# Committee Meeting

of

# ASSEMBLY AGRICULTURE AND NATURAL RESOURCES COMMITTEE

The following Bills will be considered:

Assembly Bill 1046, Assembly Bill 1054, Assembly Bill 1055, Assembly Bill 1205, Assembly Bill 1512, Assembly Bill 3121, Assembly Bill 3344, Assembly Bill 3643, Assembly Bill 3921

**LOCATION:** Jessie Creek Winery

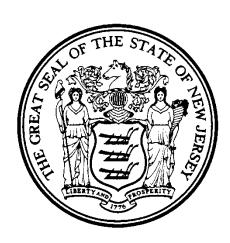
Cape May Court House, New Jersey

**DATE:** May 3, 2018

1:00 p.m.

### **MEMBERS OF COMMITTEE PRESENT:**

Assemblyman Bob Andrzejczak, Chair Assemblyman Eric Houghtaling, Vice Chair Assemblyman R. Bruce Land Assemblyman Adam J. Taliaferro



### **ALSO PRESENT:**

Judith Horowitz
Neha Mehta Patel
Office of Legislative Services
Committee Aides

Martin Sumners Assembly Majority Office Committee Aide Glen Beebe Assembly Republican Office Committee Aide

Meeting Recorded and Transcribed by
The Office of Legislative Services, Public Information Office,
Hearing Unit, State House Annex, PO 068, Trenton, New Jersey



BOB ANDRZEJCZAK

ERIC HOUGHTALING Vice-Chair

CLINTON CALABRESE ADAM J. TALIAFERRO RONALD S. DANCER PARKER SPACE

LUCINDA TIAJOLOFF Office of Legislative Services Committee Aide (609) 847-3855 (609) 292-0561 fax

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### ASSEMBLY AGRICULTURE AND NATURAL RESOURCES COMMITTEE -

STATE HOUSE ANNEX **PO BOX 068** TRENTON NJ 08625-0068

NEHA MEHTA PATEL Office of Legislative Services
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#### COMMITTEE NOTICE

TO:

MEMBERS OF THE ASSEMBLY AGRICULTURE AND NATURAL RESOURCES

**COMMITTEE** 

FROM:

ASSEMBLYMAN BOB ANDRZEJCZAK, CHAIRMAN

SUBJECT:

**COMMITTEE MEETING - MAY 3, 2018** 

The public may address comments and questions to Lucinda Tiajoloff, Neha Patel, Committee Aides, or make bill status and scheduling inquiries to Shirley Link, Secretary, at (609)847-3855, fax (609)292-0561, or e-mail: OLSAideAAN@njleg.org. Written and electronic comments, questions and testimony submitted to the committee by the public, as well as recordings and transcripts, if any, of oral testimony, are government records and will be available to the public upon request.

The Assembly Agriculture and Natural Resources Committee will meet on Thursday, May 3, 2018 at 1:00 PM at Jessie Creek Winery, 1 Route 47 N, Cape May Court House, New Jersey.

The following bill(s) will be considered:

A-1046

Houghtaling/Andrzejczak/

Mazzeo/Taliaferro (pending referral)

S-1057 (1R)

Van Drew/Gopal

(pending referral)

Houghtaling/Andrzejczak/

Taliaferro

(pending referral)

Clarifies certain responsibilities of licensed wineries and retail

Requires EDA, in consultation with Department of Agriculture, to

establish loan program for certain vineyard and winery capital

salesrooms.

expenses.

A-1055

Houghtaling/Taliaferro/

Andrzejczak ·

(pending referral)

Authorizes temporary waiver from requirement that farm winery use

NJ grown fruit.

Assembly Agriculture And Natural Resources Committee

Page 2

May 3, 2018

A-1205

Revises acreage requirement for plenary winery licenses.

Barclay/Gusciora (pending referral)

A-1512

Permits wineries to operate salesrooms in certain municipalities with

Burzichelli/Holley/Dancer restrictions on the sale of alcoholic beverages.

A-3121 Burzichelli Permits students over 18 years of age to taste wine or malt alcoholic

beverage for educational purposes while enrolled in authorized

enology or brewing training program.

A-3344 Taliaferro Exempts certain plenary winery licensees from filing requirements

imposed on retail sellers of litter-generating products.

A-3643

Creates viticulture trail tourist directional signs.

Andrzejczak/Freiman

A-3921

Mazzeo

(pending intro and referral)

Authorizes annual issuance of permit to sell alcoholic beverages at

seasonal farm market.

#### Issued 4/27/18

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## ASSEMBLY, No. 1046

## STATE OF NEW JERSEY

### 218th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2018 SESSION

Sponsored by:
Assemblyman ERIC HOUGHTALING
District 11 (Monmouth)
Assemblyman BOB ANDRZEJCZAK
District 1 (Atlantic, Cape May and Cumberland)
Assemblyman VINCENT MAZZEO
District 2 (Atlantic)
Assemblyman ADAM J. TALIAFERRO
District 3 (Cumberland, Gloucester and Salem)

### **SYNOPSIS**

Requires EDA, in consultation with Department of Agriculture, to establish loan program for certain vineyard and winery capital expenses.

### CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



An Act concerning loans to vineyards and wineries and 1 supplementing P.L.1974, c.80 (C.34:1B-1 et seq.). 2 3 BE IT ENACTED by the Senate and General Assembly of the State 4 of New Jersey: 5 6 ) (pending before the (C. 1. As used in P.L. 7 8 Legislature as this bill): "Authority" shall have the same meaning as provided in section 3 9 of P.L.1974, c.80 (C.34:1B-3). 10 "Department" means the Department of Agriculture established 11 pursuant to R.S.4:1-1. 12 "Qualified capital expense" means all expenditures made by an 13 eligible vineyard or winery for land acquisition or improvement, 14 infrastructure acquisition or modernization, and the purchase or 15 modernization of machinery and equipment, including: 16 17 a. barrels; b. bins; 18 c. bottling equipment; 19 d. canopy management machines; 20 e. capsuling equipment; 21 f. chemicals; 22 23 g. corkers; 24 crushers; h. deer control fencing; 25 26 j. destemmers; k. fermenters or other recognized fermentation devices; 27 I. fertilizer and soil amendments; 28 m. filters: 29 n. fruit harvesters; 30 o. fruit plants; 31 p. hoses; 32 irrigation equipment; 33 q. labeling equipment; 34 35 s. lugs; 36 mowers; t. poles; 37 u. 38 v. posts; 39 w. presses; x. pruning equipment; 40 41 y. pumps; z. refractometers; 42 aa. refrigeration equipment; 43 bb. seeders; 44 cc. soil; 45 dd. small tools; 46 47 ee. tanks;

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ff. tractors;

gg. vats;

hh. weeding and spraying equipment;

ii. wine tanks;

jj. wire; and

kk. any other items as approved by the authority in consultation with the department.

"Vineyard" means agricultural lands located in the State consisting of at least 1 contiguous acre dedicated to the growing of grapes or other fruit that are used or are intended to be used in the production of wine by a winery as well as any other plants or other improvements located thereon.

"Winery" means a commercial farm where the owner or operator of the commercial farm has been issued and is operating in compliance with a plenary winery license or farm winery license pursuant to R.S.33:1-10.

- 2. a. The New Jersey Economic Development Authority, in consultation with the Department of Agriculture, shall maintain and administer a loan program and application process for the purpose of providing loans to eligible vineyards or wineries to pay for qualified capital expenses.
- b. The authority, in consultation with the department, shall provide a loan to an eligible vineyard or winery to pay for qualified capital expenses. A loan amount shall be no less than \$10,000 and no greater than \$100,000 to each eligible vineyard or winery, bear a rate of interest between three and five percent, and shall be repayable over a term of up to ten years, as determined by the authority and department. A vineyard or winery or an existing winery or vineyard that plans to use funds from the prospective loan to acquire more property in order to expand its business shall be eligible for higher loan amounts with lower interest rates as determined by the authority and department.
- c. A loan to an eligible vineyard or winery authorized under P.L., c. (C. ) (pending before the Legislature as this bill) shall be made pursuant to a loan agreement with the authority and shall contain any terms and conditions considered appropriate by the authority that are consistent with the purposes of P.L., c. (C. ) (pending before the Legislature as this bill). The provisions of the loan agreement shall include, but not be limited to, a statement of an eligible vineyard or winery proportional shares of ownership, its equipment usage and maintenance responsibilities, and its loan repayment responsibilities for any loan proceeds received under the loan program.
- d. The authority may, in its discretion, require an eligible vineyard or winery that receives a loan authorized pursuant to P.L., c. (C.) (pending before the Legislature as this bill) to submit an annual audited financial statement to the authority in

order to ensure the continued viability of all vineyard or winery operations.

e. The authority may, either through the adoption of rules and regulations, or through the terms of the loan agreement made pursuant to subsection c. of this section, establish terms governing the incidence of default by an eligible vineyard or winery that receives a loan under the program administered pursuant to P.L., c. (C. ) (pending before the Legislature as this bill).

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3. The authority, in consultation with the department, may adopt rules and regulations, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), as may be necessary to effectuate the purposes of P.L. , c. (C. ) (pending before the Legislature as this bill).

4. This act shall take effect immediately.

#### **STATEMENT**

This bill requires the New Jersey Economic Development Authority (EDA), in consultation with the Department of Agriculture (department), to establish a loan program and application process for the purpose of providing loans to eligible vineyards or wineries to pay for "qualified capital expenses," as that term is defined in the bill.

Under the bill, the EDA, in consultation with the department, is to provide a loan to an eligible vineyard or winery to pay for qualified capital expenses. The loan amount is to be no less than \$10,000 and no greater than \$100,000 to each eligible vineyard or winery, bear a rate of interest between three and five percent, and be repayable over a term of up to ten years, as determined by the authority and department. A new vineyard or winery or an existing winery or vineyard that plans to use funds from the prospective loan to acquire more property in order to expand its business is to be eligible for higher loan amounts with lower interest rates as determined by the authority and department.

Under the bill, "vineyard" means agricultural lands located in the State consisting of at least 1 contiguous acre dedicated to the growing of grapes or other fruit that are used or are intended to be used in the production of wine by a winery as well as any other plants or other improvements located thereon. "Winery" means a commercial farm where the owner or operator of the commercial farm has been issued and is operating in compliance with a plenary winery license or farm winery license pursuant to R.S.33:1-10.

### ASSEMBLY, No. 1054

### STATE OF NEW JERSEY

### 218th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2018 SESSION

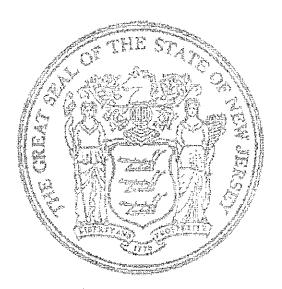
Sponsored by:
Assemblyman ERIC HOUGHTALING
District 11 (Monmouth)
Assemblyman BOB ANDRZEJCZAK
District 1 (Atlantic, Cape May and Cumberland)
Assemblyman ADAM J. TALIAFERRO
District 3 (Cumberland, Gloucester and Salem)

### **SYNOPSIS**

Clarifies certain responsibilities of licensed wineries and retail salesrooms.

### CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



An ACT concerning wineries and salesrooms, amending P.L.1999, c.90, and supplementing Title 33 of the Revised Statutes.

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

- 1. Section 5 of P.L.1999, c.90 (C.2C:33-27) is amended to read as follows:
  - 5. Consumption of alcohol in restaurants.
- a. No person who owns or operates a restaurant, dining room salesroom, or other public place where food or liquid refreshments are sold or served to the general public, and for which premises a license or permit authorizing the sale of alcoholic beverages for onpremises consumption has not been issued:
- (1) Shall allow the consumption of alcoholic beverages, other than wine or a malt alcoholic beverage, in a portion of the premises which is open to the public; [or]
- (2) Shall charge any admission fee or cover, corkage or service charge or advertise inside or outside of such premises that patrons may bring and consume their own wine or malt alcoholic beverages in a portion of the premises which is open to the public [.];
- (3) Shall allow the consumption of wine or malt alcoholic beverages at times or by persons to whom the service or consumption or alcoholic beverages on licensed premises is prohibited by State or municipal law or regulation [1.1]: or
- (4) Shall allow the consumption of wine by a person under the legal age to purchase or consume alcoholic beverages when the premises is used as a salesroom established pursuant to the provisions of subsection 2a. or 2b. of R.S.33:1-10.
- b. Nothing in this act shall restrict the right of a municipality or an owner or operator of a restaurant, dining room or other public place where food or liquid refreshments are sold or served to the general public from prohibiting the consumption of alcoholic beverages on those premises.
- c. A person who violates any provision of this act is a disorderly person, and the court, in addition to the sentence imposed for the disorderly person violation, may by its judgment bar the owner or operator from allowing consumption of wine or malt alcoholic beverages in his premises as authorized by this act.

40 (cf: P.L.1999, c.90, s.5)

2. (New section) a. As used in this section, an "authorized person" means a person who completes a training program prior to selling wine at a retail salesroom, and receives supplemental training on at least an annual basis.

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

- b. Any alcohol management plan agreed to by the holder of a plenary winery license or farm winery license, issued pursuant to R.S.33:1-10, and an owner or operator of a retail salesroom shall provide that: (1) only an authorized person may sell wine and deliver it to a patron; (2) an authorized person is responsible for ensuring the wine is not sold to any person under the legal age for purchasing alcoholic
  - beverages; and
    (3) all authorized persons are under the direction and control of the owner or operator of the retail salesroom.
  - c. A person who sells wine at a retail salesroom to a person under the legal age for purchasing alcoholic beverages commits a disorderly persons offense under R.S.33:1-77.
  - d. The owner or operator of a restaurant with a retail salesroom shall comply with the provisions of section 5 of P.L.1999, c.90 (C.2C:33-27).
  - 3. This act shall take effect on the first day of the fourth month next following the date of enactment.

### STATEMENT

This bill clarifies the responsibilities of winery licensees and the owners and operators of salesrooms which serve as retail outlets for the licensee's wine. Under the bill, the salesroom owner or operator is responsible for preventing persons under 21 years of age from purchasing or consuming any wine on the retail outlet premises.

Under current law, wineries may sell their wines at retail outlets, in accordance with statutory law, rules and regulations, and an alcohol management plan agreed to by the licensed winery and the owner or operator of the retail salesroom or outlet (for example, a "bring-your-own-bottle" or BYOB restaurant).

This bill clarifies that the responsibility for ensuring any buyer of alcohol is at least 21 years of age or older rests on the retail outlet and its employees, and not the winery. Any alcohol management plan, agreed to between the winery and outlet, would have to provide that:

- (1) only an authorized person may sell and deliver wine to a patron;
- (2) an authorized person is responsible for ensuring the wine is not sold to an underage person; and
- (3) all authorized persons are under the direction and control of the owner or operator of the retail salesroom.

The bill also provides that to be considered "authorized," a person is required to complete a training program prior to selling

### A1054 HOUGHTALING, ANDRZEJCZAK

wine at the outlet and would need to receive supplemental training, 2 at least on an annual basis.

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A person who owns or operates a restaurant that allows patrons to "bring-your-own-bottle" is already responsible for ensuring that no person under the legal drinking age consumes any alcohol on the restaurant premises. An owner or operator of a BYOB restaurant who allows an underage person to consume wine is a disorderly person pursuant to N.J.S.2C:33-27. In addition to the sentence imposed for the disorderly person violation, the court may bar the owner or operator from allowing the consumption of wine or malt alcoholic beverages on the licensed premises.

Under R.S.33:1-77, a person operating under a license issued by the Division of Alcoholic Beverage Control is a disorderly person if the person sells an alcoholic beverage to an underage person. A disorderly persons conviction is punishable by a term of imprisonment of up to six months, a fine of up to \$1,000, or both.

### ASSEMBLY, No. 1205

# STATE OF NEW JERSEY 218th LEGISLATURE

### PRE-FILED FOR INTRODUCTION IN THE 2018 SESSION

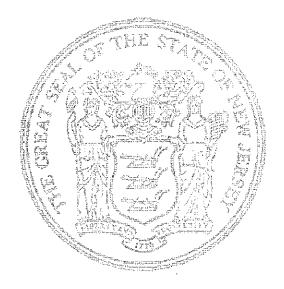
Sponsored by:
Assemblyman ARTHUR BARCLAY
District 5 (Camden and Gloucester)
Assemblyman REED GUSCIORA
District 15 (Hunterdon and Mercer)

### **SYNOPSIS**

Revises acreage requirement for plenary winery licenses.

### CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



AN ACT concerning plenary winery licenses and amending R.S.33:1-10.

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

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

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

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

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

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

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

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

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

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

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

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

### A1205 BARCLAY, GUSCIORA

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

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

Plenary winery license. 2a. [Provided that the holder is engaged in growing and cultivating grapes or fruit used in the production of wine on at least three acres on, or adjacent to, the winery premises, the 1 The holder of this license shall be entitled, subject to rules and regulations, to produce any fermented wines, and to blend, fortify and treat wines, and to sell and distribute his products to wholesalers licensed in accordance with this chapter and to churches for religious purposes, and to sell and distribute without this State to any persons pursuant to the laws of the places of such sale and distribution, and to maintain a warehouse, [and to sell his products at retail to consumers on the licensed premises of the winery for consumption on or off the premises I and to offer samples for sampling purposes only. In the case of a holder of this license who is engaged in growing and cultivating grapes or fruit used in the production of wine on at least three acres situated within five miles of the winery premises, the holder may sell the winery's products at retail to consumers on the licensed premises of the winery for consumption on or off the premises. The fee for this license shall be \$938. A holder of this license who produces not more than 250,000 gallons per year shall also have the right to sell and distribute his products to retailers licensed in accordance with this chapter, except that the holder of this license shall not use a common carrier for such distribution. The fee for this additional privilege shall be graduated as follows: a licensee who manufactures more than 150,000 gallons, but not in excess of 250,000 gallons per annum, \$1,000; a licensee who manufactures more than 100,000 gallons, but not in excess of 150,000 gallons per annum, \$500; a licensee who manufactures more than 50,000 gallons, but not in excess of 100,000 gallons per annum, \$250; a licensee who manufactures 50,000 gallons or less per annum, \$100. A holder of this license who produces not more than 250,000 gallons per year, and who meets the growing, cultivation, and acreage requirements set forth in this subsection, shall have the right to sell such wine at retail in original packages in 15 salesrooms apart from the winery premises for consumption on or off the premises and for sampling purposes for consumption on the premises, at a fee of \$250 for each salesroom. Licensees shall not jointly control and operate salesrooms. Additionally, the holder of 1 2

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

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

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

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

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

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

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

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

Wine blending license. 2c. The holder of this license shall be entitled, subject to rules and regulations, to blend, treat, mix, and bottle fermented wines and fruit juices with non-alcoholic beverages, and to sell and distribute his products to wholesalers and retailers licensed in accordance with this chapter, and to sell and distribute without this State to any persons pursuant to the laws of

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the places of such sale and distribution, and to maintain a warehouse. The fee for this license shall be \$625.

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

Instructional winemaking facility license. 2d. The holder of this license shall be entitled, subject to rules and regulations, to instruct persons in and provide them with the opportunity to participate directly in the process of winemaking and to directly assist such persons in the process of winemaking while in the process of instruction on the premises of the facility. The holder of this license also shall be entitled to manufacture wine on the premises not in excess of an amount of 10 percent of the wine produced annually on the premises of the facility, which shall be used only to replace quantities lost or discarded during the winemaking process, to maintain a warehouse, and to offer samples produced by persons who have received instruction in winemaking on the premises by the licensee for sampling purposes only on the licensed premises for the purpose of promoting winemaking for personal or household use or consumption. Wine produced on the premises of an instructional winemaking facility shall be used, consumed or disposed of on the facility's premises or distributed from the facility's premises to a person who has participated directly in the process of winemaking for the person's personal or household use or consumption. The holder of this license may sell mercantile items traditionally associated with winemaking and novelty wearing apparel identified with the name of the establishment licensed under the provisions of this section. The holder of this license may use the licensed premises for an event or affair, including an event or affair at which a plenary retail consumption licensee serves alcoholic beverages in compliance with all applicable statutes and regulations promulgated by the director. The fee for this license shall be \$1,000. For the purposes of this subsection, "sampling" means the gratuitous offering of an open container not exceeding one and one-half ounces of any wine.

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

Out-of-State winery license. 2e. Provided that the applicant does not produce more than 250,000 gallons of wine per year, the holder of a valid winery license issued in any other state may make application to the director for this license. The holder of this license shall have the right to sell and distribute his products to wholesalers licensed in accordance with this chapter and to sell such wine at retail in original packages in 16 salesrooms apart from the winery premises for consumption on or off the premises at a fee of \$250 for each salesroom. Licensees shall not jointly control and operate salesrooms. The annual fee for this license shall be \$938. A copy of a current license issued by another state shall accompany the application. The holder of this license also shall have the right to

sell and distribute his products to retailers licensed in accordance with this chapter, except that the holder of this license shall not use a common carrier for such distribution. The fee for this additional privilege shall be graduated as follows: a licensee who manufactures more than 150,000 gallons, but not in excess of 250,000 gallons per annum, \$1,000; a licensee who manufactures more than 100,000 gallons, but not in excess of 150,000 gallons per annum, \$500; a licensee who manufactures more than 50,000 gallons, but not in excess of 100,000 gallons per annum, \$250; a licensee who manufactures 50,000 gallons or less per annum, \$100. Additionally, the holder of this license may ship not more than 12 cases of wine per year, subject to regulation, to any person within or without this State over 21 years of age for personal consumption and not for resale. A case of wine shall not exceed a maximum of nine liters. A copy of the original invoice shall be available for inspection by persons authorized to enforce the alcoholic beverage laws of this State for a minimum period of three years at the licensed premises of the winery.

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

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

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

Cidery and meadery license. 2f. The holder of this license shall be entitled, subject to rules and regulations, to manufacture hard cider and mead and to sell and distribute these products to wholesalers and retailers licensed in accordance with this chapter, and to sell and distribute without this State to any persons pursuant to the laws of the places of such sale and distribution, and to maintain a warehouse. The holder of this license shall be entitled to sell these products at retail to consumers on the licensed premises for consumption on or off the premises and to offer samples for sampling purposes only. The holder of this license shall be permitted to offer for sale or make the gratuitous offering of packaged crackers, chips, nuts, and similar snacks to consumers, but

shall not operate a restaurant on the licensed premises. The fee for 2 this license shall be \$938.

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

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

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

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

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

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

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

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

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

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

### A1205 BARCLAY, GUSCIORA

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

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

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

(cf: P.L.2017, c.80, s.1)

2. This act shall take effect immediately.

### STATEMENT

This bill revises the acreage requirement for a plenary winery.

Under current law, a person is eligible to hold a plenary winery license if the person is engaged in growing and cultivating grapes or fruit used in the production of wine on at least three acres of land on, or adjacent to, the winery premises. Current law also provides that issuance of a plenary winery license allows a holder to sell products at retail to consumers at the winery and its retail outlets.

This bill permits the operation of wineries that do not meet the land requirement, but prohibits those wineries from selling their products at retail. Wineries will retain the right to sell products at retail under the bill if they grow and cultivate grapes on three acres situated on or within five miles of the winery premises.

### ASSEMBLY, No. 1512

## STATE OF NEW JERSEY

### 218th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2018 SESSION

### Sponsored by:

Assemblyman JOHN J. BURZICHELLI
District 3 (Cumberland, Gloucester and Salem)
Assemblyman JAMEL C. HOLLEY
District 20 (Union)
Assemblyman RONALD S. DANCER
District 12 (Burlington, Middlesex, Monmouth and Ocean)

### Co-Sponsored by:

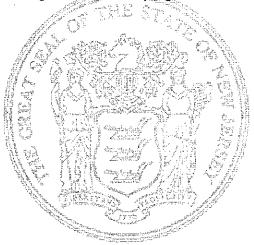
Assemblywomen Lampitt and Vainieri Huttle

### **SYNOPSIS**

Permits wineries to operate salesrooms in certain municipalities with restrictions on the sale of alcoholic beverages.

### CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



(Sponsorship Updated As Of: 3/14/2018)

AN ACT concerning the operation of winery salesrooms, supplementing Title 33 of the Revised Statutes and amending R.S.33:1-44 and R.S.33:1-45.

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

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1. (New section) A municipality which prohibits the retail sale of wine pursuant to the provisions of any statute, regulation, ordinance, referendum, or resolution shall not prohibit a winery from operating a salesroom pursuant to the provisions of R.S.33:1-10 if the operation of that salesroom would otherwise be approved by the Director of the Division of Alcoholic Beverage Control and the director finds no other bar to operation of the salesroom.

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### 2. R.S.33:1-44 is amended to read as follows:

33:1-44. Whenever a petition, signed by at least fifteen per centum (15%) of the qualified electors of any municipality as evidenced by the total number of votes cast for members of the General Assembly, at the then next preceding general election held for the election of all of the members of the General Assembly, in such municipality, shall be presented to the governing board or body thereof, requesting a referendum on the question hereinafter stated, such governing board or body shall adopt forthwith a resolution directing the clerk of the county in which such municipality is situated to print, pursuant to Title 19, Elections, hereinafter referred to as the "general election law," upon the official ballot to be used in such municipality at the next ensuing general election a question to read: "Shall the retail sale of alcoholic beverages other than brewed malt alcoholic beverages and naturally fermented wine, for consumption on the licensed premises by the glass or other open receptacle pursuant to chapter one of the Title Intoxicating Liquors of the Revised Statutes (s. 33:1-1 et seq.), be permitted in this municipality?" The official ballot also shall indicate that the referendum shall not be applicable to sales or tastings conducted in a salesroom of a winery licensed pursuant to R.S.33:1-10. Thereupon the clerk or secretary of said governing board or body shall forthwith deliver to the county clerk a certified copy of such resolution. If the copy shall be delivered to the county clerk not less than thirty days before such general election, he shall cause such question to be printed in an appropriate place on the ballot to be used in such municipality at the next ensuing general election pursuant to the general election law and thereupon all proceedings with respect to the referendum on such question shall

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

be subject to and governed by the general election law as in other cases of the submission of public questions to the electorate.

If a majority of the legal voters voting upon the question shall vote "Yes," the clerk of the governing board or body of such municipality shall forthwith in writing notify the commissioner and municipal board, if any, having authority to issue such licenses, of the action taken by the legal voters of such municipality and the retail sales as aforesaid of such alcoholic beverages and the issuing of licenses pursuant to this chapter shall be permitted in such municipality.

If a majority of the legal voters voting upon the question shall vote "No," then the clerk of the governing board or body of the municipality shall forthwith in writing notify the commissioner and municipal board, if any, having authority to issue such licenses, of the action taken by the legal voters of the municipality, and after thirty days have elapsed after the date of such vote the retail sale of alcoholic beverages, other than brewed malt alcoholic beverages and naturally fermented wines and products sold on the premises of a winery salesroom, for consumption on the licensed premises by the glass or other open receptacle (such retail sale being sometimes hereinafter called "prohibited sale" ), shall be unlawful in such municipality and constitute a violation of this chapter, and it shall forthwith upon such vote be unlawful for the other issuing authority of the municipality, having authority to issue licenses, to issue any license in respect to such municipality which shall permit such prohibited sale, and all licenses theretofore issued in respect to such municipality which shall have licensed such prohibited sale shall, to the extent that they permitted such prohibited sale, become void and inoperative thirty days after the date of such vote. Notwithstanding the foregoing provisions, the director shall not prohibit a winery from operating a salesroom in the municipality pursuant to the provisions of R.S.33:1-10 if the director finds no other bar to the operation of the salesroom other than a referendum disapproved by the voters pursuant to this paragraph.

Whenever a referendum shall have been had in any municipality pursuant to this section, no further referendum on the same question shall be held therein prior to the general election to be held in such municipality in the fifth year thereafter and so long as such referendum remains effective, all ordinances, resolutions or regulations inconsistent with the result of such referendum shall have no effect within such municipality.

(cf: P.L.1949, c. 296, s.1)

#### 3. R.S.33:1-45 is amended to read as follows:

33:1-45. Whenever a petition signed by at least fifteen per centum (15%) of the qualified electors of any municipality as evidenced by the total number of votes cast for members of the General Assembly, at the then next preceding general election held

#### A1512 BURZICHELLI, HOLLEY

for the election of all of the members of the General Assembly, in such municipality, shall be presented to the governing board or body thereof, requesting a referendum on the question hereinafter stated, such governing board or body shall adopt forthwith a resolution directing the clerk of the county in which such municipality is situated to print, pursuant to Title 19, Elections, hereinafter referred to as the "general election law," upon the official ballot to be used in such municipality at the next ensuing general election a question to read: "Shall the retail sale of all kinds of alcoholic beverages, for consumption on the licensed premises by the glass or other open receptacle pursuant to chapter one of the Title Intoxicating Liquors of the Revised Statutes (s. 33:1-1 et seq.), be permitted in this municipality?" The official ballot also shall indicate that the referendum shall not be applicable to sales or tastings conducted in a salesroom of a winery licensed pursuant to R.S.33:1-10. Thereupon the clerk or secretary of such governing board or body shall forthwith deliver to such county clerk a certified copy of the resolution. If the copy shall be delivered to the county clerk not less than thirty days before such general election, he shall cause such question to be printed in an appropriate place on the ballot to be used in such municipality at the next ensuing general election pursuant to the general election law and thereupon all proceedings with respect to the referendum on such question shall be subject to and governed by the general election law as in other cases of the submission of public questions to the electorate.

If a majority of the legal voters voting upon the question shall vote "Yes," the clerk of the governing board or body of such municipality shall forthwith in writing notify the commissioner and municipal board, if any, having authority to issue such licenses, of the action taken by the legal voters of such municipality and the retail sales as aforesaid of such alcoholic beverages and the issuing of licenses pursuant to this chapter shall be permitted in such municipality.

If a majority of the legal voters voting upon the question shall vote "No," then the clerk of the governing board or body of such municipality shall forthwith in writing notify the commissioner and municipal board, if any, having authority to issue such licenses, of the action taken by the legal voters of the municipality, and after thirty days have elapsed after the date of such vote, the retail sale of all kinds of alcoholic beverages for consumption on the licensed premises by the glass or other open receptacle (such retail sale being sometimes hereinafter called "prohibited sale"), except for products sold on the premises of a winery salesroom, shall be unlawful in such municipality and constitute a violation of this chapter, and it shall forthwith upon such vote be unlawful for the other issuing authority of such municipality having authority to issue licenses to issue any license in respect to such municipality which shall permit such prohibited sale and all licenses theretofore

issued in respect to such municipality which shall have licensed such prohibited sale shall, to the extent that they permitted such prohibited sale, become void and inoperative thirty days after the date of such vote. The director shall not prohibit a winery from operating a salesroom in the municipality pursuant to the provisions of R.S.33:1-10 if the director finds no other bar to the operation of the salesroom other than a referendum disapproved by the voters pursuant to this paragraph.

Whenever a referendum shall have been had in any municipality pursuant to this section, no further referendum on the same question shall be held therein prior to the general election to be held in such municipality in the fifth year thereafter and so long as such referendum remains effective, all ordinances, resolutions or regulations inconsistent with the result of such referendum shall have no effect within such municipality.

(cf: P.L.1949, c.296, s.2)

4. This act shall take effect immediately.

#### **STATEMENT**

This bill requires the Director of the Division of Alcoholic Beverage Control to authorize a winery to operate a salesroom in a municipality that prohibits the retail sale of all alcoholic beverages, including wine, or certain types of wine for consumption on the licensed premises. Provided there is no other impediment to its operation, the director would authorize the salesroom, regardless of whether the sale of all alcoholic beverages, including wine, or certain types of wine for consumption in bars and restaurants has been prohibited by a statute or regulation, or a local ordinance, referendum or resolution.

State law currently permits small plenary and farm wineries to operate 15 salesrooms apart from the winery premises for the retail sale of a winery's products. Additionally, small out-of-State wineries licensed in New Jersey are permitted to operate up to 16 salesrooms. The fee for each salesroom is \$250. Under regulations of the division, the winery is required to receive approval from the director to operate each of these additional premises.

At the salerooms, wineries are permitted to sell their products by the bottle or in other original packaging for consumption on or off the premises of the salesroom, and to sell samples of their products for consumption on the premises.

### ASSEMBLY, No. 3121

# **STATE OF NEW JERSEY**

### 218th LEGISLATURE

INTRODUCED FEBRUARY 8, 2018

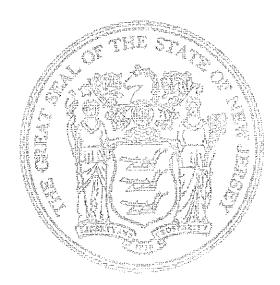
Sponsored by: Assemblyman JOHN J. BURZICHELLI District 3 (Cumberland, Gloucester and Salem)

### **SYNOPSIS**

Permits students over 18 years of age to taste wine or malt alcoholic beverage for educational purposes while enrolled in authorized enology or brewing training program.

### CURRENT VERSION OF TEXT

As introduced.



AN ACT concerning the tasting of wine and malt alcoholic beverages by certain underage persons and amending P.L.1979, c.264 and P.L.1985, c.311.

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

- 1. Section 1 of P.L.1979, c.264 (C.2C:33-15) is amended to ead as follows:
- 1. a. Any person under the legal age to purchase alcoholic beverages who knowingly possesses without legal authority or who knowingly consumes any alcoholic beverage in any school, public conveyance, public place, or place of public assembly, or motor vehicle, is guilty of a disorderly persons offense, and shall be fined not less than \$500.
- b. Whenever this offense is committed in a motor vehicle, the court shall, in addition to the sentence authorized for the offense, suspend or postpone for six months the driving privilege of the defendant. Upon the conviction of any person under this section, the court shall forward a report to the New Jersey Motor Vehicle Commission stating the first and last day of the suspension or postponement period imposed by the court pursuant to this section. If a person at the time of the imposition of a sentence is less than 17 years of age, the period of license postponement, including a suspension or postponement of the privilege of operating a motorized bicycle, shall commence on the day the sentence is imposed and shall run for a period of six months after the person reaches the age of 17 years.

If a person at the time of the imposition of a sentence has a valid driver's license issued by this State, the court shall immediately collect the license and forward it to the commission along with the report. If for any reason the license cannot be collected, the court shall include in the report the complete name, address, date of birth, eye color, and sex of the person as well as the first and last date of the license suspension period imposed by the court.

The court shall inform the person orally and in writing that if the person is convicted of operating a motor vehicle during the period of license suspension or postponement, the person shall be subject to the penalties set forth in R.S.39:3-40. A person shall be required to acknowledge receipt of the written notice in writing. Failure to receive a written notice or failure to acknowledge in writing the receipt of a written notice shall not be a defense to a subsequent charge of a violation of R.S.39:3-40.

If the person convicted under this section is not a New Jersey resident, the court shall suspend or postpone, as appropriate, the

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

non-resident driving privilege of the person based on the age of the person and submit to the commission the required report. The court shall not collect the license of a non-resident convicted under this section. Upon receipt of a report by the court, the commission shall notify the appropriate officials in the licensing jurisdiction of the suspension or postponement.

- c. In addition to the general penalty prescribed for a disorderly persons offense, the court may require any person who violates this act to participate in an alcohol education or treatment program, authorized by the Division of Mental Health and Addiction Services in the Department of Human Services, for a period not to exceed the maximum period of confinement prescribed by law for the offense for which the individual has been convicted.
- d. Nothing in this [act] <u>section</u> shall apply to possession of alcoholic beverages by any [such] person while [actually] <u>actively</u> engaged in <u>any of the following activities:</u>
- (1) the performance of employment pursuant to an employment permit issued by the Director of the Division of Alcoholic Beverage Control, or for a bona fide hotel or restaurant, in accordance with the provisions of R.S.33:1-26[, or while actively engaged in ];
- (2) the preparation of food while enrolled in a culinary arts or hotel management program at a county vocational school or post secondary educational institution; or
- (3) the production of wine or malt alcoholic beverages while enrolled in an enology or brewing training program at an institution of higher education, during which time a qualified student may taste a sample of the wine or malt alcoholic beverage to be produced, provided all of the following criteria are met:
- (a) the qualified student tastes the wine or malt alcoholic beverage for educational purposes during the instruction in a course, either on-campus or off-campus, as required to complete the enology or brewing training program;
- (b) the qualified student does not swallow or otherwise consume the alcoholic beverage;
- (c) the wine or malt alcoholic beverage sample remains in the control of an authorized instructor; and
- (d) the institution of higher education shall be exempt from any licensing and permit requirement under Title 33 of the Revised Statutes, provided that no extra charge or fee is imposed on the qualified student for tasting the wine or malt alcoholic beverage.
- e. The provisions of section 3 of P.L.1991, c.169 (C.33:1-81.1a) shall apply to a parent, guardian or other person with legal custody of a person under 18 years of age who is found to be in violation of this section.
- f. An underage person and one or two other persons shall be immune from prosecution under this section if:

- (1) one of the underage persons called 9-1-1 and reported that another underage person was in need of medical assistance due to alcohol consumption;
- (2) the underage person who called 9-1-1 and, if applicable, one or two other persons acting in concert with the underage person who called 9-1-1 provided each of their names to the 9-1-1 operator;
- (3) the underage person was the first person to make the 9-1-1 report; and
- 10 (4) the underage person and, if applicable, one or two other
  11 persons acting in concert with the underage person who made the 912 1-1 call remained on the scene with the person under the legal age
  13 in need of medical assistance until assistance arrived and
  14 cooperated with medical assistance and law enforcement personnel
  15 on the scene.

The underage person who received medical assistance also shall be immune from prosecution under this section.

- g. For purposes of this section [, an alcoholic beverage]:
- "Alcoholic beverage" includes powdered alcohol as defined by R.S.33:1-1.

"Authorized instructor" means a person who is 21 years of age or older and actively employed by an institution of higher education to instruct an enology or brewing training program.

"Enology or brewing training program" means an Associate's or Bachelor's degree program that is offered at an institution of higher education and designed to train industry professionals in the production of wine or malt alcoholic beverages.

"Qualified student" means a person who is 18 years of age or older and actively enrolled in an enology or brewing training program at an institution of higher education.

"Taste" means to draw a beverage into the mouth, but does not include swallowing or otherwise consuming the beverage. (cf: P.L.2015, c.137, s.3)

2. Section 1 of P.L.1985, c.311 (C.2C:33-17) is amended to read as follows:

1. a. Anyone who purposely or knowingly offers or serves or makes available an alcoholic beverage to a person under the legal age for consuming alcoholic beverages or entices or encourages that person to drink an alcoholic beverage is a disorderly person.

This subsection shall not apply to a parent or guardian of the person under legal age for consuming alcoholic beverages if the parent or guardian is of the legal age to consume alcoholic beverages or to a religious observance, ceremony or rite. This subsection shall also not apply to any person in his home who is of the legal age to consume alcoholic beverages who offers or serves or makes available an alcoholic beverage to a person under the legal age for consuming alcoholic beverages or entices that person to

### A3121 BURZICHELLI

drink an alcoholic beverage in the presence of and with the permission of the parent or guardian of the person under the legal age for consuming alcoholic beverages if the parent or guardian is of the legal age to consume alcoholic beverages.

This subsection shall not apply to any authorized instructor of an enology or brewing training program at an institution of higher education who makes available a sample of wine or malt alcoholic beverage to a qualified student to be tasted pursuant to the provisions of paragraph (3) of subsection d. of section 1 of P.L.1979, c.264 (C.2C:33-15) (pending before the Legislature as this bill).

b. A person who makes real property owned, leased or managed by him available to, or leaves that property in the care of, another person with the purpose that alcoholic beverages will be made available for consumption by, or will be consumed by, persons who are under the legal age for consuming alcoholic beverages is guilty of a disorderly persons offense.

This subsection shall not apply if:

- (1) the real property is licensed or required to be licensed by the Division of Alcoholic Beverage Control in accordance with the provisions of R.S.33:1-1 et seq.;
- (2) the person making the property available, or leaving it in the care of another person, is of the legal age to consume alcoholic beverages and is the parent or guardian of the person who consumes alcoholic beverages while under the legal age for consuming alcoholic beverages; or
- (3) the alcoholic beverages are consumed by a person under the legal age for consuming alcoholic beverages during a religious observance, ceremony or rite.
- c. For purposes of this section, an alcoholic beverage includes powdered alcohol as defined by R.S.33:1-1. (cf: P.L.2015, c.137, s.4)

32 (cf: P.L.2015, c.13 

3. This act shall take effect immediately.

#### **STATEMENT**

This bill permits a person who is 18 years of age or older and actively enrolled in an enology or brewing training program at an institution of higher education to taste a sample of wine or beer for educational purposes during the instruction of a required course.

This bill exempts students and their instructors from the criminal penalties imposed for the possession of alcoholic beverages by underage persons if they comply with all of the following criteria: (1) the student tastes the wine or beer sample for educational purposes during the instruction of a required course for an enology or brewing training program offered at an institution of higher

### A3121 BURZICHELLI

education; (2) the student does not swallow or otherwise consume I the wine or beer sample; (3) the student is at least 18 years of age; (4) the wine or beer sample remains in the control of the course's instructor, who is at least 21 years of age; and (5) if the institution of higher education does not impose an extra charge on the student for tasting the wine or beer sample, that institution is exempt from any licensing or permit requirement. Nothing in this bill is to be interpreted to allow a person under 21 years of age to consume any alcoholic beverage.

 Currently, the statutes prohibiting the possession of alcoholic beverages by underage persons do not provide an exemption for college students who are enrolled in a beer or winemaking training program. Consequently, it is unlawful for a student under 21 years of age to possess or taste any alcoholic beverage during the course of study; it also is unlawful for an instructor to make available any alcoholic beverage to an underage student. A student or instructor who violates this law is guilty of a disorderly persons offense and subject to a fine of not less than \$500.

This prohibition limits the in-State educational opportunities available to students seeking to become professionals in the beer and wine industries. In turn, New Jersey students seeking to study beer or winemaking are forced to move to states like New York or California, where college students over 18 years of age already are legally allowed to taste wine or beer for educational purposes. This bill therefore supports New Jersey's growing wine and beer industries by permitting aspiring industry professionals to receive a practical education in this State.

### ASSEMBLY, No. 3344

# STATE OF NEW JERSEY

### 218th LEGISLATURE

INTRODUCED FEBRUARY 12, 2018

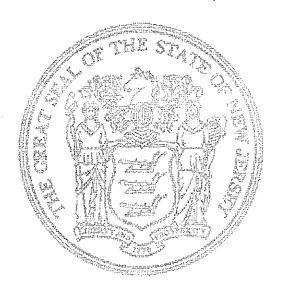
Sponsored by: Assemblyman ADAM J. TALIAFERRO District 3 (Cumberland, Gloucester and Salem)

### **SYNOPSIS**

Exempts certain plenary winery licensees from filing requirements imposed on retail sellers of litter-generating products.

### **CURRENT VERSION OF TEXT**

As introduced.



AN ACT concerning plenary winery licensees and litter-generating products and amending P.L.2002, c.128.

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

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- 1. Section 4 of P.L.2002, c.128 (C.13:1E-216) is amended to read as follows:
- 4. a. There is imposed upon each person engaged in business in the State as a manufacturer, wholesaler, or distributor of littergenerating products a user fee of 3/100 of 1% (.0003) on sales of those products within the State, and each person engaged in business in the State as a retailer of litter-generating products a user fee of 2.25/100 of 1% (.000225) on sales of those products within the State, except any retailer with less than [\$500,000.00] \$500,000 in annual retail sales of litter-generating products is exempt from the user fee imposed under this section. A sale by a wholesaler or distributor to another wholesaler or distributor, a sale by a company to another company owned wholly by the same individuals or companies, or a sale by a wholesaler or distributor owned cooperatively by retailers to those retailers is not subject to the user fee imposed under this section. For the purposes of this section, "retailer" includes the owner or operator of a take-out or drive-thru restaurant, the principal activity of which consists of selling for consumption off the premises of the restaurant a meal or food prepared and ready to be eaten. A retailer shall not include (1) the owner or operator of a restaurant with less than 10% in annual retail sales of meals or food prepared and ready to be eaten for consumption off the premises of the restaurant; or (2) the owner or operator of a restaurant, the principal activity of which consists of preparing for consumption within the restaurant a meal or food to be eaten on the premises.
- b. Every person subject to the user fee on the sale of littergenerating products imposed pursuant to subsection a. of this section shall file with the director a certificate of registration on a form prescribed by the director. Any person who is registered under any law administered by the division or who is subject to and files returns under any of these laws shall not be required to comply with the provisions of this subsection.
- c. Every person subject to the user fee on the sale of littergenerating products imposed pursuant to subsection a. of this section shall, on or before March 15 of each year, prepare and file a return, under oath, for the preceding calendar year with the director on forms and containing any information as the director shall prescribe. The return shall indicate the dollar value of the sales within the State of litter-generating products and at the same time the person shall pay the

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

full amount of user fees due. The holder of a plenary winery license issued pursuant to R.S.33:1-10 who generates less than \$500,000 in annual retail sales of litter-generating products is exempt from the return filing requirements established in this section or any other law, rule, or regulation.

- d. If a return required by this section is not filed, or if a return when filed is incorrect or insufficient in the opinion of the director, the amount of user fees due shall be determined by the director based on collections from the person liable for the payment of the user fees during the previous five years. Notice of the determination shall be given to the person liable for the payment of the user fees. The determination shall finally and irrevocably fix the user fees unless the person against whom it is assessed, within 90 days after the giving of the notice of the determination, shall file a protest in writing as provided in R.S.54:49-18 and request a hearing, or unless the director on the director's own motion shall redetermine the same. After the hearing the director shall give notice of the determination to the person to whom the user fees are assessed.
- e. Any person who shall fail to file a return when due or to pay any user fee when the user fee becomes due, as herein provided, shall be subject to such penalties and interest as may be provided by law. If the director determines that the failure to comply with any provision of this section was excusable under the circumstances, the director may remit any part of the penalty as shall be appropriate under the circumstances.
- f. In addition to the other powers granted by this section, the director may:
- (1) Delegate to any officer or employee of the division those powers and duties as the director may deem necessary to carry out efficiently the provisions of this section, and the person or persons to whom the powers have been delegated shall possess and may exercise all of the powers and perform all of the duties delegated by the director;
- (2) Prescribe and distribute all necessary forms for the implementation of this section; and
- (3) Adopt any rules and regulations necessary for the implementation of this section.
- g. Notwithstanding the provisions of subparagraph of paragraph (2) of subsection (k) of section 4 of P.L.1945, c.162 (C.54:10A-4), if any, to the contrary, any deduction of the user fee imposed pursuant to subsection a. of this section allowed in computing a taxpayer's taxable income which the taxpayer is required to report to the United States Treasury Department for the purpose of computing its federal taxable income shall be allowed in determining the taxpayer's "entire net income" pursuant to subsection (k) of section 4 of P.L.1945, c.162 (C.54:10A-4).
- h. Subsections a. through g. of this section shall be without effect on and after the tenth day following a certification by the Director of

### A3344 TALIAFERRO

I	the Division of Budget and Accounting in the Department of the						
2	Treasury pursuant to subsection b. of section 13 of P.L.2002, c.128						
3	(C.13:1E-223).						
4	(cf: P.L.2002, c.128, s.4)						
5							
6	2. This act shall take effect immediately.						
7							
8							
9	STATEMENT						

 This bill would exempt the holder of a plenary winery license, in most cases, from filing requirements with regard to the user fee imposed on retail sellers of litter-generating products. Current law exempts from the user fee a retail seller of less than \$500,000 in annual retail sales of litter-generating products and requires a return to be filed by retail sellers upon whom the user fee is imposed. The bill, would affirmatively establish the exemption from the return filing requirement for a holder of a plenary winery license who has less than \$500,000 in annual retail sales of litter-generating products and who is already exempt from the user fee.

## ASSEMBLY, No. 3643

# STATE OF NEW JERSEY

## 218th LEGISLATURE

INTRODUCED MARCH 12, 2018

Sponsored by:

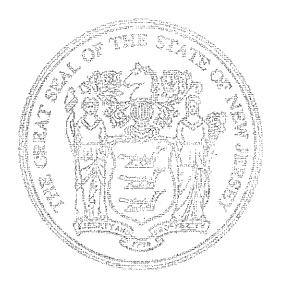
Assemblyman BOB ANDRZEJCZAK
District 1 (Atlantic, Cape May and Cumberland)
Assemblyman ROY FREIMAN
District 16 (Hunterdon, Mercer, Middlesex and Somerset)

#### **SYNOPSIS**

Creates viticulture trail tourist directional signs.

### **CURRENT VERSION OF TEXT**

As introduced.



ΑN	ACT	concerning	tourist	directional	signs	for	viticulture	and	
supplementing Title 27 of the Revised Statutes.									

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

- 1. a. The department, in consultation with the Department of Agriculture, shall create a "Viticulture Trail Sign Program." The purpose of the program shall be to provide awareness of and directional guidance to viticulture in the State through roadway signs, and support a trail-like path through signage which allows persons to find and visit wineries and viticulture locations in an efficient and reasonable manner, and promote these locations within New Jersey.
- b. A person may apply to the department to have viticulture trail signs installed identifying and directing persons to a winery or other viticulture area. The department shall place viticulture trail signs on all eligible roads, including State roads.
- c. The department, in consultation with the New Jersey State Council on the Arts in the Department of State, shall establish a visual art competition, for aesthetically pleasing, original art to be displayed on the viticulture trail signage. The department shall establish the terms of the competition, including the rules of the competition and submission requirements. The department, in consultation with the council, shall select the artwork to be displayed which at a minimum shall be:
- (1) submitted in accordance with the rules of the competition, established pursuant to this subsection;
  - (2) reflective of the intent of this act; and
  - (3) reproducible on roadway signage.

The department, in coordination with the council, shall publicize the competition in such a manner so as to attract artwork submissions, and to that end the department and council may expend any funds as may be appropriated or otherwise made available for that purpose.

d. Notwithstanding any rule, regulation, or law to the contrary, the department shall install an approved viticulture trail sign as soon as practicable.

2. This act shall take effect immediately.

#### STATEMENT

This bill creates a "Viticulture Trail Sign Program" to provide awareness of, and directional guidance to, viticulture in the State. The location of the signs would support a trail-like path of wineries and other viticulture locations.

### A3643 ANDRZEJCZAK, FREIMAN

Specifically, the Department of Transportation (DOT), in consultation with the Department of Agriculture, would create the "Viticulture Trail Sign Program." A person may apply to the DOT to have viticulture trail signs installed to identify and direct persons to wineries and other viticulture locations on all eligible roads, including State roads.

 The DOT, in consultation with the New Jersey State Council on the Arts in the Department of State, would establish a visual art competition, for aesthetically pleasing, original art to be displayed on the viticulture trail signage. The DOT would establish the terms of the competition, including the rules of the competition and submission requirements. The DOT, in consultation with the council, would select the art to be displayed. The DOT, with the council, would publicize the competition to attract artwork submissions, and may expend funds as may be appropriated or made available for that purpose.

The DOT would install the viticulture trail signs as soon as practicable, after completion of the design competition and production of the signs.

# ASSEMBLY, No. 3921

# **STATE OF NEW JERSEY**

## 218th LEGISLATURE

INTRODUCED MAY 7, 2018

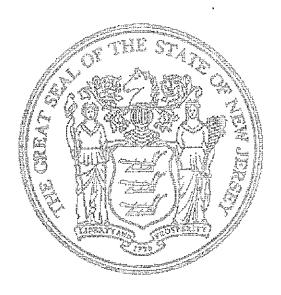
Sponsored by: Assemblyman VINCENT MAZZEO District 2 (Atlantic)

### **SYNOPSIS**

Permits sale of certain alcoholic beverages and related products at seasonal farm markets.

### CURRENT VERSION OF TEXT

As introduced.



An ACT concerning the sale of alcoholic beverages and related products, and supplementing Title 33 of the Revised Statutes.

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

- 1. a. The director may, subject to rules and regulations, issue to the holder of a limited brewery license, restricted brewery license, craft distillery license, plenary winery license, farm winery license, or cidery and meadery license, as established pursuant to R.S.33:1-10, a daily or annual permit to sell any of the licensee's products at a seasonal farm market for consumption off the premises of the seasonal farm market. The director shall issue a separate permit for each seasonal farm market at which the licensee's products are intended to be sold. The director shall not issue a permit pursuant to this section for use in connection with a roadside farm stand.
- b. Subject to rules and regulations, a licensee issued a permit pursuant to this section may:
- (1) transport the licensee's products for the purpose of selling them at a seasonal farm market; and
- (2) offer samples for sampling purposes to persons of the legal age to consume alcoholic beverages in the amounts authorized pursuant to R.S.33:1-10 during each day the seasonal farm market is operating.
- c. A daily permit shall be valid for the hours a seasonal farm market is open during the 24-hour period for which the daily permit is issued. An annual permit shall be valid for one year from the date of issuance. The director may renew a permit provided the permit holder continues to hold a limited brewery license, restricted brewery license, craft distillery license, plenary winery license, farm winery license, or cidery and meadery license, as applicable.
- d. The director may establish a fee not to exceed \$25 for a daily permit and not to exceed \$75 for an annual permit for the issuance and renewal of a permit under this section.
- e. As used in this section, "roadside farm stand" means a location owned by a single farmer or producer at which the farmer or producer sells agricultural products only from the farmer's or producer's farm directly to consumers.

2. This act shall take effect on the first day of the second month next following the date of enactment.

#### STATEMENT

This bill authorizes the Director of the Division of Alcoholic Beverage Control to issue a daily or annual permit to the holder of a

#### A3921 MAZZEO

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- 1 limited brewery license, restricted brewery license, craft distillery license, plenary winery license, farm winery license, or cidery and 2 3 meadery license to sell the licensee's products at a seasonal farm 4 market for consumption off the premises. The bill allows for the director to charge a fee not to exceed \$25 for a daily permit, and a 5 fee not to exceed \$75 for an annual permit. In addition, the permit 6 7 may be renewed provided the permit holder continues to hold the applicable limited brewery license, restricted brewery license, craft 9 distillery license, plenary winery license, farm winery license, or 10 cidery and meadery license.
  - The bill also:

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- requires the issuance of a separate permit for each seasonal farm market at which the licensee's products are intended to be sold; and
- 2) prohibits the issuance of a permit for use in connection with a
   roadside farm stand.
- Under the bill, "roadside farm stand" is defined as a location owned by a single farmer or producer at which the farmer or producer sells agricultural products only from the farmer's or producer's farm directly to consumers.

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ASSEMBLYMAN BOB ANDRZEJCZAK (Chair): We are going to get started.

Please stand for the flag salute. (all recite Pledge)

Roll call.

MS. PATEL (Committee Aide): Assemblyman Space. (no response)

Assemblyman Dancer. (no response)

Assemblyman Taliaferro.

ASSEMBLYMAN TALIAFERRO: Present.

MS. PATEL: Assemblyman Land.

ASSEMBLYMAN LAND: Present.

MS. PATEL: Assemblyman Houghtaling.

ASSEMBLYMAN ERIC HOUGHTALING (Vice Chair):

Here.

MS. PATEL: Assemblyman Andrzejczak.

ASSEMBLYMAN ANDRZEJCZAK: Here.

MS. PATEL: You have a quorum.

ASSEMBLYMAN ANDRZEJCZAK: All right.

Thank you all for coming out today.

It's a very special agenda today; it's a very special Committee hearing today.

It's not too often that we get to have Committees outside of the State House; but more so for me, it's not too often I get to have a Committee two miles from my house. (laughter)

ASSEMBLYMAN LAND: You walked here today. (laughter)

ASSEMBLYMAN ANDRZEJCZAK: Yes.

But we have a pretty awesome agenda today; and to be able to have it here, in this location, at Jessie Creek Winery -- I want to thank them for allowing us to use their facility today. And it is very fitting for the agenda.

So with that, I will jump in and we will begin.

Up first, we have A-1046.

Tim Cosentino, Garden State Winegrowers, in favor.

Would you like to-- No need to testify? Thank you; even better.

Ed Wengryn, New Jersey Farm Bureau, in favor.

I know you're testifying. (laughter)

ED WENGRYN: We'll go through all our bills to make sure.

ASSEMBLYMAN ANDRZEJCZAK: Sure.

MR. WENGRYN: Ed Wengryn, New Jersey Farm Bureau.

Mr. Chairman, members of the Committee, thank you for having us get out of Trenton and stretch our legs a little bit. (laughter) This is a nice trip, and a great location.

So A-1046 and its companion Bill, S-1057, is a unique opportunity for agriculture to work with the Economic Development Authority on investing in agricultural businesses. We've had fits and starts working with the EDA over the years, and this is a nice, sort of, tailored program for an industry that's about to grow and expand in a huge way in this state. And we think it's an important Bill to help facilitate that. It gets working capital, it gives alternatives to working capital to farms that -- in existence that want to expand and grow in the Garden State.

And we think it's a really good Bill, so we support it, and we look forward to passage by the Committee.

If you want, I'll go through all my Bills, and then you don't have to hear from me again.

ASSEMBLYMAN ANDRZEJCZAK: Sure.

MR. WENGRYN: A-1055 would permit a new winery to get a waiver from the 51 percent requirement for grapes used in producing their wine to come from their facility or New Jersey.

Start-up wineries starting -- you plant your grapes; it's a couple of years before they, kind of, get into production. It's usually two or three before you're really getting a good, solid harvest. So rather than waiting for those numbers to come up, the Director of ABC can review and grant a waiver for them to mix more outside fruit than inside fruit. It's a faster way to get return on investment.

As long as we stay within those parameters -- of keeping the Bill about getting the winery up and running and established, and that it doesn't become a long-term dependency on getting outside wine -- we think it's a really good opportunity and an important step for expanding the industry in New Jersey.

A-1025 is -- removes the requirement to have the three acres in production on-site to the winery. And we think this has some interesting smart growth connections to it. Some of our wineries have run into -- because they build them in agricultural areas; and then as they start doing special events and marketing promotions, it becomes disruptive to the, sort of, rural atmosphere of the town that it's in. So giving them a place to put the production facility maybe in the warehouse district or a commercial

district in the center of a town, with the grape production right outside of town, you can have that connectivity.

We think it's important to keep the requirement to grow grapes and to have land in production. We're intrigued by the concept of kind of separating the production and marketing facility from the growing grounds. It's something I think we need to discuss more and pursue; but we think it's a really interesting concept, and could be beneficial to expanding the industry in the state.

And finally, we support A-3643, which is the tourism directional sign program within the winery industry, our viniculture regions in the state; and this would create the trail connecting those wineries together. And, again, it goes to the marketing promotion. And outside of the traditional TODS sign -- *Winery 6 miles this way*, kind of program -- this would be more of a distinctive regional trail; and again, something for consumers in the state to take advantage of.

And then finally, A -- my eyes are going, folks -- 3921; the seasonal farm market license. We more commonly call these *community markets*, or *community farmers markets*. This would allow the Director of ABC to create a permit for wineries -- they would apply for it, get the permit, and then they would be able to market their product at those things.

It expands beyond just the wineries; it's for our microbreweries, or beer breweries, or microdistilleries. All of those niche market value-added agricultural commodities can take advantage of this. And we think that's a good idea. The community markets have been a great way for people to get exposed to New Jersey agricultural products.

So thank you very much, and I'll take any questions.

ASSEMBLYMAN ANDRZEJCZAK: Thank you.

Any questions or comments? (no response)

Thank you.

We have Michael Halfacre, BWA, opposed, no need to testify; Jeff Warsh, NJWSWA, opposed, no need to testify -- for A-1046, that is; and James Bennett, NJLBA, opposed, no need to testify, for 1046.

So for A-1046, do I have a motion to move the Bill?

ASSEMBLYMAN HOUGHTALING: I'll offer.

ASSEMBLYMAN LAND: Second.

ASSEMBLYMAN ANDRZEJCZAK: With amendments.

ASSEMBLYMAN HOUGHTALING: Offer with amendments.

ASSEMBLYMAN LAND: Second.

ASSEMBLYMAN ANDRZEJCZAK: Roll call.

MS. PATEL: On the motion to release A-1046, as amended, Assemblyman Taliaferro.

ASSEMBLYMAN TALIAFERRO: Yes.

MS. PATEL: Assemblyman Land.

ASSEMBLYMAN LAND: Yes.

MS. PATEL: Assemblyman Houghtaling.

ASSEMBLYMAN HOUGHTALING: Yes.

MS. PATEL: Assemblyman Andrzejczak.

ASSEMBLYMAN ANDRZEJCZAK: Yes.

And do I also have a motion to move the Senate version of the same Bill, S-1057?

ASSEMBLYMAN TALIAFERRO: So moved.

ASSEMBLYMAN HOUGHTALING: Second.

ASSEMBLYMAN ANDRZEJCZAK: Roll call.

MS. PATEL: Assemblyman Taliaferro.

ASSEMBLYMAN TALIAFERRO: Yes.

MS. PATEL: Assemblyman Land.

ASSEMBLYMAN LAND: Yes.

MS. PATEL: Assemblyman Houghtaling.

ASSEMBLYMAN HOUGHTALING: Yes.

MS. PATEL: Assemblyman Andrzejczak.

ASSEMBLYMAN ANDRZEJCZAK: Yes.

Up next we have A-1054; it clarifies certain responsibilities of licensed wineries and retail salesrooms.

We have James Bennett, NJLBA, opposed, no need to testify; Michael Halfacre, BWA, no need to testify, opposed; Jeff Warsh, NJWSWA, opposed, no need to testify; and Tom Cosentino, Garden State Wine Growers, in favor, no need to testify.

Anybody want to -- anybody have any questions or comments on the Bill? (no response)

Do I have a motion to move the Bill?

ASSEMBLYMAN HOUGHTALING: I'll offer.

ASSEMBLYMAN LAND: Second.

ASSEMBLYMAN ANDRZEJCZAK: Roll call.

MS. PATEL: Assemblyman Taliaferro.

ASSEMBLYMAN TALIAFERRO: Yes.

MS. PATEL: Assemblyman Land.

ASSEMBLYMAN LAND: Yes.

MS. PATEL: Assemblyman Houghtaling.

ASSEMBLYMAN HOUGHTALING: Yes.

MS. PATEL: Assemblyman Andrzejczak.

ASSEMBLYMAN ANDRZEJCZAK: Yes.

We are actually holding A-1055 today.

And so up next we have A-1205; revises acreage requirement for plenary winery license.

We have James Bennett, NJLBA, opposed, no need to testify; Michael Halfacre, BWA; opposed, no need to testify; Jeff Warsh, NJWSWA, opposed, no need to testify; and Tom Cosentino, Garden State Wine Growers, opposed.

Tom, would you like to come up and testify on 1205?

THOMAS COSENTINO: (off mike) I'll just say a couple of words.

ASSEMBLYMAN ANDRZEJCZAK: Sure.

MR. COSENTINO: Thank you, Mr. Chairman.

Thank you, Chairman; thank you, members.

On paper, this looks like a fine Bill, and something we would need.

But when our membership looks at this Bill, we look at a potential threat.

Right now, the biggest challenge that our wineries have is grapes -- is getting enough grapes to grow. And we are in favor of any incentive to get more farmers to plant grapes and sell grapes to our wineries.

We have some wineries that have enough capital to have distribution centers elsewhere, where their production center is elsewhere and then they bring the wine on. Our fear here is that this could potentially open the door down that path to an urban winery-type existence, where someone would set up a production facility, and then that juice would get sent elsewhere, or whatever, and it winds up not coming back to the existing winery.

One of the greatest things we feel that we have is the agricultural component of our industry; you know, having that three acres of land where our consumer can actually go to the vineyard, go into the tasting room, and then walk right outside into the vineyard is important to us.

We have a passport book which every winery gives out. It gets people to go all over the state to visit wineries, and get the page stamped, and they get a chance, if they finish the book, to win a trip to a renowned wine destination courtesy of the Garden State Wine Growers Association. That's the value -- that those individuals, someone in Bergen County, can come down here to Jessie Creek Winery and visit a winery, not just a production room.

If you just decide to move forward with a Bill like this, you're setting up production areas that people are not going to see.

So we feel it's important to have any kind of incentive that would give us the value for our winery owners to add to their land capacity to grow grapes, and add farmers who can grow grapes for those wineries. But taking things offsite just gets away from the path of three acres of land and starting that farm. And the big investment, obviously, for that winery owner is each acre of planted grapes costs, at a minimum, \$15,000; and it usually takes about five years before they can make any money off of that.

This, I don't think, would really accelerate the process because all you're doing is producing the grapes you'd still be producing on your premise. So right now, as an Association, we just do not think there is any need to change the plenary law; and keep it as is, but look at laws and motions that would help us increase the growing in the state.

Thank you.

ASSEMBLYMAN ANDRZEJCZAK: Thank you.

I understand the fear, as far as having urban wine growers and having it, kind of, divert away from what we're trying to do. But do you think-- So, I mean, for an area like this, where somebody might have an acre or two not falling within the criteria of the three acres, but who has different plots throughout the area -- which may not be necessarily on their premises of, say, a facility like this -- they would be able to greatly benefit from that. But you don't--

MR. COSENTINO: Well, we have wineries right now that are purchasing grapes from farms that are nearby them--

ASSEMBLYMAN ANDRZEJCZAK: Right.

MR. COSENTINO: --and have others that are using nearby land to grow extra grapes. But they have the three acres right there on premise; they've lived by the law that is. You know, our worry is you'll have somebody coming into the state that will decide, "We're going to build a small little tasting room, plant an acre of grapes, then do everything off-premise." And where are those grapes going? Are they really going to come back and be sold in the tasting room, or are they going to be distributed out, through wholesalers and so on, out of the state?

So that's our component; we just think that right now this wouldn't be a step that we need to take. Maybe down the road; I mean, one of the things, too, is we're one of only a couple of states in the country that have that agricultural land component built into law. You go to other states -- you go to California -- you have nothing but storefront tasting rooms; you know, the wine is all made offsite and you have your big ticket-But we're one of the only states in the country that you have to have the vines planted and grown right here, which I think is a great component that we have.

ASSEMBLYMAN ANDRZEJCZAK: Any other questions or comments?

ASSEMBLYMAN HOUGHTALING: Have you reached out to the sponsor to talk to him about this; or would he be willing to--

MR. COSENTINO: We'd like to talk more about it, yes.

ASSEMBLYMAN HOUGHTALING: Yes.

MR. COSENTINO: We'd like to talk more about it, because there may be ways that we can expand on it, you know?

ASSEMBLYMAN HOUGHTALING: Okay.

MR. COSENTINO: It's just, right now, it's very cloudy for us, and I speak just on behalf of the 40-plus wineries that are members of the Association. But when this was first looked at, they just were very, very hesitant. So to go on record to support it, we just couldn't.

ASSEMBLYMAN ANDRZEJCZAK: So there would need to be modifications to it? There would need to be amendments?

MR. COSENTINO: I think we need to really, yes, look at it and see just what would make sense and how it could protect the industry as a whole.

ASSEMBLYMAN ANDRZEJCZAK: Okay.

Any other questions or comments? (no response)

Thank you very much.

MR. COSENTINO: Thank you.

ASSEMBLYMAN ANDRZEJCZAK: All right; thank you for your testimony.

And I do understand the concern, and I see where you're coming from.

However, the way that the legislature works is -- I would rather move it forward today and modify it along the way. That way we don't stop it; because, in New Jersey, we know if you stop a bill, the chances of something good coming out it will--

MR. COSENTINO: (off mike) We're fine with it.

ASSEMBLYMAN ANDRZEJCZAK: Thank you.

With that, do I have a motion to move the Bill?

ASSEMBLYMAN HOUGHTALING: So moved.

ASSEMBLYMAN TALIAFERRO: Second.

ASSEMBLYMAN ANDRZEJCZAK: Roll call.

MS. PATEL: On the motion to release A-1205 as it was referred to Committee, Assemblyman Taliaferro.

ASSEMBLYMAN TALIAFERRO: Yes.

MS. PATEL: Assemblyman Land.

ASSEMBLYMAN LAND: Yes.

MS. PATEL: Assemblyman Houghtaling.

ASSEMBLYMAN HOUGHTALING: Yes.

MS. PATEL: Assemblyman Andrzejczak.

ASSEMBLYMAN ANDRZEJCZAK: Yes.

I will be speaking with the sponsor. And Tom -- if you're okay with it -- I'll reach out to you as well and see where we can make -- improve it and to be able to move forward with it in the future.

But I will be voting "yes" today.

MR. COSENTINO: (off mike) That's fine.

ASSEMBLYMAN ANDRZEJCZAK: Up next we have A-1512; permits wineries to operate salesrooms in certain municipalities with restrictions on the sale of alcoholic beverages.

We have James Bennett, NJLBA, opposed, no need to testify; Michael Halfacre, BWA, opposed, no need to testify; Jeff Warsh, NJWSWA, opposed, no need to testify; Tom Cosentino, Garden State Wine Growers, in favor.

Are you going to speak on that one, too, Tom?

MR. COSENTINO: (off mike) No.

ASSEMBLYMAN ANDRZEJCZAK: No? All right.

Would anybody like to speak on the Bill, or have any questions or comments on it? (no response)

No? All right.

Do I have a motion to move the Bill?

ASSEMBLYMAN TALIAFERRO: So moved.

ASSEMBLYMAN HOUGHTALING: Second.

ASSEMBLYMAN ANDRZEJCZAK: Roll call.

MS. PATEL: On the motion to release A-1512, as it was referred to Committee, Assemblyman Taliaferro.

ASSEMBLYMAN TALIAFERRO: Yes.

MS. PATEL: Assemblyman Land.

ASSEMBLYMAN LAND: Yes.

MS. PATEL: Assemblyman Houghtaling.

ASSEMBLYMAN HOUGHTALING: Yes.

MS. PATEL: Assemblyman Andrzejczak.

ASSEMBLYMAN ANDRZEJCZAK: Yes.

All right; up next we have A-1512, permits wineries-- Wait; we just did that.

Up next we have A-3121, which permits students over 18 years of age to taste wine or malt alcoholic beverages for educational purposes while enrolled in authorized enology or brewing training program.

We have Eric Orlando, Brewers Guild of New Jersey, in favor, no need to testify.

Anybody else? (no response)

Do I have a motion to move the Bill with amendments?

ASSEMBLYMAN HOUGHTALING: So moved.

ASSEMBLYMAN TALIAFERRO: Second.

ASSEMBLYMAN ANDRZEJCZAK: Roll call.

MS. PATEL: On the motion to release the Bill, A-3121, with amendments, Assemblyman Taliaferro.

ASSEMBLYMAN TALIAFERRO: Yes.

MS. PATEL: Assemblyman Land.

ASSEMBLYMAN LAND: Yes.

MS. PATEL: Assemblyman Houghtaling.

ASSEMBLYMAN HOUGHTALING: Yes.

MS. PATEL: Assemblyman Andrzejczak.

ASSEMBLYMAN ANDRZEJCZAK: Yes.

All right; up next we have A-3344, exempts certain plenary winery licensees from filing requirements imposed on retail sellers of littergenerating products.

We have Tom Cosentino, Garden State Wine Growers, in favor.

Any questions or comments on the Bill? (no response)

All right; do I have a motion to move the Bill?

ASSEMBLYMAN HOUGHTALING: So moved.

ASSEMBLYMAN TALIAFERRO: Second.

ASSEMBLYMAN ANDRZEJCZAK: Roll call.

MS. PATEL: On the motion to release A-3344 as it was referred to Committee, Assemblyman Taliaferro.

ASSEMBLYMAN TALIAFERRO: Yes.

MS. PATEL: Assemblyman Land.

ASSEMBLYMAN LAND: Yes.

MS. PATEL: Assemblyman Houghtaling.

ASSEMBLYMAN HOUGHTALING: Yes.

MS. PATEL: Assemblyman Andrzejczak.

ASSEMBLYMAN ANDRZEJCZAK: Yes.

All right; now we have A-3643, creates viticulture trail tourism directional signs.

We have Tom Cosentino, Garden State Wine Growers.

Are you in favor?

MR. COSENTINO: (off mike) (Indiscernible)

ASSEMBLYMAN ANDRZEJCZAK: Yes, okay. (laughter) I'll just check that for you. (laughter)

MR. COSENTINO: (off mike) That's a good one; this one was a no-brainer. (laughter)

ASSEMBLYMAN ANDRZEJCZAK: Do I have a motion to move the Bill?

ASSEMBLYMAN HOUGHTALING: So moved.

ASSEMBLYMAN TALIAFERRO: Second.

ASSEMBLYMAN ANDRZEJCZAK: With amendments.

ASSEMBLYMAN HOUGHTALING: So moved with amendments.

ASSEMBLYMAN TALIAFERRO: Second.

ASSEMBLYMAN ANDRZEJCZAK: Roll call.

MS. PATEL: On the motion to release A-3643, with amendments, Assemblyman Taliaferro.

ASSEMBLYMAN TALIAFERRO: Yes.

MS. PATEL: Assemblyman Land.

ASSEMBLYMAN LAND: Yes.

MS. PATEL: Assemblyman Houghtaling.

ASSEMBLYMAN HOUGHTALING: Yes.

MS. PATEL: Assemblyman Andrzejczak.

ASSEMBLYMAN ANDRZEJCZAK: Yes.

All right; last but not least, we have A-3921, which authorizes annual issuance of permit to sell alcoholic beverages at seasonal farm market.

We have James Bennett, NJLBA, opposed, no need to testify; Michael Halfacre, BWA; opposed, no need to testify; we have Jeff Warsh, NJWSWA, opposed, no need to testify; Tom Cosentino, Garden State Wine Growers.

Tom.

MR. COSENTINO: (off mike) I'll just say two words.

ASSEMBLYMAN ANDRZEJCZAK: Okay.

MR. COSENTINO: The Garden State Wine Growers Association members have been on us to try to get this done for the last couple of years. We have many members who go to weekend farm markets and just pay exorbitant fees. Every week they have to go through the permitting process and pay extra money. To have a streamlined operation like this, where you pay one fee for that location for the whole year; if you want to do multiple locations, it's one fee -- it makes it so much easier on our winery staffs.

And spreading it across the board, really, is not a problem -- to have the other beverage industries to get the same right.

ASSEMBLYMAN ANDRZEJCZAK: Thank you very much.

And we also have Eric Orlando, Brewers Guild of New Jersey.

**ERIC ORLANDO:** Thank you, Chairman; members of the Committee.

Eric Orlando, from the Brewers Guild of New Jersey.

Honestly, what Tom just said is exactly where the Brewers Guild is. It's a new concept, largely, for beer. Some other of our neighboring states, in the last five years, have done it. The fee in this Bill, I believe, is about the average of the fee in those bills and it is done in a very similar way.

It's been a concept that's been done out West forever; it affords breweries of all sizes great marketing opportunities to consumers that otherwise might not be able to get to the brewery as easily, being that they're so spread out.

More or less, it's a marketing opportunity for breweries. It's not likely a huge retail component of their overall business. But it's just to get the word of mouth out there to differentiate yourselves from a lot of the other products that are on the market.

So we ask for your support for the Bill.

Thank you.

ASSEMBLYMAN ANDRZEJCZAK: Thank you.

Any questions or comments on the Bill? (no response)

Do I have a motion to move the Bill?

ASSEMBLYMAN HOUGHTALING: So moved.

ASSEMBLYMAN TALIAFERRO: Second.

ASSEMBLYMAN ANDRZEJCZAK: Roll call.

MS. PATEL: On the motion to release A-3921, as it was referred to Committee, Assemblyman Taliaferro.

ASSEMBLYMAN TALIAFERRO: Yes.

MS. PATEL: Assemblyman Land.

ASSEMBLYMAN LAND: Yes.

MS. PATEL: Assemblyman Houghtaling.

ASSEMBLYMAN HOUGHTALING: Yes.

MS. PATEL: Assemblyman Andrzejczak.

ASSEMBLYMAN ANDRZEJCZAK: All right; that was our last Bill.

I know we have quite a few people here today visiting. You might not necessarily want to speak on the bills, but if anybody would like to come up and speak and share with the Committee-- It's not too often that we get to come down and hang out in a winery and have the Committee.

Noelle?

### NOELLE QUIRK: (off mike) Oh--

ASSEMBLYMAN ANDRZEJCZAK: You're more than--Thank you for allowing us to come today.

MS. QUIRK: Yes, absolutely. It was a pleasure.

I'm glad you thought of us, and we're happy to have you here to be able to see what we were able to do with our little bit down here in South Jersey. And wineries are really adding to our community, and our infrastructure, our industry, and creating jobs. It's really been great. I mean, I see it, being from here. It's just a great asset.

So thank you for thinking of us.

ASSEMBLYMAN ANDRZEJCZAK: Thank you.

MS. QUIRK: Yes.

ASSEMBLYMAN ANDRZEJCZAK: And we have Vicki Clark, and she read my mind. I was going to ask her to come up. (laughter)

VICKI CLARK: Well, thank you, Assemblyman.

And my name is Vicki Clark; I'm President of the Cape May County Chamber of Commerce, and also serve as President of the New Jersey Tourism Industry Association.

So on behalf of the Chamber, officially welcome to Cape May County. Thank you so much for being here.

And speaking both for the Chamber and for the State Tourism Association, it is very, very important that this Committee hears this legislation and other bills like it. Beverage tourism is increasingly important to New Jersey; we see every year, with the economic impact report -- which was just released this week -- the growing market that this brings, additional visitors that it brings to New Jersey, both to the state and within the state, as another activity.

And in areas like Cape May County, which has depended so long on seasonal tourism, how it broadens our season and really helps us become more of a year-round attraction.

And so thank you very much for coming to Cape May County with your Committee. It was very nice for me not to drive to Trenton today, (laughter) as I know we've heard before from others.

So thank you very much for all you do to help. All the bills today were concerning the wineries, and we thank you for that. But also for all you do for agritourism in general.

So, thank you,

ASSEMBLYMAN ANDRZEJCZAK: Thank you.

ASSEMBLYMAN HOUGHTALING: Thank you.

With that, is there anybody else? (no response)

All right; well, we are going to adjourn. If you are working today, and have to go back to the office, I encourage you not to. (laughter) I highly encourage you to experience the winery, taste some wine. They have cakes out there -- wine cakes, if you haven't tried them yet already.

But see what our wineries have to provide and what we have to offer. Check out the vineyard, walk around, and experience the grounds. It is something very special that we have here.

And I want to thank Jessie Creek Winery again for allowing us to come down and take over your tasting room. It is greatly appreciated.

With that, we are adjourned.

(MEETING CONCLUDED)