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RWH/JA

P.L.2017, CHAPTER 80, *approved May 11, 2017*
Assembly Substitute for
Assembly, No. 3351

1 **AN ACT** concerning alcoholic beverage manufacturers and
2 amending R.S.33:1-10.

3

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

6

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

8 33:1-10. Class A licenses shall be subdivided and classified as
9 follows:

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

21 Limited brewery license. 1b. The holder of this license shall be
22 entitled, subject to rules and regulations, to brew any malt alcoholic
23 beverages in a quantity to be expressed in said license, dependent
24 upon the following fees and not in excess of 300,000 barrels of 31
25 fluid gallons capacity per year and to sell and distribute this product
26 to wholesalers and retailers licensed in accordance with this
27 chapter, and to sell and distribute without this State to any persons
28 pursuant to the laws of the places of such sale and distribution, and
29 to maintain a warehouse; provided, however, that the delivery of
30 this product by the holder of this license to retailers licensed under
31 this title shall be from inventory in a warehouse located in this State
32 which is operated under a limited brewery license. The holder of
33 this license shall be entitled to sell this product at retail to
34 consumers on the licensed premises of the brewery for consumption
35 on the premises, but only in connection with a tour of the brewery,
36 or for consumption off the premises in a quantity of not more than
37 15.5 fluid gallons per person, and to offer samples for sampling
38 purposes only pursuant to an annual permit issued by the director.
39 The holder of this license shall not sell food or operate a restaurant

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 on the licensed premises. The fee for this license shall be graduated
2 as follows:

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

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

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

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

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

17 Restricted brewery license. 1c. The holder of this license
18 shall be entitled, subject to rules and regulations, to brew any malt
19 alcoholic beverages in a quantity to be expressed in such license not
20 in excess of 10,000 barrels of 31 gallons capacity per year.
21 Notwithstanding the provisions of R.S.33:1-26, the director shall
22 issue a restricted brewery license only to a person or an entity
23 which has identical ownership to an entity which holds a plenary
24 retail consumption license issued pursuant to R.S.33:1-12, provided
25 that such plenary retail consumption license is operated in
26 conjunction with a restaurant regularly and principally used for the
27 purpose of providing meals to its customers and having adequate
28 kitchen and dining room facilities, and that the licensed restaurant
29 premises is immediately adjoining the premises licensed under this
30 subsection. The holder of this license shall be entitled to sell or
31 deliver the product to that restaurant premises. The holder of this
32 license also shall be entitled to sell and distribute the product to
33 wholesalers licensed in accordance with this chapter. The fee for
34 this license shall be \$1,250, which fee shall entitle the holder to
35 brew up to 1,000 barrels of 31 liquid gallons per annum. The
36 licensee also shall pay an additional \$250 for every additional 1,000
37 barrels of 31 fluid gallons produced. The fee shall be paid at the
38 time of application for the license, and additional payments based
39 on barrels produced shall be paid within 60 days following the
40 expiration of the license term upon certification by the licensee of
41 the actual gallons brewed during the license term. No more than 10
42 restricted brewery licenses shall be issued to a person or entity
43 which holds an interest in a plenary retail consumption license. If
44 the governing body of the municipality in which the licensed
45 premises will be located should file a written objection, the director
46 shall hold a hearing and may issue the license only if the director
47 finds that the issuance of the license will not be contrary to the

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

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

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

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

1 this license who produces not more than 250,000 gallons per year
2 may ship not more than 12 cases of wine per year, subject to
3 regulation, to any person within or without this State over 21 years
4 of age for personal consumption and not for resale. A case of wine
5 shall not exceed a maximum of nine liters. A copy of the original
6 invoice shall be available for inspection by persons authorized to
7 enforce the alcoholic beverage laws of this State for a minimum
8 period of three years at the licensed premises of the winery. For the
9 purposes of this subsection, "sampling" means the selling at a
10 nominal charge or the gratuitous offering of an open container not
11 exceeding one and one-half ounces of any wine.

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

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

1 wine sold to consumers by such licensee shall have affixed a label
2 stating such information as shall be required by the rules and
3 regulations of the Director of the Division of Alcoholic Beverage
4 Control. The fee for this license shall be graduated as follows: to so
5 manufacture between 30,000 and 50,000 gallons per annum, \$375;
6 to so manufacture between 2,500 and 30,000 gallons per annum,
7 \$250; to so manufacture between 1,000 and 2,500 gallons per
8 annum, \$125; to so manufacture less than 1,000 gallons per annum,
9 \$63. No farm winery license shall be held by the holder of a plenary
10 winery license or be situated on a premises licensed as a plenary
11 winery.

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

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

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

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

44 Wine blending license. 2c. The holder of this license shall be
45 entitled, subject to rules and regulations, to blend, treat, mix, and
46 bottle fermented wines and fruit juices with non-alcoholic
47 beverages, and to sell and distribute his products to wholesalers and

1 retailers licensed in accordance with this chapter, and to sell and
2 distribute without this State to any persons pursuant to the laws of
3 the places of such sale and distribution, and to maintain a
4 warehouse. The fee for this license shall be \$625.

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

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

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

1 salesrooms. The annual fee for this license shall be \$938. A copy
2 of a current license issued by another state shall accompany the
3 application. The holder of this license also shall have the right to
4 sell and distribute his products to retailers licensed in accordance
5 with this chapter, except that the holder of this license shall not use
6 a common carrier for such distribution. The fee for this additional
7 privilege shall be graduated as follows: a licensee who
8 manufactures more than 150,000 gallons, but not in excess of
9 250,000 gallons per annum, \$1,000; a licensee who manufactures
10 more than 100,000 gallons, but not in excess of 150,000 gallons per
11 annum, \$500; a licensee who manufactures more than 50,000
12 gallons, but not in excess of 100,000 gallons per annum, \$250; a
13 licensee who manufactures 50,000 gallons or less per annum, \$100.
14 Additionally, the holder of this license may ship not more than 12
15 cases of wine per year, subject to regulation, to any person within or
16 without this State over 21 years of age for personal consumption
17 and not for resale. A case of wine shall not exceed a maximum of
18 nine liters. A copy of the original invoice shall be available for
19 inspection by persons authorized to enforce the alcoholic beverage
20 laws of this State for a minimum period of three years at the
21 licensed premises of the winery.

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

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

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

40 Cidery and meadery license. 2f. The holder of this license
41 shall be entitled, subject to rules and regulations, to manufacture
42 hard cider and mead and to sell and distribute these products to
43 wholesalers and retailers licensed in accordance with this chapter,
44 and to sell and distribute without this State to any persons pursuant
45 to the laws of the places of such sale and distribution, and to
46 maintain a warehouse. The holder of this license shall be entitled to
47 sell these products at retail to consumers on the licensed premises

1 for consumption on or off the premises and to offer samples for
2 sampling purposes only. The holder of this license shall be
3 permitted to offer for sale or make the gratuitous offering of
4 packaged crackers, chips, nuts, and similar snacks to consumers, but
5 shall not operate a restaurant on the licensed premises. The fee for
6 this license shall be \$938.

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

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

25 As used in this subsection:

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

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

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

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

1 of such sale and distribution, and to maintain a warehouse. The fee
2 for this license shall be \$12,500.

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

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

27 Craft distillery license. 3d. The holder of this license shall be
28 entitled, subject to rules and regulations, to manufacture not more
29 than 20,000 gallons of distilled alcoholic beverages, to rectify,
30 blend, treat and mix distilled alcoholic beverages, to sell and
31 distribute this product to wholesalers and retailers licensed in
32 accordance with this chapter, and to sell and distribute without this
33 State to any persons pursuant to the laws of the places of such sale
34 and distribution, and to maintain a warehouse. The holder of this
35 license shall be entitled to sell this product at retail to consumers on
36 the licensed premises of the distillery for consumption on the
37 premises, but only in connection with a tour of the distillery, and
38 for consumption off the premises in a quantity of not more than five
39 liters per person. In addition, the holder of this license may offer
40 any person not more than three samples per calendar day for
41 sampling purposes only. For the purposes of this subsection,
42 "sampling" means the gratuitous offering of an open container not
43 exceeding one-half ounce serving of distilled alcoholic beverage
44 produced on the distillery premises. Nothing in this subsection shall
45 be deemed to permit the direct shipment of distilled spirits either
46 within or without this State.

1 The holder of this license shall not sell food or operate a
2 restaurant on the licensed premises. A holder of this license who
3 certifies that not less than **【51%】** 51 percent of the raw materials
4 used in the production of distilled alcoholic beverages under this
5 section are grown in this State or purchased from providers located
6 in this State may, consistent with all applicable federal laws and
7 regulations, label these distilled alcoholic beverages as "New Jersey
8 Distilled." The fee for this license shall be \$938.

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

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

26 The provisions of section 21 of P.L.2003, c.117 amendatory of
27 this section shall apply to licenses issued or transferred on or after
28 July 1, 2003, and to license renewals commencing on or after July
29 1, 2003.

30 (cf: P.L.2013, c.92, s.1)

31
32 2. This act shall take effect on the first day of the fourth month
33 next following enactment, but the Director of the Division of
34 Alcoholic Beverage Control may take any anticipatory action in
35 advance as shall be necessary for the implementation of this act.

36 37 38 STATEMENT

39
40 This Assembly substitute for Assembly Bill No. 3351 (1R)
41 creates a cidery and meadery license. Under the provisions of the
42 substitute, the holder of the license is permitted to manufacture,
43 sell, and distribute hard cider and mead to wholesalers, retailers,
44 and consumers. The license authorizes the manufacture of one or
45 both of these products. The substitute provides that the licensee
46 may sell these products to consumers for consumption on or off the
47 licensed premises and may offer samples. The licensee is permitted

1 to directly ship up to 12 cases of mead per year to a customer 21
2 years of age or older, but may not directly ship hard cider.
3 Additionally, the licensee is not permitted to operate a restaurant on
4 the licensed premises, but is allowed to offer for sale or to make the
5 gratuitous offering of packaged crackers, chips, nuts, and similar
6 snacks to consumers. The fee for the license is \$938.

7 The substitute defines hard cider as “a fermented alcoholic
8 beverage derived primarily from apples, pears, apple juice
9 concentrate and water, or pear juice concentrate and water, which
10 may include spices, herbs, honey, or other flavoring, and which
11 contains at least one half of one percent but less than eight and one
12 half percent alcohol by volume.”

13 Under the substitute, the licensee is authorized to manufacture
14 hard cider in a quantity not to exceed 50,000 barrels of 31 fluid
15 gallons capacity per year. With respect to the sale and distribution
16 of hard cider to a wholesaler, the licensee is subject to the statutory
17 and regulatory requirements imposed on a brewer under the “Malt
18 Alcoholic Beverages Practices Act,” P.L.2005, c.243 (C.33:1-93.12
19 et seq.).

20 The substitute defines mead as “an alcoholic beverage primarily
21 made from honey, water, and yeast, and which may contain fruit,
22 fruit juices, spices, or herbs added before or after fermentation has
23 completed, except that the ratio of fermentable sugars from fruit or
24 fruit juices shall not exceed 49 percent of the total fermentable
25 sugars used to produce mead.” Under the substitute, a licensee is
26 authorized to manufacture up 250,000 gallons of mead per year.

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31

Creates license to manufacture and sell hard cider and mead.

ASSEMBLY, No. 3351

STATE OF NEW JERSEY 217th LEGISLATURE

INTRODUCED FEBRUARY 22, 2016

Sponsored by:

Assemblywoman PAMELA R. LAMPITT

District 6 (Burlington and Camden)

Assemblyman BOB ANDRZEJCZAK

District 1 (Atlantic, Cape May and Cumberland)

SYNOPSIS

Creates license to produce and sell mead; allows wineries to produce and sell mead.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning alcoholic beverages and amending R.S.33:1-10.

2

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

5

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

7 33:1-10. Class A licenses shall be subdivided and classified as
8 follows:

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

20 Limited brewery license. 1b. The holder of this license shall be
21 entitled, subject to rules and regulations, to brew any malt alcoholic
22 beverages in a quantity to be expressed in said license, dependent
23 upon the following fees and not in excess of 300,000 barrels of 31
24 fluid gallons capacity per year and to sell and distribute this product
25 to wholesalers and retailers licensed in accordance with this
26 chapter, and to sell and distribute without this State to any persons
27 pursuant to the laws of the places of such sale and distribution, and
28 to maintain a warehouse; provided, however, that the delivery of
29 this product by the holder of this license to retailers licensed under
30 this title shall be from inventory in a warehouse located in this State
31 which is operated under a limited brewery license. The holder of
32 this license shall be entitled to sell this product at retail to
33 consumers on the licensed premises of the brewery for consumption
34 on the premises, but only in connection with a tour of the brewery,
35 or for consumption off the premises in a quantity of not more than
36 15.5 fluid gallons per person, and to offer samples for sampling
37 purposes only pursuant to an annual permit issued by the director.
38 The holder of this license shall not sell food or operate a restaurant
39 on the licensed premises. The fee for this license shall be graduated
40 as follows:

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

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

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

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

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

11 Restricted brewery license. 1c. The holder of this license shall
12 be entitled, subject to rules and regulations, to brew any malt
13 alcoholic beverages in a quantity to be expressed in such license not
14 in excess of 10,000 barrels of 31 gallons capacity per year.
15 Notwithstanding the provisions of R.S.33:1-26, the director shall
16 issue a restricted brewery license only to a person or an entity
17 which has identical ownership to an entity which holds a plenary
18 retail consumption license issued pursuant to R.S.33:1-12, provided
19 that such plenary retail consumption license is operated in
20 conjunction with a restaurant regularly and principally used for the
21 purpose of providing meals to its customers and having adequate
22 kitchen and dining room facilities, and that the licensed restaurant
23 premises is immediately adjoining the premises licensed under this
24 subsection. The holder of this license shall be entitled to sell or
25 deliver the product to that restaurant premises. The holder of this
26 license also shall be entitled to sell and distribute the product to
27 wholesalers licensed in accordance with this chapter. The fee for
28 this license shall be \$1,250, which fee shall entitle the holder to
29 brew up to 1,000 barrels of 31 liquid gallons per annum. The
30 licensee also shall pay an additional \$250 for every additional 1,000
31 barrels of 31 fluid gallons produced. The fee shall be paid at the
32 time of application for the license, and additional payments based
33 on barrels produced shall be paid within 60 days following the
34 expiration of the license term upon certification by the licensee of
35 the actual gallons brewed during the license term. No more than 10
36 restricted brewery licenses shall be issued to a person or entity
37 which holds an interest in a plenary retail consumption license. If
38 the governing body of the municipality in which the licensed
39 premises will be located should file a written objection, the director
40 shall hold a hearing and may issue the license only if the director
41 finds that the issuance of the license will not be contrary to the
42 public interest. All fees related to the issuance of both licenses
43 shall be paid in accordance with statutory law. The provisions of
44 this subsection shall not be construed to limit or restrict the rights
45 and privileges granted by the plenary retail consumption license
46 held by the holder of the restricted brewery license issued pursuant
47 to this subsection.

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

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

11 Plenary winery license. 2a. Provided that the holder is engaged
12 in growing and cultivating grapes or fruit used in the production of
13 wine or mead on at least three acres on, or adjacent to, the winery
14 premises, the holder of this license shall be entitled, subject to rules
15 and regulations, to produce any fermented wines or mead, and to
16 blend, fortify and treat wines, and to sell and distribute his products
17 to wholesalers licensed in accordance with this chapter and to
18 churches for religious purposes, and to sell and distribute without
19 this State to any persons pursuant to the laws of the places of such
20 sale and distribution, and to maintain a warehouse, and to sell his
21 products at retail to consumers on the licensed premises of the
22 winery for consumption on or off the premises and to offer samples
23 for sampling purposes only. The fee for this license shall be \$938.
24 A holder of this license who produces not more than 250,000
25 gallons per year shall also have the right to sell and distribute his
26 products to retailers licensed in accordance with this chapter, except
27 that the holder of this license shall not use a common carrier for
28 such distribution. The fee for this additional privilege shall be
29 graduated as follows: a licensee who manufactures more than
30 150,000 gallons, but not in excess of 250,000 gallons per annum,
31 \$1,000; a licensee who manufactures more than 100,000 gallons,
32 but not in excess of 150,000 gallons per annum, \$500; a licensee
33 who manufactures more than 50,000 gallons, but not in excess of
34 100,000 gallons per annum, \$250; a licensee who manufactures
35 50,000 gallons or less per annum, \$100. A holder of this license
36 who produces not more than 250,000 gallons per year shall have the
37 right to sell such wine and mead at retail in original packages in 15
38 salesrooms apart from the winery premises for consumption on or
39 off the premises and for sampling purposes for consumption on the
40 premises, at a fee of \$250 for each salesroom. Licensees shall not
41 jointly control and operate salesrooms. Additionally, the holder of
42 this license who produces not more than 250,000 gallons per year
43 may ship not more than 12 cases of wine or mead per year, subject
44 to regulation, to any person within or without this State over 21
45 years of age for personal consumption and not for resale. A case of
46 wine or mead shall not exceed a maximum of nine liters. A copy of
47 the original invoice shall be available for inspection by persons
48 authorized to enforce the alcoholic beverage laws of this State for a

1 minimum period of three years at the licensed premises of the
2 winery. For the purposes of this subsection, "sampling" means the
3 selling at a nominal charge or the gratuitous offering of an open
4 container not exceeding one and one-half ounces of any wine or
5 mead.

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

17 Farm winery license. 2b. The holder of this license shall be
18 entitled, subject to rules and regulations, to manufacture any
19 fermented wines, mead, and fruit juices in a quantity to be
20 expressed in said license, dependent upon the following fees and
21 not in excess of 50,000 gallons per year and to sell and distribute
22 his products to wholesalers and retailers licensed in accordance
23 with this chapter and to churches for religious purposes and to sell
24 and distribute without this State to any persons pursuant to the laws
25 of the places of such sale and distribution, and to maintain a
26 warehouse and to sell at retail to consumers for consumption on or
27 off the licensed premises and to offer samples for sampling
28 purposes only. The license shall be issued only when the winery at
29 which such fermented wines, mead, and fruit juices are
30 manufactured is located and constructed upon a tract of land
31 exclusively under the control of the licensee, provided that the
32 licensee is actively engaged in growing and cultivating an area of
33 not less than three acres on or adjacent to the winery premises and
34 on which are growing grape vines or fruit to be processed into wine
35 or fruit juice; and provided, further, that for the first five years of
36 the operation of the winery such fermented wines and fruit juices
37 shall be manufactured from at least **[51%]** 51 percent grapes or
38 fruit grown in the State and that thereafter they shall be
39 manufactured from grapes or fruit grown in this State at least to the
40 extent required for labeling as "New Jersey Wine" under the
41 applicable federal laws and regulations. The containers of all wine
42 and mead sold to consumers by such licensee shall have affixed a
43 label stating such information as shall be required by the rules and
44 regulations of the Director of the Division of Alcoholic Beverage
45 Control. The fee for this license shall be graduated as follows: to so
46 manufacture between 30,000 and 50,000 gallons per annum, \$375;
47 to so manufacture between 2,500 and 30,000 gallons per annum,
48 \$250; to so manufacture between 1,000 and 2,500 gallons per

1 annum, \$125; to so manufacture less than 1,000 gallons per annum,
2 \$63. No farm winery license shall be held by the holder of a
3 plenary winery license or be situated on a premises licensed as a
4 plenary winery.

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

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

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

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

43 Instructional winemaking facility license. 2d. The holder of this
44 license shall be entitled, subject to rules and regulations, to instruct
45 persons in and provide them with the opportunity to participate
46 directly in the process of winemaking and to directly assist such
47 persons in the process of winemaking while in the process of
48 instruction on the premises of the facility. The holder of this

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

25 Out-of-State winery license. 2e. Provided that the applicant does
26 not produce more than 250,000 gallons of wine per year, the holder
27 of a valid winery license issued in any other state may make
28 application to the director for this license. The holder of this
29 license shall have the right to sell and distribute his products to
30 wholesalers licensed in accordance with this chapter and to sell
31 such wine at retail in original packages in 16 salesrooms apart from
32 the winery premises for consumption on or off the premises at a fee
33 of \$250 for each salesroom. Licensees shall not jointly control and
34 operate salesrooms. The annual fee for this license shall be \$938.
35 A copy of a current license issued by another state shall accompany
36 the application. The holder of this license also shall have the right
37 to sell and distribute his products to retailers licensed in accordance
38 with this chapter, except that the holder of this license shall not use
39 a common carrier for such distribution. The fee for this additional
40 privilege shall be graduated as follows: a licensee who
41 manufactures more than 150,000 gallons, but not in excess of
42 250,000 gallons per annum, \$1,000; a licensee who manufactures
43 more than 100,000 gallons, but not in excess of 150,000 gallons per
44 annum, \$500; a licensee who manufactures more than 50,000
45 gallons, but not in excess of 100,000 gallons per annum, \$250; a
46 licensee who manufactures 50,000 gallons or less per annum, \$100.
47 Additionally, the holder of this license may ship not more than 12
48 cases of wine per year, subject to regulation, to any person within or

1 without this State over 21 years of age for personal consumption
2 and not for resale. A case of wine shall not exceed a maximum of
3 nine liters. A copy of the original invoice shall be available for
4 inspection by persons authorized to enforce the alcoholic beverage
5 laws of this State for a minimum period of three years at the
6 licensed premises of the winery.

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

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

23 Meadery license. 2f. The holder of this license shall be entitled,
24 subject to rules and regulations, to manufacture not more than
25 250,000 gallons of mead per year, to sell and distribute this product
26 to wholesalers and retailers licensed in accordance with this
27 chapter, and to sell and distribute without this State to any persons
28 pursuant to the laws of the places of such sale and distribution, and
29 to maintain a warehouse. The holder of this license shall be entitled
30 to sell this product at retail to consumers on the licensed premises
31 of the meadery for consumption on or off the premises and to offer
32 samples for sampling purposes only.

33 The holder of this license shall have the right to sell his products
34 in original packages at retail to consumers in 15 salesrooms apart
35 from the meadery premises for consumption on or off the premises,
36 and for sampling purposes for consumption on the premises, at a fee
37 of \$250 for each salesroom. Licensees shall not jointly control and
38 operate salesrooms. In addition, the holder of this license may ship
39 not more than 12 cases of mead per year, subject to regulation, to
40 any person within or without this State over 21 years of age for
41 personal consumption and not for resale. A case of mead shall not
42 exceed a maximum of nine liters. A copy of the original invoice
43 shall be available for inspection by persons authorized to enforce
44 the alcoholic beverage laws of this State for a minimum period of
45 three years at the licensed premises of the meadery. The fee for this
46 license shall be \$938.

47 As used in this section:

1 “Mead” means an alcoholic beverage primarily made from
2 honey, water, and yeast, and which may contain fruit, fruit juices,
3 spices, or herbs added before or after fermentation has completed.

4 “Sampling” means the selling at a nominal charge or the
5 gratuitous offering of an open container not exceeding four ounces
6 of mead produced on the licensed premises.

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

15 Limited distillery license. 3b. The holder of this license shall be
16 entitled, subject to rules and regulations, to manufacture and bottle
17 any alcoholic beverages distilled from fruit juices and rectify,
18 blend, treat, mix, compound with wine and add necessary
19 sweetening and flavor to make cordial or liqueur, and to sell and
20 distribute to wholesalers and retailers licensed in accordance with
21 this chapter, and to sell and distribute without this State to any
22 persons pursuant to the laws of the places of such sale and
23 distribution and to warehouse these products. The fee for this
24 license shall be \$3,750.

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

39 Craft distillery license. 3d. The holder of this license shall be
40 entitled, subject to rules and regulations, to manufacture not more
41 than 20,000 gallons of distilled alcoholic beverages, to rectify,
42 blend, treat and mix distilled alcoholic beverages, to sell and
43 distribute this product to wholesalers and retailers licensed in
44 accordance with this chapter, and to sell and distribute without this
45 State to any persons pursuant to the laws of the places of such sale
46 and distribution, and to maintain a warehouse. The holder of this
47 license shall be entitled to sell this product at retail to consumers on
48 the licensed premises of the distillery for consumption on the

1 premises, but only in connection with a tour of the distillery, and
2 for consumption off the premises in a quantity of not more than five
3 liters per person. In addition, the holder of this license may offer
4 any person not more than three samples per calendar day for
5 sampling purposes only. For the purposes of this subsection,
6 "sampling" means the gratuitous offering of an open container not
7 exceeding one-half ounce serving of distilled alcoholic beverage
8 produced on the distillery premises. Nothing in this subsection
9 shall be deemed to permit the direct shipment of distilled spirits
10 either within or without this State.

11 The holder of this license shall not sell food or operate a
12 restaurant on the licensed premises. A holder of this license who
13 certifies that not less than **[51%]** 51 percent of the raw materials
14 used in the production of distilled alcoholic beverages under this
15 section are grown in this State or purchased from providers located
16 in this State may, consistent with all applicable federal laws and
17 regulations, label these distilled alcoholic beverages as "New Jersey
18 Distilled." The fee for this license shall be \$938.

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

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

35 The provisions of section 21 of P.L.2003, c.117 amendatory of
36 this section shall apply to licenses issued or transferred on or after
37 July 1, 2003, and to license renewals commencing on or after July
38 1, 2003.

39 (cf: P.L.2013, c.92, s.1)

40

41 2. This act shall take effect on the first day of the fourth month
42 next following enactment, but the Director of the Division of
43 Alcoholic Beverage Control may take any anticipatory action in
44 advance of the effective date as shall be necessary for the timely
45 implementation of this act.

1 STATEMENT

2

3 This bill creates a meadery license which permits the holder to
4 manufacture a maximum of 250,000 gallons of mead per year and
5 to sell those products to wholesalers and retailers in New Jersey and
6 other states. The bill also allows the holder of a plenary winery
7 license and farm winery license to produce and sell mead. In
8 addition, a plenary or farm winery may sell mead in its salesrooms,
9 ship it directly to customers, and offer samples to customers.

10 Under the bill, meadery licensees are permitted to sell their
11 products to consumers for consumption on or off the licensed
12 premises. The bill allows a meadery licensee to operate up to 15
13 salesrooms located apart from the meadery premises. The bill also
14 allows the holder of a meadery license to directly ship up to 12 cases
15 of mead to any person over the age of 21 in New Jersey or any other
16 state for personal consumption and not for resale. A case of mead may
17 not exceed nine liters. The meadery is required to retain for at least
18 three years on the meadery premises for inspection by the State the
19 original invoices for any mead shipped. In addition, licensees who
20 have obtained an annual permit from the Director of the Division of
21 Alcoholic Beverage Control may permit the sampling of mead
22 produced on the licensed premises. The annual fee for a meadery
23 license would be \$938.

24 Mead is an alcoholic beverage primarily made from honey,
25 water, and yeast. Although often considered an historic drink, this
26 handcrafted beverage has experienced a resurgence in popularity in
27 the early 21st century.

ASSEMBLY AGRICULTURE AND NATURAL RESOURCES
COMMITTEE

STATEMENT TO
ASSEMBLY, No. 3351

with committee amendments

STATE OF NEW JERSEY

DATED: MAY 19, 2016

The Assembly Agriculture and Natural Resources Committee reports favorably, and with committee amendments, Assembly Bill No. 3351.

This bill, as amended, creates a meadery license which permits the holder to manufacture a maximum of 250,000 gallons of mead per year and to sell those products to wholesalers and retailers in New Jersey and other states. Under the amended bill, meadery licensees are permitted to sell their products to consumers for consumption on or off the licensed premises. The amended bill also allows the holder of a plenary winery license and farm winery license to produce and sell mead.

As introduced, the bill allowed the holder of a meadery license to operate up to 15 sales rooms apart from the meadery premises and directly ship up to 12 cases of mead to consumers. The committee amendments remove these provisions. In addition, the committee amendments provide that the ratio of fermentable sugars from fruit or fruit juices is not to exceed 33 percent of the total fermentable sugars used to produce mead.

Mead is an alcoholic beverage primarily made from honey, water, and yeast. Although often considered an historic drink, this handcrafted beverage has experienced a resurgence in popularity in the early 21st century.

COMMITTEE AMENDMENTS:

The committee amendments:

- 1) remove the provisions enabling the holder of a meadery license to operate up to 15 sales rooms and directly ship mead to consumers; and
- 2) provide that the ratio of fermentable sugars from fruit or fruit juices is not to exceed 33 percent of the total fermentable sugars used to produce mead.

SENATE LAW AND PUBLIC SAFETY COMMITTEE

STATEMENT TO

ASSEMBLY SUBSTITUTE FOR ASSEMBLY, No. 3351

STATE OF NEW JERSEY

DATED: FEBRUARY 6, 2017

The Senate Law and Public Safety Committee reports favorably Assembly Bill No. 3351 (AS).

As reported by the committee, the substitute creates a cidery and meadery license.

Under the provisions of the substitute, the holder of the license is permitted to manufacture, sell, and distribute hard cider and mead to wholesalers, retailers, and consumers. The license authorizes the manufacture of one or both of these products. The substitute provides that the licensee may sell these products to consumers for consumption on or off the licensed premises and may offer samples. The licensee is permitted to directly ship up to 12 cases of mead per year to a customer 21 years of age or older, but may not directly ship hard cider. Additionally, the licensee is not permitted to operate a restaurant on the licensed premises, but is allowed to offer for sale or to make the gratuitous offering of packaged crackers, chips, nuts, and similar snacks to consumers. The fee for the license is \$938.

Under the substitute, the licensee is authorized to manufacture hard cider in a quantity not to exceed 50,000 barrels of 31 fluid gallons capacity per year. With respect to the sale and distribution of hard cider to a wholesaler, the licensee is subject to the statutory and regulatory requirements imposed on a brewer under the "Malt Alcoholic Beverages Practices Act," P.L.2005, c.243 (C.33:1-93.12 et seq.).

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

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

sugars used to produce mead.” Under the substitute, a licensee is authorized to manufacture up 250,000 gallons of mead per year.

As reported by the committee, the Assembly Substitute for Assembly Bill No. 3351 is identical to Senate Bill No. 2570, which also was reported by the committee on this same date.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY SUBSTITUTE FOR ASSEMBLY, No. 3351

STATE OF NEW JERSEY

DATED: FEBRUARY 27, 2017

The Senate Budget and Appropriations Committee reports favorably Assembly Bill No. 3351 AS.

This bill creates a cidery and meadery license for the manufacture and sale of hard cider and mead.

Under the bill, the holder of the cidery and meadery license is permitted to manufacture, sell, and distribute hard cider and mead to wholesalers, retailers, and consumers. The bill provides that the holder of the license may sell these products to consumers for consumption on or off the licensed premises and may offer samples. The holder of the license is permitted to directly ship up to 12 cases of mead per year to a customer 21 years of age or older, but may not directly ship hard cider.

The bill prohibits the holder of a license from operating a restaurant on the licensed premises, but permits the holder to offer for sale or to make the gratuitous offering of packaged crackers, chips, nuts, and similar snacks to consumers. The fee for the license is \$938.

The bill authorizes the holder of a license to manufacture hard cider in a quantity not to exceed 50,000 barrels of 31 fluid gallons capacity per year, and to manufacture not more than 250,000 gallons of mead per year. With respect to the sale and distribution of hard cider to a wholesaler, the holder of the license is subject to the statutory and regulatory requirements imposed on a brewer under the "Malt Alcoholic Beverages Practices Act."

The bill defines hard cider as "a fermented alcoholic beverage derived primarily from apples, pears, apple juice concentrate and water, or pear juice concentrate and water, which may include spices, herbs, honey, or other flavoring, and which contains at least one half of one percent but less than eight and one half percent alcohol by volume." Mead is defined as "an alcoholic beverage primarily made from honey, water, and yeast, and which may contain fruit, fruit juices, spices, or herbs added before or after fermentation has completed, except that the ratio of fermentable sugars from fruit or fruit juices shall not exceed 49 percent of the total fermentable sugars used to produce mead."

The bill takes effect on the first day of the fourth month next following enactment, but permits the Director of the Division of Alcoholic Beverage Control in the Department of Law and Public Safety to take anticipatory administrative actions in advance of the effective date as are necessary for the bill's implementation.

As reported, this bill is identical to Senate Bill No. 2570, as also reported by the committee.

FISCAL IMPACT:

The Office of Legislative Services (OLS) expects the Division of Alcoholic Beverage Control will incur an indeterminate increase in annual administrative and regulatory expenditures as a result of the bill.

The bill also will result in an indeterminate annual revenue increase to the division from licensing fees paid by newly licensed cideries and meaderies. It is unknown how many license applications will be approved. The annual license fee will be \$938 and licensees will be allowed to produce up to 250,000 gallons of mead and up to 50,000 barrels of 31 fluid gallons capacity of hard cider per year.

The OLS notes that some cideries and meaderies currently operating under licenses for other alcoholic beverage producers may switch their licenses to the new cidery and meadery license. The Division of Alcoholic Beverage Control has issued a temporary permit to one meadery, Melovino, which grants privileges similar to those of a limited brewery license. In addition, there are two cideries in New Jersey, Twisted Limb and Jersey Cider Works, operating under a winery license.

If the bill increases economic activity in New Jersey, the bill will also generate additional indeterminate annual State revenue from the sales and use tax, the alcoholic beverage tax, and, depending on the licensees' form of business organization, the gross income tax and the corporation business tax. The bill also may increase annual property tax collections of affected local governments by indeterminate amounts if the bill spurs the creation of new cideries and meaderies.

LEGISLATIVE FISCAL ESTIMATE
ASSEMBLY SUBSTITUTE FOR
ASSEMBLY, No. 3351
STATE OF NEW JERSEY
217th LEGISLATURE

DATED: NOVEMBER 28, 2016

SUMMARY

- Synopsis:** Creates license to manufacture and sell hard cider and mead.
- Type of Impact:** Annual State revenue and expenditure increases to the General Fund.
- Agencies Affected:** Division of Alcoholic Beverage Control in the Department of Law and Public Safety.

Office of Legislative Services Estimate

Fiscal Impact	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
Annual State Cost Increase	Indeterminate – See comments below		
Annual State Revenue Increase	Indeterminate – See comments below		

- The Office of Legislative Services finds that through this proposed legislation, the Division of Alcoholic Beverage Control will collect an indeterminate amount of annual revenue from licensing fees which will be partially offset by administration and regulatory expenditures. It is unknown how many facilities would request, and be approved for, this new license.
- The annual fee for this license would be \$938 and it would allow for production of up to 25,000 barrels (1 barrel = 31 gallons) per year.

BILL DESCRIPTION

The Assembly Substitute for Assembly Bill No. 3351 of 2016 creates a cidery and meadery license. Under the provisions of the substitute, the holder of the license is permitted to manufacture, sell, and distribute hard cider and mead to wholesalers, retailers, and consumers. The substitute provides that the licensee may sell these products to consumers for consumption on or off the licensed premises and may offer samples. The licensee is permitted to directly ship up to 12 cases of mead per year to a customer 21 years of age or older, but may not directly ship hard cider.

Additionally, the licensee is not permitted to operate a restaurant on the licensed premises, but is allowed to offer for sale or to make the gratuitous offering of packaged crackers, chips, nuts, and similar snacks to consumers. The fee for the license is \$938.

The licensee is authorized to manufacture up 250,000 gallons of mead per year. The licensee is authorized to manufacture hard cider in a quantity not to exceed 50,000 barrels of 31 fluid gallons capacity per year. With respect to the sale and distribution of hard cider to a wholesaler, the licensee is subject to the statutory and regulatory requirements imposed on a brewer under the "Malt Alcoholic Beverages Practices Act," P.L.2005, c.243 (C.33:1-93.12 3 et seq.).

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The Office of Legislative Services finds that through this proposed legislation, the Division of Alcoholic Beverage Control will collect an indeterminate amount of annual revenue from licensing fees which will be partially offset by administration and regulatory expenditures. It is unknown how many current licensees or other individuals would apply and be approved for this new license.

In addition to the licensing revenue of the newly licensed venues, the proposed bill may generate additional sales tax revenue.

The Division of Alcoholic Beverage Control has issued a temporary permit to one meadery, Melovino, which grants privileges similar to those of a Limited Brewery license. There are currently two cideries located in New Jersey, Twisted Limb and Jersey Cider Works, operating under a winery license.

The annual fee for this license would be \$938 and allow for production of up to 25,000 barrels (1 barrel = 31 gallons) per year. Holders of this license would be allowed to provide samples and sell their products in a manner similar to wineries.

Section: Law and Public Safety

Analyst: Kristin Brunner Santos
Senior Fiscal Analyst

Approved: Frank W. Haines III
Legislative Budget and Finance Officer

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).

SENATE, No. 2570

STATE OF NEW JERSEY 217th LEGISLATURE

INTRODUCED SEPTEMBER 26, 2016

Sponsored by:

Senator NILSA CRUZ-PEREZ

District 5 (Camden and Gloucester)

Senator STEVEN V. OROHO

District 24 (Morris, Sussex and Warren)

SYNOPSIS

Creates license to manufacture and sell hard cider and mead.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 2/28/2017)

1 AN ACT concerning alcoholic beverage manufacturers and
2 amending R.S.33:1-10.

3

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

6

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

8 33:1-10. Class A licenses shall be subdivided and classified as
9 follows:

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

21 Limited brewery license. 1b. The holder of this license shall be
22 entitled, subject to rules and regulations, to brew any malt alcoholic
23 beverages in a quantity to be expressed in said license, dependent
24 upon the following fees and not in excess of 300,000 barrels of 31
25 fluid gallons capacity per year and to sell and distribute this product
26 to wholesalers and retailers licensed in accordance with this
27 chapter, and to sell and distribute without this State to any persons
28 pursuant to the laws of the places of such sale and distribution, and
29 to maintain a warehouse; provided, however, that the delivery of
30 this product by the holder of this license to retailers licensed under
31 this title shall be from inventory in a warehouse located in this State
32 which is operated under a limited brewery license. The holder of
33 this license shall be entitled to sell this product at retail to
34 consumers on the licensed premises of the brewery for consumption
35 on the premises, but only in connection with a tour of the brewery,
36 or for consumption off the premises in a quantity of not more than
37 15.5 fluid gallons per person, and to offer samples for sampling
38 purposes only pursuant to an annual permit issued by the director.
39 The holder of this license shall not sell food or operate a restaurant
40 on the licensed premises. The fee for this license shall be graduated
41 as follows:

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

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

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

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

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

11 Restricted brewery license. 1c. The holder of this license
12 shall be entitled, subject to rules and regulations, to brew any malt
13 alcoholic beverages in a quantity to be expressed in such license not
14 in excess of 10,000 barrels of 31 gallons capacity per year.
15 Notwithstanding the provisions of R.S.33:1-26, the director shall
16 issue a restricted brewery license only to a person or an entity
17 which has identical ownership to an entity which holds a plenary
18 retail consumption license issued pursuant to R.S.33:1-12, provided
19 that such plenary retail consumption license is operated in
20 conjunction with a restaurant regularly and principally used for the
21 purpose of providing meals to its customers and having adequate
22 kitchen and dining room facilities, and that the licensed restaurant
23 premises is immediately adjoining the premises licensed under this
24 subsection. The holder of this license shall be entitled to sell or
25 deliver the product to that restaurant premises. The holder of this
26 license also shall be entitled to sell and distribute the product to
27 wholesalers licensed in accordance with this chapter. The fee for
28 this license shall be \$1,250, which fee shall entitle the holder to
29 brew up to 1,000 barrels of 31 liquid gallons per annum. The
30 licensee also shall pay an additional \$250 for every additional 1,000
31 barrels of 31 fluid gallons produced. The fee shall be paid at the
32 time of application for the license, and additional payments based
33 on barrels produced shall be paid within 60 days following the
34 expiration of the license term upon certification by the licensee of
35 the actual gallons brewed during the license term. No more than 10
36 restricted brewery licenses shall be issued to a person or entity
37 which holds an interest in a plenary retail consumption license. If
38 the governing body of the municipality in which the licensed
39 premises will be located should file a written objection, the director
40 shall hold a hearing and may issue the license only if the director
41 finds that the issuance of the license will not be contrary to the
42 public interest. All fees related to the issuance of both licenses shall
43 be paid in accordance with statutory law. The provisions of this
44 subsection shall not be construed to limit or restrict the rights and
45 privileges granted by the plenary retail consumption license held by
46 the holder of the restricted brewery license issued pursuant to this
47 subsection.

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

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

11 Plenary winery license. 2a. Provided that the holder is
12 engaged in growing and cultivating grapes or fruit used in the
13 production of wine on at least three acres on, or adjacent to, the
14 winery premises, the holder of this license shall be entitled, subject
15 to rules and regulations, to produce any fermented wines, and to
16 blend, fortify and treat wines, and to sell and distribute his products
17 to wholesalers licensed in accordance with this chapter and to
18 churches for religious purposes, and to sell and distribute without
19 this State to any persons pursuant to the laws of the places of such
20 sale and distribution, and to maintain a warehouse, and to sell his
21 products at retail to consumers on the licensed premises of the
22 winery for consumption on or off the premises and to offer samples
23 for sampling purposes only. The fee for this license shall be \$938.
24 A holder of this license who produces not more than 250,000
25 gallons per year shall also have the right to sell and distribute his
26 products to retailers licensed in accordance with this chapter, except
27 that the holder of this license shall not use a common carrier for
28 such distribution. The fee for this additional privilege shall be
29 graduated as follows: a licensee who manufactures more than
30 150,000 gallons, but not in excess of 250,000 gallons per annum,
31 \$1,000; a licensee who manufactures more than 100,000 gallons,
32 but not in excess of 150,000 gallons per annum, \$500; a licensee
33 who manufactures more than 50,000 gallons, but not in excess of
34 100,000 gallons per annum, \$250; a licensee who manufactures
35 50,000 gallons or less per annum, \$100. A holder of this license
36 who produces not more than 250,000 gallons per year shall have the
37 right to sell such wine at retail in original packages in 15
38 salesrooms apart from the winery premises for consumption on or
39 off the premises and for sampling purposes for consumption on the
40 premises, at a fee of \$250 for each salesroom. Licensees shall not
41 jointly control and operate salesrooms. Additionally, the holder of
42 this license who produces not more than 250,000 gallons per year
43 may ship not more than 12 cases of wine per year, subject to
44 regulation, to any person within or without this State over 21 years
45 of age for personal consumption and not for resale. A case of wine
46 shall not exceed a maximum of nine liters. A copy of the original
47 invoice shall be available for inspection by persons authorized to
48 enforce the alcoholic beverage laws of this State for a minimum

1 period of three years at the licensed premises of the winery. For the
2 purposes of this subsection, "sampling" means the selling at a
3 nominal charge or the gratuitous offering of an open container not
4 exceeding one and one-half ounces of any wine.

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

17 Farm winery license. 2b. The holder of this license shall be
18 entitled, subject to rules and regulations, to manufacture any
19 fermented wines and fruit juices in a quantity to be expressed in
20 said license, dependent upon the following fees and not in excess of
21 50,000 gallons per year and to sell and distribute his products to
22 wholesalers and retailers licensed in accordance with this chapter
23 and to churches for religious purposes and to sell and distribute
24 without this State to any persons pursuant to the laws of the places
25 of such sale and distribution, and to maintain a warehouse and to
26 sell at retail to consumers for consumption on or off the licensed
27 premises and to offer samples for sampling purposes only. The
28 license shall be issued only when the winery at which such
29 fermented wines and fruit juices are manufactured is located and
30 constructed upon a tract of land exclusively under the control of the
31 licensee, provided that the licensee is actively engaged in growing
32 and cultivating an area of not less than three acres on or adjacent to
33 the winery premises and on which are growing grape vines or fruit
34 to be processed into wine or fruit juice; and provided, further, that
35 for the first five years of the operation of the winery such fermented
36 wines and fruit juices shall be manufactured from at least **【51%】** 51
37 percent grapes or fruit grown in the State and that thereafter they
38 shall be manufactured from grapes or fruit grown in this State at
39 least to the extent required for labeling as "New Jersey Wine" under
40 the applicable federal laws and regulations. The containers of all
41 wine sold to consumers by such licensee shall have affixed a label
42 stating such information as shall be required by the rules and
43 regulations of the Director of the Division of Alcoholic Beverage
44 Control. The fee for this license shall be graduated as follows: to so
45 manufacture between 30,000 and 50,000 gallons per annum, \$375;
46 to so manufacture between 2,500 and 30,000 gallons per annum,
47 \$250; to so manufacture between 1,000 and 2,500 gallons per
48 annum, \$125; to so manufacture less than 1,000 gallons per annum,

1 \$63. No farm winery license shall be held by the holder of a plenary
2 winery license or be situated on a premises licensed as a plenary
3 winery.

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

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

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

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

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

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

46 Instructional winemaking facility license. 2d. The holder of
47 this license shall be entitled, subject to rules and regulations, to
48 instruct persons in and provide them with the opportunity to

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

30 Out-of-State winery license. 2e. Provided that the applicant
31 does not produce more than 250,000 gallons of wine per year, the
32 holder of a valid winery license issued in any other state may make
33 application to the director for this license. The holder of this license
34 shall have the right to sell and distribute his products to wholesalers
35 licensed in accordance with this chapter and to sell such wine at
36 retail in original packages in 16 salesrooms apart from the winery
37 premises for consumption on or off the premises at a fee of \$250 for
38 each salesroom. Licensees shall not jointly control and operate
39 salesrooms. The annual fee for this license shall be \$938. A copy
40 of a current license issued by another state shall accompany the
41 application. The holder of this license also shall have the right to
42 sell and distribute his products to retailers licensed in accordance
43 with this chapter, except that the holder of this license shall not use
44 a common carrier for such distribution. The fee for this additional
45 privilege shall be graduated as follows: a licensee who
46 manufactures more than 150,000 gallons, but not in excess of
47 250,000 gallons per annum, \$1,000; a licensee who manufactures
48 more than 100,000 gallons, but not in excess of 150,000 gallons per

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

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

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

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

30 Cidery and meadery license. 2f. The holder of this license
31 shall be entitled, subject to rules and regulations, to manufacture
32 hard cider and mead and to sell and distribute these products to
33 wholesalers and retailers licensed in accordance with this chapter,
34 and to sell and distribute without this State to any persons pursuant
35 to the laws of the places of such sale and distribution, and to
36 maintain a warehouse. The holder of this license shall be entitled to
37 sell these products at retail to consumers on the licensed premises
38 for consumption on or off the premises and to offer samples for
39 sampling purposes only. The holder of this license shall be
40 permitted to offer for sale or make the gratuitous offering of
41 packaged crackers, chips, nuts, and similar snacks to consumers, but
42 shall not operate a restaurant on the licensed premises. The fee for
43 this license shall be \$938.

44 The holder of this license shall be entitled to manufacture hard
45 cider in a quantity not to exceed 50,000 barrels of 31 fluid gallons
46 capacity per year. With respect to the sale and distribution of hard
47 cider to a wholesaler, the licensee shall be subject to the same
48 statutory and regulatory requirements as a brewer, and hard cider

1 shall be considered a malt alcoholic beverage, for the purposes of
2 the “Malt Alcoholic Beverage Practices Act,” P.L.2005, c.243
3 (C.33:1-93.12 et seq.). The holder of this license shall not directly
4 ship hard cider either within or without this State.

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

14 As used in this subsection:

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

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

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

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

38 Limited distillery license. 3b. The holder of this license shall
39 be entitled, subject to rules and regulations, to manufacture and
40 bottle any alcoholic beverages distilled from fruit juices and rectify,
41 blend, treat, mix, compound with wine and add necessary
42 sweetening and flavor to make cordial or liqueur, and to sell and
43 distribute to wholesalers and retailers licensed in accordance with
44 this chapter, and to sell and distribute without this State to any
45 persons pursuant to the laws of the places of such sale and
46 distribution and to warehouse these products. The fee for this
47 license shall be \$3,750.

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

15 Craft distillery license. 3d. The holder of this license shall be
16 entitled, subject to rules and regulations, to manufacture not more
17 than 20,000 gallons of distilled alcoholic beverages, to rectify,
18 blend, treat and mix distilled alcoholic beverages, to sell and
19 distribute this product to wholesalers and retailers licensed in
20 accordance with this chapter, and to sell and distribute without this
21 State to any persons pursuant to the laws of the places of such sale
22 and distribution, and to maintain a warehouse. The holder of this
23 license shall be entitled to sell this product at retail to consumers on
24 the licensed premises of the distillery for consumption on the
25 premises, but only in connection with a tour of the distillery, and
26 for consumption off the premises in a quantity of not more than five
27 liters per person. In addition, the holder of this license may offer
28 any person not more than three samples per calendar day for
29 sampling purposes only. For the purposes of this subsection,
30 "sampling" means the gratuitous offering of an open container not
31 exceeding one-half ounce serving of distilled alcoholic beverage
32 produced on the distillery premises. Nothing in this subsection shall
33 be deemed to permit the direct shipment of distilled spirits either
34 within or without this State.

35 The holder of this license shall not sell food or operate a
36 restaurant on the licensed premises. A holder of this license who
37 certifies that not less than **[51%]** 51 percent of the raw materials
38 used in the production of distilled alcoholic beverages under this
39 section are grown in this State or purchased from providers located
40 in this State may, consistent with all applicable federal laws and
41 regulations, label these distilled alcoholic beverages as "New Jersey
42 Distilled." The fee for this license shall be \$938.

43 Rectifier and blender license. 4. The holder of this license
44 shall be entitled, subject to rules and regulations, to rectify, blend,
45 treat and mix distilled alcoholic beverages, and to fortify, blend,
46 and treat fermented alcoholic beverages, and prepare mixtures of
47 alcoholic beverages, and to sell and distribute his products to
48 wholesalers and retailers licensed in accordance with this chapter,

1 and to sell and distribute without this State to any persons pursuant
2 to the laws of the places of such sale and distribution, and to
3 maintain a warehouse. The fee for this license shall be \$7,500.

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

12 The provisions of section 21 of P.L.2003, c.117 amendatory of
13 this section shall apply to licenses issued or transferred on or after
14 July 1, 2003, and to license renewals commencing on or after July
15 1, 2003.

16 (cf: P.L.2013, c.92, s.1)

17

18 2. This act shall take effect on the first day of the fourth month
19 next following enactment, but the Director of the Division of
20 Alcoholic Beverage Control may take any anticipatory action in
21 advance as shall be necessary for the implementation of this act.

22

23

24

STATEMENT

25

26 This Assembly substitute for Assembly Bill No. 3351 (1R)
27 creates a cidery and meadery license. Under the provisions of the
28 substitute, the holder of the license is permitted to manufacture,
29 sell, and distribute hard cider and mead to wholesalers, retailers,
30 and consumers. The license authorizes the manufacture of one or
31 both of these products. The substitute provides that the licensee
32 may sell these products to consumers for consumption on or off the
33 licensed premises and may offer samples. The licensee is permitted
34 to directly ship up to 12 cases of mead per year to a customer 21
35 years of age or older, but may not directly ship hard cider.
36 Additionally, the licensee is not permitted to operate a restaurant on
37 the licensed premises, but is allowed to offer for sale or to make the
38 gratuitous offering of packaged crackers, chips, nuts, and similar
39 snacks to consumers. The fee for the license is \$938.

40 The substitute defines hard cider as “a fermented alcoholic
41 beverage derived primarily from apples, pears, apple juice
42 concentrate and water, or pear juice concentrate and water, which
43 may include spices, herbs, honey, or other flavoring, and which
44 contains at least one half of one percent but less than eight and one
45 half percent alcohol by volume.”

46 Under the substitute, the licensee is authorized to manufacture
47 hard cider in a quantity not to exceed 50,000 barrels of 31 fluid
48 gallons capacity per year. With respect to the sale and distribution

1 of hard cider to a wholesaler, the licensee is subject to the statutory
2 and regulatory requirements imposed on a brewer under the “Malt
3 Alcoholic Beverages Practices Act,” P.L.2005, c.243 (C.33:1-93.12
4 et seq.).

5 The substitute defines mead as “an alcoholic beverage primarily
6 made from honey, water, and yeast, and which may contain fruit,
7 fruit juices, spices, or herbs added before or after fermentation has
8 completed, except that the ratio of fermentable sugars from fruit or
9 fruit juices shall not exceed 49 percent of the total fermentable
10 sugars used to produce mead.” Under the substitute, a licensee is
11 authorized to manufacture up 250,000 gallons of mead per year.

SENATE LAW AND PUBLIC SAFETY COMMITTEE

STATEMENT TO

SENATE, No. 2570

STATE OF NEW JERSEY

DATED: FEBRUARY 6, 2017

The Senate Law and Public Safety Committee reports favorably Senate Bill No. 2570.

As reported by the committee, this bill creates a cidery and meadery license.

Under the provisions of the bill, the holder of the license is permitted to manufacture, sell, and distribute hard cider and mead to wholesalers, retailers, and consumers. The license authorizes the manufacture of one or both of these products. The bill provides that the licensee may sell these products to consumers for consumption on or off the licensed premises and may offer samples. The licensee is permitted to directly ship up to 12 cases of mead per year to a customer 21 years of age or older, but may not directly ship hard cider. Additionally, the licensee is not permitted to operate a restaurant on the licensed premises, but is allowed to offer for sale or to make the gratuitous offering of packaged crackers, chips, nuts, and similar snacks to consumers. The fee for the license is \$938.

Under the substitute, the licensee is authorized to manufacture hard cider in a quantity not to exceed 50,000 barrels of 31 fluid gallons capacity per year. With respect to the sale and distribution of hard cider to a wholesaler, the licensee is subject to the statutory and regulatory requirements imposed on a brewer under the "Malt Alcoholic Beverages Practices Act," P.L.2005, c.243 (C.33:1-93.12 et seq.).

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

The substitute defines mead as "an alcoholic beverage primarily made from honey, water, and yeast, and which may contain fruit, fruit juices, spices, or herbs added before or after fermentation has completed, except that the ratio of fermentable sugars from fruit or fruit juices shall not exceed 49 percent of the total fermentable sugars used to produce mead." Under the substitute, a licensee is authorized to manufacture up to 250,000 gallons of mead per year.

As reported by the committee, Senate Bill No. 2570 is identical to the Assembly Substitute for Assembly Bill No. 3351, which also was reported by the committee on this same date.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE, No. 2570

STATE OF NEW JERSEY

DATED: FEBRUARY 27, 2017

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 2570.

This bill creates a cidery and meadery license for the manufacture and sale of hard cider and mead.

Under the bill, the holder of the cidery and meadery license is permitted to manufacture, sell, and distribute hard cider and mead to wholesalers, retailers, and consumers. The bill provides that the holder of the license may sell these products to consumers for consumption on or off the licensed premises and may offer samples. The holder of the license is permitted to directly ship up to 12 cases of mead per year to a customer 21 years of age or older, but may not directly ship hard cider.

The bill prohibits the holder of a license from operating a restaurant on the licensed premises, but permits the holder to offer for sale or to make the gratuitous offering of packaged crackers, chips, nuts, and similar snacks to consumers. The fee for the license is \$938.

The bill authorizes the holder of a license to manufacture hard cider in a quantity not to exceed 50,000 barrels of 31 fluid gallons capacity per year, and to manufacture not more than 250,000 gallons of mead per year. With respect to the sale and distribution of hard cider to a wholesaler, the holder of the license is subject to the statutory and regulatory requirements imposed on a brewer under the "Malt Alcoholic Beverages Practices Act."

The bill defines hard cider as "a fermented alcoholic beverage derived primarily from apples, pears, apple juice concentrate and water, or pear juice concentrate and water, which may include spices, herbs, honey, or other flavoring, and which contains at least one half of one percent but less than eight and one half percent alcohol by volume." Mead is defined as "an alcoholic beverage primarily made from honey, water, and yeast, and which may contain fruit, fruit juices, spices, or herbs added before or after fermentation has completed, except that the ratio of fermentable sugars from fruit or fruit juices shall not exceed 49 percent of the total fermentable sugars used to produce mead."

The bill takes effect on the first day of the fourth month next following enactment, but permits the Director of the Division of Alcoholic Beverage Control in the Department of Law and Public

Safety to take anticipatory administrative actions in advance of the effective date as are necessary for the bill's implementation.

As reported, this bill is identical to Assembly Bill No. 3351 (AS), as also reported by the committee.

FISCAL IMPACT:

The Office of Legislative Services (OLS) expects the Division of Alcoholic Beverage Control will incur an indeterminate increase in annual administrative and regulatory expenditures as a result of the bill.

The bill also will result in an indeterminate annual revenue increase to the division from licensing fees paid by newly licensed cideries and meaderies. It is unknown how many license applications will be approved. The annual license fee will be \$938 and licensees will be allowed to produce up to 250,000 gallons of mead and up to 50,000 barrels of 31 fluid gallons capacity of hard cider per year.

The OLS notes that some cideries and meaderies currently operating under licenses for other alcoholic beverage producers may switch their licenses to the new cidery and meadery license. The Division of Alcoholic Beverage Control has issued a temporary permit to one meadery, Melovino, which grants privileges similar to those of a limited brewery license. In addition, there are two cideries in New Jersey, Twisted Limb and Jersey Cider Works, operating under a winery license.

If the bill increases economic activity in New Jersey, the bill will also generate additional indeterminate annual State revenue from the sales and use tax, the alcoholic beverage tax, and, depending on the licensees' form of business organization, the gross income tax and the corporation business tax. The bill also may increase annual property tax collections of affected local governments by indeterminate amounts if the bill spurs the creation of new cideries and meaderies.

LEGISLATIVE FISCAL ESTIMATE
SENATE, No. 2570
STATE OF NEW JERSEY
217th LEGISLATURE

DATED: FEBRUARY 17, 2017

SUMMARY

- Synopsis:** Creates license to manufacture and sell hard cider and mead.
- Type of Impact:** Annual State revenue and expenditure increases to the General Fund. Potential annual revenue increase to affected local governments.
- Agencies Affected:** Division of Alcoholic Beverage Control in the Department of Law and Public Safety. Department of the Treasury. Affected Local Governments.

Office of Legislative Services Estimate

Fiscal Impact	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
Annual State Cost Increase	Indeterminate – See comments below		
Annual State Revenue Increase	Indeterminate – See comments below		

- The Office of Legislative Services (OLS) finds that through this proposed legislation the Division of Alcoholic Beverage Control in the Department of Law and Public Safety will incur an indeterminate increase in annual administrative and regulatory expenditures.
- The bill will result in an indeterminate annual revenue increase to the Division of Alcoholic Beverage Control from licensing fees paid by newly licensed cideries and meaderies. It is unknown how many license applications will be approved. The annual license fee will be \$938.
- If the bill increases economic activity in New Jersey, the bill will also generate additional indeterminate annual State revenue from several taxes. The bill may also increase annual property tax collections of affected local governments by indeterminate amounts if the bill spurs the creation of new cideries and meaderies.

BILL DESCRIPTION

Senate Bill No. 2570 of 2016 creates a cidery and meadery license whose holder is permitted to manufacture, sell, and distribute hard cider and mead to wholesalers, retailers, and consumers. The licensee may sell these products to consumers for consumption on or off the licensed

premises and may offer samples. The licensee is also permitted to directly ship up to 12 cases of mead per year to a customer 21 years of age or older, but may not directly ship hard cider.

Additionally, the licensee is not permitted to operate a restaurant on the licensed premises, but is allowed to offer for sale or to make the gratuitous offering of packaged crackers, chips, nuts, and similar snacks to consumers. The fee for the license is \$938.

The licensee is authorized to manufacture up to 250,000 gallons of mead per year, and up to 50,000 barrels of 31 fluid gallons capacity of hard cider per year. With respect to the sale and distribution of hard cider to a wholesaler, the licensee is subject to the statutory and regulatory requirements imposed on a brewer under the “Malt Alcoholic Beverages Practices Act,” P.L.2005, c.243 (C.33:1-93.12 3 et seq.).

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS finds that through this proposed legislation the Division of Alcoholic Beverage Control in the Department of Law and Public Safety will incur an indeterminate increase in annual administrative and regulatory expenditures.

The bill will also result in an indeterminate annual revenue increase to the division from licensing fees paid by newly licensed cideries and meaderies. It is unknown how many license applications will be approved. The annual license fee will be \$938 and licensees will be allowed to produce up to 250,000 gallons of mead and up to 50,000 barrels of 31 fluid gallons capacity of hard cider per year.

The OLS notes that some cideries and meaderies that are currently operating under licenses for other alcoholic beverage producers may switch their licenses to the new cidery and meadery license. Notably, the Division of Alcoholic Beverage Control has issued a temporary permit to one meadery, Melovino, which grants privileges similar to those of a limited brewery license. In addition, there are currently two cideries located in New Jersey, Twisted Limb and Jersey Cider Works, operating under a winery license.

If the bill increases economic activity in New Jersey, the bill will also generate additional indeterminate annual State revenue from the sales and use tax, the alcoholic beverage tax, and, depending on the licensees’ form of business organization, the gross income tax and the corporation business tax. The bill may also increase annual property tax collections of affected local governments by indeterminate amounts if the bill spurs the creation of new cideries and meaderies.

Section: Law and Public Safety

Analyst: Kristin Brunner Santos
Senior Fiscal Analyst

Approved: Frank W. Haines III
Legislative Budget and Finance Officer

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).

Governor Christie Takes Action On Pending Legislation

Thursday, May 11, 2017 Tags: [Bill Action](#)



Trenton, NJ - Governor Chris Christie today signed into law additional bills to support New Jersey's military members, veterans, and their families and show pride in the state's military history. On May 1, he signed a number of bills impacting veterans and the military, including a law creating a program to divert certain veterans accused of non-violent offenses from the criminal justice system and into appropriate mental health and substance use services.

Today, Governor Christie signed A450/S750 (Mazzeo, Andrzejczak, Mukherji, Moriarty, Benson, Daniels, Houghtaling/Beach, Van Drew) creating the Wounded Warrior Caregivers Relief Act, which provides a gross income tax credit of up to \$675 to family caregivers of totally disabled veterans whose injuries occurred as a result of serving on active duty on or after September 11, 2001.

"We must do all we can do to make it easier for military members who have been left with debilitating injuries in the line of duty and their family members who now care for them," said Governor Christie. "This compassionate new law provides a tax credit to ease some of the financial burden on those families and show our appreciation for the many sacrifices they have made to keep their loved ones safe and at home."

Other military and veterans bills signed by Governor Christie allow active duty members of the U.S. Armed Forces who have completed basic training to wear their dress uniform at their high school graduation and require the Department of Military and Veterans' Affairs to work with the Division of Travel and Tourism and the New Jersey Historical Commission to develop an online list with a historic tour of war battles fought and places of historical military significance in New Jersey and its State waters.

Governor Christie also took action on the following bills:

BILL SIGNINGS:

ACS for A-815/ACS for S-1088 (Land, Andrzejczak, Mosquera, Vainieri Huttle, Bramnick/Van Drew, T. Kean) - Concerns Code Blue alert plans to shelter at-risk individuals

A-837/S-468 (Jimenez, Green, Mukherji, Sumter, Munoz/Sacco, Greenstein) - Establishes "Hazardous Drug Safe Handling Act;" requires promulgation of standards and regulations concerning safe handling of hazardous drugs by certain health care personnel

A-1256/S-1381 (Caride, Singleton, Jasey, Wimberly/Bateman) - Requires State Board of Education regulations regarding school nurse certification to include certain minimum eligibility requirements

A-1649/S-853 (Schaer, Pintor Marin, Wimberly, Mukherji/Stack) - Requires local governments and authorities to obtain financing cost estimate from NJ Environmental Infrastructure Trust for certain projects

ACS for A-1973/SCS for S-2401 (Prieto, Handlin/Diegnan, Stack) - "Appraisal Management Company Registration and Regulation Act"

A-1991/S-2722 (Prieto, Jimenez, Oliver/Stack, Cunningham) - Provides two elected members of pension commission of closed Hudson County Employees' Pension Fund may be active or retired county employees

ACS for A-2004/SCS for S-731 (Green, Benson, Moriarty, Mukherji, Pintor Marin/Cruz-Perez, Beach) - Establishes certain penalties for operating or participating in pyramid promotional schemes

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[GOVERNOR'S STATEMENT UPON SIGNING ASSEMBLY BILL NO. 4146](#)

A-2087/SCS for S-2792 (Mukherji, Schaer, Downey, Quijano/Greenstein, Turner) - Grants drivers additional time to resolve parking violations prior to license or registration suspension

A-2340/S-2108 (Benson, Muoio, Gusciora/Greenstein, Diegnan) - Authorizes students in Marie H. Katzenbach school for the deaf to operate State vehicle for driver education and provides protection for such activity under tort claims act

A-2512/S-1899 (DeAngelo, Pintor Marin, Houghtaling/Whelan, Turner) - Requires BPU to render decision on case within 12 months of final public hearing or hold another public hearing prior to deciding case

A-2805/S-2726 (Caputo, Houghtaling, McKeon, Chiaravalloti/Codey, Pou) - Requires DMVA to develop online historic tour identifying locations of war battles and places of significance to war efforts in State

A-3011/S-2796 (Conaway, Singleton/Allen) - Modifies charter of Board of Island Managers of Burlington Island to move elections to November

AS for A-3351/S-2570 (Lampitt, Andrzejczak, Quijano, Holley, Jones, Space/Cruz-Perez, Oroho) - Creates license to manufacturer and sell hard cider and mead

A-3581/SCS for S-2582, 2092 (Downey, Mosquera, Danielsens, Houghtaling, Van Drew, Turner, Moriarty) - Requires Internet-connected baby monitors to include security features

A-3601/S-2209 (Schaer/Vitale, Gill) - Concerns regulation of guaranteed asset protection waivers by DOBI

A-3785/S-2396 (Downey, Houghtaling, Jasey, Singleton, Holley, Caride, Wimberly/Ruiz, Turner) - Requires State to pay educational costs of students who reside in homeless shelter outside district of residence for more than one year

A-4019/S-2491 (Mazzeo, Mukherji, Andrzejczak, Land, DeCroce, McKnight, Danielsens/Cruz-Perez, Madden) - Permits eligible students who are members of United States Armed Forces to wear military uniform at high school graduation

A-4146/S-2521 (Vainieri Huttie, Benson, Lampitt, Johnson, McKnight, Sumter/Vitale, Gordon) – STATEMENT UPON SIGNING - Provides for monitoring and evaluation of transition of mental health and substance use disorder treatment service system and developmental disability system to fee-for-service reimbursement model; makes appropriation

A-4284/S-2675 (Quijano, Benson, Muoio, Caride, Vainieri Huttie, McKnight, Wimberly, Sumter/Diegnan, Beach) - Provides that school districts and nonpublic schools may receive reimbursement for costs incurred on or after January 1, 2016 for testing school drinking water for lead

A-4344/S-2729 (Karabinchak, Pinkin, Coughlin, Wisniewski/Diegnan, Vitale) - Designates portion of Route 18 in East Brunswick as "State Trooper Werner Foerster Memorial Interchange"

AJR-76/SJR-16 (Vainieri Huttie, Holley, McKnight, Jasey/Gill) - Designates September "Affordable Housing Awareness Month"

AJR-130/SJR-92 (Vainieri Huttie, Lampitt/Vitale, Singer) - Designates January 23 of each year as "Maternal Health Awareness Day" in New Jersey

BILLS VETOED:

A-1850/S-2606 (Giblin, DeAngelo, Mukherji, Holley/Diegnan) – ABSOLUTE - Extends by two months seasonal retail consumption alcoholic beverage license

A-1869/S-668 (Wimberly, Vainieri Huttie, Oliver, Tucker, Quijano, Johnson/Rice, Cruz-Perez) - CONDITIONAL - Establishes Division of Minority and Women Business Development and State Chief Disparity Officer to monitor efforts to promote participation by minority-owned and women-owned businesses in State contracting

A-2353/S-367 (Vainieri Huttie, Jasey, Mukherji, Benson, Quijano/Codey, Turner) – CONDITIONAL - Establishes measures to deter steroid use among students; appropriates \$45,000 to DOE for New Jersey State Interscholastic Athletic Association testing of student-athletes for steroids and other performance enhancing substances

A-3091/S-2528 (Munoz, Gusciora, O'Scanlon, Oliver, Lagana, Lampitt, Mukherji, Sumter/Pou, Weinberg, Cunningham) - CONDITIONAL - Bars persons under age 18 from marrying or entering into a civil union

###

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