

Repeal and New Rule, R.1990 d.412, effective August 20, 1990. See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

Case Notes

Expansion of liquor license premises to include family theater; operation of two businesses. Nels Hart of Berkeley, Inc. v. Township Council of the Township of Berkeley, 92 N.J.A.R.2d (ABC) 73.

13:2-1.8 Publication of notice of change in corporate structure; form

(a) Every corporate licensee shall, in addition to filing written notice with the Director of changes in stockholdings, cause to be published in the following form a notice of change in corporate structure not later than 10 days after the occurrence whenever the stockholder change involves a new individual acquiring one percent or more of the stock.

—NOTICE—

Take notice that on _____ a change occurred in the stockholdings of _____ (Licensee) trading as _____ (Trade Name, if any) holder of _____ (Type of License) for premises located at _____ (No.) _____ (Street) _____ (Municipality) resulting in the following persons, each acquiring one percent or more of the corporate licensee's stock:

Table with 2 columns: Name, Residence Address

Any information concerning the qualifications of any of the above stockholders should be communicated in writing to the Director, Division of Alcoholic Beverage Control, CN 087, Trenton, New Jersey 08625.

(Name of Licensee)

(b) The notice of change in corporate structure shall be published once in a newspaper printed in the English language, published and circulated in each municipality in which the licensed premises is located. If, however, there shall be no such newspaper, then the notice shall be published in a newspaper printed in the English language, published and circulated in the county in which the licensed premises is located.

(c) Proof of publication of such notice shall be furnished by the licensee to the Director within 10 days after the date of publication with copy of the dated advertisement attached.

New Rule, R.1990 d.412, effective August 20, 1990. See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

13:2-1.9 Rules of general application; relaxation

(a) The rules of this chapter may be relaxed by the Director upon a showing of undue hardship, economic or otherwise, on a licensee; that the waiver of the rule would

not unduly burden any affected parties; and, that the waiver is consistent with the underlying purposes of Title 33 and the implementing regulations. Waiver requests must be submitted in writing to the Director and shall include all documentation which supports the applicant's request for a waiver.

(b) No licensee, permittee, applicant or any shareholder, partner or other person having or applying for an interest in a license or permit shall refuse to submit for fingerprinting when so required by the Director or the local issuing authority.

(c) No licensee, permittee, applicant or any shareholder, partner or other person having or applying for an interest in a license or permit shall refuse to submit full disclosure in a financial investigation, including but not limited to all savings, checking, or other bank or financial accounts held by or for such person or entity individually, jointly, or in trust (for himself or another person or entity), when so required by the Director or the local issuing authority.

(d) Checks submitted by a licensee, permittee or applicant which are returned unpaid to the Director or other issuing authority shall subject the licensee, permittee or applicant to disciplinary action or denial of current and future applications.

New Rule, R.1990 d.412, effective August 20, 1990.

See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

Amended by R.1995 d.450, effective August 21, 1995.

See: 27 N.J.R. 2051(a), 27 N.J.R. 3177(a).

Amended and redesignated existing text as (a) and added (b) through (d).

SUBCHAPTER 2. FILING OF APPLICATIONS AND ADVERTISING NOTICE OF APPLICATION FOR MUNICIPAL LICENSE

13:2-2.1 Application forms

Application for license must be filed with the issuing authority, in triplicate, on forms prescribed by the Director, Division of Alcoholic Beverage Control at or before the first insertion of advertisement together with the full annual license fee and an additional \$100.00 filing fee payable to the Division of Alcoholic Beverage Control. One copy of the application and the non-returnable filing fee of \$100.00 shall be forwarded by the issuing authority to the Director immediately upon receipt thereof, and a second copy returned to the applicant. If the application is to include as the licensed premises a building not yet constructed, plans of the proposed building shall accompany the application. The plans shall show the appearance and design of the proposed building, the type or types of exterior building material and the overall room dimensions.

Amended by R.1990 d.412, effective August 20, 1990.

See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).
 Added "in triplicate, on forms promulgated by the Director".
 Amended by R.1995 d.450, effective August 21, 1995.
 See: 27 N.J.R. 2051(a), 27 N.J.R. 3177(a).
 Substituted "prescribed" for "promulgated" and increased filing fees.

13:2-2.2 Form of notice of application

Notice of application shall be published in the following form:

-NOTICE-

ALCOHOLIC BEVERAGE LICENSE

Take notice that _____
(Name of Applicant)
 trading as _____
(Trade Name, if any)
 has applied to _____
(Name of Issuing Authority)
 of _____
(Municipality)
 for a _____ license for premises situated at
(Type of License)

(No.) (Street) (Municipality)

The person(s) who will hold an interest in this license is/are:

See*

(See ** to insert other information if applicable)

Objections, if any, should be made immediately in writing to:

_____, of _____
(Municipal Clerk) (Municipality and Mailing Address)

(Name of Applicant)

(Address of Applicant)

*If the applicant is an individual, insert the name and residence address of that individual.

If the applicant is a corporation, insert the names and residence addresses of all officers and directors and the names and residences of all stockholders holding one percent or more of any of the stock of the applicant corporation or any corporation that is a stockholder in the applicant corporation.

If the applicant is a partnership, insert the names and residence addresses of all partners and any limited partners holding an interest of one percent or more.

If the applicant is a club, insert the names and residence addresses of all officers and the offices they fill respectively, and the names and residences of the directors, trustees or other governing officials.

**If the application is for a building not yet constructed, insert in the Notice the following: "Plans of building to be constructed may be examined at the office of the Municipal Clerk."

Amended by R.1990 d.412, effective August 20, 1990.
 See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).
 Amended Notice.
 Amended by R.1995 d.450, effective August 21, 1995.
 See: 27 N.J.R. 2051(a), 27 N.J.R. 3177(a).
 Deleting enumeration of (a).

13:2-2.3 Issuing authority defined

(a) "Issuing authority" in the form of notice in N.J.A.C. 13:2-2.2 usually means the governing board or body of the municipality, whatever the name may be, for instance the mayor and council, the township committee, and so forth, except where a municipal board of alcoholic beverage control has been created, in which case such board is the issuing authority.

(b) If the application is made by a member of the issuing authority or by a corporation, organization or association in which any member of the issuing authority is interested, directly or indirectly, the Director of the Division of Alcoholic Beverage Control is the issuing authority in the form of notice and the notice must state that any objections should be addressed to the Director, Division of Alcoholic Beverage Control, CN 087, Trenton, New Jersey 08625. This subsection shall not apply to club licenses.

Amended by R.1984 d.141, effective April 16, 1984.
 See: 16 N.J.R. 345(a), 16 N.J.R. 916(a).
 Deleted "25 Commerce Drive, Cranford, New Jersey 07016."
 Amended by R.1990 d.412, effective August 20, 1990.
 See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).
 Stylistic revisions.
 Amended by R.1995 d.450, effective August 21, 1995.
 See: 27 N.J.R. 2051(a), 27 N.J.R. 3177(a).
 Made (b) inapplicable to club licenses.

13:2-2.4 Type of license defined

"Type of license" in the form of notice in N.J.A.C. 13:2-2.2 requires the name or kind of license that is involved in the application. It must be worded strictly in accordance with the statutory language, for instance, "plenary retail consumption license", "plenary retail distribution license", "club license", and so forth.

Amended by R.1990 d.412, effective August 20, 1990.
 See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).
 Stylistic revisions.

13:2-2.5 Publication of notice of application

(a) The notice of application shall be published once a week for two weeks successively, in a newspaper printed in the English language, published and circulated in the municipality in which the licensed premise is located. If, however, there shall be no such newspaper, then the notice shall be published in a newspaper printed in the English language, published and circulated in the county in which the licensed premise is located.

(b) Proof of publication of the notice of application for license shall be furnished after the second publication with copies of the dated advertisements attached.

Amended by R.1990 d.412, effective August 20, 1990.
See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

In (b), added "with copies of advertisements attached"; deleted form.

13:2-2.6 Applicants for renewal of municipal licenses

Applicants for renewal of municipal licenses, other than seasonal retail consumption licenses, issued by municipal issuing authorities are not required to advertise notice of application. In lieu thereof, the Director shall cause a general notice of application to be published in the form set forth in N.J.A.C. 13:2-1.5 once a week from the week of April 1 through the week of June 1 in a newspaper printed in the English language and published and circulated in the counties in which the premises of applicants for such renewals are located.

Amended by R.1990 d.412, effective August 20, 1990.
See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

Stylistic revisions; deleted Notice.

13:2-2.7 Objections; hearing

Each municipal issuing authority, upon receipt of a timely written objection duly signed by an objector shall set the matter down for a hearing and all parties shall be notified of the date, hour and place thereof. Said hearing shall be stenographically or electronically recorded.

Amended by R.1990 d.412, effective August 20, 1990.
See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

Stylistic revisions.

Case Notes

Request to renew license; failure to prove ability to expeditiously activate license. In the Matter of Vaughn, 94 N.J.A.R.2d (ABC) 77.

Good cause; consideration of application for renewal; plenary retail consumption license. In the Matter of Donald T. Von Hagen Renewal Application Authorization, 94 N.J.A.R.2d (ABC) 74.

Good cause existed to activate liquor license. In the Matter of the Application of Salvatore Massamuto for Relief, 94 N.J.A.R.2d (ABC) 59.

Plenary Retail Consumption license would be granted to hotel where it met all criteria. Belleaire Resort Corp. v. Spring Lake Borough, 94 N.J.A.R.2d (ABC) 25.

Plenary retail consumption liquor license inactive for six years renewable upon conditions. In the Matter of the Application of Ocean Mile Development Group, Ltd. for Relief Pursuant to N.J.S.A. 33:1-12.39, 94 N.J.A.R.2d (ABC) 19.

Inactive liquor license renewed upon showing that public interest would be served and that applicant made continuous effort to develop project. In the Matter of the Renewal Application of the Pocket License of Branca Corp., 94 N.J.A.R.2d (ABC) 1.

13:2-2.8 Date of hearing

The date fixed for hearing shall not be sooner than five days (excluding Saturdays, Sundays and legal holidays) after the second publication and should not be later than 14 days

thereafter. For good cause, each issuing authority in the exercise of sound and fair discretion may, subject to appeal to the Director by the applicant if he proves that he is aggrieved by the delay, fix a date for hearing later than said 14 days or may adjourn the hearing, upon notification to all parties.

Amended by R.1990 d.412, effective August 20, 1990.
See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

Stylistic revisions.

13:2-2.9 Hearing not required; reasons

(a) If there is no timely written objection and the issuing authority determines to approve the application, no hearing is required; but this in no way relieves the issuing authority from the duty of making a thorough investigation on its own initiative.

(b) No application shall be approved unless the issuing authority affirmatively finds and reduces to resolution that:

1. The submitted application form is complete in all respects;

2. The applicant is qualified to be licensed according to all standards established by the New Jersey Alcoholic Beverage Control Act, the regulations promulgated thereunder, as well as any pertinent local ordinances or Division-approved conditions; and

3. The applicant has disclosed and the authority has reviewed the source of all funds used in the purchase of the license and the licensed business and all additional financing obtained in connection with the licensed business.

(c) No application shall be disapproved without the issuing authority first affording the applicant an opportunity to be heard, and providing the applicant with at least five days notice thereof. The hearing need not be of the evidentiary or trial type, and the burden of establishing that the application should be approved shall rest with the applicant. In every action adverse to any applicant or objector, the issuing authority shall state the reasons therefor.

Amended by R.1979 d.138, effective May 1, 1979.
See: 11 N.J.R. 143(a), 11 N.J.R. 257(c).

Amended by R.1990 d.412, effective August 20, 1990.
See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

Stylistic revisions.

13:2-2.10 Decision on application; ad interim (temporary) permit

(a) A municipal issuing authority must render a decision within 45 days from the date of a duly filed application for issuance of a new license unless the applicant consents to an extension. Failure to act may be deemed a denial of application by the applicant for the purpose of allowing the applicant to appeal to the Director.

(b) If no action is taken on an application for renewal of license prior to the expiration of its term, the applicant may apply to the Director for issuance of an ad interim (temporary) permit authorizing the applicant to continue to conduct the licensed business until the application has been acted upon. If no action is taken on an application for renewal of a license within 90 days after the expiration of its term, the applicant may file an appeal with the Director from such failure to act on the renewal application.

Amended by R.1990 d.412, effective August 20, 1990.
See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).
Stylistic revisions.

13:2-2.11 Denial of application; refund of fees

If the application for new or renewal license is denied for any reason whatsoever or withdrawn, a statutory refund of 90 percent of the fee deposited with the municipality shall be made by the municipality to the applicant. The remaining 10 percent shall be deemed an investigation and processing fee and shall be retained by the municipality. The State filing fee required to accompany such applications shall be retained by the Director as a processing fee.

Amended by R.1990 d.412, effective August 20, 1990.
See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).
Added "State filing fee retained as processing fee".

13:2-2.12 Application granted; proration of fee; refund

If the application for a new license is granted, except in connection with the issuance of a new license upon failure to timely renew under N.J.S.A. 33:1-12.18, the license fee shall be prorated from the effective date of the license; and where the amount deposited exceeds the prorated fee, the applicant shall be entitled to a refund of the excess. Any new license issued for failure to timely renew pursuant to N.J.S.A. 33:1-12.18 will be effective immediately following the last day of the preceding license term, and no prorating of fee is warranted.

Amended by R.1990 d.412, effective August 20, 1990.
See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).
Added "for a new license", "except in connection for failure to timely renew" and "effective immediately following last day of preceding term".

13:2-2.13 Special conditions

If a resolution granting an application for license is adopted sooner than five business days (excluding Saturdays, Sundays and legal holidays) after publication of the second notice of application, the resolution shall set forth in a special condition that the license will not be issued until the five business days have elapsed. If a written objection to issuance of the license is filed within such period, the license shall not be issued pending hearing and further determination of the issuing authority.

Amended by R.1990 d.412, effective August 20, 1990.
See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).
Stylistic revisions.

Case Notes

Action of the local issuing authority which approved its person-to-person license transfer application "subject to" local zoning board approval of petitioner's request to operate as a discotheque was an impermissible condition precedent and should be reversed. *The Iliad & Odyssey, Inc. v. Northvale*, 9 N.J.A.R. 382 (1983).

Local government body has principal jurisdiction and primary authority over imposition of special conditions for liquor license renewal; conditions restricting service to patrons at tables and in conjunction with restaurant operation reasonable; condition banning rock music unreasonable and vague (Division's Final Decision). *A.H.S., Inc. v. Tp. Committee, Tp. of Wall*, 1 N.J.A.R. 284 (1979), reversed (App.Div. 1980).

Nunzio DeFalco v. West Caldwell, ABC Bulletin No. 2243, Item No. 2 (October 15, 1976).

13:2-2.14 Changes in facts; application

(a) Whenever any change shall occur in the facts as set forth in any application for a retail license, the licensee shall file with the municipal issuing authority an amendment to the license application on a form prescribed by the Director reflecting the change and not later than 10 days after the occurrence.

(b) Corporate licensees shall file an amendment to reflect any stockholder change resulting in any person acquiring one percent or more of its stock. If the change affects less than one-third of the stock of the corporation, the licensee need only amend those pages that reflect the change in information. If the change affects one-third or more of the stock, a full application is required. Changes in limited partners shall be treated in the same manner as a stockholder change of a corporate licensee.

Amended by R.1990 d.412, effective August 20, 1990.
See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

In (a), added "an amendment to the license application on form promulgated by Director"; added (b).

Amended by R.1995 d.450, effective August 21, 1995.
See: 27 N.J.R. 2051(a), 27 N.J.R. 3177(a).

In (a), substituted "prescribed" for "promulgated".

13:2-2.15 Publication of notice of change in corporate structure; form

Every corporate licensee shall, in addition to filing written notice with the municipal issuing authority of changes in stockholdings, cause to be published a notice of change in corporate structure in the following form, not later than 10 days after the occurrence whenever the stockholder change involves a new individual acquiring one percent or more of the stock.

—NOTICE—

Take notice that on _____ a change
occurred in the stockholdings of _____
(Date) (Licencee)
trading as _____ holder of
(Trade Name, if any)
_____ for premises located
(Type of License and Number)

at _____
 (No.) (Street) (Municipality)
 resulting in the following persons, each acquiring in the aggregate one percent or more of the corporate licensee's stock:

Name	Residence Address

Any information concerning the qualifications of any of the above current stockholders should be communicated in writing to:

_____ of _____
 (Municipal Clerk) (Municipality)

 (Name of Licensee)

Amended by R.1990 d.412, effective August 20, 1990.
 See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).
 Added "not later than 10 days after the occurrence whenever the stockholder change involves a new individual acquiring one percent or more of the stock". Amended Notice.

13:2-2.16 Publication of notice of change in corporate structure

(a) The notice of change in corporate structure shall be published once in a newspaper printed in the English language, published and circulated in the municipality in which the licensed premises is located. If, however, there shall be no such newspaper, then the notice shall be published in a newspaper printed in the English language, published and circulated in the county in which the licensed premises is located.

(b) Proof of publication of such notice shall be furnished by the licensee to the municipal issuing authority within 10 days after the date of publication with a copy of the dated advertisement attached.

Amended by R.1990 d.412, effective August 20, 1990.
 See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).
 In (b), added "with copy of dated advertisement attached".

SUBCHAPTER 3. ISSUANCE OF RETAIL LICENSES BY MUNICIPAL ISSUING AUTHORITIES; SPECIAL REVIEW OF ATLANTIC CITY LICENSES

13:2-3.1 License certificate; form

The Director, Division of Alcoholic Beverage Control shall establish the form and content of all license certificates and shall make certificates for licenses available to the municipal issuing authority in each municipality issuing licenses.

Repeal and New Rule, R.1990 d.412, effective August 20, 1990.
 See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

13:2-3.2 Required records

The municipal issuing authority shall maintain full and complete records concerning each license in its municipality, including information relative to the license's issuance, renewal, transfer, disciplinary sanctions, special conditions, extension of license to a fiduciary, payment of fees and any other matter the director or municipal issuing authority may deem appropriate.

Repeal and New Rule, R.1990 d.412, effective August 20, 1990.
 See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

13:2-3.3 (Reserved)

Repealed by R.1995 d.450, effective August 21, 1995.
 See: 27 N.J.R. 2051(a), 27 N.J.R. 3177(a).
 Section was "Numbering license certificates".

13:2-3.4 License certificate signed by issuer

Each license certificate shall be signed either in the name of the municipality or its municipal board, whichever is the issuing authority. It shall also bear the actual signature, at the place indicated, of such municipal officer or agent as the governing board or body of the municipality or the municipal board, as the case may be, shall have designated to sign and to deliver such certificate on its behalf.

Amended by R.1990 d.412, effective August 20, 1990.
 See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).
 Recodified from 13:2-3.6. Repealed section was "License certificate stubs".

13:2-3.5 Issuance of license certificate; resolution of issuing authority

(a) No license certificate shall be signed, issued or delivered by any person unless and until expressly directed to do so by a resolution of the issuing authority, which resolution shall, among other things, specifically set forth the name and trade name, if any, of the person, association, firm or corporation adjudged thereby to be entitled to a license, and the kind thereof, address of the licensed premises, and effective date of the license, and shall order issuance and delivery of such license by such municipal officer or agent as the issuing authority shall, thereby or by some previous resolution, designate to sign and deliver such certificate in its behalf.

(b) Unless another specific date is identified in the resolution concerning an application for issuance or transfer of a license, the effective date shall be the date of the adoption of the resolution by the issuing authority.

Amended by R.1990 d.412, effective August 20, 1990.
 See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).
 Recodified from 13:2-3.7. Added (b). Repealed section was "Names on license certificates".

Case Notes

Liquor license limited to building area where alcohol served. The Quay, Inc. V. Sea Bright Borough Mayor and Council, 96 N.J.A.R.2d (ABC) 15.

13:2-3.6 Certification of license activity

Each municipal issuing authority shall make or cause to be made daily certification to the Director of all licenses granted during the preceding business day, which certification shall include any license application filings or amendments, any fees to be remitted to the Director, and any resolutions adopted.

Amended by R.1990 d.412, effective August 20, 1990.
See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

Recodified from 13:2-3.8. Added "license application filings, amendments, fees and resolutions". Deleted 1-9.
Amended by R.1995 d.450, effective August 21, 1995.
See: 27 N.J.R. 2051(a), 27 N.J.R. 3177(a).

Deleted enumeration of (a).

13:2-3.7 Atlantic City; alcoholic beverage licenses

(a) The Municipal Board of Alcoholic Beverage Control of the City of Atlantic City shall forward to the Division of Alcoholic Beverage Control a copy of all applications for issuance, renewal or transfer of any alcoholic beverage license.

(b) No action shall be taken by the Board with respect to any application until completion of an appropriate investigation by the Division of Alcoholic Beverage Control or its designees.

(c) Upon completion of the investigation, the Division of Alcoholic Beverage Control shall certify whether granting of the application is in the public interest.

(d) Upon a finding by the Division that granting of the application will not be contrary to the public interest, the Board may act upon the application in any way consistent with its legal authority.

(e) Upon a finding by the Division that the granting of the application would be contrary to the public interest, the Board shall deny the application.

(f) The applicant shall retain the right conferred by N.J.S.A. 33:1-22 to appeal to the Director from the denial of an application by the Board and shall be afforded a hearing.

R.1977 d.348, eff. September 16, 1977.

See: 9 N.J.R. 487(c).

Amended by R.1990 d.412, effective August 20, 1990.
See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

Recodified from 13:2-3.10. Stylistic revisions.

13:2-3.8 (Reserved)

Recodified to 13:2-3.6 by R.1990 d.412, effective August 20, 1990.
See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

Section was "Daily certification of licenses granted".

13:2-3.9 (Reserved)

Repealed by R.1990 d.412, effective August 20, 1990.
See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

Section was "Daily certification; accompanying resolution".

13:2-3.10 (Reserved)

Recodified to 13:2-3.7 by R.1990 d.412, effective August 20, 1990.
See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

SUBCHAPTER 4. ISSUANCE, RENEWAL OR TRANSFER OF MUNICIPAL RETAIL LICENSES (OTHER THAN CLUB LICENSES) BY THE DIRECTOR

Subchapter Historical Note

All provisions of this subchapter were filed and became effective prior to September 1, 1969. This subchapter was readopted pursuant to Executive Order 66(1978) as R.1985 d.332, effective June 7, 1985. See: 17 N.J.R. 1052(a), 17 N.J.R. 1661(a). See chapter and section levels for further amendments.

13:2-4.1 Interest in issuance, renewal or transfer of license; application made to the division

(a) No municipal issuing authority may issue, renew or transfer a license to or from any of its members, or issue, renew or transfer a license to or from any corporation, organization, or association in which any of its members is interested directly or indirectly.

(b) No municipal issuing authority may transfer to other premises a license of any of its members, or transfer to other premises a license of any corporation, organization or association in which any of its members is interested, directly or indirectly.

(c) Whenever the municipal issuing authority is prohibited from acting by this section, or is unable to reach a quorum due to individual conflicts of interest, application must be made to the Director of the Division of Alcoholic Beverage Control and shall be governed by this subchapter.

(d) The provisions of (a) and (b) above shall not apply to club licenses.

Amended by R.1990 d.412, effective August 20, 1990.

See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

In (c), clarified when application to Division must be made.

Amended by R.1995 d.450, effective August 21, 1995.

See: 27 N.J.R. 2051(a), 27 N.J.R. 3177(a).

Provided for license renewal and made (a) and (b) inapplicable to club licenses.

Case Notes

Holder of inactive liquor license would be allowed to renew that license where good cause existed inactive status. *Medina v. Board of Commissioners of the City of Union City*, 96 N.J.A.R.2d (ABC) 85.

License holder's failure to apply for renewal of alcoholic beverage license for 1994-1995 and 1995-1996 license years precluded renewal for 1993-1994. In the Application of Georgia's Liquors and Deli, 96 N.J.A.R.2d (ABC) 69.

Local authority must deny the person-to-person application for transfer of liquor license where disqualifying person is involved in sale of business receiving transfer. *Doc Cross v. Township of Hamilton*, 96 N.J.A.R.2d (ABC) 60.

Good cause was not shown for renewal of inactive liquor license where license was inactive for ten years and there were no prospects for activation. In the Matter of 126 Center Corporation, 96 N.J.A.R.2d (ABC) 57.

Strong public interest supported denial of place-to-place liquor license transfer to site where prior license generated numerous violations and public complaints. *Jaya v. City of Union City*, 96 N.J.A.R.2d (ABC) 53.

Division of Alcoholic Beverage Control lacks jurisdiction to grant renewal where licensee allowed license to lapse. *R. & G. 795 Sanford Avenue Corp. v. Newark*, 96 N.J.A.R.2d (ABC) 51.

Poor business judgement by absentee owner was insufficient excuse for untimely filing of alcohol license renewal request. *Barba v. Division of Alcoholic Beverage Control*, 96 N.J.A.R.2d (ABC) 39.

Failure to demonstrate good grounds for liquor licensee's failure to file timely renewal application precludes special ruling to file for new license. In the Matter of the Application of City Garden Associates, Inc., 96 N.J.A.R.2d (ABC) 34.

Restricting plenary retail consumption license to retail distribution license was contrary to law. *P.I.J.'s v. Montville Township Township Committee*, 96 N.J.A.R.2d (ABC) 19.

City may not deny place-to-place liquor license transfer based on unsupported claim that new location is trouble spot or on licensee's prior history of minor violations or on belief that city had issued too many liquor licenses. *El Porto Alegre v. Union City Board of Commissioners*, 96 N.J.A.R.2d (ABC) 8.

Plenary retail consumption license should not have been denied renewal as inactive. Appeal from Denial of Renewal of Plenary Retail License, 95 N.J.A.R.2d (ABC) 133.

Inactive license was not subject to renewal when prognosis for activation was speculative and not definitive. *Matter of Jamesburg Inn*, 95 N.J.A.R.2d (ABC) 121.

Liquor license for bar/restaurant, given relatively minor incidents, should have been renewed instead of denied. *Starbo Corp. v. City of Asbury*, 95 N.J.A.R.2d (ABC) 107.

Issue with respect to first license term was moot after expiration of second license term. *Stork Club v. Alcoholic Beverage Control*, 95 N.J.A.R.2d (ABC) 100.

Factors beyond licensee's control demonstrated good cause for ninth year renewal of inactive Class C liquor license. *Sarkissian v. Alcoholic Beverage Control*, 95 N.J.A.R.2d (ABC) 52.

Reasonable conditions were placed upon licensee in alcohol-abuse counseling to obtain renewal of liquor license. *Hilcar v. New Brunswick*, 95 N.J.A.R.2d (ABC) 49.

Revised floor plan for conversion of plenary retail consumption license required resubmission for noncompliance with regulations. *SSAR v. City of Long Branch*, 95 N.J.A.R.2d (ABC) 35.

Attempt to revoke liquor license by converting renewal proceedings into disciplinary proceedings was improper. *What's Your Beef v. Plainfield*, 95 N.J.A.R.2d (ABC) 24.

13:2-4.2 Application to the Director

(a) Application to the Director shall be made upon the same application forms used in all applications for municipal licenses (copies are obtainable from the clerk of the municipality wherein the premises sought to be licensed are situated).

(b) The application shall be fully executed and submitted in triplicate.

Amended by R.1985 d.332, effective July 1, 1985.

See: 17 N.J.R. 1052(a), 17 N.J.R. 1661(a).

Duplicate changed to triplicate.

Amended by R.1990 d.412, effective August 20, 1990.

See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

Stylistic revisions.

13:2-4.3 New or renewal license fees; certification by issuing authority

(a) Applications for a new license or for a renewal of an existing license shall be accompanied by a fee of \$50.00 in cash, money order or check drawn to the order of the Division of Alcoholic Beverage Control.

(b) A certification shall also be submitted from the municipal clerk, board secretary, or other responsible municipal official stating that the appropriate municipal fee has been paid and the amount of such fee.

Amended by R.1973 d.234, effective August 30, 1973.

See: 5 N.J.R. 356(a).

Amended by R.1980 d.304, effective July 3, 1980.

See: 12 N.J.R. 343(b), 12 N.J.R. 494(b).

Amended by R.1985 d.332, effective July 1, 1985.

See: 17 N.J.R. 1052(a), 17 N.J.R. 1661(a).

Duplicate changed to triplicate.

Amended by R.1990 d.412, effective August 20, 1990.

See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

In (a), deleted submission of supplemental forms requirement; re-designated (a)2. as (b) and added "board secretary".

Amended by R.1995 d.450, effective August 21, 1995.

See: 27 N.J.R. 2051(a), 27 N.J.R. 3177(a).

Deleted requirement that checks be certified.

13:2-4.4 Fee for license transfer to other persons or other premises; certification

(a) Applications for transfer of license to other persons only, or applications for transfer of license to other premises only (not combined) shall be accompanied by:

1. A fee of \$50.00 in cash, money order or check drawn to the order of the Division of Alcoholic Beverage Control and retained by the Director whether or not the transfer is granted, and accounted for as are other license fees.

2. A certification shall be submitted from the municipal clerk, board secretary, or other responsible municipal official that 10 percent of the full municipal annual license fee for said license has been paid and the amount of the fee.

Amended by R.1985 d.332, effective July 1, 1985.

See: 17 N.J.R. 1052(a), 17 N.J.R. 1661(a).

Added text "to the municipality . . . shall be paid."

Amended by R.1990 d.412, effective August 20, 1990.

See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

In (a), added text on license transfer to "other premises only"; 10 percent fee requirement revised and designated (a)2.

Amended by R.1995 d.450, effective August 21, 1995.

See: 27 N.J.R. 2051(a), 27 N.J.R. 3177(a).

Deleted requirement that checks be certified.

13:2-4.5 Fee for combined transfers; certification

(a) Transfers of license both as to person and place may be applied for simultaneously and in a single application, accompanied by a fee of \$50.00 in cash, money order or check drawn to the order of the Division of Alcoholic Beverage Control.

(b) A certification shall also be submitted by the municipal clerk, board secretary or other responsible municipal official stating that 20 percent of the full municipal annual license fee for said license has been paid and the amount of the fee.

(c) Where there is a combined transfer application, the Director shall not approve a person-to-person transfer of the license if the place-to-place transfer is denied.

Amended by R.1985 d.332, effective July 1, 1985.
See: 17 N.J.R. 1052(a), 17 N.J.R. 1661(a).

Added text "to the municipality . . . shall be paid."
Amended by R.1990 d.412, effective August 20, 1990.
See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

Recodified from 13:2-4.6. Twenty percent fee requirement revised and designated (b); Director's duties clarified. Prior text at 13:2-4.5, "Fee for license transfer to other premises", repealed. The following annotations pertain to that section:

Amended by R.1973 d.234, effective August 30, 1973.
See: 5 N.J.R. 356(a).

Amended by R.1985 d.332, effective July 1, 1985.
See: 17 N.J.R. 1052(a), 17 N.J.R. 1661(a).

Added text "to the municipality . . . shall be paid."
Amended by R.1995 d.450, effective August 21, 1995.
See: 27 N.J.R. 2051(a), 27 N.J.R. 3177(a).

Deleted requirement that checks be certified.

13:2-4.6 Submission of issuing authority's resolution

There shall also be submitted to the Director a certified copy of a resolution adopted by the issuing authority of the municipality wherein the premises sought to be licensed are situated, setting forth that said issuing authority has no objection to the issuance, renewal or the transfer, as the case may be of the license applied for and consents thereto, and, furthermore, is not aware of any circumstances or provisions of law or local ordinance which would prohibit the issuance, renewal or the transfer, as the case may be of the license.

Amended by R.1990 d.412, effective August 20, 1990.
See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

Recodified from 13:2-4.7. Submission "to the Director" clarified. Prior text at 13:2-4.6, "Combined transfers", recodified to 13:2-4.5. Amended by R.1995 d.450, effective August 21, 1995.
See: 27 N.J.R. 2051(a), 27 N.J.R. 3177(a).

Provided for license renewal.

13:2-4.7 Advertising notice of application

The rules applicable to the application, advertising and hearing rights concerning a municipal license or the transfer thereof (N.J.A.C. 13:2-2 and N.J.A.C. 13:2-7) shall apply when application is made to the Director. However, the notice of application, as published, shall state that such application has been made to, and objections if any should be addressed to: Director of the Division of Alcoholic Beverage Control, CN 087, Trenton, New Jersey 08625.

Amended by R.1985 d.332, effective July 1, 1985.
See: 17 N.J.R. 1052(a), 17 N.J.R. 1661(a).

Change of address.

Amended by R.1990 d.412, effective August 20, 1990.
See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

Recodified from 13:2-4.8. Added "hearing rights" and change of address. Prior text at 13:2-4.7, "Submission of issuing authority's resolution", recodified to 13:2-4.6.

Amended by R.1995 d.450, effective August 21, 1995.
See: 27 N.J.R. 2051(a), 27 N.J.R. 3177(a).
Changed Director's address.

13:2-4.8 Refund of fees

If the application for license issuance or transfer is denied for any reason whatsoever or withdrawn, a statutory refund of 90 percent of the fee deposited with the municipality shall be made by the municipality to the applicant. The remaining 10 percent shall be deemed an investigation and processing fee and shall be retained by the municipality. If an application for a renewal of license is denied, refund of fees shall be in accordance with N.J.A.C. 13:2-11. The \$50.00 State fee required to accompany the application shall be retained as a processing fee by the Director.

Amended by R.1973 d.234, effective August 30, 1973.
See: 5 N.J.R. 356(a).

Amended by R.1980 d.304, effective July 3, 1980.
See: 12 N.J.R. 343(b), 12 N.J.R. 494(b).

Amended by R.1985 d.332, effective July 1, 1985.
See: 17 N.J.R. 1052(a), 17 N.J.R. 1661(a).

Fee changed from \$55.00 to \$50.00.

Amended by R.1990 d.412, effective August 20, 1990.
See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

Recodified from 13:2-4.9. Added "processing fee" language. Prior text at 13:2-4.8, "Advertising notice of application", recodified to 13:2-4.7.

Amended by R.1995 d.450, effective August 21, 1995.
See: 27 N.J.R. 2051(a), 27 N.J.R. 3177(a).

Provided for refund of fees upon denial of license renewal application.

13:2-4.9 Proration of fee

If the application for a new license is granted, except in connection with the issuance of a new license upon failure to timely renew under N.J.S.A. 33:1-12.18, the license fee shall be prorated from the effective date of the license and where the amount deposited exceeds the prorated license fee, the applicant shall be entitled to a refund of the excess. Any renewal or new license issued pursuant to N.J.S.A. 33:1-12.18 will be effective immediately following the last day of the preceding license term, and no prorating of fee is permitted.

Amended by R.1990 d.412, effective August 20, 1990.
See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

Recodified from 13:2-4.10. Added N.J.S.A. 33:1-12.18 exceptions. Prior text at 13:2-4.9, "Refund of fees", recodified to 13:2-4.8.

13:2-4.10 Notice of change in facts in application

The rules applicable to filing a notice of change in the facts set forth in the application for a retail license and to publishing a notice of change in corporate structure and furnishing proof thereof (N.J.A.C. 13:2-2.14 through 2.16) shall apply to all retail licensees holding licenses issued by the Director. However, the licensee shall file such notice with and furnish such proof directly to the division; and where the notice concerns a change in corporate structure, the notice as published shall state that information concerning the qualifications of any of the stockholders of the corporate licensee shall be addressed to the Director of the Division of Alcoholic Beverage Control, PO Box 087, Trenton, New Jersey 08625-0087.

Amended by R.1985 d.332, effective July 1, 1985.
 See: 17 N.J.R. 1052(a), 17 N.J.R. 1661(a).
 Address changed.

Amended by R.1990 d.412, effective August 20, 1990.
 See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

Recodified from 13:2-4.11. Deleted filing "with a municipal issuing authority" and stipulated filing of notice "directly to the Division"; cross-references correction; change of address. Prior text at 13:2-4.10, "Proration of fee", recodified to 13:2-4.9.

Amended by R.1995 d.450, effective August 21, 1995.
 See: 27 N.J.R. 2051(a), 27 N.J.R. 3177(a).
 Changed Director's address.

13:2-4.11 (Reserved)

Recodified to 13:2-4.10 by R.1990 d.412, effective August 20, 1990.

See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).
 Section was "Notice of change in facts in application".

SUBCHAPTER 5. ISSUANCE OF SPECIAL PERMITS BY DIRECTOR

Subchapter Historical Note

Pursuant to Executive Order No. 66(1978), Subchapter 5 was re-adopted as R.1984 d.175, effective April 26, 1984. See: 16 N.J.R. 492(a), 16 N.J.R. 1277(a). See also Chapter Historical Note and section annotations.

Case Notes

Applicant's request for a special concessionaire permit denied; applicant bears the burden of proof with respect to establishing fitness for licensure, lack of an arrest record and meeting the legal age limit do not establish a "threshold of licensure" but merely indicate that an applicant is not statutorily disqualified from licensure; applicant no longer had the required possessory interest in the premises and was not entitled to the issuance of a special concessionaire's permit (Director's final decision). In Re: Dunn, 10 N.J.A.R. 1 (1984).

13:2-5.3 Special permit for the sale or purchase of alcoholic beverages

(a) The Director, for good cause shown, may issue a special permit to authorize the sale of alcoholic beverages by a receiver, trustee, executor, or other court appointed or authorized person, or judgment creditors or secured parties where such sale is authorized in accordance with law or a specific court order.

(b) An application for such special permit shall be filed with the Division at least seven days before the proposed sale on forms to be prescribed by the Director and accompanied by payment of fees as set forth by the Director. The fees for such permits shall not be less than \$5.00 nor more than \$1,000.

(c) Upon issuance of the special permit, the temporary storage and transportation of alcoholic beverages pending sale shall be authorized, as well as the sale to and transportation by the purchaser.

(d) Within 10 days after the sale, the permittee shall file with the Director a signed inventory report on forms prescribed by the Director identifying the type and quantity of all alcoholic beverages sold, the name and address of the purchaser, the State-assigned license number of the purchaser if it was a New Jersey licensee, and the sales price per item or lot. Failure to file the inventory report shall be cause for denial of future special permit applications.

Amended by R.1990 d.412, effective August 20, 1990.
See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

Revised section "to authorize the sale of alcoholic beverages by a receiver, trustee, executor" or other parties, in accordance with law or court order. Added (b) through (d).

Amended by R.1995 d.450, effective August 21, 1995.
See: 27 N.J.R. 2051(a), 27 N.J.R. 3177(a).

In (b), substituted "prescribed" for "promulgated" and increased permit fees.

13:2-5.4 Temporary miscellaneous contingency permits; fees

(a) The Director, for special cause shown, may issue such temporary permits for such contingencies where a license is not expressly provided for by law, and such a permit would be appropriate and consonant with the spirit of the Alcoholic Beverage Control Act.

(b) Application for such permits shall be on forms prescribed by the Director and shall be accompanied by payment of fees as set forth by the Director. The fees for such permits shall not be less than \$5.00 nor more than \$1,000.

(c) The Director may impose special conditions or requirements on any such permit.

New Rule, R.1990 d.412, effective August 20, 1990.

See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

Amended by R.1995 d.450, effective August 21, 1995.

See: 27 N.J.R. 2051(a), 27 N.J.R. 3177(a).

In (b), substituted "prescribed" for "promulgated" and increased permit fees.

SUBCHAPTER 6. EXTENSION OF LICENSE**13:2-6.1 Petition for extension of license**

(a) In case of death, bankruptcy, receivership or incompetency of a licensee, or if for any other reason whatsoever the operation of the business covered by the license shall devolve by operation of law upon a person other than the licensee, the licensed business may not be operated unless the license is extended by the issuing authority which issued the license.

(b) An application for extension of a license for a limited time not exceeding its term must be made in the form of a petition executed by the executor, administrator, trustee, receiver or other person upon whom operation of the business covered by the license shall have devolved by operation of law.

(c) Said petition shall be addressed to and acted upon by the authority which issued the license sought to be extended. An amendment of the license application to reflect the extension of the license shall be filed at the same time. No fee is required to be paid for an extension of the license and the petitioner is not required to publish a notice of application.

Amended by R.1990 d.412, effective August 20, 1990.

See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

Section was "Special permit to operate licensed business". Incorporated 13:2-6.2, "Petition for extension of license", as (b) and (c).

13:2-6.2 Special permit to operate licensed business

Where an application for extension of license cannot be made immediately because the fiduciary has not yet qualified, the Director, Division of Alcoholic Beverage Control, may issue a special permit to allow the licensed business to continue operations temporarily until the license is formally extended. The issuance of any special permit shall not indicate any opinion as to the merits of the formal petition to extend the license.

New Rule, R.1990 d.412, effective August 20, 1990.

See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

Incorporated prior text, "Petition for extension of license", into 13:2-6.1.

13:2-6.3 Proof of appointment; assignments

(a) Petitioners for extension of a license must present satisfactory proof to the issuing authority of their appointment to act in their representative capacity.

(b) A license may not be extended to an assignee for the benefit of creditors, unless said assignee presents to the issuing authority a court order authorizing him to continue assignor's business during a period set forth in said order, as provided for in N.J.S.A. 2A:19-16.

13:2-6.4 Endorsement of licenses

If the petition for extension is granted, the license shall be endorsed as follows:

"This license is hereby extended, subject to all of its terms and conditions to, (Executor, or as the case may be) until, 19".

Amended by R.1990 d.412, effective August 20, 1990.
See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

Deleted references to "local issuing authority" and "proper municipal official"; deleted (b), regarding endorsement in license book.

13:2-6.5 (Reserved)

Repealed by R.1990 d.412, effective August 20, 1990.
See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

Section was "Daily certification of license extensions".

SUBCHAPTER 7. TRANSFERS OF STATE AND MUNICIPAL LICENSES

Subchapter Historical Note

Pursuant to Executive Order No. 66(1978), Subchapter 7 was re-adopted as R.1984 d.176, effective April 26, 1984. See: 16 N.J.R. 493(a), 16 N.J.R. 1277(b). See also Chapter Historical Note and section annotations.

13:2-7.1 Transferability of license

Any license issued under the New Jersey Alcoholic Beverage Control Act, N.J.S.A. 33:1-1 et seq., may be transferred either from person-to-person or place-to-place, or both, in accordance with the provision of said law and these regulations.

Amended by R.1990 d.412, effective August 20, 1990.
See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

Referenced N.J.S.A. 33:1-1 et seq.

Case Notes

Nude dancing was not allowed within separate room adjacent to or within licensed premises. Division of Alcoholic Beverage Control v. J & M Restaurant, 95 N.J.A.R.2d (ABC) 11.

Revocation of license was not required; undisclosed interest of disqualified person; indefinite suspension pending transfer to a bona fide purchaser. Division of Alcoholic Beverage Control v. 99 Washington Street, Inc., t/a Good & Plenti, 92 N.J.A.R.2d (ABC) 76.

Topless bar; application for place-to-place transfer. M.O.O. Inc. v. Board of Commissioners of Union City, 92 N.J.A.R.2d (ABC) 47.

Place-to-place transfer of plenary retail distribution license. Gene's Liquors v. Municipal Board of Alcoholic Beverage Control of the City of Paterson, 92 N.J.A.R.2d (ABC) 39.

Division of Alcoholic Beverage Control without statutory authority to prevent person-to-person transfer of liquor license which may be only asset of corporation which may owe unliquidated debt to transfer object; liquor license is not property subject to lien, levy or execution; creditor cannot prevent sale of license or obtain satisfaction from proceeds. Mannies Cigarette Service, Inc. v. Aidan Corp., 4 N.J.A.R. 197 (1980).

13:2-7.2 Application for place-to-place license transfer

(a) Application for transfer of license to other premises, signed and sworn to by the licensee, must be filed with the Director or other issuing authority, as the case may be, at or before the first insertion of the advertisement of the notice of application on forms prescribed by the Director.

(b) If the application is for transfer of the license to a building not yet constructed, plans of the proposed building shall accompany the application. The plans shall show the appearance and design of the proposed building, the type or types of exterior building material and the over-all and room dimensions.

(c) Expansion of the licensed premises shall require a place-to-place transfer (expansion of premises) application.

(d) Voluntary reduction of the premises or voluntary delicensure of all or a portion of the premises shall require a place-to-place transfer (reduction of premises) application.

Amended by R.1990 d.412, effective August 20, 1990.
See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

Stylistic revisions.

Amended by R.1995 d.450, effective August 21, 1995.
See: 27 N.J.R. 2051(a), 27 N.J.R. 3177(a).

Added provisions for expansion and reduction of licensed premises at (c) and (d).

Case Notes

Denial of request for place-to-place transfer of liquor license to site in vicinity of two churches was not unreasonable. Application of Maxine's Tavern, 95 N.J.A.R.2d (ABC) 124.

Transferee of inactive license required place-to-place transfer to re-site in original location. Innkeeper v. Remington, 95 N.J.A.R.2d (ABC) 113.

Temporary loss of possession of foreclosed licensed premises; place-to-place transfer. Innkeeper, Inc., v. Mahwah Township Council, 94 N.J.A.R.2d (ABC) 13.

Filing of an appeal takes place upon the receipt of the Notice and Petition of Appeal by the Director, rather than upon their mailing; appeal dismissed as filed out of time. Van Holt v. Mayor and Council, Boro. of Sea Bright, 3 N.J.A.R. 183 (1981).

13:2-7.3 Application for person-to-person license transfer

Application for transfer of license to another person, or other person and other premises, signed and sworn to by the person who seeks the transfer, and bearing the consent in writing to such transfer by the current licensee, must be filed with the Director, or other issuing authority, as the case may be, at or before the first insertion of the advertisement of the notice of application on forms prescribed by the Director.

Amended by R.1990 d.412, effective August 20, 1990.

See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

Clarified transfer by "current licensee"; added text regarding forms promulgated by Director.

Amended by R.1995 d.450, effective August 21, 1995.

See: 27 N.J.R. 2051(a), 27 N.J.R. 3177(a).

Substituted "prescribed" for "promulgated"

Case Notes

Filing of an appeal takes place upon the receipt of the Notice and Petition of Appeal by the Director, rather than upon their mailing; appeal dismissed as filed out of time. *Van Holt v. Mayor and Council, Boro. of Sea Bright*, 3 N.J.A.R. 183 (1981).

Town Council's action denying license transfer not reversible unless based upon mistakes or abuse of discretion; burden of proof upon transfer applicant; denial of transfer reasonable as founded on residents' objections and problems caused by large number of liquor establishments in transferral area. *Stonehenge Gardens, Inc. v. Mayor and Town Council, Town of Phillipsburg*, 2 N.J.A.R. 417 (1980) affirmed.

13:2-7.4 Notice of transfer application, form

(a) Notice of application for transfer of a license shall be published in the following form:

**NOTICE
ALCOHOLIC BEVERAGE CONTROL**

Take notice that application has been made to _____

(Name of Issuing Authority) of _____ (Address)

to transfer to _____ (Name of transferee)

trading as _____ for premises located at _____ (Trade Name, if any)

(Address of premises to which transfer is sought)

the _____ heretofore issued to _____ (Type of License and Number)

(Name of Licensee in full), trading as _____ (Trade Names, if any)

for the premises located at _____ (No.) (Street) (Municipality)

The person(s) who will hold an interest in this license is/are:

(Name(s))

See *

(See ** to insert other information if applicable)

Objections, if any, should be made immediately in writing to:

_____, of _____ (Address)
(Municipal Clerk or

Director, Division of
Alcoholic Beverage
Control)

(Name of Applicant)

(Address of Applicant)

*If the applicant is an individual, insert the name and residence address of that individual.

If the applicant is a corporation, insert the names and residence of all officers and directors and the names and residences of all stockholders holding one percent or more of any of the stock of the applicant corporation or any corporation that is a stockholder in the applicant corporation.

If the applicant is a partnership, insert the names and residence address of all partners and any limited partners holding an interest of one percent or more.

If the applicant is a club, insert the names and residence address of all officers and the offices they fill respectively, and the names and residences of the directors, trustees or other governing officials.

** If the application is for transfer of a municipal license to a building not yet constructed, insert in the Notice the following: "Plans of building to be constructed may be examined at the office of the Municipal Clerk".

If the application is for a State license for a building not yet constructed, insert "Plans of building to be constructed may be examined at the office of the Division of Alcoholic Beverage Control." If the application is for a place-to-place transfer which involves an expansion or reduction of the premises, insert "Plans of the current licensed premises and proposed licensed premises may be examined at the office of the municipal clerk (or Division of Alcoholic Beverage Control, if appropriate)."

If the applicant intends to conduct retail sales of alcoholic beverages as may be authorized under a State issued license, insert in the Notice the following: "The applicant intends to engage in the retail sale of _____"

_____ at _____ (Alcoholic beverage type) (No.) (Street)
_____ (Municipality) under the terms and conditions allowed by law."

(b) "Name of issuing authority" in the form in N.J.A.C. 13:2-7.4(a), usually means the governing board or body of the municipality, whatever the name may be, for instance, the mayor and common council, the township council, and so forth, except where a municipal board of alcoholic beverage control has been created, in which case such board is the issuing authority. If the application is made by a member of any issuing authority, or by a corporation, organization or association in which any member of an issuing authority is interested directly or indirectly, or if the license sought to be transferred was issued in the first instance by the Director, the Director is the "issuing authority" and in that event the notice must state that objections be addressed to the Director of the Division of Alcoholic Beverage Control, CN-087, Trenton, New Jersey 08625. This subsection shall not apply to club licenses.

(c) The notice of application shall be published once a week, for two weeks successively, at least seven days apart, in a newspaper printed in the English language published and circulated in the municipality in which the licensed premises are located. If, however, there shall be no such newspaper, then such notice shall be published in a newspaper printed in the English language, published and circulated in the county in which the licensed premises are located.

(d) Proof of publication of notice of application for transfer of a license shall be furnished after second publication with a copy of the dated advertisements attached.

Amended by R.1974 d.4, effective January 4, 1974.

See: 6 N.J.R. 82(a).

Amended by R.1979 d.138, effective May 1, 1979.

See: 11 N.J.R. 143(a), 11 N.J.R. 257(c).

Amended by R.1990 d.412, effective August 20, 1990.

See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

Substantially revised application for transfer form. Incorporated 13:2-7.5, "Issuing authority defined in form", as (b); and 13:2-7.7, "Publication of notice of application", as (c). Added (d).

Amended by R.1995 d.450, effective August 21, 1995.

See: 27 N.J.R. 2051(a), 27 N.J.R. 3177(a).

In (a) inserted provisions for expansion or reduction of the licensed premises.

Case Notes

Approval of expansion of licensed premises to include deck area was not abuse of discretion with imposition of special conditions. *Property Owners Association v. Seaside Heights*, 95 N.J.A.R.2d (ABC) 76.

13:2-7.5 Objections; hearing

Each issuing authority, immediately upon receipt of a written objection duly signed by an objector, shall set the matter down for a hearing and notify all parties of the date, hour and place thereof. Said hearing shall be stenographically or electronically recorded.

Amended by R.1990 d.412, effective August 20, 1990.

See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

Recodified from 3:2-7.8. "Each issuing authority" was "Each municipal clerk"; clarified hearing and notification requirements. Prior text at 3:2-7.5, "Issuing authority defined in form", incorporated into 13:2-7.4 as (b).

Case Notes

Distance-between-premises ordinance did not preclude transfer of license to within 1000 feet of original premises. *Innkeeper v. Mahwah Township Council*, 95 N.J.A.R.2d (ABC) 115.

Approval of expansion of licensed premises to include deck area was not abuse of discretion with imposition of special conditions. *Property Owners Association v. Seaside Heights*, 95 N.J.A.R.2d (ABC) 76.

Transfer of retail distribution license for mixed use as convenience store with package liquor sales was approved. *Zafar v. City of Summit*, 95 N.J.A.R.2d (ABC) 63.

Entrance of premises to which liquor license transferred was not less than 200 feet from church. *St. Paul's v. Paulsboro*, 95 N.J.A.R.2d (ABC) 46.

Denial of liquor license transfer application without evidence of detrimental affect was clear abuse of discretion. *Midlantic v. Mayor and Borough Council*, 95 N.J.A.R.2d (ABC) 7.

Denial of place-to-place transfer of liquor license; abuse of discretion. *Midlantic Development, Inc. v. Mayer and Borough Council of Point Pleasant Borough*, 95 N.J.A.R.2d (ABC) 7.

City failed to establish that transfer of license would result in overconcentration. *City of Garfield v. Bonanno and Bonanno*, 94 N.J.A.R.2d (ABC) 79.

Denial of transfer of liquor license was unreasonable. *Grand Victorian Hotel v. Spring Lake Borough Council*, 94 N.J.A.R.2d (ABC) 43.

Applicant failed to establish by that transfer of license was necessary or was in the public's best interest. In the Matter of *Sam's Beer Outlet, Inc.*, 94 N.J.A.R.2d (ABC) 9.

Person-to-person and place-to-place transfer of plenary retail consumption liquor license was warranted. N.J.S.A. 33:1-76. *G & P Restaurant Co., Inc. v. Municipal Bd. of Alcoholic Beverage Control, Passaic County*, 92 N.J.A.R.2d (ABC) 5.

13:2-7.6 Date of hearing

The date fixed for hearing shall not be sooner than five days after the second notice was published (excluding Saturdays, Sundays and legal holidays) and should not be later than 14 days thereafter. For good cause, each issuing authority in the exercise of sound and fair discretion may fix a date for hearing later than said 14 days and may adjourn the hearing, upon notification to all parties.

Amended by R.1990 d.412, effective August 20, 1990.

See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

Recodified from 13:2-7.9. Clarified fixing of hearing date and exception to time limitation. Prior text at 13:2-7.6, "Type of license defined in form", repealed.

13:2-7.7 Hearing not required; reasons

(a) If there is no written objection and the issuing authority determines to approve the application, no hearing is required; but this in no way relieves the issuing authority from the duty of making a thorough investigation on its own initiative. This investigation should include fingerprinting and a criminal background check and financial disclosure documentation.

(b) No application shall be approved unless the issuing authority affirmatively finds and certifies that:

1. The submitted application form is complete in all respects;
2. The applicant is qualified to be licensed according to all standards established by Title 33 of the New Jersey statutes, the regulations promulgated thereunder as well as the pertinent local ordinances and conditions imposed consistent with Title 33;
3. The applicant has disclosed and the issuing authority has reviewed the source of all funds used in the purchase of the license and the licensed business and all additional financing obtained in connection with the licensed business and
4. The transferee has executed a valid consent to transfer the license.

(c) No application shall be disapproved without first affording the applicant an opportunity to be heard, and providing the applicant with at least five days notice thereof. The hearing need not be of the evidentiary or trial type and

the burden of establishing that the application should be approved shall rest with the applicant. In every action adverse to any applicant or objector, the issuing authority shall state the reasons therefor.

13:2-13.2 Execution of questionnaires by employees of State licensees; exemptions

(a) Every person employed by or connected in any capacity whatsoever with the alcoholic beverage business conducted in this State by the holder of any license specified in N.J.A.C. 13:2-13.1 shall execute a questionnaire, on a form prescribed by the Director.

(b) This requirement shall not apply to:

1. Any person holding a solicitor's permit or an employment permit issued by the Director;
2. Any person whose employment does not exceed 10 working days in any one calendar year;
3. Stenographers, telephone operators, clerks, office personnel and other employees who do not handle any alcoholic beverages and have no direct or substantive role in the conduct of the licensee's alcoholic beverage business; or
4. Any person whose only connection with a licensed corporation is that of registered or authorized agent for the service of process.

Amended by R.1990 d.412, effective August 20, 1990.
See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

In (a), specified use of questionnaire form promulgated by the Director; in (a)5, "licensed corporation" was "licensed foreign corporation".

Amended by R.1995 d.450, effective August 21, 1995.
See: 27 N.J.R. 2051(a), 27 N.J.R. 3177(a).

Created (b) from existing text and made stylistic changes.

13:2-13.3 Photograph of person executing questionnaire

Each questionnaire shall have attached thereto one color passport type photograph, two inches by two inches, of the person who has executed such questionnaire, which photograph shall have been taken not more than 30 days prior to the execution of the questionnaire.

Amended by R.1990 d.412, effective August 20, 1990.
See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

Specified "color" passport photo of person "who has executed" questionnaire.

13:2-13.4 Maintenance of questionnaires upon licensed premises

All questionnaires shall be kept upon the licensed premises, available for inspection by the Director, his or her deputies, inspectors, investigators and agents and other officers defined by N.J.S.A. 33:1-1(p).

Amended by R.1990 d.412, effective August 20, 1990.
See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

Deleted 13:2-13.5 exception and obsolete language; added N.J.S.A. 33:1-1(p) reference.

13:2-13.5 (Reserved)

Repealed by R.1990 d.412, effective August 20, 1990.
See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

Section was "Criminal convictions disclosed in questionnaire".

13:2-13.6 (Reserved)

Repealed by R.1990 d.412, effective August 20, 1990.
See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

Section was "Failure to execute questionnaire; employment".

SUBCHAPTER 14. EMPLOYMENT BY LICENSEES OF A PERSON FAILING TO QUALIFY AS A LICENSEE

13:2-14.1 Restriction upon a minor's employment activities on a licensed premises

(a) No licensee shall allow, permit or suffer any person under the age of 18 years to sell, serve or solicit the sale of any alcoholic beverage, or to participate in the manufacture, rectification, blending, treating, fortification, mixing, processing, preparing or bottling of any alcoholic beverage. It shall not constitute a defense to any prosecution for violation of this rule that the employment of a person under the age of 18 years is permitted under N.J.A.C. 13:2-14.2.

(b) No licensee shall allow, permit or suffer any person under 18 years of age to be employed as an entertainer on any premises where the consumption of alcoholic beverages is permitted unless such minor's employment shall be authorized pursuant to N.J.S.A. 34:2-21.1 et seq. of the New Jersey Child Labor Law and the rules and regulations established thereunder.

Amended by R.1973 d.234, effective August 30, 1973.
See: 5 N.J.R. 356(a).

Amended by R.1990 d.412, effective August 20, 1990.
See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

Recodified from 13:2-14.2. Added (b). Prior text at 13:2-14.1, "Criminally disqualified persons", repealed. The following annotation pertained to that section:

Amended by R.1974 d.40, effective February 15, 1974.
See: 6 N.J.R. 17(a), 6 N.J.R. 119(c).

Case Notes

Bar's business closed for 25 days for hiring underage entertainer on basis of obviously altered birth certificate. *Avens v. Atlantic City Municipal Board of ABC*, 96 N.J.A.R.2d (ABC) 1.

13:2-14.2 Minor's employment permit; fees

(a) No licensee, except a retail licensee operating in conjunction with a bona fide hotel or public restaurant, shall allow, permit or suffer the employment of any person under the age of 18 years, in or upon the licensed premises, unless such person obtains an employment permit from the Director of the Division of Alcoholic Beverage Control no later than 10 days from commencement of employment or unless the licensee holds a blanket employment permit issued by the Director pursuant to N.J.A.C. 13:2-14.4.

(b) The fee for an individual permit is \$10.00 per calendar year.

Amended by R.1971 d.24, effective March 1, 1971.

See: 2 N.J.R. 75(d), 3 N.J.R. 65(a).

Amended by R.1973 d.234, effective August 30, 1973.

See: 5 N.J.R. 356(a).

Amended by R.1975 d.237, effective August 8, 1975.

See: 7 N.J.R. 336(a), 7 N.J.R. 436(b).

Amended by R.1990 d.412, effective August 20, 1990.

See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

Recodified from 13:2-14.3. Revised permit requirements; added N.J.A.C. 13:2-14.4. Recodified prior text at 13:2-14.2, "Minor's activities on licensed premises", to 13:2-14.1.

Amended by R.1993 d.288, effective June 7, 1993.

See: 25 N.J.R. 1340(a), 25 N.J.R. 2485(a).

Amended by R.1995 d.450, effective August 21, 1995.

See: 27 N.J.R. 2051(a), 27 N.J.R. 3177(a).

Stylistic changes.

13:2-14.3 Permit; age restrictions

(a) No individual permit shall be issued to and no blanket permit shall cover any person under the age of 16 years except:

1. caddies, pinsetters or similar temporary or seasonal type employees as the Director may deem appropriate upon a showing of good cause and
2. Persons employed by a plenary or limited retail distribution licensee; such licensee may not employ any person under 15 years of age.

Amended by R.1990 d.412, effective August 20, 1990.

See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

Recodified from 13:2-14.4. Added text regarding "temporary or transient type employees"; deleted language concerning entertainment employees under 18. Recodified prior text at 13:2-14.3, "Minor's employment permit; fees", to 13:2-14.2.

Amended by R.1995 d.450, effective August 21, 1995.

See: 27 N.J.R. 2051(a), 27 N.J.R. 3177(a).

Divided existing text into (a)1 and (a)2 and made stylistic changes.

13:2-14.4 Blanket minors' employment permit

(a) A blanket minors' employment permit may be issued by the Director to a licensee to authorize the employment of persons disqualified by reasons of age, who are employed by the licensee as caddies, pinsetters, similar temporary or seasonal employees as the Director may deem appropriate upon a showing of good cause, and such persons covered by the licensee's blanket minors' employment permit need not hold or apply for individual employment permits.

(b) The fee for the blanket employment permit shall be based upon the number of anticipated employees to be hired under the permit, but shall not exceed \$500.00 per calendar year.

New Rule, R.1990 d.412, effective August 20, 1990.

See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

Recodified prior text at 13:2-14.4, "Permits; persons under 18 years of age", to 13:2-14.3.

Amended by R.1995 d.450, effective August 21, 1995.

See: 27 N.J.R. 2051(a), 27 N.J.R. 3177(a).

Made gender neutral and substituted "seasonal" for "transient".

13:2-14.5 Restrictions upon employing criminally disqualified persons

No licensee shall knowingly employ or have connected with him in any business capacity any person who has been convicted of a crime involving moral turpitude unless the statutory disqualification resulting from such conviction has been removed by order of the Director, in accordance with N.J.A.C. 13:2-15, or such person has first obtained the appropriate rehabilitation employment permit or temporary work letter from the Director.

New Rule R.1990 d.412, effective August 20, 1990.

See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

Recodified prior text at 13:2-14.5, "Application; rehabilitation employment permit"; to 13:2-14.6.

13:2-14.6 Application for a rehabilitation employment permit; temporary work letter

(a) Any person convicted of a crime involving moral turpitude may apply to the Director, in the manner and form prescribed by the Director, for a rehabilitation employment permit. Whenever that application is made and it appears to the satisfaction of the Director that such person's employment in the alcoholic beverage industry will not be contrary to the public interest, the Director may, in the exercise of sound discretion, issue such employment permit.

(b) Upon the proper filing of an application and proof of promised employment, the Director may, in the exercise of sound discretion, issue the applicant temporary work letters not to exceed 90 days at any one time, authorizing employment upon a specified licensed premises pending determination on the application for a permit.

(c) A Temporary Work Letter may be issued if the applicant demonstrates to the Director's satisfaction, that the applicant has behaved in a law abiding manner and has not engaged in and will not participate in any conduct detrimental to the integrity of the alcoholic beverage industry or the public interest.

As amended, R.1971 d.24, effective March 1, 1971.

See: 2 N.J.R. 75(d), 3 N.J.R. 65(a).

As amended, R.1973 d.234, effective August 30, 1973.

See: 5 N.J.R. 356(a).

As amended, R.1974 d.40, effective February 15, 1974.

See: 6 N.J.R. 17(a), 6 N.J.R. 119(c).

As amended, R.1975 d.237, effective August 8, 1975.

See: 7 N.J.R. 336(a), 7 N.J.R. 436(b).

Amended by R.1990 d.412, effective August 20, 1990.

See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

Recodified from 13:2-14.5. Added (b). Recodified prior text at 13:2-14.6, "Types of rehabilitation employment permit; duration", to 13:2-14.7.

Amended by R.1995 d.450, effective August 21, 1995.

See: 27 N.J.R. 2051(a), 27 N.J.R. 3177(a).

Added (c).

13:2-14.7 Rehabilitation employment permit; duration; types; fees

(a) A rehabilitation employment permit shall be issued for a one year period, and shall be renewable annually for the term of disqualification, as set forth in N.J.S.A. 33:1-31.2.

(b) Rehabilitation employment permits shall consist of the following types:

1. Unlimited employment permit: This permit shall allow the holder thereof to be employed by any class

license, without restriction as to type of employment. Such permits may not be issued to persons who have been convicted of crimes which, in the opinion of the Director, present a special risk to the alcoholic beverage industry.

2. Limited employment permit: This permit shall allow the holder thereof to be employed by any class license in any non-managerial capacity, and may allow the holder to sell, serve or deliver alcoholic beverages.

(c) The fee for either type of rehabilitation employment permit shall be \$100.00 per annually, payable on the date of application.

As amended, R.1971 d.24, effective March 1, 1971.

See: 2 N.J.R. 75(d), 3 N.J.R. 65(a).

As amended, R.1973 d.234, effective August 30, 1973.

See: 5 N.J.R. 356(a).

As amended, R.1974 d.40, effective February 15, 1974.

See: 6 N.J.R. 17(a), 6 N.J.R. 119(c).

Amended by R.1990 d.412, effective August 20, 1990.

See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

Recodification from 13:2-14.6. Added (c). Recodified prior text at 13:2-14.7, "Limitations", to 13:2-14.8.

Amended by R.1993 d.288, effective June 7, 1993.

See: 25 N.J.R. 1340(a), 25 N.J.R. 2485(a).

Amended by R.1995 d.450, effective August 21, 1995.

See: 27 N.J.R. 2051(a), 27 N.J.R. 3177(a).

13:2-14.8 Restrictions upon limited rehabilitation employment permittee

No licensee shall allow, permit or suffer the holder of limited rehabilitation employment permit to act in a managerial capacity with respect to the licensed business or to sell, serve or deliver any alcoholic beverage if the limited permit so prohibits; nor shall the holder of a limited rehabilitation permit engage in any activity prohibited by the permit.

Amended by R.1990 d.412, effective August 20, 1990.

See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

Recodified from 13:2-14.7. Stylistic revisions. Recodified prior text at 13:2-14.8, "Continued employment of disqualified person", to 13:2-14.9.

Amended by R.1995 d.450, effective August 21, 1995.

See: 27 N.J.R. 2051(a), 27 N.J.R. 3177(a).

13:2-14.9 Termination of employment of disqualified person

No licensee shall employ in any manner whatsoever on the licensed premises any criminally disqualified person upon the withdrawal or denial of the application of such person for an Rehabilitation Employment Permit or upon the cancellation, suspension, revocation or expiration of a Rehabilitation Employment Permit or a Temporary Work Letter.

As amended, R.1975 d.237, effective August 8, 1975.

See: 7 N.J.R. 336(a), 7 N.J.R. 436(b).

Amended by R.1990 d.412, effective August 20, 1990.

See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

Recodified from 13:2-14.8. Revised to specify "criminally disqualified" person; added withdrawal of application and cancellation of "temporary work letter" to termination criteria. Recodified prior text at 13:2-14.9, "Term of permit; applicant's photograph and fingerprints", to 13:2-14.10.

Amended by R.1995 d.450, effective August 21, 1995.

See: 27 N.J.R. 2051(a), 27 N.J.R. 3177(a).

13:2-14.10 Nontransferability of permits; term of permit; applicant's photograph and fingerprints

(a) Employment permits are not transferable from person to person.

(b) All individual permits, except rehabilitation permits, expire on March 31st following their issuance unless otherwise specified therein.

(c) Each applicant for his first permit shall submit with the application one color passport-type photograph, two inches by two inches, taken not more than 30 days prior to the date of application.

(d) Applications for a rehabilitation employment permit shall require fingerprinting of the applicant and payment of the necessary fingerprinting processing fees attendant thereto.

As amended, R.1975 d.237, effective August 8, 1975.

See: 7 N.J.R. 336(a), 7 N.J.R. 436(b).

Amended by R.1990 d.412, effective August 20, 1990.

See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

Recodified from 13:2-14.9. In (c), specified "color passport photo"; added (d). Prior text at 13:2-14.10, "Blanket employment permit", repealed.

13:2-14.11 Amendment of application

Whenever any change shall occur in any of the facts set forth in the application for a permit, the permittee shall file with the Director a notice in writing of the change within 10 days after its occurrence.

Amended by R.1990 d.412, effective August 20, 1990.

See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

Stylistic revisions.

Amended by R.1995 d.450, effective August 21, 1995.

See: 27 N.J.R. 2051(a), 27 N.J.R. 3177(a).

13:2-14.12 Prohibited conduct of permittee

No permittee shall engage in any conduct which is prohibited to his employer by the Alcoholic Beverage Control Act, N.J.S.A. 33:1-1 et seq. or any regulation adopted thereunder, or by any valid municipal ordinance or regulation pertaining to employment upon licensed premises.

Amended by R.1990 d.412, effective August 20, 1990.

See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

Stylistic revisions.

13:2-14.13 Cancellation, suspension and revocation of permit

(a) Any employment permit may be canceled or suspended or revoked by the Director for cause, including, but not limited to, any of the following:

1. Violation by the holder of any provision of the alcoholic beverage law or any regulation adopted thereunder;

2. For any fraud, misrepresentation, false statement, misleading statement, evasion or suppression of a material fact in the application for the permit;

3. Proof that the holder has a prohibited interest in any license issued by the Director or any other issuing authority;

4. The permit holder is disqualified from being employed by a licensee for reasons other than the disqualification referred to in the employment permit;

5. Any other act or happening, occurring after the time of making an application for an employment permit which, if it had occurred before said time, would have prevented issuance of the permit; and

6. With respect to rehabilitation employment permits or temporary work letters issued pursuant to N.J.A.C. 13:2-14.6, proof of arrest or conviction of the permit holder of any crime or disorderly persons offense.

Amended by R.1974 d.46, effective February 15, 1974.

See: 6 N.J.R. 17(a), 6 N.J.R. 119(c).

Amended by R.1990 d.412, effective August 20, 1990.

See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

In (a)6, added "or temporary work letters", "proof of arrest or conviction "of the permit holder".

Case Notes

Rehabilitation Employment Permit denied to former criminal probationer to work at his formerly-owned establishment, now owned by wife; permit to work elsewhere granted (Division's Final Decision). *Marini v. Div. of Alcoholic Beverage Control*, 1 N.J.A.R. 365 (1980).

SUBCHAPTER 15. REMOVAL OF STATUTORY DISQUALIFICATION

13:2-15.1 Time for petition filing; removal of statutory disqualification

Any person convicted of a crime involving moral turpitude may, after the lapse of five years from the date of conviction, or release from incarceration, whichever is later, petition the Director of the Division of Alcoholic Beverage Control pursuant to N.J.S.A. 33:1-31.2 for an order removing the resulting statutory disqualification from obtaining or holding any license or permit.

Amended by R.1990 d.412, effective August 20, 1990.

See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

Added "release from incarceration" as condition for filing.

13:2-15.2 Petition; contents

The petition for removal of disqualification shall be in verified form accompanied by payment of a filing fee of \$100.00. The petitioner shall be required to submit a set of fingerprints and a recent color passport photograph (two inches by two inches) with said application, as well as any fingerprinting processing fees attendant thereto.

Amended by R.1990 d.412, effective August 20, 1990.

See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

Specified submission of "color passport" photo and "fingerprinting processing fees".

Amended by R.1995 d.450, effective August 21, 1995.

See: 27 N.J.R. 2051(a), 27 N.J.R. 3177(a).

Increased filing fee.

13:2-15.3 Hearing

No petition shall be denied without first affording the petitioner a hearing, which the Director shall schedule to be held at this Division by the Director under N.J.S.A. 52:14F-8 or by an Administrative Law Judge as a contested case pursuant to N.J.A.C. 1:1-3.2. The petitioner and two character witnesses will be required to appear in person at said hearing and to testify under oath.

Amended by R.1990 d.412, effective August 20, 1990.

See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

Prohibited petition denial without a hearing, and added text regarding N.J.S.A. 52:14F-8 and N.J.A.C. 1:1-3.2.

13:2-15.4 Removal of disqualifications; causes

(a) The Director may, in the exercise of sound discretion, enter an order removing the disqualification, if the Director is satisfied from the petitioner's testimony, the witnesses produced or the investigative record that:

1. At least five years have elapsed from the later of the date of conviction or release from incarceration;
2. The petitioner has behaved in a law-abiding manner during such period; and
3. The petitioner's association with the alcoholic beverage industry will not be contrary to the public interest.

(b) Any person, who applies for and is denied the removal of a disqualification for any reason, may not re-apply for a period of up to five years from the date of final administrative or judicial action, whichever is later, regarding the subject application. The Director shall set the period of time during which a disqualified person may not re-apply in the Order denying the disqualification removal and shall specify the reasons therefor.

Amended by R.1990 d.412, effective August 20, 1990.

See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

In (a), "or the investigative record" was "and the investigative record"; in (a)1, added "release from incarceration" to elapsed time requirement.

Amended by R.1995 d.450, effective August 21, 1995.

See: 27 N.J.R. 2051(a), 27 N.J.R. 3177(a).

Added (b).

Case Notes

Reasonable conditions were placed upon licensee in alcohol-abuse counseling to obtain renewal of liquor license. *Hilcar v. New Brunswick*, 95 N.J.A.R.2d (ABC) 49.

Petitioner entitled to removal of disqualification from alcoholic beverage license. *Schoch v. Division of Alcoholic Beverage Control*, 94 N.J.A.R.2d (ABC) 89.

No basis for removal of statutory disqualification from employment in liquor industry. Santorella v. Alcoholic Beverage Control Division, 94 N.J.A.R.2d (ABC) 65.

13:2-22.4 Dates and location of training

The educational training programs required under this subchapter shall be available and reasonably accessible to all plenary and limited retail distribution licensees in the State. The training programs shall be offered at least once every three months, subject to need, in the geographical area covered by each of the current three telephone area codes in New Jersey; as well as at least once annually on a Statewide basis.

13:2-22.5 Designation of entity to conduct the training programs

In order to satisfy the training requirements on the most cost efficient basis, and in furtherance of the authority set forth in N.J.S.A. 33:1-12.45, the Director, Division of Alcoholic Beverage Control may contract with a non-profit educational organization in this State to administer and conduct all or part of the educational training programs required by this subchapter.

13:2-22.6 Training program curriculum

(a) The Director, Division of Alcoholic Beverage Control, shall establish and revise annually the course content and shall approve the individual instructors or lecturers who will conduct the training programs, in consultation with any non-profit educational organization he or she may have contracted with in accordance with N.J.A.C. 13:2-22.5.

(b) The curriculum for the initial training programs shall include, but is not limited to, an explanation and development of the following:

1. The provisions of the New Jersey Alcoholic Beverage Control Act, N.J.S.A. 33:1-1 et seq., as it relates to the distribution, transportation, sale, and marketing of alcoholic beverages by retail distribution licensees; with detailed emphasis placed on the provisions of law governing the sale and delivery of alcoholic beverages to persons under the legal age;
2. The rules and regulations promulgated by the Director, Division of Alcoholic Beverage Control, N.J.A.C. 13:2, governing the sale, advertising, transportation, required records, promotion and marketing of alcoholic beverages, the disciplinary and adjudicatory procedures and consequences attendant to violative activity, and the permitted and prohibited conduct and use of the license and the licensed premises;
3. The application of municipal ordinances and regulations concerning the licensure, hours of sale, location, restrictions and permitted use of retail licenses and licensed premises established by municipal governing bodies or municipal boards of alcoholic beverage control;
4. Relevant administrative policies and determinations of the Director, Division of Alcoholic Beverage Control, the requirements and procedures for the collection and remittance of New Jersey taxes, and other State and

Federal laws and regulations that impact upon the retail alcoholic beverage industry of the State of New Jersey; and

5. The relationship and application of the 10 point legislative declaration of policy and purpose set forth in N.J.S.A. 33:1-3 to the conduct and use of retail liquor licenses.

(c) The curriculum for the supplemental training program shall include, but not be limited to, any changes in the Alcoholic Beverage Control Act or other related laws affecting retail licensed businesses, new or amended regulations of the Division of Alcoholic Beverage Control, administrative and judicial policy changes, prevailing market or societal conditions and reinforcement or further expansion of matters addressed in the initial training program or revisions thereto.

Amended by R.1995 d.450, effective August 21, 1995.
See: 27 N.J.R. 2051(a), 27 N.J.R. 3177(a).

13:2-22.7 Registration fees

(a) Each attendee shall be required to pay a registration fee in an amount to be established by the Director, Division of Alcoholic Beverage Control, giving due consideration to the actual expenses required to properly operate and maintain the educational training programs. The cost of registration shall be reviewed annually by the Director against the actual operational expenses and adjusted accordingly. In no event shall the registration fee for each attendee be less than \$50.00 nor more than \$150.00.

(b) A schedule of registration fees and any subsequent amendments thereto shall be set forth and published in the Alcoholic Beverage Control Bulletin, and otherwise disseminated to all affected licensees.

(c) For purposes of administration, if the Director contracts with a non-profit educational organization pursuant to N.J.A.C. 13:2-22.5, the full registration fee shall be remitted to the contracting educational organization. That organization shall forward 20 percent of the fee to the Director, within seven business days after receipt for deposit in the State Treasury. The balance of the fee shall be retained by the educational organization to reimburse it for the costs associated with the conduct and maintenance of the educational training programs, including the scheduling, notice and promotional expenses, site expenses, instructional expenses (other than personnel of the Division of Alcoholic Beverage Control or other State employees), course materials, and other related expenses.

(d) The non-profit educational organization shall maintain true and accurate books of account concerning all aspects of the operation and maintenance of the educational training program, which records shall be made available for inspection by the Director upon demand. The organization shall provide the Director with a full and complete fiscal

and operational report detailing the program's activities on an annual basis; and it shall post an adequate performance bond if required by the Director.

13:2-22.8 Certification of educational training or order of deferment

(a) Upon the satisfactory completion of an initial or any supplemental educational training program required under this subchapter, the holder of a plenary or limited retail distribution license shall receive from the Director, Division of Alcoholic Beverage Control, a Certificate of Educational Training. The certificate shall include the date and location of the completed training program, the name of the attendee or attendees on behalf of the licensee, and the licensee's name, address and license number. The Certificate of Educational Training may be displayed on the licensed premises and must be made available to the licensing issuing authority at the time of any application for renewal of the license.

(b) Any holder of a plenary or limited retail distribution license who is unable to attend an initial or supplemental training program within the required time period, may apply to the Director, no later than 30 days before the expiration of the requisite training time period, for a deferment of the requirement for attendance in the educational program. The request for deferment shall be made to the Director on a form to be prescribed by the Director and accompanied by a non-refundable processing fee of \$25.00. If the Director is satisfied that there is good cause for the deferment, the Director shall issue an Order of Deferment of the training requirement, subject to conditions thereon as may be appropriate.

Amended by R.1995 d.450, effective August 21, 1995.
See: 27 N.J.R. 2051(a), 27 N.J.R. 3177(a).

13:2-22.9 Sanctions for noncompliance

(a) Any holder of a plenary or limited retail distribution license who fails to attend and successfully complete the required initial or supplemental educational training program within the time period set forth in this subchapter, and who has not received a currently valid Order of Deferment, shall be subject to the following administrative sanctions to be imposed by the Director, Division of Alcoholic Beverage Control.

1. The first failure to attend or successfully complete the training program within the time periods set forth in this subchapter shall constitute a first offense and shall subject the licensee to a monetary penalty of \$250.00 in lieu of institution of formal disciplinary proceedings, with a requirement that the training be completed within the following three months.

2. Failure to attend or successfully complete the training program within the three month extension after a first offense shall constitute a second offense and subject the licensee to a monetary penalty of \$500.00 in lieu of institution of formal disciplinary proceedings, with a requirement that the training be completed within the following three months.

3. Failure to attend or successfully complete the training program within the additional three month extension granted a second offender shall constitute a third offense and subject the licensee to a monetary penalty of \$1,000 in lieu of institution of formal disciplinary proceedings, with a requirement that the training be completed within the following three months.

4. Any failure to comply with the final three months extension afforded a third offender shall subject the licensee to formal administrative charges that can lead to an indefinite suspension of license, with leave granted to lift the suspension upon payment of a monetary penalty of \$2,000 and proof of satisfactory completion of the educational training program.

(b) False or misleading representations by a licensee in its petition for a deferment are grounds for suspension or revocation of its license.

Amended by R.1995 d.450, effective August 21, 1995.
See: 27 N.J.R. 2051(a), 27 N.J.R. 3177(a).

13:2-22.10 (Reserved)

Repealed by R.1995 d.450, effective August 21, 1995.
See: 27 N.J.R. 2051(a), 27 N.J.R. 3177(a).
Section was "Subchapter operative date".
Section was "subchapter operative date."

SUBCHAPTER 23. CONDUCT OF LICENSEES AND PERMITTEES AND USE OF LICENSED PREMISES

Subchapter Historical Note

Pursuant to Executive Order No. 66(1978), Subchapter 23 was re-adopted as R.1984 d.51, effective February 14, 1984. See: 16 N.J.R. 29(a), 16 N.J.R. 428(a). See also Chapter Historical Note and section annotations.

13:2-23.1 Prohibition against serving persons under the legal age and intoxicated persons

(a) No licensee shall sell, serve or deliver or allow, permit or suffer the sale, service or delivery of any alcoholic beverage, directly or indirectly, to any person under the legal age to purchase or consume alcoholic beverages, or allow, permit or suffer the consumption of any alcoholic beverage by any such person in or upon the licensed premises.

(b) No licensee shall sell, serve or deliver or allow, permit or suffer the sale, service or delivery of any alcoholic beverage, directly or indirectly, to any person actually or apparently intoxicated, or permit or suffer the consumption of any alcoholic beverage by any such person in or upon the licensed premises.

Amended by R.1973 d.234, effective August 30, 1973.
See: 5 N.J.R. 356(a).

Amended by R.1980 d.304, effective July 3, 1980.

See: 12 N.J.R. 343(b), 12 N.J.R. 494(b).

Amended by R.1990 d.412, effective August 20, 1990.

See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

Revised heading.

Law Review and Journal Commentaries

Dram Shop Act—Administrative Regulations—Alcohol—Comparative Negligence—Instructions. Steven P. Bann, 137 N.J.L.J. No. 3, 49 (1994).

Torts—Dram Ship Liability—Under New Jersey Law a Casino Patron Would Not Be Permitted to Recover Gambling Losses From a Casino That Served the Patron Free Alcohol and Allowed Him to Continue Gambling After He Became Visibly Intoxicated—Hakimoglu v. Trump. Anthony Fernandez, 26 Seton Hall L.Rev. 941 (1996).

Case Notes

Casino patron could not recover damages from casinos under dram shop liability doctrine for gambling losses allegedly caused by casinos' conduct in serving free alcoholic beverages to patron and allowing him to continue to gamble. *Hakimoglu v. Trump Taj Mahal Associates*, C.A.3 (N.J.)1995, 70 F.3d 291.

Casino Control Commission did not have exclusive primary jurisdiction over claims for gambling losses. *Greate Bay Hotel & Casino v. Tose*, C.A.3 (N.J.)1994, 34 F.3d 1227, rehearing and rehearing in banc denied.

Losses incurred by patron allowed to gamble while drunk were proximately caused by casino's negligence. *Tose v. Greate Bay Hotel and Casino Inc.*, D.N.J.1993, 819 F.Supp. 1312.

Contributory negligence based on intoxication of patron is not available to casino. *Tose v. Greate Bay Hotel and Casino Inc.*, D.N.J.1993, 819 F.Supp. 1312.

Tavern violated regulations requiring that premises be maintained in safe and orderly condition by continuing to serve unruly intoxicated patrons, even after its security guard had to break up altercation between patrons and another customer. *Cassanello v. Luddy*, 302 N.J.Super. 267, 695 A.2d 325 (N.J.Super.A.D. 1997).

Negligence under statute is not definable by reference to administrative regulations. *Fisch v. Bellshot*, 135 N.J. 374, 640 A.2d 801 (1994).

Prerequisites to establish tavern owner's negligence in serving alcoholic beverages to a patron noted. *Geherty v. Moore*, 238 N.J.Super. 463, 570 A.2d 29 (A.D.1990), certification granted 122 N.J. 148, 584 A.2d 219, appeal dismissed as improvidently granted 127 N.J. 287, 604 A.2d 110.

Finding that automobile accident was not proximately caused by motorist's intoxication, so that tavern owner was not liable supported by evidence. *Geherty v. Moore*, 238 N.J.Super. 463, 570 A.2d 29 (A.D. 1990), certification granted 122 N.J. 148, 584 A.2d 219, appeal dismissed as improvidently granted 127 N.J. 287, 604 A.2d 110.

Parents had duty to public to exercise reasonable care to arrange for competent supervision of their teenagers. *Morella v. Machu*, 235 N.J.Super. 604, 563 A.2d 881 (A.D.1989).

Insurer did not have duty to defend and indemnify bar in action by barmaid for wrongful termination in violation of public policy. *John's Cocktail Lounge, Inc. v. North River Ins. Co.*, 235 N.J.Super. 536, 563 A.2d 473 (A.D.1989).

Licensee who sells package-alcoholic beverages to visibly intoxicated patron who thereafter negligently operates motor vehicle, is liable for injuries inflicted upon third party as a result thereof. *Tilton v. Brombacher*, 232 N.J.Super. 374, 556 A.2d 1337 (L.1989).

Tavern could be held 75% responsible for deaths and injuries caused by fire, in dram shop action wherein it was alleged that underage drinker negligently set house on fire. *Finney v. Ren-Bar, Inc.*, 229 N.J.Super. 295, 551 A.2d 535 (A.D.1988).

Statute prohibiting underage person from entering casino imposed strict liability. *State, Dept. of Law and Public Safety, Div. of Gaming Enforcement v. Boardwalk Regency Corp.*, 227 N.J.Super. 549, 548 A.2d 206 (A.D.1988).

Record supported the determination that the licensee delivered, either directly or indirectly, or "permitted or suffered" the delivery of beer to a person under legal age, even if a person of legal age had paid for the beer. *N.J. Div. of Alcoholic Beverage Control v. H & H Wine and Spirit Shop*, 216 N.J.Super. 532, 524 A.2d 466 (App.Div.1987).

Issue of whether owner of liquor store should reasonably have foreseen that underage purchaser would share liquor with minor injured in one car collision was question for jury. *Thompson v. Victor's Liquor Store, Inc.*, 216 N.J.Super. 202, 523 A.2d 269 (App.Div. 1987).

Licensee's action dismissed against minor for lost profits due to license suspension caused by licensee's sale of liquor to minor who orally misrepresented age; licensee's failure to obtain written representation of minor's age was proximate cause of suspension. *Faces, Inc. v. Kennedy*, 185 N.J.Super 113, 447 A.2d 592 (Law Div.1981), affirmed per curiam 185 N.J.Super. 77, 447 A.2d 572 (App.Div.1982).

Monetary penalty in lieu of license suspension was appropriate for large hotel facility charged with sales of alcoholic beverages to minors. *Governor Morris Association v. Township Committee of the Township of Morris*, 96 N.J.A.R.2d (ABC) 103.

Licensee that admitted selling alcohol to underage patron was not entitled to monetary penalty in lieu of license suspension. *Alibi Inn v. Woodbridge Township*, 96 N.J.A.R.2d (ABC) 90.

Suspension of liquor license warranted where licensee allowed underage persons to frequent its tavern in violation of city ordinance. *J-Kal v. City of Trenton*, 96 N.J.A.R.2d (ABC) 31.

Failure to require underage person to present identification warranted thirty-day suspension of liquor license. *Montville Enterprises v. Township Council*, 95 N.J.A.R.2d (ABC) 55.

Two concurrent suspensions imposed upon bar that served alcohol to minor and intoxicated person. *Martin and Pearl Springman, Inc. v. Midland Park Borough*, 94 N.J.A.R.2d (ABC) 90.

Failure to prove that liquor store owner sold alcohol to minors who were subsequently involved in a fatal car accident. *Division of Alcoholic Beverage Control v. Chatfield and Connolly, Inc.*, 94 N.J.A.R.2d (ABC) 51.

Service to underage persons; allowing them to carry beer out of store after another person had paid for it. *Division of Alcoholic Beverage Control v. Mr. G's, Inc.*, 92 N.J.A.R.2d (ABC) 52.

Suspension of license; sale of alcoholic beverages to a person under the legal age. *De Cesare, Inc. v. City of Vineland*, 92 N.J.A.R.2d (ABC) 37.

Fine in lieu of suspension of plenary retail consumption license. *N.J.S.A. 33:1-31, 33:1-77. W.A.M. Night Clubs, Inc. v. Township Committee of the Township of Teaneck*, 92 N.J.A.R.2d (ABC) 17.

Respondent guilty of selling alcoholic beverages to an underage individual (Decision of Div. of A.B.C.). *Div. of Alcoholic Beverage Control v. H & H*, 11 N.J.A.R. 478 (1986) affirmed 216 N.J.Super. 532, 524 A.2d 466.

Finding of not guilty of serving intoxicated person; conduct observed by licensee's employees did not give rise to conclusion by reasonable person that customer was intoxicated. *Div. of Alcoholic Beverage Control v. Harry M. Stevens, Inc.*, 5 N.J.A.R. 141 (1981).

13:2-23.2 Prohibiting sales or consumption of alcoholic beverages during elections; municipal option

No licensee shall sell or offer for sale at retail or deliver to any consumer any alcoholic beverage, or allow, permit or suffer the consumption of any alcoholic beverage in or upon

the licensed premises while the polls are open for voting in any municipality in which an election is being held and the sale of alcoholic beverages is prohibited during such election by municipal ordinance.

Amended by R.1970 d.101, effective August 24, 1970.

See: 2 N.J.R. 76(a).

Amended by R.1990 d.412, effective August 20, 1990.

See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

Revised heading.

13:2-23.3 Closing premises during public emergency or crime investigation

No licensee shall sell, serve or deliver or allow, permit or suffer the sale, service or delivery of any alcoholic beverage, at retail, or allow, permit or suffer the consumption of any alcoholic beverage on the licensed premises, or allow, permit or suffer the retail licensed premises to be open, during any period for which any duly constituted State, county or municipal law enforcement authority, because of a public emergency or investigation of crime, has ordered the licensed premises to be closed, unless excepted by such authority to permit continuing conduct of business other than the sale of alcoholic beverages.

13:2-23.4 House-to-house solicitation forbidden

No licensee shall solicit from house-to-house, personally or by telephone, the purchase of any alcoholic beverage, or allow, permit or suffer such solicitation.

Amended by R.1990 d.412, effective August 20, 1990.

See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

Stylistic revision.

13:2-23.5 Prohibited patrons; narcotics or other unlawful drugs; illegal activity or enterprise

(a) No licensee shall allow, permit or suffer in or upon the licensed premises the habitual presence of any known prostitute, gangster, racketeer, notorious criminal, or other person of ill repute.

(b) No licensee shall allow, permit or suffer in or upon the licensed premises any unlawful possession of or any unlawful activity pertaining to:

1. Narcotic drugs;
2. Controlled dangerous substances as defined by the New Jersey Controlled Dangerous Substances Act (N.J.S.A. 24:21-1 et seq.);
3. Controlled dangerous analogs as defined by the Comprehensive Drug Reform Act of 1987 (N.J.S.A. 2C:35-1 et seq.);
4. Any prescription legend drug, in any form, which is not a narcotic drug or a controlled dangerous substance or analog, as so defined; or
5. Drug paraphernalia as defined by N.J.S.A. 2C:36-1.

(c) No licensee shall allow, permit or suffer the licensed premises to be accessible to any premises upon which any illegal activity or enterprise is carried on, or the licensed premises or business to be used in furtherance or aid of or accessible to any illegal activity or enterprise.

Amended by R.1972 d.67, effective April 6, 1972.

See: 4 N.J.R. 50(a), 4 N.J.R. 105(c).

Amended by R.1990 d.412, effective August 20, 1990.

See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

In (b), added numbered paragraphs, "Controlled dangerous analogs . . ." and "Drug paraphernalia . . .".

Case Notes

Revocation of liquor license was improper. *County Hearth, Inc., v. Old Bridge Twp. Council*, 221 N.J.Super. 293, 534 A.2d 424 (App.Div. 1987).

Law enforcement officers could not search the nonpublic areas of a licensed tavern for evidence of general criminality, unrelated to the operation of the licensed activity, without a search warrant. *State v. Williams*, 168 N.J.Super. 359, 403 A.2d 31 (App.Div.1979), affirmed 84 N.J. 217, 417 A.2d 1046 (1980).

Illegal drug activity on licensed premises with licensee's knowledge warranted revocation of license. *Township of Nutley v. Rockyn Juke Box*, 95 N.J.A.R.2d (ABC) 81.

Stockholder's crime of distribution of a controlled dangerous substance was one of moral turpitude; retail consumption license properly revoked. *Division of Alcoholic Beverage Control v. Doug-Kar Corp.*, 92 N.J.A.R.2d (ABC) 21.

Employees selling drugs and guns and delivering liquor for off-premises consumption after legal hours of sale; suspension of license. N.J.S.A. 33:1-3.1. *Director of the Div. of Alcoholic Beverage Control v. Vanmar Liquors, Inc.*, 92 N.J.A.R.2d (ABC) 9.

Sale of cocaine on premises warranted revocation of liquor license. *Fischer v. Mayor and Council of the City of Garfield*, 92 N.J.A.R.2d (ABC) 1.

Violation found for unlawful sale of cocaine upon the premises; respondents offered transcribed record in lieu of producing witnesses at the hearing de novo (Division's final decision). *T.L.S. Inc. v. City of Bayonne*, 9 N.J.A.R. 403 (1985).

Violation found for employee's possession of narcotics paraphernalia on premises. *Canal Street Pub, Inc. v. Municipal Bd. of Alcoholic Beverage Control, City of Paterson*, 6 N.J.A.R. 221 (1982).

License suspended due to employee's sale of marijuana on premises; licensee must bear responsibility for employee's action; penalty mitigated by licensee's serious efforts to stop during trafficking on premises; 30 day suspension ordered (Division's Final Decision). *Div. of Alcoholic Beverage Control v. Red Klotz Enterprises, Inc.*, 6 N.J.A.R. 13 (1982).

License revoked for cocaine trafficking on premises by majority stockholder; minority stockholders' lack of knowledge of activity not excusable in mitigation of penalty. *Valdivia's Bar, Inc. v. Elizabeth City Council*, 6 N.J.A.R. 161 (1981).

License suspended for allowing, permitting and suffering possession of controlled dangerous substance on premises; good faith effort to stop activity not found. *Div. of Alcoholic Beverage Control v. Ty-Dan Corp.*, 5 N.J.A.R. 273 (1980), affirmed.

13:2-23.6 Prohibition against immoral activities; disturbance; nuisance on premises

(a) No licensee shall engage in or allow, permit or suffer in or upon the licensed premises:

Amended by R.1990 d.412, effective August 20, 1990.
 See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).
 Stylistic revisions.
 Amended by R.1995 d.450, effective August 21, 1995.
 See: 27 N.J.R. 2051(a), 27 N.J.R. 3177(a).
 Stylistic changes.

13:2-29.4 Licensee records; storage systems and availability of records

(a) Upon written application to the Director accompanied by all relevant specifications and descriptions, the Director, in the exercise of sound discretion, may approve alternate methods or locations for storage of any record required to be maintained by licensees, provided that such a record system permits access to all required records so that they are "readily retrievable" and "accurate".

(b) Records are "readily retrievable" if when relating to a transaction from the date of request they are:

1. Not more than three months old and are produced for inspection immediately upon demand;
2. Not more than one year old but in excess of three months old, and are produced for inspection within two business days; or
3. In excess of one year old and produced for inspection within seven business days.

(c) Records are "accurate" if they are reduced copy of the original document or otherwise correctly reflect all information contained on the original required record.

(d) Computer systems and programs may be used to store records required to be maintained by law or other regulation if such records are retrievable within the time limits as enumerated in this section.

Amended by R.1990 d.412, effective August 20, 1990.
 See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).
 Revised heading; in (b)1, added "immediately" to "upon demand".
 Amended by R.1995 d.450, effective August 21, 1995.
 See: 27 N.J.R. 2051(a), 27 N.J.R. 3177(a).
 Added (d).

SUBCHAPTER 30. REGISTRATION OF STILLS

13:2-30.1 Stills to be registered

Every still, distilling apparatus and parts thereof, located within this State, whether set up, dismantled or in the process of construction, shall be registered with the Director of the Division of Alcoholic Beverage Control.

13:2-30.2 Registration form; contents

Such registration shall be upon forms prescribed by the Director designated as registry certificates, which may be obtained from the Director upon request, and which shall set forth the description and location of the still, distilling

apparatus and parts thereof, and the names and address of the owner and the person having possession, control or custody thereof.

Amended by R.1990 d.412, effective August 20, 1990.
 See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).
 Specified "forms promulgated by the Director".
 Amended by R.1995 d.450, effective August 21, 1995.
 See: 27 N.J.R. 2051(a), 27 N.J.R. 3177(a).
 Substituted "prescribed" for "promulgated".

13:2-30.3 Possession of registry certificate on premises

Certificates must be completed and returned to the Director in duplicate, and one of said certificates, bearing due endorsement by the Director of the receipt thereof, shall be returned to the registrant and must at all times be kept on the premises where the still, distilling apparatus and parts thereof are located.

Amended by R.1990 d.412, effective August 20, 1990.
 See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).
 Substituted "completed and returned" for "executed and transmitted".

13:2-30.4 Removal of registered still

No registered still, distilling apparatus and parts thereof shall be transported, except pursuant to written permission first obtained from the Director, and any registered still, distilling apparatus and parts thereof removed from the premises described in the registry certificate without such permission shall be deemed forthwith unregistered.

13:2-30.5 Sale of registered still; notice

When any registered still, distilling apparatus and parts thereof are sold or become the subject of a contract of sale, the registrant shall forthwith notify the Director of the name and address of the purchaser and the place where said still, distilling apparatus and parts thereof are to be delivered.

13:2-30.6 Stills of licensed distillery, rectifier or blender

None of the foregoing rules shall apply to any still, distilling apparatus and parts thereof, possessed by or in the custody or control of any licensed distillery or rectifier and blender, when located at the licensed premises and used in connection with the operation of the licensed business, and such stills, distilling apparatus and parts thereof are hereby declared registered during the continuance of the license.

SUBCHAPTER 31. SEIZURE HEARINGS

Subchapter Historical Note

All provisions of this subchapter were filed and became effective prior to September 1, 1969. Pursuant to Executive Order No. 66(1978), Subchapter 31 was readopted as R.1984 d.602, effective December 17, 1984. See: 16 N.J.R. 2959(a), 17 N.J.R. 92(b). See also Chapter Historical Note and section annotations.

13:2-31.1 Hearings generally

Contested case hearings to determine whether seized property constitutes unlawful property and shall be forfeited, shall be conducted according to N.J.A.C. 1:1 and either retained by the Director, Division of Alcoholic Beverage Control under the provisions of N.J.S.A. 52:14F-8 or filed with the Office of Administrative Law pursuant to N.J.A.C. 1:1-5.1.

Amended by R.1990 d.412, effective August 20, 1990.
See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

Deleted language regarding hearings open to the public.

13:2-31.2 Procedures; return of property seized

(a) Prior to final determination by the Director, claims for the return of property seized under N.J.S.A. 33:1-66 or N.J.S.A. 33:2-3 may be made to the Director by payment in cash, under protest, of the retail value of the seized property, or by the posting of a proper bond with sureties satisfactory to the Director in a sum double the retail value of the property. In lieu of such cash bond or surety bond, a claimant may institute an action for replevin against the Director in any court of competent jurisdiction according to the forms and procedure, including the delivery of a bond, of such court; such action to be commenced within 30 days from the seizure of such property and not thereafter. The Director may, in the exercise of sound discretion, refuse to entertain any such claim for the posting of a bond to obtain return of the property seized made more than 30 days from the date of the final order of forfeiture.

(b) The Director's appraisal of the retail value of seized property, upon claim for its return, shall be controlling.

(c) A person making payment in cash, or the posting of a proper bond, under protest, may either institute suit to recover such payment in a court of competent jurisdiction under the provisions of N.J.S.A. 33:1-66 or elect, by written stipulation satisfactory to the Director, to have the matter heard as a contested case and to have the Director decide whether the claim shall be recognized or denied, and whether such cash or bond should be forfeited or returned.

Amended by R.1990 d.412, effective August 20, 1990.
See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

Stylistic revisions.

Amended by R.1995 d.450, effective August 21, 1995.
See: 27 N.J.R. 2051(a), 27 N.J.R. 3177(a).

Stylistic changes.

13:2-31.3 Forfeiture and sale of seized property

(a) The order of forfeiture of seized property after hearing terminates all property interests therein and in any proceeds therefrom, including the interests of the owner, any conditional vendor, chattel mortgagee or lienor. The standards and procedure on claims addressed to the Director for the return of unlawful property or recognition of outstanding interests therein shall be as provided in (b), (c) and (d) below.

(b) Claims may be made by the person whose property has been seized or forfeited for the return of seized property on the ground that the claimant has acted in good faith and has unknowingly violated the law, by presenting evidence to that effect at the hearing. The Director may require a claimant to file a verified petition setting forth in detail all of the facts relied upon. Where the Director is satisfied that the claimant has acted in good faith and has unknowingly violated the law, he or she may order the return of the property upon payment by claimant of reasonable costs of seizure and storage.

(c) Claims may be made by any person having a bona fide and valid lien upon or interest in the seized or forfeited property for the recognition of the validity and priority of such lien or interest, by presenting evidence at the hearing that such claimant has acted in good faith, and had no knowledge of the unlawful use to which the property was put, or of such facts as would have led a person of ordinary prudence to discover such use. The Director may require such claimant to file a verified petition setting forth in detail the facts relied upon. If the claim is established to the satisfaction of the Director, the return of the property to the claimant may be ordered where it appears that the amount or value of such lien or interest exceeds the value of the property, subject to payment of reasonable costs of seizure and storage; or order the retention of the property for the use of the State, subject to the payment of the lien or interest less costs of seizure and storage; or order the sale of the property, subject to the payment of the lien or interest out of the proceeds of sale, after first deducting the reasonable costs of seizure and storage.

(d) Claims may be made by a common carrier whose vehicle has been seized for return of the vehicle by filing a verified petition with the Director substantiating such interest, together with a statement that claimant has acted in good faith and had no knowledge at the time of the seizure that the vehicle contained illicit alcoholic beverages. The Director may, if satisfied that these facts are established, order the return of the seized vehicle to the common carrier.

(e) Sale of forfeited property shall be conducted pursuant to the provisions of N.J.S.A. 52:27B-68.

Amended by R.1990 d.412, effective August 20, 1990.
See: 22 N.J.R. 1811(a), 22 N.J.R. 2508(c).

Revised (c), regarding establishment of claim.

Amended by R.1995 d.450, effective August 21, 1995.
See: 27 N.J.R. 2051(a), 27 N.J.R. 3177(a).

Added (e).

Case Notes

Property on unlicensed premises subject to forfeiture when used in unlawful alcoholic beverage activity. *Alcoholic Beverage Control v. Fernandes*, 95 N.J.A.R.2d (ABC) 103.