

May 15, 2023

SENATE BILL NO. 916

To the Senate:

Pursuant to Article V, Section I, Paragraph 14 of the New Jersey Constitution, I am returning Senate Bill No. 916 with my recommendations for reconsideration.

Senate Bill No. 916 seeks to create a Brewery, Cidery, Distillery, and Meadery ("BCDM") Trail Sign Program (the "Program") to provide awareness of, and directional guidance to, local craft alcohol manufacturers throughout the State through roadway signs. The bill aims to strengthen tourism in the State by helping residents and visitors locate these facilities.

First, the bill would create the Program, administered by the Department of Transportation ("DOT") in consultation with the Division of Travel and Tourism in the Department of State ("DOS") and the Division of Alcoholic Beverage Control in the Department of Law and Public Safety. Under the program, an applicant may apply to the DOT to have a BCDM trail sign installed to identify and direct persons to their brewery, cidery, distillery, or meadery. Special consideration would be given to BCDM locations that are in close geographic proximity with one another or near other tourist destinations. Second, the bill would direct the New Jersey State Council on the Arts ("Council") in the DOS to establish a visual arts competition to gather original artwork to be placed on the BCDM signage. The Council would establish the terms of the competition, including submission requirements and selection. After the completion of the design competition, the Council would report the final selection of artwork to the DOT. The DOT then would produce and install the BCDM trail signs as soon as practicable. Finally, the bill would require that the DOT be responsible for any cost associated with the Program.

I commend the bill's sponsors for their commitment to improving New Jersey's tourism industry by recognizing that local alcohol manufactures are an integral part of the State's tourism industry.

Nevertheless, the State cannot support this growing industry in a manner that renders New Jersey out of compliance with the federal standards for road signage programs. The new sign program required by the bill would not comply with the federal Manual on Uniform Traffic Control Devices ("MUTCD"), which prohibits the DOT from creating another sign program. If the bill was implemented in its current form, the State would be in direct violation of the MUTCD and would be at risk of losing potentially millions of dollars in federal funding.

Currently, there are two existing sign programs in the State in which wineries, breweries and distilleries can participate: the Tourist Oriented Directional Sign Program ("TODS") and the Specific Service Sign Program ("Logo"). These programs comply with the provisions of the federal MUTCD. Moreover, the TODS and Logo programs successfully achieve the goal of directing traffic to our local alcohol manufacturing facilities that participate in those programs.

To ensure that we continue to support the State's BCDMs while complying with federal law, I am recommending amendments that will allow the DOT to revise its administrative rules and expand eligibility in the TODS and Logo program to all BCDM businesses. Under these existing programs, the DOT will provide eligible applicants with signage and logo support so that residents and visitors can identify and locate these BCDM businesses from roads and highways. Additionally, I am recommending amendments to allow the DOS to develop and maintain a website providing information on New Jersey's BCDMs. This website would provide awareness of and directional guidance to alcohol manufacturers in the State.

My recommended revisions maintain the bill's overarching goals of supporting our BCDM manufacturers and strengthening the State's tourism industry, and in turn the State's economy, without jeopardizing the State's compliance with federal rules and receipt of federal dollars.

Therefore, I herewith return Senate Bill No. 916 and recommend that it be amended as follows:

- Page 2, Title, Line 2: After "Statutes" insert "and P.L.1977, c.225 (C.34:1A-45 et seq.)"
- Page 2, Section 1, Line 7: Delete ", in consultation with"
- Page 2, Section 1, Lines 8-10: Delete in their entirety
- Page 2, Section 1, Line 11: Delete "and Meadery (BCDM) Trail Sign Program."" and insert ", in coordination with and subject to the approval of the Federal Highway Administration, shall adopt, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), amendments to the rules governing the procedures and standards for participation in the Tourist Oriented Directional Signs (TODS) Program adding cideries, distilleries, and meaderies as eligible facilities that qualify for participation in the TODS program."
- Page 2, Section 1, Line 15: Delete "breweries, cideries, distilleries, and meaderies" and insert "alcohol manufacturers"
- Page 2, Section 1, Line 12: Delete "program" and insert "rule amendments adopted pursuant to this section"
- Page 2, Section 1, Line 17: After "Jersey." insert "The rule amendments adopted pursuant to this section shall require, as a condition of eligibility to participate in the TODS program, wineries, breweries, cideries, distilleries, and meaderies to: (1) Be located within 15 miles of the State highway on which the intersection approach sign is erected; (2) Be open a minimum of six hours each day, three days a week including Saturday and Sunday; (3) Produce wine, cider, mead, beer, or distilled alcoholic beverages on the premises; (4) Have a tasting area on the premises; (5) Conduct scheduled public tours; (6) Market the product on the premises for retail sale; and (7) Be appropriately licensed by the State of New Jersey."
- Page 2, Section 1, Line 18: Delete "A person may apply to the department to have BCDM trail" and insert "The Department of Transportation, in coordination with and subject to

the approval of the Federal Highway Administration, shall adopt, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), amendments to the rules governing the procedures and standards for the implementation of the Specific Service Sign (Logo) Program adding cideries and meaderies as eligible attractions for the purpose of applying for the installation of a business logo panel on the blue motorist service signs along designated freeways and interstate highways."

Page 2, Section 1, Lines 19-48:

Delete in their entirety.

Page 3, Section 1, Lines 1-2:

Delete in their entirety.

Page 3, Section 2, Line 4:

After "2." insert "a. The Division of Travel and Tourism in the Department of State, in consultation with the Division of Alcoholic Beverage Control in the Department of Law and Public Safety, shall develop and maintain an Internet website providing information on brewery, cidery, distillery, and meadery locations in the State. The purpose of the Internet website shall be to provide awareness of, and directional guidance to, alcohol manufacturers in the State and to allow persons to find and visit breweries, cideries, distilleries, and meaderies in an efficient and reasonable manner, and promote these locations within New Jersey.

b. The information on the Internet website shall be searchable and available as a list and as an interactive map. The Internet website shall: (1) specify the location of each facility and provide driving directions from the north, south, east, and west, as well as directions by public transit where applicable; (2) provide information about whether a facility offers guided tours, the frequency of the tours, and the hours during which the tours are conducted; (3) display photographs of each facility; and (4) provide contact information for the owner or operator of each facility, including the telephone number and Internet web address of the facility, and any other

information provided by the facility that the Director of the Division of Travel and Tourism deems appropriate for inclusion on the Internet website.

c. A holder of a license issued pursuant to R.S.33:1-10 may apply to the Division of Travel and Tourism to have its location included on the Internet website. The holder of the license shall be responsible for providing the information that is to be included on the Internet website pursuant to this section.

d. The Division of Travel and Tourism may accept information for inclusion on the Internet website from the Director of the Division of Alcoholic Beverage Control, local government officials, owners or operators of breweries, cideries, distilleries, and meaderies in the State, and entities that identify and compile data on such facilities.

3."

Respectfully,

/s/ Philip D. Murphy

Governor

[seal]

Attest:

/s/ Parimal Garg

Chief Counsel to the Governor