revenue
147 bonded warehouses pursuant to the laws of the United States.

1 2. This act shall take effect immediately.

STATEMENT

This bill permits holders of farm winery licenses to manufacture fermented wine or fruit juice using up to 49% out-of-state grown grapes for the first five years of the winery's operation. The present law requires fermented wine and fruit juice produced by the holder of a farm winery license to be produced from 100% New Jersey grown fruit. This imposes a financial hardship on these licensees as it takes from four to five years for newly planted grape vines to mature and reach full production. In addition, there appears to be an overproduction of grapes occurring in neighboring states. Allowing the partial use of out-of-state grown grapes for a limited period of time would encourage the production of grapes in this State and reduce the oversupply experienced in other states.

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51737 (1985)

ASSEMBLY LAW, PUBLIC SAFETY AND DEFENSE
COMMITTEE

STATEMENT TO

SENATE, No. 1737

STATE OF NEW JERSEY

DATED: FEBRUARY 4, 1985

Senate Bill No. 1737 permits the holders of farm winery licenses to manufacture fermented wine and fruit juice from fruit up to 49% of which is grown out of State. Using out-of-state fruit is permitted only for the first five years of the winery's operation. Thereafter, the licensee would be required to manufacture his products only from fruit grown in the State.

The bill is amended to ease the financial burden imposed on licensees by the current requirement that all fermented wine and fruit juice be manufactured by them only from fruit that is grown in New Jersey. Newly planted grape vines do not mature and reach full production until four or five years after planting.

SENATE LAW, PUBLIC SAFETY AND DEFENSE
COMMITTEE

STATEMENT TO
SENATE, No. 1737

STATE OF NEW JERSEY

DATED: NOVEMBER 29, 1984

Senate Bill No. 1737 permits the holders of farm winery licenses to manufacture fermented wine and fruit juice from fruit up to 49% of which is grown out of State. Using out-of-State fruit is permitted only for the first five years of the winery's operation. Thereafter, the licensee would be required to manufacture his products only from fruit grown in the State.

The bill is intended to ease the financial burden imposed on licensees by the current requirement that all fermented wine and fruit juice be manufactured by them only from fruit that is grown in New Jersey. According to the bill statement, newly planted grape vines do not mature and reach full production until four or five years after planting. Allowing the use of some out-of-State fruit by farm winery licensees will encourage production of grapes in New Jersey.

The Alcoholic Beverage Control Study Commission, a legislative commission charged with studying the alcoholic beverage laws and making recommendations for improving them, supports the bill.

A-2454, sponsored by Assemblyman Anthony P. Vainieri, D-Hudson, which allows the closed-circuit testimony of victims or witnesses age 16 or younger in sexual abuse cases.

AJR-20, sponsored by Assembly Speaker Alan J. Karcher, D-Middlesex, which requires the Commissioners of Human Services and Health to study the possibility of establishing a residential care facility for patients afflicted with Huntingdon's Disease, a progressive neurological degenerative disease, which normally requires institutional care in its later phases.

S-1737, sponsored by State Senator Wayne Dumont, Jr., R-Warren, which allows farm winery licensees to manufacture wine using up to 49 percent out-of-state grown grapes during the winery's first five years of operation.

S-1736, also sponsored by Senator Dumont, which allows farm winery license holders to sell their product at retail for off-premises consumption at one additional location other than their manufacturing facility.

S-1193, sponsored by State Senator Richard J. Codey, D-Essex, which increases the amount of the parimutuel pool at Garden State Race Track which must be deposited in a special trust account for the New Jersey Thoroughbred Breeders Program from .15 percent to .65 percent. The bill brings the contribution into line with contributions from other race tracks in the State.

S-526, also sponsored by Senator Codey, which requires that all racing stewards and judges at privately owned race tracks be appointed by the New Jersey Racing Commission. Under current law some stewards and judges are appointed by the Racing Commission and others by the race tracks.

S-141, sponsored by State Senator Walter Rand, D-Camden, which provides that in counties not governed under the Optional County Charter Law (16 of the 21 counties) the governing body may designate an individual to approve payment of claims when the governing body is not meeting.

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