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LAW/RWH

P.L.2015, CHAPTER 86, *approved August 10, 2015*
Senate, No. 756 (*First Reprint*)

1 AN ACT concerning the sale of alcoholic beverages in certain
2 facilities and amending R.S.33:1-12 and R.S.33:1-18.

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

6
7 1. R.S.33:1-12 Class C licenses; classifications; fees.
8 33:1-12. Class C licenses shall be subdivided and classified as
9 follows:

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

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Senate SBA committee amendments adopted June 8, 2015.

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

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

15 Seasonal retail consumption license. 2. The holder of this
16 license shall be entitled, subject to rules and regulations, to sell any
17 alcoholic beverages for consumption on the licensed premises by
18 the glass or other open receptacle, and also to sell any alcoholic
19 beverages in original containers for consumption off the licensed
20 premises, during the summer season from May 1 until November
21 14, inclusive, or during the winter season from November 15 until
22 April 30, inclusive; but this license shall not be issued to permit the
23 sale of alcoholic beverages in or upon any premises in which a
24 grocery, delicatessen, drug store or other mercantile business is
25 carried on, except as hereinafter provided. Subject to such rules
26 and regulations established from time to time by the director, the
27 holder of this license shall be permitted to sell alcoholic beverages
28 in or upon the premises in which any of the following is carried on:
29 the keeping of a hotel or restaurant including the sale of mercantile
30 items incidental thereto as an accommodation to patrons; the sale of
31 distillers', brewers' and vintners' packaged merchandise prepacked
32 as a unit with other suitable objects as gift items to be sold only as a
33 unit; the sale of novelty wearing apparel identified with the name of
34 the establishment licensed under the provisions of this section; the
35 sale of cigars, cigarettes, packaged crackers, chips, nuts and similar
36 snacks and ice at retail as an accommodation to patrons; or the retail
37 sale of nonalcoholic beverages as accessory beverages to alcoholic
38 beverages. The fee for this license shall be fixed by the governing
39 board or body of the municipality in which the licensed premises
40 are situated, by ordinance, at 75% of the fee fixed by said board or
41 body for plenary retail consumption licenses. The governing board
42 or body of each municipality may, by ordinance, enact that no
43 seasonal retail consumption license shall be granted within its
44 respective municipality.

45 Plenary retail distribution license. 3. a. The holder of this license
46 shall be entitled, subject to rules and regulations, to sell any
47 alcoholic beverages for consumption off the licensed premises, but
48 only in original containers; except that licensees shall be permitted

1 to conduct consumer wine, beer, and spirits tasting events and
2 samplings on a complimentary basis pursuant to conditions
3 established by rules and regulations of the Division of Alcoholic
4 Beverage Control, provided however, that the holder of this license
5 complies with the terms and conditions set forth in section 3 of
6 P.L.2009, c.216 (C.33:1-12d).

7 The governing board or body of each municipality may, by
8 ordinance, enact that this license shall not be issued to permit the
9 sale of alcoholic beverages in or upon any premises in which any
10 other mercantile business is carried on, except that any such
11 ordinance, heretofore or hereafter adopted, shall not prohibit the
12 retail sale of distillers', brewers' and vintners' packaged
13 merchandise prepacked as a unit with other suitable objects as gift
14 items to be sold only as a unit; the sale of novelty wearing apparel
15 identified with the name of the establishment licensed under the
16 provisions of this act; cigars, cigarettes, packaged crackers, chips,
17 nuts and similar snacks, ice, and nonalcoholic beverages as
18 accessory beverages to alcoholic beverages. The fee for this license
19 shall be fixed by the governing board or body of the municipality in
20 which the licensed premises are situated, by ordinance, at not less
21 than \$125 and not more than \$2,500. No ordinance shall be enacted
22 which shall raise or lower the fee to be charged for this license by
23 more than 20% from that charged in the preceding license year or
24 \$500.00, whichever is the lesser. The governing board or body of
25 each municipality may, by ordinance, enact that no plenary retail
26 distribution license shall be granted within its respective
27 municipality.

28 Limited retail distribution license. 3. b. The holder of this license
29 shall be entitled, subject to rules and regulations, to sell any
30 unchilled, brewed, malt alcoholic beverages in quantities of not less
31 than 72 fluid ounces for consumption off the licensed premises, but
32 only in original containers; provided, however, that this license
33 shall be issued only for premises operated and conducted by the
34 licensee as a bona fide grocery store, meat market, meat and
35 grocery store, delicatessen, or other type of bona fide food store at
36 which groceries or other foodstuffs are sold at retail; and provided
37 further that this license shall not be issued except for premises at
38 which the sale of groceries or other foodstuffs is the primary and
39 principal business and at which the sale of alcoholic beverages is
40 merely incidental and subordinate thereto. The fee for this license
41 shall be fixed by the governing body or board of the municipality in
42 which the licensed premises are situated, by ordinance, at not less
43 than \$31 and not more than \$63. The governing board or body of
44 each municipality may, by ordinance, enact that no limited retail
45 distribution license shall be granted within its respective
46 municipality.

47 Plenary retail transit license. 4. The holder of this license shall be
48 entitled, subject to rules and regulations, to sell any alcoholic

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

24 Club license. 5. The holder of this license shall be entitled,
25 subject to rules and regulations, to sell any alcoholic beverages but
26 only for immediate consumption on the licensed premises and only
27 to bona fide club members and their guests. The fee for this license
28 shall be fixed by the governing board or body of the municipality in
29 which the licensed premises are situated, by ordinance, at not less
30 than \$63 and not more than \$188. The governing board or body of
31 each municipality may, by ordinance, enact that no club licenses
32 shall be granted within its respective municipality. Club licenses
33 may be issued only to such corporations, associations and
34 organizations as are operated for benevolent, charitable, fraternal,
35 social, religious, recreational, athletic, or similar purposes, and not
36 for private gain, and which comply with all conditions which may
37 be imposed by the Director of the Division of Alcoholic Beverage
38 Control by rules and regulations.

39 The provisions of section 23 of P.L.2003, c.117 amendatory of
40 this section shall apply to licenses issued or transferred on or after
41 July 1, 2003, and to license renewals commencing on or after July
42 1, 2003.

43 Sporting ¹[event]¹ facility license. 6. The holder of this license
44 shall be entitled, subject to rules and regulations, to sell ¹at retail or
45 to serve¹ any alcoholic beverages ¹[at retail either]¹ as the owner,
46 operator, ¹[or]¹ lessee ¹, or concessionaire¹ of a sporting
47 ¹[events]¹ facility ¹[or at the direction of the owner, operator or
48 lessee, for consumption] by the glass or other receptacle or in

1 original containers¹ only on the premises of the sporting ¹【event】¹
2 facility. ¹【For the purposes of this subsection, “sporting event
3 facility” is defined as a stadium, arena, or similar venue located on
4 public property.】¹

5 Notwithstanding any other provision of Title 33 of the Revised
6 Statutes and subject to conditions established by the director, the
7 holder of this license may share direction and control of the
8 premises to be licensed and share proceeds and profits from the sale
9 of alcoholic beverages with the owner, operator, ¹concessionaire,¹
10 or lessee of the facility. ¹The holder of this license shall be
11 permitted to conduct consumer wine, beer, and spirits tasting events
12 and samplings for a fee or on a complimentary basis provided,
13 however, the license holder complies with the provisions of section
14 3 of P.L.2009, c.216 (C.33:1-12d) and rules and regulations
15 promulgated thereto. Notwithstanding any law, rule or regulation to
16 the contrary, the holder of this license shall be entitled to establish
17 an all-inclusive area within the licensed sporting facility, provided
18 the all-inclusive area is limited to one area within the sporting
19 facility for each game or event and the capacity of the all-inclusive
20 area does not exceed 500 persons.¹

21 The fee for this license shall be \$2,500 for venues with a
22 capacity of less than 7,500 persons; \$5,000 for venues with a
23 capacity of not less than 7,500 persons but not more than 14,999
24 persons; \$7,500 for venues with a capacity of not less than 15,000
25 persons but not more than 22,499 persons; and \$10,000 for venues
26 with a capacity of 22,500 persons or more.

27 ¹For the purposes of this subsection:

28 “Sporting facility” means a stadium, arena, team training facility,
29 or similar venue located on public property where alcoholic
30 beverages are served or sold at retail for consumption on the
31 premises by the glass or other open receptacle or in original
32 containers.

33 “Team training facility” shall include team offices and team
34 headquarters.¹

35 (cf: P.L.2009, c.216, s.1)

36

37 2. R.S.33:1-18 is amended to read as follows:

38 33:1-18. It shall be the duty of the **【commissioner】** director to
39 administer the issuance of manufacturers’, wholesalers’, plenary
40 retail transit, sporting ¹【event】¹ facility, vendor, transportation and
41 public warehouse licenses, in accordance with this chapter.

42 (cf: R.S.33:1-18)

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S756 [1R]

6

1 3. This act shall take effect on the first day of the third month
2 following enactment.

3

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7 Creates sporting facility license governing sale of alcoholic
8 beverages under certain circumstances.

SENATE, No. 756

STATE OF NEW JERSEY 216th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2014 SESSION

Sponsored by:

Senator PAUL A. SARLO

District 36 (Bergen and Passaic)

SYNOPSIS

Creates Sporting Event Facility License to permit sale of alcoholic beverages in stadiums and arenas on public property

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel



S756 SARLO

2

1 AN ACT concerning the sale of alcoholic beverages in certain
2 facilities and amending R.S.33:1-12 and R.S.33:1-18.

3

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

6

7 1. R.S.33:1-12 Class C licenses; classifications; fees.

8 33:1-12. Class C licenses shall be subdivided and classified as
9 follows:

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

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.

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

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

14 Seasonal retail consumption license. 2. The holder of this
15 license shall be entitled, subject to rules and regulations, to sell any
16 alcoholic beverages for consumption on the licensed premises by
17 the glass or other open receptacle, and also to sell any alcoholic
18 beverages in original containers for consumption off the licensed
19 premises, during the summer season from May 1 until November
20 14, inclusive, or during the winter season from November 15 until
21 April 30, inclusive; but this license shall not be issued to permit the
22 sale of alcoholic beverages in or upon any premises in which a
23 grocery, delicatessen, drug store or other mercantile business is
24 carried on, except as hereinafter provided. Subject to such rules
25 and regulations established from time to time by the director, the
26 holder of this license shall be permitted to sell alcoholic beverages
27 in or upon the premises in which any of the following is carried on:
28 the keeping of a hotel or restaurant including the sale of mercantile
29 items incidental thereto as an accommodation to patrons; the sale of
30 distillers', brewers' and vintners' packaged merchandise prepacked
31 as a unit with other suitable objects as gift items to be sold only as a
32 unit; the sale of novelty wearing apparel identified with the name of
33 the establishment licensed under the provisions of this section; the
34 sale of cigars, cigarettes, packaged crackers, chips, nuts and similar
35 snacks and ice at retail as an accommodation to patrons; or the retail
36 sale of nonalcoholic beverages as accessory beverages to alcoholic
37 beverages. The fee for this license shall be fixed by the governing
38 board or body of the municipality in which the licensed premises
39 are situated, by ordinance, at 75% of the fee fixed by said board or
40 body for plenary retail consumption licenses. The governing board
41 or body of each municipality may, by ordinance, enact that no
42 seasonal retail consumption license shall be granted within its
43 respective municipality.

44 Plenary retail distribution license. 3. a. The holder of this license
45 shall be entitled, subject to rules and regulations, to sell any
46 alcoholic beverages for consumption off the licensed premises, but
47 only in original containers; except that licensees shall be permitted

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1 to conduct consumer wine, beer, and spirits tasting events and
2 samplings on a complimentary basis pursuant to conditions
3 established by rules and regulations of the Division of Alcoholic
4 Beverage Control, provided however, that the holder of this license
5 complies with the terms and conditions set forth in section 3 of
6 P.L.2009, c.216 (C.33:1-12d).

7 The governing board or body of each municipality may, by
8 ordinance, enact that this license shall not be issued to permit the
9 sale of alcoholic beverages in or upon any premises in which any
10 other mercantile business is carried on, except that any such
11 ordinance, heretofore or hereafter adopted, shall not prohibit the
12 retail sale of distillers', brewers' and vintners' packaged
13 merchandise prepacked as a unit with other suitable objects as gift
14 items to be sold only as a unit; the sale of novelty wearing apparel
15 identified with the name of the establishment licensed under the
16 provisions of this act; cigars, cigarettes, packaged crackers, chips,
17 nuts and similar snacks, ice, and nonalcoholic beverages as
18 accessory beverages to alcoholic beverages. The fee for this license
19 shall be fixed by the governing board or body of the municipality in
20 which the licensed premises are situated, by ordinance, at not less
21 than \$125 and not more than \$2,500. No ordinance shall be enacted
22 which shall raise or lower the fee to be charged for this license by
23 more than 20% from that charged in the preceding license year or
24 \$500.00, whichever is the lesser. The governing board or body of
25 each municipality may, by ordinance, enact that no plenary retail
26 distribution license shall be granted within its respective
27 municipality.

28 Limited retail distribution license. 3. b. The holder of this license
29 shall be entitled, subject to rules and regulations, to sell any
30 unchilled, brewed, malt alcoholic beverages in quantities of not less
31 than 72 fluid ounces for consumption off the licensed premises, but
32 only in original containers; provided, however, that this license
33 shall be issued only for premises operated and conducted by the
34 licensee as a bona fide grocery store, meat market, meat and
35 grocery store, delicatessen, or other type of bona fide food store at
36 which groceries or other foodstuffs are sold at retail; and provided
37 further that this license shall not be issued except for premises at
38 which the sale of groceries or other foodstuffs is the primary and
39 principal business and at which the sale of alcoholic beverages is
40 merely incidental and subordinate thereto. The fee for this license
41 shall be fixed by the governing body or board of the municipality in
42 which the licensed premises are situated, by ordinance, at not less
43 than \$31 and not more than \$63. The governing board or body of
44 each municipality may, by ordinance, enact that no limited retail
45 distribution license shall be granted within its respective
46 municipality.

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

26 Club license. 5. The holder of this license shall be entitled,
27 subject to rules and regulations, to sell any alcoholic beverages but
28 only for immediate consumption on the licensed premises and only
29 to bona fide club members and their guests. The fee for this license
30 shall be fixed by the governing board or body of the municipality in
31 which the licensed premises are situated, by ordinance, at not less
32 than \$63 and not more than \$188. The governing board or body of
33 each municipality may, by ordinance, enact that no club licenses
34 shall be granted within its respective municipality. Club licenses
35 may be issued only to such corporations, associations and
36 organizations as are operated for benevolent, charitable, fraternal,
37 social, religious, recreational, athletic, or similar purposes, and not
38 for private gain, and which comply with all conditions which may
39 be imposed by the Director of the Division of Alcoholic Beverage
40 Control by rules and regulations.

41 The provisions of section 23 of P.L.2003, c.117 amendatory of
42 this section shall apply to licenses issued or transferred on or after
43 July 1, 2003, and to license renewals commencing on or after July
44 1, 2003.

45 Sporting event facility license. 6. The holder of this license shall
46 be entitled, subject to rules and regulations, to sell any alcoholic
47 beverages at retail either as the owner, operator, or lessee of a

1 sporting events facility or at the direction of the owner, operator or
2 lessee, for consumption only on the premises of the sporting event
3 facility. For the purposes of this subsection, “sporting event
4 facility” is defined as a stadium, arena, or similar venue located on
5 public property. Notwithstanding any other provision of Title 33 of
6 the Revised Statutes and subject to conditions established by the
7 director, the holder of this license may share direction and control
8 of the premises to be licensed and share proceeds and profits from
9 the sale of alcoholic beverages with the owner, operator, or lessee
10 of the facility. The fee for this license shall be \$2,500 for venues
11 with a capacity of less than 7,500 persons; \$5,000 for venues with a
12 capacity of not less than 7,500 persons but not more than 14,999
13 persons; \$7,500 for venues with a capacity of not less than 15,000
14 persons but not more than 22,499 persons; and \$10,000 for venues
15 with a capacity of 22,500 persons or more.

16 (cf: P.L.2009, c.216, s.1)

17

18 2. R.S.33:1-18 is amended to read as follows:

19 33:1-18. It shall be the duty of the **【commissioner】** director to
20 administer the issuance of manufacturers’, wholesalers’, plenary
21 retail transit, sporting event facility, vendor, transportation and
22 public warehouse licenses, in accordance with this chapter.

23 (cf: R.S.33:1-18)

24

25 3. This act shall take effect on the first day of the third month
26 following enactment.

27

28

29

STATEMENT

30

31 This bill establishes a Sporting Event Facility License which
32 would permit the license holder to sell alcoholic beverages at retail
33 either as the owner, operator, or lessee of a sporting events facility,
34 or at the direction of the owner, operator or lessee. The license
35 permits the sale of alcoholic beverages for consumption only on the
36 premises of the sporting event facility. Subject to conditions
37 established by the Director of the Division of Alcoholic Beverage
38 Control, the license holder may share direction and control of the
39 licensed premises and proceeds and profits from the sale of
40 alcoholic beverages with the owner, operator, or lessee, of the
41 facility. The bill defines a “sporting event facility” as a stadium,
42 arena, or similar venue located on public property.

43 The annual fee for this license would be \$2,500 for a venue with
44 a capacity of less than 7,500 persons; \$5,000 for a venue with a
45 capacity of at least 7,500 persons but not more than 14,999 persons;
46 \$7,500 for a venue with a capacity of at least 15,000 persons but not

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1 more than 22,499 persons; and \$10,000 for venues with a capacity
2 of 22,500 persons or more.

3 Under current law, the director may issue a Special Annual
4 Concessionaire Permit for the sale of alcoholic beverages in a
5 public building, including stadiums and arenas. The fee for this
6 permit is \$2,000 annually.

7 The bill provides that the director would administer the issuance
8 of the Sporting Event Facility License. Under current law, the
9 director administers manufacturers', wholesalers', plenary retail
10 transit, vendor, transportation, and public warehouse licenses.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE, No. 756

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 8, 2015

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 756, with committee amendments.

As amended, this bill establishes a Sporting Facility License which would permit the license holder to sell at retail or serve alcoholic beverages as the owner, operator, lessee, or concessionaire of a sporting facility. The license permits the sale of alcoholic beverages by the glass or other receptacle or in original containers for consumption only on the premises of the sporting facility. Subject to conditions established by the Director of the Division of Alcoholic Beverage Control, the license holder may share direction and control of the licensed premises and proceeds and profits from the sale of alcoholic beverages with the owner, operator, concessionaire, or lessee of the facility.

As amended, the bill defines a “sporting facility” as a stadium, arena, team training facility, or similar venue located on public property where alcoholic beverages are served or sold at retail for consumption on the premises by the glass or in original containers. Under the amended bill, a “team training facility” includes team offices and team headquarters.

As amended, the bill authorizes the license holder to conduct consumer wine, beer, and spirits tasting events and samplings for a fee or on a complimentary basis subject to current law governing these events and samplings. The amended bill also authorizes all-inclusive areas within the licensed sporting facility, but these all-inclusive areas would be limited by the bill to one area within the sporting facility for each game or event and the capacity of the all-inclusive area could not exceed 500 persons.

The annual fee for a sporting facility license would be \$2,500 for a venue with a capacity of less than 7,500 persons; \$5,000 for a venue with a capacity of at least 7,500 persons but not more than 14,999 persons; \$7,500 for a venue with a capacity of at least 15,000 persons but not more than 22,499 persons; and \$10,000 for venues with a capacity of 22,500 persons or more.

Under current law, the director may issue a Special Annual Concessionaire Permit for the sale of alcoholic beverages in public

buildings, including stadiums and arenas. The fee for a concessionaire permit is \$2,000 annually. The sporting facility license established by the amended bill would permit a venue such as MetLife Stadium, which is a privately owned building situated on public property, to serve alcoholic beverages to patrons attending a sporting event in a stadium or arena.

COMMITTEE AMENDMENTS:

The committee amended the bill to:

- (1) change the name of the license from “sporting event facility license to “sporting facility license”;
- (2) allow concessionaires, in addition to owners, operators, and lessees, to sell or serve alcoholic beverages under this license and to allow the license holder to share with concessionaires direction and control of the premises and profits from the sale of alcoholic beverages under this license;
- (3) include a team training facility in the definition of a sporting facility and specify that a training facility includes team offices and headquarters;
- (4) allow the license holder to conduct consumer wine, beer, and spirits tasting events and samplings; and
- (5) allow the license holder to establish one all-inclusive area in a sporting facility for each game or event the capacity of which would be limited to 500 people.

FISCAL IMPACT:

The Office of Legislative Services finds that through this proposed legislation the Division of Alcoholic Beverage Control will collect an indeterminate amount of revenue from licensing fees for both the sporting facility license and the tasting or sampling license, which will be partially offset by administration and regulation expenditures. It is unknown how many sporting facilities located on public property would apply and be approved for this new license.

According to a recent annual report by the division’s Licensing Bureau, the division renews more than 9,000 retail licenses, 800 wholesale licenses, 18,000 permits and over 60,000 brand registrations. The division issues certain liquor licenses based on municipal population. Plenary retail consumption licenses may not exceed one for each 3,000 residents in a municipality. Plenary retail distribution licenses may not exceed more than one for each 7,500 residents. Special annual licenses are issued based on population, such as the concessionaire permit, club license and other permits.

The sporting facility license would be an additional retail license in the State. The bill defines a sporting facility as a stadium, team training facility, arena, or similar venue on public property. Under current law, the director may issue a special annual concessionaire permit for the sale of alcoholic beverages in a public building,

including stadiums and arenas. For example, concessionaire permits have been issued in the past to the Meadowlands, state college pubs, municipally owned golf courses, marinas and similar facilities. The fee for this permit is \$2,000 annually.

The licensing fee structure outlined in the proposed legislation indicates that sporting facility venues with a capacity ranging from 1 person up to infinity would be eligible for this license. The bill provides that the annual fee for this license would be \$2,500 for a venue with a capacity of less than 7,500 persons; \$5,000 for a venue with a capacity of at least 7,500 persons but not more than 14,999 persons; \$7,500 for a venue with a capacity of at least 15,000 persons but not more than 22,499 persons; and \$10,000 for a venue with a capacity of 22,500 persons or more. It is unknown how many sporting facilities on public property may apply to the division for the purchase of one of these licenses.

Additionally, the bill permits complementary or fee based tasting and sampling events for wine, spirits, and beer. The division grants tasting and sampling permits for \$200 for each occasion plus \$200 for each solicitor pursuant to section 3 of P.L.2009, c.216 (C. 33:1-12d) and the regulations promulgated pursuant to that section. It is unknown how often each licensee would request a permit to host a sampling or tasting; however, with each permit request the division would receive additional revenue which would be partially offset by division administration and regulation expenditures.

The bill proposes an all-inclusive component of the liquor license in a contained area for up to 500 persons. OLS presumes that “all-inclusive” means that all food and beverages are included for one set price. Currently under N.J.A.C. 13:2-23.16, aside from certain occasions such as New Year’s Eve functions, weddings, birthdays, and events held by social affair permittees, a licensee is prohibited from serving patrons an unlimited alcoholic beverages for one set price.

In addition to the licensing revenue from the newly licensed venues, the proposed bill may generate additional sales tax revenue in any location that is not currently selling alcohol under a temporary permit provided by the division.

LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

SENATE, No. 756

STATE OF NEW JERSEY 216th LEGISLATURE

DATED: JUNE 26, 2015

SUMMARY

- Synopsis:** Creates sporting facility license governing sale of alcoholic beverages under certain circumstances.
- Type of Impact:** Indeterminate.
- Agencies Affected:** Department of Law and Public Safety; Division of Alcoholic Beverage Control.

Office of Legislative Services Estimate

Fiscal Impact	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
State Cost and Revenue	Indeterminate – See comments below.		
Local Cost and Revenue	No Impact- 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 revenue from licensing fees, from both the sporting facility license and the tasting or sampling license, which will be partially offset by administration and regulation expenditures. It is unknown how many sporting facilities located on public property would apply, and be approved for, this new license. This should have no impact to municipalities as the division is solely responsible for granting the license created by this bill.
- Creates sporting facility license governing the retail sale of alcoholic beverages for consumption on the premises of a sporting facility, including a team training facility, located on public property.
- The annual fee for this license would be \$2,500 for a venue with a capacity of less than 7,500 persons; \$5,000 for a venue with a capacity of at least 7,500 persons but not more than 14,999 persons; \$7,500 for a venue with a capacity of at least 15,000 persons but not more than 22,499 persons; and \$10,000 for a venue with a capacity of 22,500 persons or more.
- Permits an all-inclusive component of the liquor license in a contained area for up to 500 persons. Currently under N.J.A.C. 13:2-23.16, aside from certain occasions, a licensee is

prohibited from serving patrons an unlimited availability of alcoholic beverages for one set price.

- Permits wine, spirits, and beer tasting and sampling events complementary or for a fee. The division grants tasting and sampling permits for \$200 for each occasion plus \$200 for each solicitor pursuant to section 3 of P.L.2009, c.216 (C. 33:1-12d) and the regulations promulgated pursuant to that section.

BILL DESCRIPTION

Senate Bill No. 756 (1R) of 2014 would establish a Sporting Facility License which would permit the license holder to sell alcoholic beverages at retail either as the owner, operator, concessionaire, or lessee of a sporting facility, or at the direction of the owner, operator or lessee.

The license permits the sale of alcoholic beverages for consumption only on the premises of the sporting facility. Subject to conditions established by the Director of the Division of Alcoholic Beverage Control, the license holder may share direction and control of the licensed premises and proceeds and profits from the sale of alcoholic beverages with the owner, operator, concessionaire, or lessee, of the facility. The bill defines a “sporting facility” as a stadium, arena, team training facility, or similar venue located on public property.

The annual fee for this license would be \$2,500 for a venue with a capacity of less than 7,500 persons; \$5,000 for a venue with a capacity of at least 7,500 persons but not more than 14,999 persons; \$7,500 for a venue with a capacity of at least 15,000 persons but not more than 22,499 persons; and \$10,000 for a venue with a capacity of 22,500 persons or more.

Under current law, the director may issue a special annual concessionaire permit for the sale of alcoholic beverages in a public building, including stadiums and arenas. The fee for this permit is \$2,000 annually.

The bill provides that the director would administer the issuance of the sporting facility license. Under current law, the director administers manufacturers’, wholesalers’, plenary retail transit, vendor, transportation, and public warehouse licenses.

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 revenue from licensing fees for both the sporting facility license and the tasting or sampling license, which will be partially offset by administration and regulation expenditures. It is unknown how many sporting facilities located on public property would apply and be approved for this new license.

According to a recent annual report by the division’s Licensing Bureau, the division renews more than 9,000 retail licenses, 800 wholesale licenses, 18,000 permits and over 60,000 brand registrations. The division issues certain liquor licenses based on municipal population. Plenary

retail consumption licenses may not exceed one for each 3,000 residents in a municipality. Plenary retail distribution licenses may not exceed more than one for each 7,500 residents. Special annual licenses are issued based on population, such as the concessionaire permit, club license and other permits.

The sporting facility license would be an additional retail license in the State. The bill defines a sporting facility as a stadium, team training facility, arena, or similar venue on public property. Under current law, the director may issue a special annual concessionaire permit for the sale of alcoholic beverages in a public building, including stadiums and arenas. For example, concessionaire permits have been issued in the past to the Meadowlands, state college pubs, municipally owned golf courses, marinas and similar facilities. The fee for this permit is \$2,000 annually.

The licensing fee structure outlined in the proposed legislation indicates that sporting facility venues with a capacity ranging from 1 person up to infinity would be eligible for this license. The bill provides that the annual fee for this license would be \$2,500 for a venue with a capacity of less than 7,500 persons; \$5,000 for a venue with a capacity of at least 7,500 persons but not more than 14,999 persons; \$7,500 for a venue with a capacity of at least 15,000 persons but not more than 22,499 persons; and \$10,000 for a venue with a capacity of 22,500 persons or more. It is unknown how many sporting facilities on public property may apply to the division for the purchase of one of these licenses.

Additionally, the bill permits complementary or fee based tasting and sampling events for wine, spirits, and beer. The division grants tasting and sampling permits for \$200 for each occasion plus \$200 for each solicitor pursuant to section 3 of P.L.2009, c.216 (C. 33:1-12d) and the regulations promulgated pursuant to that section. It is unknown how often each licensee would request a permit to host a sampling or tasting; however, with each permit request the division would receive additional revenue which would be partially offset by division administration and regulation expenditures.

The bill proposes an all-inclusive component of the liquor license in a contained area for up to 500 persons. OLS presumes that “all-inclusive” means that all food and beverages are included for one set price. Currently under N.J.A.C. 13:2-23.16, aside from certain occasions such as New Year’s Eve functions, weddings, birthdays, and events held by social affair permittees, a licensee is prohibited from serving patrons an unlimited alcoholic beverages for one set price.

In addition to the licensing revenue from the newly licensed venues, the proposed bill may generate additional sales tax revenue in any location that is not currently selling alcohol under a temporary permit provided by the division.

Section: Law and Public Safety
Analyst: Kristin Brunner Santos
Senior Fiscal Analyst
Approved: David J. Rosen
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.).

ASSEMBLY, No. 3151

STATE OF NEW JERSEY 216th LEGISLATURE

INTRODUCED MAY 15, 2014

Sponsored by:
Assemblyman VINCENT PRIETO
District 32 (Bergen and Hudson)

SYNOPSIS

Creates Sporting Event Facility License to permit sale of alcoholic beverages in stadiums and arenas on public property.

CURRENT VERSION OF TEXT

As introduced.



A3151 PRIETO

2

1 AN ACT concerning the sale of alcoholic beverages in certain
2 facilities and amending R.S.33:1-12 and R.S.33:1-18.

3

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

6

7 1. R.S.33:1-12 Class C licenses; classifications; fees.

8 33:1-12. Class C licenses shall be subdivided and classified as
9 follows:

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

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.

A3151 PRIETO

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

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

14 Seasonal retail consumption license. 2. The holder of this
15 license shall be entitled, subject to rules and regulations, to sell any
16 alcoholic beverages for consumption on the licensed premises by
17 the glass or other open receptacle, and also to sell any alcoholic
18 beverages in original containers for consumption off the licensed
19 premises, during the summer season from May 1 until November
20 14, inclusive, or during the winter season from November 15 until
21 April 30, inclusive; but this license shall not be issued to permit the
22 sale of alcoholic beverages in or upon any premises in which a
23 grocery, delicatessen, drug store or other mercantile business is
24 carried on, except as hereinafter provided. Subject to such rules
25 and regulations established from time to time by the director, the
26 holder of this license shall be permitted to sell alcoholic beverages
27 in or upon the premises in which any of the following is carried on:
28 the keeping of a hotel or restaurant including the sale of mercantile
29 items incidental thereto as an accommodation to patrons; the sale of
30 distillers', brewers' and vintners' packaged merchandise prepacked
31 as a unit with other suitable objects as gift items to be sold only as a
32 unit; the sale of novelty wearing apparel identified with the name of
33 the establishment licensed under the provisions of this section; the
34 sale of cigars, cigarettes, packaged crackers, chips, nuts and similar
35 snacks and ice at retail as an accommodation to patrons; or the retail
36 sale of nonalcoholic beverages as accessory beverages to alcoholic
37 beverages. The fee for this license shall be fixed by the governing
38 board or body of the municipality in which the licensed premises
39 are situated, by ordinance, at 75% of the fee fixed by said board or
40 body for plenary retail consumption licenses. The governing board
41 or body of each municipality may, by ordinance, enact that no
42 seasonal retail consumption license shall be granted within its
43 respective municipality.

44 Plenary retail distribution license. 3. a. The holder of this license
45 shall be entitled, subject to rules and regulations, to sell any
46 alcoholic beverages for consumption off the licensed premises, but
47 only in original containers; except that licensees shall be permitted
48 to conduct consumer wine, beer, and spirits tasting events and

A3151 PRIETO

1 samplings on a complimentary basis pursuant to conditions
2 established by rules and regulations of the Division of Alcoholic
3 Beverage Control, provided however, that the holder of this license
4 complies with the terms and conditions set forth in section 3 of
5 P.L.2009, c.216 (C.33:1-12d).

6 The governing board or body of each municipality may, by
7 ordinance, enact that this license shall not be issued to permit the
8 sale of alcoholic beverages in or upon any premises in which any
9 other mercantile business is carried on, except that any such
10 ordinance, heretofore or hereafter adopted, shall not prohibit the
11 retail sale of distillers', brewers' and vintners' packaged
12 merchandise prepacked as a unit with other suitable objects as gift
13 items to be sold only as a unit; the sale of novelty wearing apparel
14 identified with the name of the establishment licensed under the
15 provisions of this act; cigars, cigarettes, packaged crackers, chips,
16 nuts and similar snacks, ice, and nonalcoholic beverages as
17 accessory beverages to alcoholic beverages. The fee for this license
18 shall be fixed by the governing board or body of the municipality in
19 which the licensed premises are situated, by ordinance, at not less
20 than \$125 and not more than \$2,500. No ordinance shall be enacted
21 which shall raise or lower the fee to be charged for this license by
22 more than 20% from that charged in the preceding license year or
23 \$500.00, whichever is the lesser. The governing board or body of
24 each municipality may, by ordinance, enact that no plenary retail
25 distribution license shall be granted within its respective
26 municipality.

27 Limited retail distribution license. 3. b. The holder of this
28 license shall be entitled, subject to rules and regulations, to sell any
29 unchilled, brewed, malt alcoholic beverages in quantities of not less
30 than 72 fluid ounces for consumption off the licensed premises, but
31 only in original containers; provided, however, that this license
32 shall be issued only for premises operated and conducted by the
33 licensee as a bona fide grocery store, meat market, meat and
34 grocery store, delicatessen, or other type of bona fide food store at
35 which groceries or other foodstuffs are sold at retail; and provided
36 further that this license shall not be issued except for premises at
37 which the sale of groceries or other foodstuffs is the primary and
38 principal business and at which the sale of alcoholic beverages is
39 merely incidental and subordinate thereto. The fee for this license
40 shall be fixed by the governing body or board of the municipality in
41 which the licensed premises are situated, by ordinance, at not less
42 than \$31 and not more than \$63. The governing board or body of
43 each municipality may, by ordinance, enact that no limited retail
44 distribution license shall be granted within its respective
45 municipality.

46 Plenary retail transit license. 4. The holder of this license shall
47 be entitled, subject to rules and regulations, to sell any alcoholic
48 beverages, for consumption only, on railroad trains, airplanes,

1 limousines and boats, while in transit. The fee for this license for
2 use by a railroad or air transport company shall be \$375, for use by
3 the owners of limousines shall be \$31 per vehicle, and for use on a
4 boat shall be \$63 on a boat 65 feet or less in length, \$125 on a boat
5 more than 65 feet in length but not more than 110 feet in length,
6 and \$375 on a boat more than 110 feet in length; such boat lengths
7 shall be determined in the manner prescribed by the Bureau of
8 Customs of the United States Government or any federal agency
9 successor thereto for boat measurement in connection with issuance
10 of marine documents. A license issued under this provision to a
11 railroad or air transport company shall cover all railroad cars and
12 planes operated by any such company within the State of New
13 Jersey. A license for a boat or limousine issued under this
14 provision shall apply only to the particular boat or limousine for
15 which issued, and shall permit the purchase of alcoholic beverages
16 for sale or service in a boat or limousine to be made from any Class
17 A and B licensee or from any Class C licensee whose license
18 privilege permits the sale of alcoholic beverages in original
19 containers for off-premises consumption. An interest in a plenary
20 retail transit license issued in accordance with this section shall be
21 excluded in determining the maximum number of retail licenses
22 permitted under P.L.1962, c.152 (C.33:1-12.31 et seq.).

23 Club license. 5. The holder of this license shall be entitled,
24 subject to rules and regulations, to sell any alcoholic beverages but
25 only for immediate consumption on the licensed premises and only
26 to bona fide club members and their guests. The fee for this license
27 shall be fixed by the governing board or body of the municipality in
28 which the licensed premises are situated, by ordinance, at not less
29 than \$63 and not more than \$188. The governing board or body of
30 each municipality may, by ordinance, enact that no club licenses
31 shall be granted within its respective municipality. Club licenses
32 may be issued only to such corporations, associations and
33 organizations as are operated for benevolent, charitable, fraternal,
34 social, religious, recreational, athletic, or similar purposes, and not
35 for private gain, and which comply with all conditions which may
36 be imposed by the Director of the Division of Alcoholic Beverage
37 Control by rules and regulations.

38 The provisions of section 23 of P.L.2003, c.117 amendatory of
39 this section shall apply to licenses issued or transferred on or after
40 July 1, 2003, and to license renewals commencing on or after July
41 1, 2003.

42 Sporting event facility license. 6. The holder of this license shall
43 be entitled, subject to rules and regulations, to sell any alcoholic
44 beverages at retail either as the owner, operator, or lessee of a
45 sporting events facility or at the direction of the owner, operator or
46 lessee, for consumption only on the premises of the sporting event
47 facility. For the purposes of this subsection, "sporting event
48 facility" is defined as a stadium, arena, or similar venue located on

1 public property. Notwithstanding any other provision of Title 33 of
2 the Revised Statutes and subject to conditions established by the
3 director, the holder of this license may share direction and control
4 of the premises to be licensed and share proceeds and profits from
5 the sale of alcoholic beverages with the owner, operator, or lessee
6 of the facility. The fee for this license shall be \$2,500 for venues
7 with a capacity of less than 7,500 persons; \$5,000 for venues with a
8 capacity of not less than 7,500 persons but not more than 14,999
9 persons; \$7,500 for venues with a capacity of not less than 15,000
10 persons but not more than 22,499 persons; and \$10,000 for venues
11 with a capacity of 22,500 persons or more.

12 (cf: P.L.2009, c.216, s.1)

13

14 2. R.S.33:1-18 is amended to read as follows:

15 33:1-18. It shall be the duty of the **【commissioner】** director to
16 administer the issuance of manufacturers', wholesalers', plenary
17 retail transit, sporting event facility, vendor, transportation and
18 public warehouse licenses, in accordance with this chapter.

19 (cf: R.S.33:1-18)

20

21 3. This act shall take effect on the first day of the third month
22 following enactment.

23

24

25

STATEMENT

26

27 This bill establishes a Sporting Event Facility License which
28 would permit the license holder to sell alcoholic beverages at retail
29 either as the owner, operator, or lessee of a sporting events facility,
30 or at the direction of the owner, operator or lessee. The license
31 permits the sale of alcoholic beverages for consumption only on the
32 premises of the sporting event facility. Subject to conditions
33 established by the Director of the Division of Alcoholic Beverage
34 Control, the license holder may share direction and control of the
35 licensed premises and proceeds and profits from the sale of
36 alcoholic beverages with the owner, operator, or lessee, of the
37 facility. The bill defines a "sporting event facility" as a stadium,
38 arena, or similar venue located on public property.

39 The annual fee for this license would be \$2,500 for a venue with
40 a capacity of less than 7,500 persons; \$5,000 for a venue with a
41 capacity of at least 7,500 persons but not more than 14,999 persons;
42 \$7,500 for a venue with a capacity of at least 15,000 persons but not
43 more than 22,499 persons; and \$10,000 for venues with a capacity
44 of 22,500 persons or more.

45 Under current law, the director may issue a Special Annual
46 Concessionaire Permit for the sale of alcoholic beverages in a
47 public building, including stadiums and arenas. The fee for this
48 permit is \$2,000 annually.

A3151 PRIETO

7

1 The bill provides that the director would administer the issuance
2 of the Sporting Event Facility License. Under current law, the
3 director administers manufacturers', wholesalers', plenary retail
4 transit, vendor, transportation, and public warehouse licenses.

LEGISLATIVE FISCAL ESTIMATE
ASSEMBLY, No. 3151
STATE OF NEW JERSEY
216th LEGISLATURE

DATED: JUNE 10, 2015

SUMMARY

Synopsis: Creates Sporting Event Facility License to permit sale of alcoholic beverages in stadiums and arenas on public property.

Type of Impact: Indeterminate.

Agencies Affected: Department of Law and Public Safety; Division of Alcoholic Beverage Control.

Office of Legislative Services Estimate

Fiscal Impact	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
State Cost and Revenue	Indeterminate – See comments below.		
Local Cost and Revenue	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 revenue from licensing fees which will be partially offset by administration and regulation expenditures. It is unknown how many sporting facilities would request, and be approved for, this new license.
- Establish a Sporting Event Facility License which would permit the license holder to sell alcoholic beverages at retail only on the premises of the sporting facility.
- The annual fee for this license would be \$2,500 for a venue with a capacity of less than 7,500 persons; \$5,000 for a venue with a capacity of at least 7,500 persons but not more than 14,999 persons; \$7,500 for a venue with a capacity of at least 15,000 persons but not more than 22,499 persons; and \$10,000 for a venue with a capacity of 22,500 persons or more.

BILL DESCRIPTION

Assembly Bill No. 3151 of 2014 would establish a Sporting Event Facility License which would permit the license holder to sell alcoholic beverages at retail either as the owner, operator, or lessee of a sporting events facility, or at the direction of the owner, operator or lessee.

The license permits the sale of alcoholic beverages for consumption only on the premises of the sporting event facility. Subject to conditions established by the Director of the Division of Alcoholic Beverage Control, the license holder may share direction and control of the licensed premises and proceeds and profits from the sale of alcoholic beverages with the owner, operator, or lessee, of the facility. The bill defines a “sporting event facility” as a stadium, arena, or similar venue located on public property.

The annual fee for this license would be \$2,500 for a venue with a capacity of less than 7,500 persons; \$5,000 for a venue with a capacity of at least 7,500 persons but not more than 14,999 persons; \$7,500 for a venue with a capacity of at least 15,000 persons but not more than 22,499 persons; and \$10,000 for a venue with a capacity of 22,500 persons or more.

Under current law, the director may issue a special annual concessionaire permit for the sale of alcoholic beverages in a public building, including stadiums and arenas. The fee for this permit is \$2,000 annually.

The bill provides that the director would administer the issuance of the Sporting Event Facility License. Under current law, the director administers manufacturers’, wholesalers’, plenary retail transit, vendor, transportation, and public warehouse licenses.

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 revenue from licensing fees which will be partially offset by administration and regulatory expenditures. It is unknown how many sporting facilities would request, and be approved for, this new license.

According to a recent annual report by the division’s Licensing Bureau, the division renews more than 9,000 retail licenses, 800 wholesale licenses, 18,000 permits and over 60,000 brand registrations. The division issues certain liquor licenses based on municipal population. Plenary retail consumption licenses may not exceed one for each 3,000 residents in a municipality. Plenary retail distribution licenses may not exceed more than one for each 7,500 residents. Special annual licenses are not issued based on population, such as the concessionaire permit, club licenses, and other permits.

The sporting event facility license would be an additional retail license in the State. The bill defines a sporting event facility as a stadium, arena, or similar venue on public property. Under current law, the director may issue a special annual concessionaire permit for the sale of alcoholic beverages in a public building, including stadiums and arenas. The fee for this permit is \$2,000 annually.

The licensing fee structure outlined in the proposed legislation indicates that this bill would cover sporting event venues with a capacity ranging from 1 person up to infinity. The bill notes that the annual fee for this license would be \$2,500 for a venue with a capacity of less than 7,500 persons; \$5,000 for a venue with a capacity of at least 7,500 persons but not more than 14,999 persons; \$7,500 for a venue with a capacity of at least 15,000 persons but not more than 22,499 persons; and \$10,000 for a venue with a capacity of 22,500 persons or more. It is unknown how

many sporting event facilities on public property may petition the division for the purchase of one of these licenses.

In addition to the licensing revenue of the newly licensed venues, the proposed bill may generate additional sales tax revenue in any location that had not already been selling alcohol under a temporary permit provided by the division.

Section: Law and Public Safety

*Analyst: Kristin Brunner Santos
Senior Fiscal Analyst*

*Approved: David J. Rosen
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.).

ASSEMBLY BUDGET COMMITTEE

STATEMENT TO

ASSEMBLY, No. 3151

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 23, 2015

The Assembly Budget Committee reports favorably Assembly Bill No. 3151, with committee amendments.

As amended, this bill establishes a Sporting Facility License which permits the license holder to sell at retail or serve alcoholic beverages as the owner, operator, lessee, or concessionaire of a sporting facility. The license permits the sale of alcoholic beverages by the glass or other receptacle or in original containers for consumption only on the premises of the sporting facility. Subject to conditions established by the Director of the Division of Alcoholic Beverage Control, the bill allows the license holder to share direction and control of the licensed premises and proceeds and profits from the sale of alcoholic beverages with the owner, operator, concessionaire, or lessee of the facility.

The bill defines a “sporting facility” as a stadium, arena, team training facility, or similar venue located on public property where alcoholic beverages are served or sold at retail for consumption on the premises by the glass or in original containers. The bill defines “team training facility” to include team offices and team headquarters.

The bill authorizes the license holder to conduct consumer wine, beer, and spirits tasting events and samplings for a fee or on a complimentary basis subject to current law governing these events and samplings. The bill also authorizes all-inclusive areas within the licensed sporting facility, but these all-inclusive areas would be limited by the bill to one area within the sporting facility for each game or event and the capacity of the all-inclusive area could not exceed 500 persons.

The annual fee for a sporting facility license will be \$2,500 for a venue with a capacity of less than 7,500 persons; \$5,000 for a venue with a capacity of at least 7,500 persons but not more than 14,999 persons; \$7,500 for a venue with a capacity of at least 15,000 persons but not more than 22,499 persons; and \$10,000 for venues with a capacity of 22,500 persons or more.

Under current law, the director may issue a Special Annual Concessionaire Permit for the sale of alcoholic beverages in public buildings, including stadiums and arenas. The fee for a concessionaire permit is \$2,000 annually. The sporting facility license established by

the amended bill will permit a venue such as MetLife Stadium, which is a privately-owned building situated on public property, to serve alcoholic beverages to patrons attending a sporting event in a stadium or arena.

As amended and reported by the committee, this bill is identical to Senate Bill No. 756 (1R).

COMMITTEE AMENDMENTS:

The committee amended the bill to:

(1) change the name of the license from “sporting event facility license to “sporting facility license”;

(2) allow concessionaires, in addition to owners, operators, and lessees, to sell or serve alcoholic beverages under this license and to allow the license holder to share with concessionaires direction and control of the premises and profits from the sale of alcoholic beverages under this license;

(3) include a team training facility in the definition of a sporting facility and specify that a training facility includes team offices and headquarters;

(4) allow the license holder to conduct consumer wine, beer, and spirits tasting events and samplings; and

(5) allow the license holder to establish one all-inclusive area in a sporting facility for each game or event the capacity of which would be limited to 500 people.

FISCAL IMPACT:

The Office of Legislative Services (OLS) finds that through this proposed legislation the Division of Alcoholic Beverage Control will collect an indeterminate amount of revenue from licensing fees for both the sporting facility license and the tasting or sampling license, which will be partially offset by administration and regulation expenditures. It is unknown how many sporting facilities located on public property would apply and be approved for this new license.

According to a recent annual report by the division’s Licensing Bureau, the division renews more than 9,000 retail licenses, and 18,000 permits. The division issues certain liquor licenses based on municipal population. Plenary retail consumption licenses may not exceed one for each 3,000 residents in a municipality. Plenary retail distribution licenses may not exceed more than one for each 7,500 residents. Special annual licenses are issued based on population, such as the concessionaire permit, club license and other permits.

The sporting facility license will be an additional retail license in the State. Under current law, the director may issue a special annual concessionaire permit for the sale of alcoholic beverages in a public building, including stadiums and arenas. For example, concessionaire permits have been issued in the past to the Meadowlands, state college pubs, municipally owned golf courses, marinas and similar facilities.

The fee for this permit is \$2,000 annually. It is unknown how many sporting facilities on public property may apply to the division for the purchase of one of the new licenses.

Additionally, the bill permits complementary or fee-based tasting and sampling events for wine, spirits, and beer. The division grants tasting and sampling permits for \$200 for each occasion plus \$200 for each solicitor. It is unknown how often each licensee would request a permit to host a sampling or tasting; however, with each permit request the division would receive additional revenue which would be partially offset by division administration and regulation expenditures.

The bill proposes an all-inclusive component of the liquor license in a contained area for up to 500 persons. The OLS assumes that “all-inclusive” means that all food and beverages are included for one set price. Currently under N.J.A.C. 13:2-23.16, aside from certain occasions such as New Year’s Eve functions, weddings, birthdays, and events held by social affair permittees, a licensee is prohibited from serving patrons an unlimited alcoholic beverages for one set price.

In addition to the licensing revenue from the newly licensed venues, the proposed bill may generate additional sales tax revenue in any location that is not currently selling alcohol under a temporary permit provided by the division.

LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

ASSEMBLY, No. 3151

STATE OF NEW JERSEY 216th LEGISLATURE

DATED: JUNE 29, 2015

SUMMARY

- Synopsis:** Creates sporting facility license governing sale of alcoholic beverages under certain circumstances.
- Type of Impact:** Indeterminate.
- Agencies Affected:** Department of Law and Public Safety; Division of Alcoholic Beverage Control.

Office of Legislative Services Estimate

Fiscal Impact	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
State Cost and Revenue	Indeterminate – See comments below.		
Local Cost and Revenue	No Impact- 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 revenue from licensing fees, from both the sporting facility license and the tasting or sampling license, which will be partially offset by administration and regulation expenditures. It is unknown how many sporting facilities located on public property would apply, and be approved for, this new license. This should have no impact to municipalities as the division is solely responsible for granting the license created by this bill.
- Creates sporting facility license governing the retail sale of alcoholic beverages for consumption on the premises of a sporting facility, including a team training facility, located on public property.
- The annual fee for this license would be \$2,500 for a venue with a capacity of less than 7,500 persons; \$5,000 for a venue with a capacity of at least 7,500 persons but not more than 14,999 persons; \$7,500 for a venue with a capacity of at least 15,000 persons but not more than 22,499 persons; and \$10,000 for a venue with a capacity of 22,500 persons or more.

- Permits an all-inclusive component of the liquor license in a contained area for up to 500 persons. Currently under N.J.A.C. 13:2-23.16, aside from certain occasions, a licensee is prohibited from serving patrons an unlimited availability of alcoholic beverages for one set price.
- Permits wine, spirits, and beer tasting and sampling events complementary or for a fee. The division grants tasting and sampling permits for \$200 for each occasion plus \$200 for each solicitor pursuant to section 3 of P.L.2009, c.216 (C. 33:1-12d) and the regulations promulgated pursuant to that section.

BILL DESCRIPTION

Assembly Bill No. 3151 (1R) of 2014 would establish a Sporting Facility License which would permit the license holder to sell alcoholic beverages at retail either as the owner, operator, concessionaire, or lessee of a sporting facility, or at the direction of the owner, operator or lessee.

The license permits the sale of alcoholic beverages for consumption only on the premises of the sporting facility. Subject to conditions established by the Director of the Division of Alcoholic Beverage Control, the license holder may share direction and control of the licensed premises and proceeds and profits from the sale of alcoholic beverages with the owner, operator, concessionaire, or lessee, of the facility. The bill defines a “sporting facility” as a stadium, arena, team training facility, or similar venue located on public property.

The annual fee for this license would be \$2,500 for a venue with a capacity of less than 7,500 persons; \$5,000 for a venue with a capacity of at least 7,500 persons but not more than 14,999 persons; \$7,500 for a venue with a capacity of at least 15,000 persons but not more than 22,499 persons; and \$10,000 for a venue with a capacity of 22,500 persons or more.

Under current law, the director may issue a special annual concessionaire permit for the sale of alcoholic beverages in a public building, including stadiums and arenas. The fee for this permit is \$2,000 annually.

The bill provides that the director would administer the issuance of the sporting facility license. Under current law, the director administers manufacturers’, wholesalers’, plenary retail transit, vendor, transportation, and public warehouse licenses.

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 revenue from licensing fees for both the sporting facility license and the tasting or sampling license, which will be partially offset by administration and regulation expenditures. It is unknown how many sporting facilities located on public property would apply and be approved for this new license.

According to a recent annual report by the division's Licensing Bureau, the division renews more than 9,000 retail licenses, 800 wholesale licenses, 18,000 permits and over 60,000 brand registrations. The division issues certain liquor licenses based on municipal population. Plenary retail consumption licenses may not exceed one for each 3,000 residents in a municipality. Plenary retail distribution licenses may not exceed more than one for each 7,500 residents. Special annual licenses are issued based on population, such as the concessionaire permit, club license and other permits.

The sporting facility license would be an additional retail license in the State. The bill defines a sporting facility as a stadium, team training facility, arena, or similar venue on public property. Under current law, the director may issue a special annual concessionaire permit for the sale of alcoholic beverages in a public building, including stadiums and arenas. For example, concessionaire permits have been issued in the past to the Meadowlands, state college pubs, municipally owned golf courses, marinas and similar facilities. The fee for this permit is \$2,000 annually.

The licensing fee structure outlined in the proposed legislation indicates that sporting facility venues with a capacity ranging from 1 person up to infinity would be eligible for this license. The bill provides that the annual fee for this license would be \$2,500 for a venue with a capacity of less than 7,500 persons; \$5,000 for a venue with a capacity of at least 7,500 persons but not more than 14,999 persons; \$7,500 for a venue with a capacity of at least 15,000 persons but not more than 22,499 persons; and \$10,000 for a venue with a capacity of 22,500 persons or more. It is unknown how many sporting facilities on public property may apply to the division for the purchase of one of these licenses.

Additionally, the bill permits complementary or fee based tasting and sampling events for wine, spirits, and beer. The division grants tasting and sampling permits for \$200 for each occasion plus \$200 for each solicitor pursuant to section 3 of P.L.2009, c.216 (C. 33:1-12d) and the regulations promulgated pursuant to that section. It is unknown how often each licensee would request a permit to host a sampling or tasting; however, with each permit request the division would receive additional revenue which would be partially offset by division administration and regulation expenditures.

The bill proposes an all-inclusive component of the liquor license in a contained area for up to 500 persons. OLS presumes that "all-inclusive" means that all food and beverages are included for one set price. Currently under N.J.A.C. 13:2-23.16, aside from certain occasions such as New Year's Eve functions, weddings, birthdays, and events held by social affair permittees, a licensee is prohibited from serving patrons an unlimited alcoholic beverages for one set price.

In addition to the licensing revenue from the newly licensed venues, the proposed bill may generate additional sales tax revenue in any location that is not currently selling alcohol under a temporary permit provided by the division.

Section: Law and Public Safety
Analyst: Kristin Brunner Santos
Senior Fiscal Analyst
Approved: David J. Rosen
Legislative Budget and Finance Officer

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