STATE OF NEW JERSEY Department of Law and Public Safety DIVISION OF ALCOHOLIC BEVERAGE CONTROL NEWARK INTERNATIONAL PLAZA U.S. Routes 1-9 (Southbound) NEWARK, N. J. 07114

BULLETIN 2333

November 29, 1979

TABLE OF CONTENTS

ITEM

- 1. DISCIPLINARY PROCEEDINGS (WHOLESALE LICENSEES) SYNOPSIS OF PENALTIES IMPOSED AGAINST 30 WHOLESALE LICENSEES FOR TRADE PRACTICE VIOLATIONS.
- 2. APPELLATE DECISIONS FREID v. BOGOTA.
- 3. APPELLATE DECISIONS CITIZENS' ASSOCIATION FOR ORDERLY DEVELOPMENT v. UNION (Hunterdon County) et al.
- 4. APPLICATION BY WEST END RACQUET CLUB, INC. RE INACTIVE LICENSE NO SITUS GOOD CAUSE SHOWN APPLICATION GRANTED RENEWAL AUTHORIZED SUBJECT TO SPECIAL CONDITION.
- 5. EMPLOYMENT OF REGULAR POLICE OFFICERS BY LICENSEES LIMITED RELAXATION OF RULE WHERE PRIMARY BUSINESS DOES NOT CONSIST OF SALE OR SERVICE OF ALCOHOLIC BEVERAGES & JUSTIFICATION EXISTS FOR USE OF TRAINED POLICE FOR CROWD OR TRAFFIC CONTROL, SECURITY ETC. AT SPORTING ARENAS, RACETRACKS AND THE LIKE.
- 6. DISCIPLINARY PROCEEDINGS (Cinnaminson Township) PERMITTED MINOR TO SELL, SERVE AND MIX ALCOHOLIC BEVERAGES TESTIMONY NOT CREDIBLE NOT GUILTY CHARGES DISMISSED.
- 7. DISCIPLINARY PROCEEDINGS (Millville) HINDERING INVESTIGATION BY AGENT OF DIVISION SALE OF ALCOHOLIC BEVERAGE IN VIOLATION OF LOCAL HOURS ORDINANCE GUILTY OF HINDERING HOURS CHARGE DISMISSED CLUB LICENSE SUSPENDED 15 DAYS.

STATE OF NEW JERSEY Department of Law and Public Safety DIVISION OF ALCOHOLIC BEVERAGE CONTROL NEWARK INTERNATIONAL PLAZA U.S. Routes 1-9 (Southbound) Newark, N. J. 07114

BULLETIN 2333 November 29, 1979

1. DISCIPLINARY PROCEEDINGS (WHOLESALE LICENSEES) - SYNOPSIS OF PENALTIES IMPOSED AGAINST 30 WHOLESALE LICENSEES FOR TRADE PRACTICE VIOLATIONS.

In the Matter of Disciplinary Proceedings against S-12,220 Fedway Group Reitman Group to F & A Group Jaydor Group S-12,230 Capitol Group Baxter Group Royal Liquor Distributors & I ports Dealers Liquor Co. Joseph G. Smith & Sons, Inc. Gold Star Liquors, Inc. Vincove Winery Holders of various wholesale licenses issued by the Director, Division of Alcoholic Beverage Control.

Robert A. Baime, Esq., Attorney for licensees - Fedway Group;
Richard L. Amster, Esq., Attorney for licensees - Reitman Group;
Edward G. D'Alessandro, Esq., Attorney for licensees - F & A Group,
Jaydor Group and Royal Liquor Distributors;
William J. MacKnight, Esq., Attorney for licensees - Capitol Group;
Justin P. Walder, Esq., Attorney for licensees - Baxter Group;
Samuel L. Supnick, Esq., Attorney for licensee - Dealers Liquor Co., Inc.;
Joseph M. Jacobs, Esq., Attorney for licensee - Joseph G. Smith & Sons, Inc.;
Jay R. Benenson, Esq., Attorney for licensee - Gold Star Liquors, Inc.;
Robert Boyle III, Esq., Attorney for licensee - Vincove Winery.

Alfred J. Luciani, Esq., Assistant Attorney General and Dennis P. O'Keefe, Esq., Deputy Attorney General, representing the Division.

Director Joseph H. Lerner of the State Division of Alcoholic Beverage Control on May 11, 1979 entered Conclusions and Orders in the above referenced proceedings which effected penalties amounting to \$185,800.00 in fines against thirty (30) wholesale licensees of alcoholic beverages in lieu of total license suspensions amounting to 473 days. This action represents the largest amount of fines levied by this Division in a related investigation and is a culmination of this phase of a Task Force Report of the Division of Criminal Justice concerning trade practices in the industry.

All penalties were for violations of the State Alcoholic Beverage Law and

PAGE 2 BULLETIN 2333

Regulations concerning the conduct of illegal trade practices which included rebates, discounts, inducements and allowances between wholesalers and manufacturers, and various redistribution of the aforesaid to licensed retailers and wholesaler employees.

All of the licensees involved pleaded $\underline{\text{non}}$ $\underline{\text{vult}}$ to the charges. A list of the specific licensees and the penalties are as follows:

•	Fine in lieu o	f suspension
Fedway Associates, Inc. Federal Wine & Liquor Company Gateway Distributors, Inc. Jersey National Liquor Company Allstate Wine & Sprits, Inc. Perrone Wine & Sprits, Inc. Wenz Industries (inoperative)	\$10,825.00 10,825.00 10,825.00 10,825.00 4,500.00 2,200.00	30 đays " " " " " " " "
Reitman Industries Fleming & McCaig, Inc. Garden State Wine & Spirits Galsworthy, Inc. Progress, Inc., t/a Wine Merchant Crown Ltd. (inoperative)	10,000.00 6,000.00 6,000.00 6,000.00	20 days " " " "
F & A Distributing Co. Gillhaus Beverage Co., Inc. Merchants Wine & Liquor Co.	20,000.00 19,000.00 	25 days " "
J & J Distributing Co. Dorchester, Inc.	7,000.00 7,000.00	10 days " "
Capitol Wine & Spirits Co. National Wine & Liquor Co.	1,250.00 1,250.00	5 days " "
Joseph H. Reinfeld, Inc. Majestic Wine & Spirits, Inc. Flagstaff Liquor Co. Banner Liquor Co. Baxter Corp.	12,000.00 12,000.00 6,000.00 1,500.00 2,000.00	20 days " " " " " "
Royal Liquor Distributors & Importers	4,400.00	7 days
Dealers Liquor Co., Inc.	4,500.00	11 11
Joseph G. Smith & Sons, Inc.	4,400.00	11 11
Gold Star Liquors, Inc.	4,500.00	11 11
Vincove Winery	1,000.00	5 "

PAGE 3.

2. APPELLATE DECISIONS - FREID v. BOGOTA.

#4191	Freid & Beatrice Freid,	\	
Jacob	·	5	ON APPEAL
	Appellants,		CONCLUSIONS
	v.	}	AND
	and Council of the Borough Bogota,)	ORDER
	Respondent.	}	

Liebowitz, Krafte & Liebowitz, Esqs., by Jay J. Friedrich, Esq., Attorneys for Appellants, Michael DeMarrais, Esq., Attorney for the Respondent.

BY THE DIRECTOR:

The Hearer has filed the following report herein:

HEARER'S REPORT

This is an appeal from the failure or refusal of the Mayor and Council of the Borough of Bogota (Council) to grant a hearing upon the appellants' application for a person-to-person transfer of Plenary Retail Consumption License Number C-5, for premises at 20 East Fort Lee Road, from Kevin A. Schmidt, t/a R.e.'s Plum, to themselves.

The Petition of Appeal alleges that their transfer application was filed on May 19, 1977. On May 26 and June 2, 1977 it published the requisite public notice. The Council, having knowledge of the application to transfer, nonetheless proceeded with a disciplinary hearing against the licensee. It did not notify applicants of the charges, or give them an opportunity to be heard at the hearing, which ultimately resulted in the revocation of the subject license.

Appellants allege that the action of the Council was arbitrary, capricious, and an unreasonable exercise of the discretion reposing in said Council, which resulted in the denial of due process.

In its Answer, the Council denies the substantive allegations contained in appellants' petition and interposes five separate defenses, the primary one being the timeliness of the appeal. Should this be established, then the remaining issues are rendered moot, as no hearing may be held where the appellants file out of time.

PAGE 4 BULLETIN 2333

N.J.S.A. 33:1-26 requires that appeals from denials of transfer applications by issuing authorities to the Director of the Division of Alcoholic Beverage Control be filed within thirty days of notice of the complained of action. The failure or refusal to act upon an application for person-to-person transfer is tantamount to a denial of said application.

It appears from the record that the action of the Council, in revoking Plenary Retail Consumption License Number C-5 on May 23, 1977, and its refusal to hear or consider the applicants' application, orally transmitted in July 1977, was not appealed to this Division until January 10, 1978. The time interval between the Council's actions and appellants filing of the appeal exceeded the thirty days set forth in the pertinent statute.

The effect of a failure to file a timely appeal with this Division was set forth by the Appellate Division of the Superior Court in the matter of <u>Hess Oil and Chemical Corp.</u>, v. <u>Doremus Sport Club</u>, 80 N.J. Super 393, 396 (App. Div. 1963), wherein the Court stated:

Since the appeal was untimely the Division acted properly in refusing to hear it. Indeed, the Division had no jurisdiction to accept the appeal. (Emphasis Added)

See also, First Baptist Church of Bloomfield v. Bloomfield and Proud Mary's Inc., Bulletin 2249, Item 3 and Lake Lenape Lodge, Inc. v. Township Committee of the Township of Andover, Bulletin 2272, Item 2.

Therefore, the Director has no jurisdiction to review the determination made below where the appeal has been untimely filed.

Accordingly, it is recommended that the appeal be dismissed.

Conclusions and Order

No written Exceptions to the Hearer's Report were filed by the parties pursuant to N.J.A.C. 13:2-17.14.

Having carefully considered the entire record herein, including the transcript of the testimony, the exhibits and the Hearer's Report, I concur in the findings and recommendations of the Hearer and adopt them as my conclusions herein.

Accordingly, it is, on this 16th day of April, 1979,

ORDERED that, inasmuch as within appeal has been untimely filed and there is no jurisdiction in this Division, the appeal be and the same is hereby dismissed.

BULLETIN 2333 PAGE 5.

3. APPELLATE DECISIONS - CITIZENS' ASSOCIATION FOR ORDERLY DEVELOPMENT v. UNION (Hunterdon County) et al.

#4271 CITIZENS' ASSOCIATION FOR ORDERLY DEVELOPMENT,

APPELLANT.

CONCLUSIONS

AND

V.

ORDER

TOWNSHIP COMMITTEE OF THE TOWNSHIP OF UNION, DAWNGLOW, INC.,

RESPONDENTS.

Schaff, Conley & Motiuk, Esqs., by Richard M. Conley, Esq., Attorneys for Appellant.
J. Peter Jost, Esq., Attorney for Respondent-Township of Union. Ozzard, Rissolo, Klein, Mauro & Savo, Esqs., by George A. Mauro Jr., Esq.

BY THE DIRECTOR:

This is an appeal from the action of the Township Committee of the Township of Union in Hunterdon County (hereafter Committee) which, on June 30, 1978, granted renewal of Plenary Retail Consumption License No. 1025-33-003-002, issued to respondent, Dawnglow, Inc.

In its Petition of Appeal, appellant contends that the resolution granting renewal of the subject license was defective, in that, the situs of the licensed premises was not identified; an effective date of license was not set forth; the license has not been actively used for a two year period prior to the Committee's action; the prospective premises where the license would be located is in a residential area where such use is prohibited; and there was inadequate notice of the special meeting when the license was renewed.

All of appellant's contentions were denied by the respondents in their Answers, with each adding an affirmative defense that the appeal had not been timely filed.

At the outset of the hearing held in this Division pursuant to N.J.A.C. 13:2-17.6, it became apparent that the resolution adopted by the Committee occurred on June 30, 1978 and that the appellant's Petition of Appeal was filed in this Division on August 9, 1978.

The preliminary issue presented therefore is whether the appeal has been filed out of time. An affirmative reply would

PAGE 6 BULLETIN 2333

make moot the remaining questions presented by appellant in its Petition of Appeal. That sole issue was addressed by argument of counsel, who waived a report of the hearing officer and requested that the Director determine the matter as soon as is practicable.

The applicable statute, N.J.S.A. 33:1-22 provides in relevant part:

If the other issuing authority shall issue a license, any taxpayer or other aggrieved person opposing the issuance of such license may within thirty days after the issuance of such license appeal to the Director from the action of the issuing authority.

The regulation based upon the above statute, N.J.A.C. 13:2-17.3 restates the aforesaid time limitation.

The action appealed from is obviously the resolution adopted by the Committee on June 30, 1978, and it is from that date that the thirty days is computed as to any taxpayer or other aggrieved person opposing the issuance of the license.

The court has held that if an appeal is untimely filed the Division has no jurisdiction to accept it. Hess Oil & Chemical Corp. v. Doremus Sport Club, 80 N.J. Super. 393, 396 (App. Div. 1963).

Appellant cites, in support of its belief that the Director of this Division does have the right to determine the matter, Shop-Rite of Hunterdon County v. Twp. Committee of Raritan, 131 N.J. Super. 428 (App. Div. 1974). However that decision is inapplicable here, in that it relates to the question of adequacy of notice to a rejected applicant for a license.

Appellant further attempts to relate the subject matter to the matter of <u>West Orange Licensed Beverage Association v. Board of Alcoholic Beverage Control of Town of West Orange, et al.</u>, 135 N.J. Super. 387 (App. Div. 1975). In that matter the question relating to the timeliness of appeal concerned the actual date on which the resolution was adopted. The court held that the appeal time period commenced when the Resolution was adopted, even though it was approximately two months after the local issuing authority had acted on the matter at its meeting.

The actual date of adoption of the subject resolution in this matter was Friday, June 30, 1978, as hereinabove indicated. In consequence, it is clear that the appeal has been filed out of time and this Division lacks jurisdiction in the cause.

Accordingly, it is, on this 19th day of April, 1979,

ORDERED that the appeal herein having been untimely filed, be and the same is hereby dismissed.

JOSEPH H. LERNER DIRECTOR

BULLETIN 2333 PAGE 7.

4. APPLICATION BY WEST END RACQUET CLUB, INC. - RE INACTIVE LICENSE - NO SITUS - GOOD CAUSE SHOWN - APPLICATION GRANTED - RENEWAL AUTHORIZED SUBJECT TO SPECIAL CONDITION.

In the Matter of the Application }

by:

CONCLUSIONS

West End Racquet Club, Inc. }

ORDER

Holder of Plenary Retail Consumption License 1325-33-062-001 issued by the City of Long Branch.

Robinson, Wayne & Greenberg, by Erwin Shustak, Esq., Attorneys for the Applicant.

BY THE DIRECTOR:

The Hearer has filed the following report herein:

HEARER'S REPORT

This is a report with respect to a hearing held in this Division following an application filed with the Director pursuant to N.J.S.A. 33:1-12.39. The applicant held Plenary Retail Consumption License 1325-33-062-001, issued by the City Council of the City of Long Branch. However, due to conditions which occurred some time prior to the current licensing year, there had been no situs for the license. In consequence, the City Council of the City of Long Branch declined to accept an application for renewal of license unless the applicant obtained the consent of the Director mandated by the above statute.

Walter Leibowitz, president of the corporate applicant, testified that he has held that office for the past two years years and has been a stockholder since 1967. In that year, the applicant purchased property in Long Branch which contained a swimming pool, cabanas, a nighclub and a liquor license. In 1968 a fire occurred which destroyed the building wherein the nightclub had been conducted. The fire did not interrupt the ongoing business of the swim club: the only aspect of the business that ceased was the nightclub.

The license continued to be used as part of the swim club operation until 1973 when a purchaser of the land began an ambitious project to use the land for a high-rise condominium, and, razed the buildings on the premises. A building permit for that purpose was obtained in the fall of 1973.

BULLETIN 2333

That purchaser, after an abortive attempt to secure construction financing, abandoned its intention to purchase. Then, the applicant began the task of securing a purchaser for its license. The license was now in a dormant state as the buildings in which the business had been conducted were now destroyed.

Finally, a sale of the property and the license was developed between the applicant, West End Racquet Club, Inc. and a partnership identified as H.T.B.G. Associates, on September 27, 1978. Although title to the land has been conveyed, the transfer of the license has not as yet been effected as such transfer is subject to the Director's approval for renewal.

In the course of his testimony, Liebowitz responded to an inquiry as to what steps the applicant had made from 1973 towards the sale of its assets, as follows:

I never kept a record but it would seem to me that a month never went by that there wasn't phone calls or discussions proving to be fruitless, but, nevertheless, there were appointments made, visits made to the property, discussions held.

In its renewal for the 1977-78 license term, the license was conditioned upon its sale. A copy of the contract of sale of the premises, made in December 1977, was introduced into evidence.

The applicable statute, N.J.S.A. 33:1-12.39, provides that Class C licenses, not actively used in connection with the operation of a licensed premises within the past two license terms shall not be renewed unless the Director of this Division finds good cause to warrant a further application for renewal. This statute was remedial in nature and designed to halt the continuous renewal of licenses which had no situs and were not actively used. These licenses, called "pocket licenses" had been, in some cases, continuously renewed year after year without any attempt made to dispose of them or use them.

In the instant matter, the applicant's premises did suffer a fire, albeit several years ago, which limited the licensed premises, and the entire licensed premises were later destroyed under a razing project that became snarled in mortgate funding diffuculties. Thereafter, from attempts

BULLETIN 2333 PAGE 9.

to negotiate sales of the premises and license, a sale was consumated under a contract which provided that the applicant must obtain a renewal of the license before the purchaser completed the transaction.

It would appear that the statute was designed to afford applicants such as this one an opportunity to renew the license for its successful disposition and resumption of active use. Certainly the applicant was not sleeping on its license without a definitive program to make proper disposition of it.

Thus, I recommend that the application be granted and that the Director authorize a further application for renewal of this license for the 1978-79 licensing year, subject to the special condition that the license, if renewed by the City of Long Branch, not be delivered unless and until an approved situs for the license is obtained.

CONCLUSIONS AND ORDER

No written Exceptions to the Hearer's Report were filed in connection with the application submitted pursuant to N.J.S.A. 33:1-12.39.

Having carefully considered the entire record herein, including the transcript of the testimony, the exhibits and the Hearer's Report, I concur in the findings and recommendations of the Hearer and adopt them as my conclusions herein.

Accordingly, it is, on this 27th day of April, 1979,

ORDERED that my Special Ruling of July 26, 1978 be and the same is hereby vacated; and it is further

ORDERED that the City Council of the City of Long Branch be and the same is hereby authorized in its discretion to consider the application for renewal of the subject license for the 1978-79 license term, subject to the special condition that, if renewed, the license certificate shall not be delivered unless and until an approved situs for the license is obtained.

JOSEPH H. LERNER DIRECTOR PAGE 10 BULLETIN 2333

5. EMPLOYMENT OF REGULAR POLICE OFFICERS BY LICENSEES - LIMITED RELAXATION OF RULE WHERE PRIMARY BUSINESS DOES NOT CONSIST OF SALE OR SERVICE OF ALCOHOLIC BEVERAGES & JUSTIFICATION EXISTS FOR USE OF TRAINED POLICE FOR CROWD OR TRAFFIC CONTROL, SECURITY ETC. AT SPORTING ARENAS, RACETRACKS AND THE LIKE.

David Solomon, Esq. Jersey City, N. J.

Re: N.J.A.C. 13:2-23.31(b)

Dear Mr. Solomon:

Receipt is acknowledged of your letter dated March 26, 1979 on behalf of Freehold P.B.A. Local 159.

In consequence of the February 7, 1979 amendment to the above cited rule, regular police officers may, in specified circumstances, be employed by liquor licensees.

I have received the formal request of the Freehold Racing Association, by letter dated April 3, 1979, to employ regular police officers for crowd control, traffic, and security purposes at its licensed premises.

I have also received a letter of April 2, 1979 from Chief Lefkowich of the Borough of Freehold who advises that the off-duty employment of Freehold police officers is not objectionable.

I am satisfied that Freehold Raceway is a racetrack whose primary business does not consist of the sale or service of alcoholic beverages and there is justification for use of trained police officers for the aforementioned purposes. Therefore, I shall authorize the hiring of regular police officers by the Freehold Racing Association under the exception and pursuant to the terms set forth in N.J.A.C. 13:2-23.31.

Copies of my ruling herein are being sent to the other interested parties.

JOSEPH H. LERNER DIRECTOR

Dated: April 26, 1979

BULLETIN 2333 PAGE 11.

6. DISCIPLINARY PROCEEDINGS - PERMITTED MINOR TO SELL, SERVE AND MIX ALCOHOLIC BEVERAGES - TESTIMONY NOT CREDIBLE - NOT GUILTY - CHARGES DISMISSED.

In the Matter of Disciplinary Proceedings against

S-11,599

Merion Enterprises, Inc. t/a Merion Inn Route 130 & Wynwood Drive Cinnaminson Twp., N.J.

CONCLUSIONS

AND ORDER

Holder of Plenary Retail Consumption Lic. 0308-33-005-001, issued: by the Township Committee of the Township of Cinnaminson. :

Muller & Kancher, Esqs., by Mark S. Kancher, Esq., Attorneys for Licensee.
Mart Vaarsi, Esq., Deputy-Attorney General, Appearing for the

BY THE DIRECTOR:

Division.

The Hearer has filed the following report herein:

HEARER'S REPORT

Licensee pleaded "not guilty" to a charge alleging that, on or about October 23, 1977 and at divers dates, it permitted persons under the age of eighteen years to sell, serve and mix alcoholic beverages, in violation of Rule 2 of State Regulation No. 13 (now N.J.A.C. 13:2-14.2).

Testifying in support of the charge Frederick Haughawout stated that in 1974, when he commenced employment at the licensed premises, he was fourteen years old. His job was that of a dishwasher. He recounted that on several occasions he was asked to mix large batches of whiskey sours, particularly on a Saturday when older employees were absent. He recalled that, on one occasion, there was a wedding party being catered, and he served alcoholic beverages to some of the guests. On other occasions, the older bar boys taught him the method of mixing drinks in large quantity for banquets, weddings, etc.

On cross-examination, Haughawout admitted that he had been discharged from his employment. He further admitted his mother and his two sisters had been previously employed by the licensee, and that the employment of his one sister was terminated by the licensee. He finally admitted having alerted

PAGE 12 BULLETIN 2333

the Division of Alcoholic Beverage Control of what he knew to be an infraction of the regulation, if it did in fact occur.

Haughawout described his work as a clean-up-boy in the licensed premises, which was used solely as a catering establishment for parties, weddings and the like. He stated that, although the mixing of drinks was done by the bartenders at the beginning of a week, toward its end he would often have to do it. He described having served one drink to a lady at the bar; however, he was unclear as to when he had mixed or served drinks.

The licensee introduced the testimony of its head bartender, Dominick Mattia in defense of the charges. He stated that, as head bartender, he does all of the pre-mixing of drinks. It would be violative of the union contract for anyone but a union bartender to perform this job. He stated that in his seven years of employment, no bar boys had mixed the alcoholic beverages into drinks and the only connection that they might have would be to secure the ingredients required; such as, ice, soda, fruit and the like. He further denied that there was such a position as a "head barboy".

At the conclusion of the hearing, counsel appearing for the Division candidly admitted that the testimony of the sole witness against the licensee seemed to lack credibility. In conclusion of his summation he added, "I don't see how the Division would argue that it has sustained the burden of proof by a preponderance, based on the testimony of this particular witness."

In order that the charge herein, or the charge in any disciplinary matter, can be sustained, the proof presented must be by a preponderance of the believable evidence. I have had the opportunity to observe and evaluate the witness introduced in support of the charge, and I find that his testimony is incredible.

Testimony, to be believed, must not only proceed from the mouths of credible witnesses, but must be credible in itself. It must be such as common experience and observation of mankind can approve as probable under the circumstances. Spagnuolo v. Bonnet 16 N.J. 546 (1954); Gallo v. Gallo, 66 N.J. Super. 1, (App. Div. 1961).

I find the testimony of Haughawout to be completely unbelievable. Although he admitted knowing that, if he mixed alcoholic beverages, it would be violative of the law, he alleged that he continued to do so on occasion. Only after his sister was discharged from employment by the licensee did BULLETIN 2333 PAGE 13.

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he suggest to his sister that she communicate with this Division.

The testimony of Mattia, the principal bartender, was completely logical and without evasion. His tacit admission that the conduct attributed to a "bar-boy" would be in complete violation of the union regulations has a ring of truth. It enforces the lack of probability that the minor was ever permitted to do alcoholic beverage mixing.

I find that the charges herein has not been proven and should be dismissed; and I so recommend.

CONCLUSIONS AND ORDER

No written Exceptions to the Hearer's Report were filed pursuant to N.J.A.C. 13:2-19.6.

Having carefully considered the entire record herein, including the transcript of the testimony, the exhibits and the Hearer's Report, I concur in the findings and recommendations of the Hearer and adopt them as my conclusions herein.

Accordingly, it is, on this 30th day of May, 1979,
ORDERED that the charge be and the same is hereby dismissed.

JOSEPH H. LERNER DIRECTOR

PAGE 14 BULLETIN 2333

7. DISCIPLINARY PROCEEDINGS - HINDERING INVESTIGATION BY AGENT OF DIVISION - SALE OF ALCOHOLIC BEVERAGE IN VIOLATION OF LOCAL HOURS ORDINANCE - GUILTY OF HINDERING - HOURS CHARGE DISMISSED - CLUB LICENSE SUSPENDED 15 DAYS.

In the Matter of Disciplinary Proceedings against

Millville Aerie #1836 Fraternal Order of Eagles 109 E. Main Street Millville, N.J. 08332 S-11,797 X-10,152-E

Holder of Club License 0610-31- 021-001, issued by the Board of Commissioners of the City of Millville. CONCLUSIONS

AND

ORDER

Licensee, by its President, pro se.
Mart Vaarsi, Esq., Deputy-Attorney General, Appearing for Division.

BY THE DIRECTOR:

The Hearer has filed the following report herein:

HEARER'S REPORT

Licensee pleads "not guilty" to two charges alleging that, on Sunday, April 23, 1978 it: (1) sold alcoholic beverages in violation of the local hours ordinance, and (2) delayed and hindered an investigation by agents of this Division, in violation of N.J.A.C. 13:2-23.30.

At the outset of the introduction of testimony on behalf of this Division, the Deputy-Attorney General appearing on behalf of the Division moved to dismiss the first charge because of insufficient evidence upon which to base a finding of guilt.

Testifying on behalf of the Division, ABC Agent P recounted his visit to the licensee's premises on April 23, 1978 accompanied by fellow Agent B. He described obtaining entry to an outer hallway only and there confronting one Sockwell, who, despite being informed of the presence of ABC Agents, refused to permit their entrance.

The agents continued their attempts at entry but neither were successful in persuading Sockwell to admit them. Additionally they found an opened bottle of beer

BULLETIN 2333 : PAGE 15.

which appeared chilled in the outer vestibule. They heard voices within, one of which said, "Get your money off the table, its the ABC, and get upstairs. . . " Eventually the agents departed from the premises.

The President of the licensee, George Hunger, testified that, although he was not present when the agents attempted entry, he was aware that, on the morning in question, the club was in the process of remodeling one of their rooms, and several members who made up a work-party were present. He vigorously denied that there were any sales of beer whatever.

He explained the refusal to permit the agents to enter was based upon the licensee's determination that no strangers or non-members of the organization were to be admitted without the approval of an officer of the club; and, at the time of the agent's visit, no members were, in fact, present.

The licensee is a club licensee and, as such, need not admit the public to its premises. However N.J.A.C. 13:2-23. 30 required all licensees to produce, exhibit or surrender to the Director of this Division or his investigators all things which he is empowered to inspect or examine. Consequently, so long as the premises were open to members, it should have been equally open to investigators of this Division.

The testimony of the agents that they produced the identification card should have been sufficient for the agents to have been, at least, interviewed by those in charge of the premises for assurance that the person claiming to be an agent of this Division was, in fact, such agent. The refusal to permit entry to the agents under these circumstances was, in fact, a hinderance of their investigation.

I, therefore, find the licensee guilty of the second charge herein and recommend a suspension of license for fifteen (15) days.

CONCLUSIONS AND ORDER

No written Exceptions to the Hearer's Report were filed by the parties pursuant to N.J.A.C. 13:2-19.6.

Having carefully considered the entire record herein, including the transcript of the testimony, the exhibits and the Hearer's Report, I concur in the findings and recommen-

BULLETIN 2333

dations of the Hearer and adopt them as my conclusions herein.

Accordingly, it is, on this 30th day of May, 1979,

ORDERED that the first charge, alleging sale of alcoholic beverages in violation of the local hours ordinance, be and the same is hereby dismissed; and it is further

ORDERED that upon the finding of guilt to the second charge, alleging a hindering of an investigation in violation of N.J.A.C. 13:2-23.30, Club License No. 0610-31-021-001 issued by the Board of Commissioners of the City of Millville to Millville Aerie #1836 Fraternal Order of Eagles for premises 109 E. Main Street, Millville be and the same is hereby suspended for fifteen (15) days commencing at 1:00 a.m., Thursday, June 14, 1979 and terminating 1:00 a.m. Friday, June 29, 1979.

JOSEPH H. LERNER
DIRECTOR