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LAW/IS 6/20/08

P.L. 2007, CHAPTER 329, *approved January 13, 2008*
Assembly, No. 4025 (*Second Reprint*)

1 AN ACT concerning winemaking and amending R.S.33:1-10 and
2 R.S.33:1-75.

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. The fee for this license shall be \$10,625.

17 Limited brewery license. 1b. The holder of this license shall be
18 entitled, subject to rules and regulations, to brew any malt alcoholic
19 beverages in a quantity to be expressed in said license, dependent
20 upon the following fees and not in excess of 300,000 barrels of 31
21 fluid gallons capacity per year and to sell and distribute this product
22 to wholesalers and retailers licensed in accordance with this
23 chapter, and to sell and distribute without this State to any persons
24 pursuant to the laws of the places of such sale and distribution, and
25 to maintain a warehouse. The fee for this license shall be graduated
26 as follows: to so brew not more than 50,000 barrels of 31 fluid
27 gallons capacity per annum, \$1,250; to so brew not more than
28 100,000 barrels of 31 fluid gallons capacity per annum, \$2,500; to
29 so brew not more than 200,000 barrels of 31 fluid gallons capacity
30 per annum, \$5,000; to so brew not more than 300,000 barrels of 31
31 fluid gallons capacity per annum, \$7,500.

32 Restricted brewery license. 1c. The holder of this license shall
33 be entitled, subject to rules and regulations, to brew any malt
34 alcoholic beverages in a quantity to be expressed in such license not
35 in excess of 3,000 barrels of 31 fluid gallons capacity per year.
36 Notwithstanding the provisions of R.S.33:1-26, the director shall
37 issue a restricted brewery license only to a person or an entity
38 which has identical ownership to an entity which holds a plenary
39 retail consumption license issued pursuant to R.S.33:1-12, provided
40 that such plenary retail consumption license is operated in
41 conjunction with a restaurant regularly and principally used for 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:

¹Assembly ALP committee amendments adopted June 14, 2007.

²Assembly ALP committee amendments adopted November 19, 2007.

1 purpose of providing meals to its customers and having adequate
2 kitchen and dining room facilities, and that the licensed restaurant
3 premises is immediately adjoining the premises licensed as a
4 restricted brewery. The holder of this license shall only be entitled
5 to sell or deliver the product to that restaurant premises. The fee for
6 this license shall be \$1,250, which fee shall entitle the holder to
7 brew up to 1,000 barrels of 31 fluid gallons per annum. The
8 licensee also shall pay an additional \$625 for every additional 1,000
9 barrels of 31 fluid gallons produced. No more than two restricted
10 brewery licenses shall be issued to a person or entity which holds an
11 interest in a plenary retail consumption license. If the governing
12 body of the municipality in which the licensed premises will be
13 located should file a written objection, the director shall hold a
14 hearing and may issue the license only if the director finds that the
15 issuance of the license will not be contrary to the public interest.
16 All fees related to the issuance of both licenses shall be paid in
17 accordance with statutory law.

18 Plenary winery license. 2a. Provided that the holder is engaged
19 in growing and cultivating grapes or fruit used in the production of
20 wine on at least three acres on, or adjacent to, the winery premises,
21 the holder of this license shall be entitled, subject to rules and
22 regulations, to produce any fermented wines, and to blend, fortify
23 and treat wines, and to sell and distribute his products to
24 wholesalers and retailers licensed in accordance with this chapter
25 and to churches for religious purposes, and to sell and distribute
26 without this State to any persons pursuant to the laws of the places
27 of such sale and distribution, and to maintain a warehouse, and to
28 sell his products at retail to consumers on the licensed premises of
29 the winery for consumption on or off the premises and to offer
30 samples for sampling purposes only. The fee for this license shall
31 be \$938. The holder of this license shall also have the right to sell
32 such wine at retail in original packages in six salesrooms apart from
33 the winery premises for consumption on or off the premises and for
34 sampling purposes for consumption on the premises, at a fee of
35 \$250 for each salesroom. Additionally, subject to rules and
36 regulations, one salesroom per county may be jointly controlled and
37 operated by at least two plenary or farm winery licensees for the
38 sale of the products of any plenary or farm winery licensee for
39 consumption on or off the premises and for consumption on the
40 licensed premises for sampling purposes at an additional fee of
41 \$625 per county salesroom. For the purposes of this subsection,
42 "sampling" means the selling at a nominal charge or the gratuitous
43 offering of an open container not exceeding one and one-half
44 ounces of any wine.

45 For the purposes of this subsection, "product" means any wine
46 that is produced, blended, fortified, or treated by the licensee on its
47 licensed premises situated in the State of New Jersey.

48 Any holder of a plenary winery license who sold wine which was
49 produced, bottled, and labelled by that holder in a place other than

1 its licensed New Jersey premises between July 1, 1992 and June 30,
2 1993, may continue to sell that wine provided no more than 25,000
3 cases, each case consisting of 12 750 milliliter bottles or the
4 equivalent, are sold in any single license year. This privilege shall
5 terminate upon, and not survive, any transfer of the license to
6 another person or entity subsequent to the effective date of this
7 1993 amendatory act or any transfer of stock of the licensed
8 corporation other than to children, grandchildren, parents, spouses
9 or siblings of the existing stockholders.

10 Farm winery license. 2b. The holder of this license shall be
11 entitled, subject to rules and regulations, to manufacture any
12 fermented wines and fruit juices in a quantity to be expressed in
13 said license, dependent upon the following fees and not in excess of
14 50,000 gallons per year and to sell and distribute his products to
15 wholesalers and retailers licensed in accordance with this chapter
16 and to churches for religious purposes and to sell and distribute
17 without this State to any persons pursuant to the laws of the places
18 of such sale and distribution, and to maintain a warehouse and to
19 sell at retail to consumers for consumption on or off the licensed
20 premises and to offer samples for sampling purposes only. The
21 license shall be issued only when the winery at which such
22 fermented wines and fruit juices are manufactured is located and
23 constructed upon a tract of land exclusively under the control of the
24 licensee, provided that the licensee is actively engaged in growing
25 and cultivating an area of not less than three acres on or adjacent to
26 the winery premises and on which are growing grape vines or fruit
27 to be processed into wine or fruit juice; and provided, further, that
28 for the first five years of the operation of the winery such fermented
29 wines and fruit juices shall be manufactured from at least 51%
30 grapes or fruit grown in the State and that thereafter they shall be
31 manufactured from grapes or fruit grown in this State at least to the
32 extent required for labeling as "New Jersey Wine" under the
33 applicable federal laws and regulations. The containers of all wine
34 sold to consumers by such licensee shall have affixed a label stating
35 such information as shall be required by the rules and regulations of
36 the Director of the Division of Alcoholic Beverage Control. The
37 fee for this license shall be graduated as follows: to so manufacture
38 between 30,000 and 50,000 gallons per annum, \$375; to so
39 manufacture between 2,500 and 30,000 gallons per annum, \$250; to
40 so manufacture between 1,000 and 2,500 gallons per annum, \$125;
41 to so manufacture less than 1,000 gallons per annum, \$63. No farm
42 winery license shall be held by the holder of a plenary winery
43 license or be situated on a premises licensed as a plenary winery.

44 The holder of this license shall also have the right to sell his
45 products in original packages at retail to consumers in six
46 salesrooms apart from the winery premises for consumption on or
47 off the premises, and for sampling purposes for consumption on the
48 premises, at a fee of \$250 for each salesroom. Additionally, subject
49 to rules and regulations, one salesroom per county may be jointly

1 controlled and operated by at least two plenary or farm winery
2 licensees for the sale of the products of any plenary or farm winery
3 licensee for consumption on or off the premises and for
4 consumption on the licensed premises for sampling purposes only,
5 at an additional fee of \$625 per county salesroom. For the purposes
6 of this subsection, "sampling" means the selling at a nominal charge
7 or the gratuitous offering of an open container not exceeding one
8 and one-half ounces of any wine.

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

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

22 Instructional winemaking facility license. 2d. The holder of this
23 license shall be entitled, subject to rules and regulations, to instruct
24 persons in and provide them with the opportunity to participate
25 directly in the process of winemaking and to directly assist such
26 persons in the process of winemaking while in the process of
27 instruction on the premises of the facility. The holder of this
28 license also shall be entitled to manufacture wine on the premises
29 not in excess of an amount of ²[20%] 10%² of the wine produced
30 annually on the premises of the facility, which shall be used only to
31 replace quantities lost or discarded during the winemaking process,
32 to maintain a warehouse, and to offer samples ²produced by persons
33 who have received instruction in winemaking on the premises by
34 the licensee² for sampling purposes only on ²[and off]² the
35 licensed premises for the purpose of promoting winemaking for
36 personal or household use or consumption. Wine produced on the
37 premises of an instructional winemaking facility shall be used,
38 consumed or disposed of on the facility's premises ²[or a premises
39 utilized for sampling purposes]² or distributed from the facility's
40 premises to a person who has participated directly in the process of
41 winemaking for the person's personal or household use or
42 consumption. ¹[The holder of this license also shall be entitled to
43 serve alcoholic beverages for consumption at events held on the
44 premises of the facility for the purpose of promoting winemaking
45 for personal or household use or consumption.]¹ The holder of this
46 license may sell mercantile items traditionally associated with
47 winemaking and novelty wearing apparel identified with the name
48 of the establishment licensed under the provisions of this section.

1 ~~2~~2~~Nothing in this section shall be construed to prohibit the~~ The²
2 holder of this license ~~2~~2~~from permitting a person to~~ may² use the
3 licensed premises for an event or affair, including an event or affair
4 at which a plenary retail consumption licensee serves alcoholic
5 beverages in compliance with all applicable statutes and regulations
6 promulgated by the director. The fee for this license shall be
7 ~~2~~2~~established by the director~~ \$1,000². For the purposes of this
8 subsection, "sampling" means the ~~2~~2~~selling at a nominal charge or~~
9 ~~the~~² gratuitous offering of an open container not exceeding one
10 and one-half ounces of any wine.

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

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

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

43 Rectifier and blender license. 4. The holder of this license shall
44 be entitled, subject to rules and regulations, to rectify, blend, treat
45 and mix distilled alcoholic beverages, and to fortify, blend, and
46 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 license
5 shall be entitled, subject to rules and regulations, to bottle alcoholic
6 beverages in bond on behalf of all persons authorized by federal and
7 State law and regulations to withdraw alcoholic beverages from
8 bond. The fee for this license shall be \$625. This license shall be
9 issued only to persons holding permits to operate Internal Revenue
10 bonded warehouses pursuant to the laws of the United States.

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

15 (cf: P.L.2004, c.102, s.1)

16

17 2. R.S.33:1-75 is amended to read as follows:

18 33:1-75. a. The director may, subject to rules and regulations,
19 issue special permits authorizing the manufacture by a person who
20 is 21 years of age or older, within a home or other noncommercial
21 premises, of wines or malt alcoholic beverages in quantities not
22 exceeding 200 gallons per calendar year for the person's personal or
23 household use or consumption.

24 b. The director may, subject to rules and regulations, issue
25 special permits authorizing the manufacture of wines in an
26 instructional winemaking facility by a person who is 21 years of age
27 or older, residing within or without this State, in quantities not
28 exceeding 200 gallons per calendar year for the person's personal or
29 household use or consumption.

30 c. The director shall, by regulation, establish a reasonable fee
31 to cover the costs incurred in issuing the special permits required by
32 this section.

33 d. A person manufacturing wines or malt alcoholic beverages
34 pursuant to this section shall not be liable for any tax imposed under
35 the "Alcoholic beverage tax law," R.S.54:41-1 et seq.

36 (cf: P.L.1991, c.302, s.1)

37

38 3. This act shall take effect on the first day of the third month
39 after enactment.

40

41

42

43

44 _____
45 Creates new alcoholic beverage license for facilities that teach
winemaking.

ASSEMBLY, No. 4025

STATE OF NEW JERSEY 212th LEGISLATURE

INTRODUCED FEBRUARY 26, 2007

Sponsored by:

Assemblywoman JOAN M. QUIGLEY

District 32 (Bergen and Hudson)

Assemblyman JOSEPH J. ROBERTS, JR.

District 5 (Camden and Gloucester)

Assemblyman VINCENT PRIETO

District 32 (Bergen and Hudson)

SYNOPSIS

Creates new alcoholic beverage license for facilities that teach winemaking.

CURRENT VERSION OF TEXT

As introduced.



A4025 QUIGLEY, ROBERTS

2

1 AN ACT concerning winemaking and amending R.S.33:1-10 and
2 R.S.33:1-75.

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. The fee for this license shall be \$10,625.

17 Limited brewery license. 1b. The holder of this license shall be
18 entitled, subject to rules and regulations, to brew any malt alcoholic
19 beverages in a quantity to be expressed in said license, dependent
20 upon the following fees and not in excess of 300,000 barrels of 31
21 fluid gallons capacity per year and to sell and distribute this product
22 to wholesalers and retailers licensed in accordance with this
23 chapter, and to sell and distribute without this State to any persons
24 pursuant to the laws of the places of such sale and distribution, and
25 to maintain a warehouse. The fee for this license shall be graduated
26 as follows: to so brew not more than 50,000 barrels of 31 fluid
27 gallons capacity per annum, \$1,250; to so brew not more than
28 100,000 barrels of 31 fluid gallons capacity per annum, \$2,500; to
29 so brew not more than 200,000 barrels of 31 fluid gallons capacity
30 per annum, \$5,000; to so brew not more than 300,000 barrels of 31
31 fluid gallons capacity per annum, \$7,500.

32 Restricted brewery license. 1c. The holder of this license shall
33 be entitled, subject to rules and regulations, to brew any malt
34 alcoholic beverages in a quantity to be expressed in such license not
35 in excess of 3,000 barrels of 31 fluid gallons capacity per year.
36 Notwithstanding the provisions of R.S.33:1-26, the director shall
37 issue a restricted brewery license only to a person or an entity
38 which has identical ownership to an entity which holds a plenary
39 retail consumption license issued pursuant to R.S.33:1-12, provided
40 that such plenary retail consumption license is operated in
41 conjunction with a restaurant regularly and principally used for the
42 purpose of providing meals to its customers and having adequate
43 kitchen and dining room facilities, and that the licensed restaurant
44 premises is immediately adjoining the premises licensed as a
45 restricted brewery. The holder of this license shall only be entitled

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 sell or deliver the product to that restaurant premises. The fee for
2 this license shall be \$1,250, which fee shall entitle the holder to
3 brew up to 1,000 barrels of 31 fluid gallons per annum. The
4 licensee also shall pay an additional \$625 for every additional 1,000
5 barrels of 31 fluid gallons produced. No more than two restricted
6 brewery licenses shall be issued to a person or entity which holds an
7 interest in a plenary retail consumption license. If the governing
8 body of the municipality in which the licensed premises will be
9 located should file a written objection, the director shall hold a
10 hearing and may issue the license only if the director finds that the
11 issuance of the license will not be contrary to the public interest.
12 All fees related to the issuance of both licenses shall be paid in
13 accordance with statutory law.

14 Plenary winery license. 2a. Provided that the holder is engaged
15 in growing and cultivating grapes or fruit used in the production of
16 wine on at least three acres on, or adjacent to, the winery premises,
17 the holder of this license shall be entitled, subject to rules and
18 regulations, to produce any fermented wines, and to blend, fortify
19 and treat wines, and to sell and distribute his products to
20 wholesalers and retailers licensed in accordance with this chapter
21 and to churches for religious purposes, and to sell and distribute
22 without this State to any persons pursuant to the laws of the places
23 of such sale and distribution, and to maintain a warehouse, and to
24 sell his products at retail to consumers on the licensed premises of
25 the winery for consumption on or off the premises and to offer
26 samples for sampling purposes only. The fee for this license shall
27 be \$938. The holder of this license shall also have the right to sell
28 such wine at retail in original packages in six salesrooms apart from
29 the winery premises for consumption on or off the premises and for
30 sampling purposes for consumption on the premises, at a fee of
31 \$250 for each salesroom. Additionally, subject to rules and
32 regulations, one salesroom per county may be jointly controlled and
33 operated by at least two plenary or farm winery licensees for the
34 sale of the products of any plenary or farm winery licensee for
35 consumption on or off the premises and for consumption on the
36 licensed premises for sampling purposes at an additional fee of
37 \$625 per county salesroom. For the purposes of this subsection,
38 "sampling" means the selling at a nominal charge or the gratuitous
39 offering of an open container not exceeding one and one-half
40 ounces of any wine.

41 For the purposes of this subsection, "product" means any wine
42 that is produced, blended, fortified, or treated by the licensee on its
43 licensed premises situated in the State of New Jersey.

44 Any holder of a plenary winery license who sold wine which was
45 produced, bottled, and labelled by that holder in a place other than
46 its licensed New Jersey premises between July 1, 1992 and June 30,
47 1993, may continue to sell that wine provided no more than 25,000
48 cases, each case consisting of 12 750 milliliter bottles or the

1 equivalent, are sold in any single license year. This privilege shall
2 terminate upon, and not survive, any transfer of the license to
3 another person or entity subsequent to the effective date of this
4 1993 amendatory act or any transfer of stock of the licensed
5 corporation other than to children, grandchildren, parents, spouses
6 or siblings of the existing stockholders.

7 Farm winery license. 2b. The holder of this license shall be
8 entitled, subject to rules and regulations, to manufacture any
9 fermented wines and fruit juices in a quantity to be expressed in
10 said license, dependent upon the following fees and not in excess of
11 50,000 gallons per year and to sell and distribute his products to
12 wholesalers and retailers licensed in accordance with this chapter
13 and to churches for religious purposes and to sell and distribute
14 without this State to any persons pursuant to the laws of the places
15 of such sale and distribution, and to maintain a warehouse and to
16 sell at retail to consumers for consumption on or off the licensed
17 premises and to offer samples for sampling purposes only. The
18 license shall be issued only when the winery at which such
19 fermented wines and fruit juices are manufactured is located and
20 constructed upon a tract of land exclusively under the control of the
21 licensee, provided that the licensee is actively engaged in growing
22 and cultivating an area of not less than three acres on or adjacent to
23 the winery premises and on which are growing grape vines or fruit
24 to be processed into wine or fruit juice; and provided, further, that
25 for the first five years of the operation of the winery such fermented
26 wines and fruit juices shall be manufactured from at least 51%
27 grapes or fruit grown in the State and that thereafter they shall be
28 manufactured from grapes or fruit grown in this State at least to the
29 extent required for labeling as "New Jersey Wine" under the
30 applicable federal laws and regulations. The containers of all wine
31 sold to consumers by such licensee shall have affixed a label stating
32 such information as shall be required by the rules and regulations of
33 the Director of the Division of Alcoholic Beverage Control. The
34 fee for this license shall be graduated as follows: to so manufacture
35 between 30,000 and 50,000 gallons per annum, \$375; to so
36 manufacture between 2,500 and 30,000 gallons per annum, \$250; to
37 so manufacture between 1,000 and 2,500 gallons per annum, \$125;
38 to so manufacture less than 1,000 gallons per annum, \$63. No farm
39 winery license shall be held by the holder of a plenary winery
40 license or be situated on a premises licensed as a plenary winery.

41 The holder of this license shall also have the right to sell his
42 products in original packages at retail to consumers in six
43 salesrooms apart from the winery premises for consumption on or
44 off the premises, and for sampling purposes for consumption on the
45 premises, at a fee of \$250 for each salesroom. Additionally, subject
46 to rules and regulations, one salesroom per county may be jointly
47 controlled and operated by at least two plenary or farm winery
48 licensees for the sale of the products of any plenary or farm winery

1 licensee for consumption on or off the premises and for
2 consumption on the licensed premises for sampling purposes only,
3 at an additional fee of \$625 per county salesroom. For the purposes
4 of this subsection, "sampling" means the selling at a nominal charge
5 or the gratuitous offering of an open container not exceeding one
6 and one-half ounces of any wine.

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

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

20 Instructional winemaking facility license. 2d. The holder of this
21 license shall be entitled, subject to rules and regulations, to instruct
22 persons in and provide them with the opportunity to participate
23 directly in the process of winemaking and to directly assist such
24 persons in the process of winemaking while in the process of
25 instruction on the premises of the facility. The holder of this
26 license also shall be entitled to manufacture wine on the premises
27 not in excess of an amount of 20% of the wine produced annually
28 on the premises of the facility, which shall be used only to replace
29 quantities lost or discarded during the winemaking process, to
30 maintain a warehouse, and to offer samples for sampling purposes
31 only on and off the licensed premises for the purpose of promoting
32 winemaking for personal or household use or consumption. Wine
33 produced on the premises of an instructional winemaking facility
34 shall be used, consumed or disposed of on the facility's premises or
35 a premises utilized for sampling purposes or distributed from the
36 facility's premises to a person who has participated directly in the
37 process of winemaking for the person's personal or household use
38 or consumption. The holder of this license also shall be entitled to
39 serve alcoholic beverages for consumption at events held on the
40 premises of the facility for the purpose of promoting winemaking
41 for personal or household use or consumption. The holder of this
42 license may sell mercantile items traditionally associated with
43 winemaking and novelty wearing apparel identified with the name
44 of the establishment licensed under the provisions of this section.
45 Nothing in this section shall be construed to prohibit the holder of
46 this license from permitting a person to use the licensed premises
47 for an event or affair, including an event or affair at which a plenary
48 retail consumption licensee serves alcoholic beverages in

1 compliance with all applicable statutes and regulations promulgated
2 by the director. The fee for this license shall be established by the
3 director. For the purposes of this subsection, "sampling" means the
4 selling at a nominal charge or the gratuitous offering of an open
5 container not exceeding one and one-half ounces of any wine.

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

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

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

38 Rectifier and blender license. 4. The holder of this license shall
39 be entitled, subject to rules and regulations, to rectify, blend, treat
40 and mix distilled alcoholic beverages, and to fortify, blend, and
41 treat fermented alcoholic beverages, and prepare mixtures of
42 alcoholic beverages, and to sell and distribute his 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 fee for this license shall be \$7,500.

47 Bonded warehouse bottling license. 5. The holder of this license
48 shall be entitled, subject to rules and regulations, to bottle alcoholic

1 beverages in bond on behalf of all persons authorized by federal and
2 State law and regulations to withdraw alcoholic beverages from
3 bond. The fee for this license shall be \$625. This license shall be
4 issued only to persons holding permits to operate Internal Revenue
5 bonded warehouses pursuant to the laws of the United States.

6 The provisions of section 21 of P.L.2003, c.117 amendatory of
7 this section shall apply to licenses issued or transferred on or after
8 July 1, 2003, and to license renewals commencing on or after July
9 1, 2003.

10 (cf: P.L.2004, c.102, s.1)

11

12 2. R.S.33:1-75 is amended to read as follows:

13 33:1-75. a. The director may, subject to rules and regulations,
14 issue special permits authorizing the manufacture by a person who
15 is 21 years of age or older, within a home or other noncommercial
16 premises, of wines or malt alcoholic beverages in quantities not
17 exceeding 200 gallons per calendar year for the person's personal or
18 household use or consumption.

19 b. The director may, subject to rules and regulations, issue
20 special permits authorizing the manufacture of wines in an
21 instructional winemaking facility by a person who is 21 years of age
22 or older, residing within or without this State, in quantities not
23 exceeding 200 gallons per calendar year for the person's personal or
24 household use or consumption.

25 c. The director shall, by regulation, establish a reasonable fee
26 to cover the costs incurred in issuing the special permits required by
27 this section.

28 d. A person manufacturing wines or malt alcoholic beverages
29 pursuant to this section shall not be liable for any tax imposed under
30 the "Alcoholic beverage tax law," R.S.54:41-1 et seq.

31 (cf: P.L.1991, c.302, s.1)

32

33 3. This act shall take effect on the first day of the third month
34 after enactment.

35

36

37

STATEMENT

38

39 This bill creates a new "Instructional Winemaking Facility
40 License" to be issued to facilities that teach winemaking. The
41 holder of this license may instruct persons in and provide them with
42 the opportunity to participate directly in the process of winemaking,
43 and assist them in that process, on the premises of the facility. The
44 fee for this license is to be established by the Director of the
45 Division of Alcoholic Beverage Control.

46 The bill also permits the holder to manufacture a limited amount
47 of wine on the premises to be used only to replace quantities lost or
48 discarded during winemaking and to offer samples for sampling

1 purposes on and off the licensed premises for the purpose of
2 promoting winemaking for personal use or consumption.

3 Wine produced on the premises of an instructional winemaking
4 facility is to be used only on the facility's premises or a premises
5 utilized for sampling or distributed to a person who has participated
6 in winemaking for that person's own household or personal use.

7 The bill also permits the license holder to serve alcoholic
8 beverages for consumption at events, sponsored by the license
9 holder or another person, held on the premises of the facility for the
10 purpose of promoting winemaking for personal or household use
11 and consumption. The bill further permits the use of the facility by
12 a person other than the licensee for an event or affair, including
13 events and affairs at which a plenary retail consumption licensee
14 (e.g. a caterer) serves alcoholic beverages in compliance with all
15 applicable statutes and regulations.

16 Under current law (R.S.33:1-75), a person age 21 or older may
17 manufacture up to 200 gallons of wine annually at home or on a
18 commercial premises. At present, the director will not issue this
19 permit to persons who are not New Jersey residents. This bill
20 authorizes the director to issue a permit to manufacture wine on the
21 premises of an instructional winemaking facility to persons who
22 reside in New Jersey or any other state.

ASSEMBLY LAW AND PUBLIC SAFETY COMMITTEE

STATEMENT TO

ASSEMBLY, No. 4025

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 14, 2007

The Assembly Law and Public Safety Committee reports favorably and with committee amendments Assembly Bill No. 4025.

As amended and reported by the committee, Assembly Bill No. 4025 creates a new "Instructional Winemaking Facility License" to be issued to facilities that teach winemaking.

Under the amended bill, the holder of this license may instruct persons in and provide them with the opportunity to participate directly in the process of winemaking, and assist them in that process, on the premises of the facility. The fee for this license is to be established by the Director of the Division of Alcoholic Beverage Control.

The amended bill also permits the license holder to manufacture a limited amount of wine on the premises to be used only to replace quantities lost or discarded during winemaking and to offer samples for sampling purposes on and off the licensed premises for the purpose of promoting winemaking for personal use or consumption.

Wine produced on the premises of an instructional winemaking facility is to be used only on the facility's premises or a premises utilized for sampling or distributed to a person who has participated in winemaking for that person's own household or personal use.

The amended bill further permits the use of the facility by a person other than the licensee for an event or affair, including events and affairs at which a plenary retail consumption licensee (e.g., a caterer) serves alcoholic beverages in compliance with all applicable statutes and regulations. The licensee also may sell mercantile items associated with winemaking and novelty apparel identifying the establishment.

Under current law (R.S.33:1-75), a person 21 years of age or older may manufacture up to 200 gallons of wine annually at home or on a commercial premises. At present, the director will not issue this permit to persons who are not New Jersey residents. The amended bill authorizes the director to issue a permit to manufacture wine on the premises of an instructional winemaking facility to persons who reside in this State or any other state.

COMMITTEE AMENDMENTS:

The committee amended the bill to remove a provision that would have permitted the licensee to serve alcoholic beverages for consumption at events held on the premises of the facility for the purpose of promoting winemaking for personal or household use or consumption.

ASSEMBLY LAW AND PUBLIC SAFETY COMMITTEE

STATEMENT TO

[First Reprint]

ASSEMBLY, No. 4025

with committee amendments

STATE OF NEW JERSEY

DATED: NOVEMBER 19, 2007

The Assembly Law and Public Safety Committee reports favorably and with committee amendments Assembly Bill No. 4025 (1R).

Assembly Bill No. 4025 (1R) creates a new “Instructional Winemaking Facility License” to be issued to facilities that teach winemaking.

As amended and reported by the committee, the bill permits the holder of this license to instruct persons in and provide them with the opportunity to participate directly in the process of winemaking, and assist them in that process, on the premises of the facility. The fee for this license was to be established by the Director of the Division of Alcoholic Beverage Control, but under the amended bill the fee for the license is set at \$1,000.

As amended, the bill also reduces the amount of wine the license holder may manufacture on the premises from not in excess of 20% to not in excess of 10% of the wine annually produced to be used only to replace quantities lost or discarded during winemaking.

The committee also amended the bill to clarify that the license holder may use the licensed premises for events or affairs at which a Class C retail licensee serves alcoholic beverages in compliance with New Jersey statutes and regulations.

The amended bill also permits the license holder to offer samples for sampling purposes on, but not off, the licensed premises for the purpose of promoting winemaking for personal use or consumption. Only wines which have been produced by students on the premises of the instructional winemaking facility may be offered as samples and those samples may only be offered gratuitously.

COMMITTEE AMENDMENTS:

The committee amended the bill to:

(1) reduce the amount of wine the license holder may manufacture on the premises from not in excess of 20% to not in excess of 10% of the wine annually produced;

(2) clarify that only samples produced by persons who have received instruction in winemaking on the premises may be offered;

(3) clarify that these samples may only be offered on the premises, but not off the premises and delete language obviated by this restriction specifying that a sample could be consumed or disposed of on a premises utilized for sampling purposes other than the facility's premises;

(4) clarify that the license holder may use the licensed premises for events or affairs at which a Class C retail licensee serves alcoholic beverages in compliance with New Jersey statutes and regulations;

(5) establish that the fee for the license would be \$1,000, rather than a fee set by the Director of the Division of Alcoholic Beverage Control; and

(6) permit licensees to gratuitously offer samples, but not allow them to sell samples for a nominal charge.

SENATE, No. 2847

STATE OF NEW JERSEY
212th LEGISLATURE

INTRODUCED JUNE 21, 2007

Sponsored by:

Senator JOSEPH V. DORIA, JR.

District 31 (Hudson)

Senator LORETTA WEINBERG

District 37 (Bergen)

SYNOPSIS

Creates new alcoholic beverage license for facilities that teach winemaking.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 11/9/2007)

1 AN ACT concerning winemaking and amending R.S.33:1-10 and
2 R.S.33:1-75.

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. The fee for this license shall be \$10,625.

17 Limited brewery license. 1b. The holder of this license shall be
18 entitled, subject to rules and regulations, to brew any malt alcoholic
19 beverages in a quantity to be expressed in said license, dependent
20 upon the following fees and not in excess of 300,000 barrels of 31
21 fluid gallons capacity per year and to sell and distribute this product
22 to wholesalers and retailers licensed in accordance with this
23 chapter, and to sell and distribute without this State to any persons
24 pursuant to the laws of the places of such sale and distribution, and
25 to maintain a warehouse. The fee for this license shall be graduated
26 as follows: to so brew not more than 50,000 barrels of 31 fluid
27 gallons capacity per annum, \$1,250; to so brew not more than
28 100,000 barrels of 31 fluid gallons capacity per annum, \$2,500; to
29 so brew not more than 200,000 barrels of 31 fluid gallons capacity
30 per annum, \$5,000; to so brew not more than 300,000 barrels of 31
31 fluid gallons capacity per annum, \$7,500.

32 Restricted brewery license. 1c. The holder of this license shall
33 be entitled, subject to rules and regulations, to brew any malt
34 alcoholic beverages in a quantity to be expressed in such license not
35 in excess of 3,000 barrels of 31 fluid gallons capacity per year.
36 Notwithstanding the provisions of R.S.33:1-26, the director shall
37 issue a restricted brewery license only to a person or an entity
38 which has identical ownership to an entity which holds a plenary
39 retail consumption license issued pursuant to R.S.33:1-12, provided
40 that such plenary retail consumption license is operated in
41 conjunction with a restaurant regularly and principally used for the
42 purpose of providing meals to its customers and having adequate
43 kitchen and dining room facilities, and that the licensed restaurant
44 premises is immediately adjoining the premises licensed as a
45 restricted brewery. The holder of this license shall only be entitled

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 sell or deliver the product to that restaurant premises. The fee for
2 this license shall be \$1,250, which fee shall entitle the holder to
3 brew up to 1,000 barrels of 31 fluid gallons per annum. The
4 licensee also shall pay an additional \$625 for every additional 1,000
5 barrels of 31 fluid gallons produced. No more than two restricted
6 brewery licenses shall be issued to a person or entity which holds an
7 interest in a plenary retail consumption license. If the governing
8 body of the municipality in which the licensed premises will be
9 located should file a written objection, the director shall hold a
10 hearing and may issue the license only if the director finds that the
11 issuance of the license will not be contrary to the public interest.
12 All fees related to the issuance of both licenses shall be paid in
13 accordance with statutory law.

14 Plenary winery license. 2a. Provided that the holder is engaged
15 in growing and cultivating grapes or fruit used in the production of
16 wine on at least three acres on, or adjacent to, the winery premises,
17 the holder of this license shall be entitled, subject to rules and
18 regulations, to produce any fermented wines, and to blend, fortify
19 and treat wines, and to sell and distribute his products to
20 wholesalers and retailers licensed in accordance with this chapter
21 and to churches for religious purposes, and to sell and distribute
22 without this State to any persons pursuant to the laws of the places
23 of such sale and distribution, and to maintain a warehouse, and to
24 sell his products at retail to consumers on the licensed premises of
25 the winery for consumption on or off the premises and to offer
26 samples for sampling purposes only. The fee for this license shall
27 be \$938. The holder of this license shall also have the right to sell
28 such wine at retail in original packages in six salesrooms apart from
29 the winery premises for consumption on or off the premises and for
30 sampling purposes for consumption on the premises, at a fee of
31 \$250 for each salesroom. Additionally, subject to rules and
32 regulations, one salesroom per county may be jointly controlled and
33 operated by at least two plenary or farm winery licensees for the
34 sale of the products of any plenary or farm winery licensee for
35 consumption on or off the premises and for consumption on the
36 licensed premises for sampling purposes at an additional fee of
37 \$625 per county salesroom. For the purposes of this subsection,
38 "sampling" means the selling at a nominal charge or the gratuitous
39 offering of an open container not exceeding one and one-half
40 ounces of any wine.

41 For the purposes of this subsection, "product" means any wine
42 that is produced, blended, fortified, or treated by the licensee on its
43 licensed premises situated in the State of New Jersey.

44 Any holder of a plenary winery license who sold wine which was
45 produced, bottled, and labelled by that holder in a place other than
46 its licensed New Jersey premises between July 1, 1992 and June 30,
47 1993, may continue to sell that wine provided no more than 25,000
48 cases, each case consisting of 12 750 milliliter bottles or the

1 equivalent, are sold in any single license year. This privilege shall
2 terminate upon, and not survive, any transfer of the license to
3 another person or entity subsequent to the effective date of this
4 1993 amendatory act or any transfer of stock of the licensed
5 corporation other than to children, grandchildren, parents, spouses
6 or siblings of the existing stockholders.

7 Farm winery license. 2b. The holder of this license shall be
8 entitled, subject to rules and regulations, to manufacture any
9 fermented wines and fruit juices in a quantity to be expressed in
10 said license, dependent upon the following fees and not in excess of
11 50,000 gallons per year and to sell and distribute his products to
12 wholesalers and retailers licensed in accordance with this chapter
13 and to churches for religious purposes and to sell and distribute
14 without this State to any persons pursuant to the laws of the places
15 of such sale and distribution, and to maintain a warehouse and to
16 sell at retail to consumers for consumption on or off the licensed
17 premises and to offer samples for sampling purposes only. The
18 license shall be issued only when the winery at which such
19 fermented wines and fruit juices are manufactured is located and
20 constructed upon a tract of land exclusively under the control of the
21 licensee, provided that the licensee is actively engaged in growing
22 and cultivating an area of not less than three acres on or adjacent to
23 the winery premises and on which are growing grape vines or fruit
24 to be processed into wine or fruit juice; and provided, further, that
25 for the first five years of the operation of the winery such fermented
26 wines and fruit juices shall be manufactured from at least 51%
27 grapes or fruit grown in the State and that thereafter they shall be
28 manufactured from grapes or fruit grown in this State at least to the
29 extent required for labeling as "New Jersey Wine" under the
30 applicable federal laws and regulations. The containers of all wine
31 sold to consumers by such licensee shall have affixed a label stating
32 such information as shall be required by the rules and regulations of
33 the Director of the Division of Alcoholic Beverage Control. The
34 fee for this license shall be graduated as follows: to so manufacture
35 between 30,000 and 50,000 gallons per annum, \$375; to so
36 manufacture between 2,500 and 30,000 gallons per annum, \$250; to
37 so manufacture between 1,000 and 2,500 gallons per annum, \$125;
38 to so manufacture less than 1,000 gallons per annum, \$63. No farm
39 winery license shall be held by the holder of a plenary winery
40 license or be situated on a premises licensed as a plenary winery.

41 The holder of this license shall also have the right to sell his
42 products in original packages at retail to consumers in six
43 salesrooms apart from the winery premises for consumption on or
44 off the premises, and for sampling purposes for consumption on the
45 premises, at a fee of \$250 for each salesroom. Additionally, subject
46 to rules and regulations, one salesroom per county may be jointly
47 controlled and operated by at least two plenary or farm winery
48 licensees for the sale of the products of any plenary or farm winery

1 licensee for consumption on or off the premises and for
2 consumption on the licensed premises for sampling purposes only,
3 at an additional fee of \$625 per county salesroom. For the purposes
4 of this subsection, "sampling" means the selling at a nominal charge
5 or the gratuitous offering of an open container not exceeding one
6 and one-half ounces of any wine.

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

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

20 Instructional winemaking facility license. 2d. The holder of this
21 license shall be entitled, subject to rules and regulations, to instruct
22 persons in and provide them with the opportunity to participate
23 directly in the process of winemaking and to directly assist such
24 persons in the process of winemaking while in the process of
25 instruction on the premises of the facility. The holder of this
26 license also shall be entitled to manufacture wine on the premises
27 not in excess of an amount of 20% of the wine produced annually
28 on the premises of the facility, which shall be used only to replace
29 quantities lost or discarded during the winemaking process, to
30 maintain a warehouse, and to offer samples for sampling purposes
31 only on and off the licensed premises for the purpose of promoting
32 winemaking for personal or household use or consumption. Wine
33 produced on the premises of an instructional winemaking facility
34 shall be used, consumed or disposed of on the facility's premises or
35 a premises utilized for sampling purposes or distributed from the
36 facility's premises to a person who has participated directly in the
37 process of winemaking for the person's personal or household use
38 or consumption. The holder of this license may sell mercantile
39 items traditionally associated with winemaking and novelty wearing
40 apparel identified with the name of the establishment licensed under
41 the provisions of this section. Nothing in this section shall be
42 construed to prohibit the holder of this license from permitting a
43 person to use the licensed premises for an event or affair, including
44 an event or affair at which a plenary retail consumption licensee
45 serves alcoholic beverages in compliance with all applicable
46 statutes and regulations promulgated by the director. The fee for
47 this license shall be established by the director. For the purposes of
48 this subsection, "sampling" means the selling at a nominal charge or

1 the gratuitous offering of an open container not exceeding one and
2 one-half ounces of any wine.

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

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

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

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

44 Bonded warehouse bottling license. 5. The holder of this license
45 shall be entitled, subject to rules and regulations, to bottle alcoholic
46 beverages in bond on behalf of all persons authorized by federal and
47 State law and regulations to withdraw alcoholic beverages from
48 bond. The fee for this license shall be \$625. This license shall be

1 issued only to persons holding permits to operate Internal Revenue
2 bonded warehouses pursuant to the laws of the United States.

3 The provisions of section 21 of P.L.2003, c.117 amendatory of
4 this section shall apply to licenses issued or transferred on or after
5 July 1, 2003, and to license renewals commencing on or after July
6 1, 2003.

7 (cf: P.L.2004, c.102, s.1)

8

9 2. R.S.33:1-75 is amended to read as follows:

10 33:1-75. a. The director may, subject to rules and regulations,
11 issue special permits authorizing the manufacture by a person who
12 is 21 years of age or older, within a home or other noncommercial
13 premises, of wines or malt alcoholic beverages in quantities not
14 exceeding 200 gallons per calendar year for the person's personal or
15 household use or consumption.

16 b. The director may, subject to rules and regulations, issue
17 special permits authorizing the manufacture of wines in an
18 instructional winemaking facility by a person who is 21 years of age
19 or older, residing within or without this State, in quantities not
20 exceeding 200 gallons per calendar year for the person's personal or
21 household use or consumption.

22 c. The director shall, by regulation, establish a reasonable fee
23 to cover the costs incurred in issuing the special permits required by
24 this section.

25 d. A person manufacturing wines or malt alcoholic beverages
26 pursuant to this section shall not be liable for any tax imposed under
27 the "Alcoholic beverage tax law," R.S.54:41-1 et seq.

28 (cf: P.L.1991, c.302, s.1)

29

30 3. This act shall take effect on the first day of the third month
31 after enactment.

32

33

34

STATEMENT

35

36 This bill creates a new "Instructional Winemaking Facility
37 License" to be issued to facilities that teach winemaking. The
38 holder of this license may instruct persons in and provide them with
39 the opportunity to participate directly in the process of winemaking,
40 and assist them in that process, on the premises of the facility. The
41 fee for this license is to be established by the Director of the
42 Division of Alcoholic Beverage Control.

43 The bill also permits the holder to manufacture a limited amount
44 of wine on the premises to be used only to replace quantities lost or
45 discarded during winemaking and to offer samples for sampling
46 purposes on and off the licensed premises for the purpose of
47 promoting winemaking for personal use or consumption.

S2847 DORIA, WEINBERG

8

1 Wine produced on the premises of an instructional winemaking
2 facility is to be used only on the facility's premises or a premises
3 utilized for sampling or distributed to a person who has participated
4 in winemaking for that person's own household or personal use.

5 The bill permits the use of the instructional winemaking facility
6 by a person other than the licensee for an event or affair, including
7 events and affairs at which a plenary retail consumption licensee
8 (e.g. a caterer) serves alcoholic beverages in compliance with all
9 applicable statutes and regulations.

10 Under current law (R.S.33:1-75), a person age 21 or older may
11 manufacture up to 200 gallons of wine annually at home or on a
12 commercial premises. At present, the director will not issue this
13 permit to persons who are not New Jersey residents. This bill
14 authorizes the director to issue a permit to manufacture wine on the
15 premises of an instructional winemaking facility to persons who
16 reside in New Jersey or any other state.

SENATE LAW AND PUBLIC SAFETY AND VETERANS'
AFFAIRS COMMITTEE

STATEMENT TO

SENATE, No. 2847

with committee amendments

STATE OF NEW JERSEY

DATED: DECEMBER 17, 2007

The Senate Law and Public Safety and Veterans' Affairs Committee reports favorably and with committee amendments Senate Bill No. 2847.

This bill creates a new "Instructional Winemaking Facility License" to be issued to facilities that teach winemaking.

As amended by the committee, the bill permits the holder of this license to instruct persons in and provide them with the opportunity to participate directly in the process of winemaking, and assist them in that process, on the premises of the facility. The fee for this license was to be established by the Director of the Division of Alcoholic Beverage Control, but under the amended bill the fee for the license is set at \$1,000.

As amended, the bill also reduces the amount of wine the license holder may manufacture on the premises from not in excess of 20% to not in excess of 10% of the wine annually produced to be used only to replace quantities lost or discarded during winemaking.

The committee also amended the bill to clarify that the license holder may use the licensed premises for events or affairs at which a Class C retail licensee serves alcoholic beverages in compliance with New Jersey statutes and regulations.

The amended bill also permits the license holder to offer samples for sampling purposes on, but not off, the licensed premises for the purpose of promoting winemaking for personal use or consumption. Only wines which have been produced by students on the premises of the instructional winemaking facility may be offered as samples and those samples may only be offered gratuitously.

The committee amended the bill to:

(1) reduce the amount of wine the license holder may manufacture on the premises from not in excess of 20% to not in excess of 10% of the wine annually produced;

(2) clarify that only samples produced by persons who have received instruction in winemaking on the premises may be offered;

(3) clarify that these samples may only be offered on the premises, but not off the premises and delete language obviated by this

restriction specifying that a sample could be consumed or disposed of on a premises utilized for sampling purposes other than the facility's premises;

(4) clarify that the license holder may use the licensed premises for events or affairs at which a Class C retail licensee serves alcoholic beverages in compliance with New Jersey statutes and regulations;

(5) establish that the fee for the license would be \$1,000, rather than a fee set by the Director of the Division of Alcoholic Beverage Control; and

(6) permit licensees to gratuitously offer samples, but not allow them to sell samples for a nominal charge.

As amended and reported by the committee, this bill is identical to Assembly Bill No. 4025 (2R).