

# SENATE, No. 641

## STATE OF NEW JERSEY 215th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2012 SESSION

**Sponsored by:**

**Senator THOMAS H. KEAN, JR.**

**District 21 (Morris, Somerset and Union)**

**Senator DONALD NORCROSS**

**District 5 (Camden and Gloucester)**

**Co-Sponsored by:**

**Senators A.R.Bucco and Cardinale**

**SYNOPSIS**

Increases production limitations and revises privileges of limited and restricted breweries.

**CURRENT VERSION OF TEXT**

Introduced Pending Technical Review by Legislative Counsel



1 AN ACT concerning certain brewery licenses and amending  
2 R.S.33:1-10, P.L.1962 c.152, and R.S.33:1-43.

3

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

6

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

8 33:1-10. Class A licenses shall be subdivided and classified as  
9 follows:

10 Plenary brewery license. 1a. The holder of this license shall be  
11 entitled, subject to rules and regulations, to brew any malt alcoholic  
12 beverages and to sell and distribute his products to wholesalers and  
13 retailers licensed in accordance with this chapter, and to sell and  
14 distribute without this State to any persons pursuant to the laws of  
15 the places of such sale and distribution, and to maintain a  
16 warehouse. The fee for this license shall be \$10,625.

17 Limited brewery license. 1b. The holder of this license shall be  
18 entitled, subject to rules and regulations, to brew any malt alcoholic  
19 beverages in a quantity to be expressed in said license, dependent  
20 upon the following fees and not in excess of **[300,000]** 500,000  
21 barrels of 31 fluid gallons capacity per year and to sell and  
22 distribute this product to wholesalers and retailers licensed in  
23 accordance with this chapter, and to sell and distribute without this  
24 State to any persons pursuant to the laws of the places of such sale  
25 and distribution, **[and]** to maintain a warehouse, and to sell his  
26 products at retail to consumers on the licensed premises of the  
27 brewery for consumption on or off the premises, and to offer  
28 samples for sampling purposes only. The fee for this license shall  
29 be graduated as follows:

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

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

34 to so brew not more than **[200,000]** 300,000 barrels of 31 fluid  
35 gallons capacity per annum, \$5,000;

36 to so brew not more than **[300,000]** 500,000 barrels of 31 fluid  
37 gallons capacity per annum, \$7,500. The holder of this license shall  
38 also have the right to sell such malt alcoholic beverages at retail in  
39 original packages in 10 salesrooms apart from the brewery premises  
40 for consumption on or off the premises and for sampling purposes  
41 for consumption on the premises, at a fee of \$250 for each  
42 salesroom.

43 Upon submission of the required fees and proof satisfactory to  
44 the director, a brewery duly licensed in another state, with annual

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

Matter underlined thus is new matter.

1 production not in excess of 500,000 barrels of 31 fluid gallons  
2 capacity per annum, may apply for a limited brewery license under  
3 this subsection. The holder of the limited brewery license granted  
4 pursuant to this subsection shall have the right to sell the brewery's  
5 products to consumers at retail in original packages in 10  
6 salesrooms situated in the State of New Jersey for consumption on  
7 or off the premises and for sampling purposes for consumption on  
8 the premises, at a fee of \$250 for each salesroom.

9 For the purposes of this section, "sampling" means the selling at  
10 a nominal charge or the gratuitous offering of an open container not  
11 exceeding four ounces of any malt alcoholic beverage. For the  
12 purposes of this section, "product" means any malt alcoholic  
13 beverage that is produced by the licensee on its licensed premises  
14 situated in the State of New Jersey.

15 Restricted brewery license. 1c. The holder of this license shall  
16 be entitled, subject to rules and regulations, to brew any malt  
17 alcoholic beverages in a quantity to be expressed in such license not  
18 in excess of ~~【3,000】~~ 10,000 barrels of 31 gallons capacity per year.  
19 Notwithstanding the provisions of R.S.33:1-26, the director shall  
20 issue a restricted brewery license only to a person or an entity  
21 which has identical ownership to an entity which holds a plenary  
22 retail consumption license issued pursuant to R.S.33:1-12, provided  
23 that such plenary retail consumption license is operated in  
24 conjunction with a restaurant regularly and principally used for the  
25 purpose of providing meals to its customers and having adequate  
26 kitchen and dining room facilities, and that the licensed restaurant  
27 premises is immediately adjoining the premises licensed as a  
28 restricted brewery. The holder of this license shall only be entitled  
29 to sell or deliver the product to that restaurant premises, or to  
30 another restaurant premises operated by the same entity which also  
31 holds a plenary retail consumption license issued pursuant to  
32 R.S.33:1-12 for that licensed premises, but which does not hold a  
33 restricted brewery license issued pursuant to this section adjacent to  
34 that licensed restaurant premises. The fee for this license shall be  
35 \$1,250, which fee shall entitle the holder to brew up to 1,000  
36 barrels of 31 liquid gallons per annum. The licensee also shall pay  
37 an additional ~~【\$625】~~ \$250 for every additional 1,000 barrels of 31  
38 fluid gallons produced. **【No more than two restricted brewery**  
39 **licenses shall be issued to a person or entity which holds an interest**  
40 **in a plenary retail consumption license.】** The fee shall be estimated  
41 and paid at the time of application for the license, and shall be  
42 adjusted within 60 days following the expiration of the license term  
43 upon certification by the licensee of the actual gallons brewed  
44 during the license term. If the governing body of the municipality  
45 in which the licensed premises will be located should file a written  
46 objection, the director shall hold a hearing and may issue the license  
47 only if the director finds that the issuance of the license will not be

1 contrary to the public interest. All fees related to the issuance of  
2 both licenses shall be paid in accordance with statutory law. The  
3 holder of this license shall also have the privilege to offer samples  
4 of its product off the licensed premises pursuant to an annual permit  
5 issued by the director. The holder of this license also may hold a  
6 limited brewery license for the same premises licensed under this  
7 restricted brewery license.

8 Plenary winery license. 2a. Provided that the holder is engaged  
9 in growing and cultivating grapes or fruit used in the production of  
10 wine on at least three acres on, or adjacent to, the winery premises,  
11 the holder of this license shall be entitled, subject to rules and  
12 regulations, to produce any fermented wines, and to blend, fortify  
13 and treat wines, and to sell and distribute his products to  
14 wholesalers and retailers license in accordance with this chapter and  
15 to churches for religious purposes, and to sell and distribute with  
16 this State to any persons pursuant to the laws of the places of such  
17 sale and distribution, and to maintain a warehouse, and to sell his  
18 products at retail to consumers on the licensed premises of the  
19 winery for consumption on or off the premises and to offer samples  
20 for sampling purposes only. The fee for this license shall be \$938.  
21 The holder of this license shall also have the right to sell such wine  
22 at retail in original packages in six salesrooms apart from the  
23 winery premises for consumption on or off the premises and for  
24 sampling purposes for consumption on the premises, at a fee of  
25 \$250 for each saleroom. Additionally, subject to rules and  
26 regulations, one salesroom per county may be jointly controlled and  
27 operated by at least two plenary or farm winery licensees for the  
28 sale of the products of any plenary or farm winery licensee for  
29 consumption on or off the premises and for consumption on the  
30 licensed premises for sampling purposes at an additional fee of  
31 \$625 per county salesroom. For the purposes of this subsection,  
32 “sampling” means the selling at a nominal charge or the gratuitous  
33 offering of an open container not exceeding one and one-half  
34 ounces of any wine. For the purposes of this section, “product”  
35 means any wine that is produced, blended, fortified, or treated by  
36 the licensee on its licensed premises situated in the State of New  
37 Jersey. Any holder of a plenary winery license who sold wine  
38 which was produced, bottled, and labeled by that holder in a place  
39 other than its licensed New Jersey premises between July 1, 1992  
40 and June 30, 1993, may continue to sell that wine provided no more  
41 than 25,000 cases, each case consisting of 12 750 milliliter bottles  
42 or the equivalent, are sold in any single license year. This privilege  
43 shall terminate upon, and not survive, any transfer of the license to  
44 another person or entity subsequent to the effective date of this  
45 1993 amendatory act or any transfer of stock of the licensed  
46 corporation other than to children, grandchildren, parents, spouses  
47 or siblings of the existing stockholders.

1 Farm winery license. 2b. The holder of this license shall be  
2 entitled, subject to rules and regulations, to manufacture any  
3 fermented wines and fruit juices in a quantity to be expressed in  
4 said license, dependent upon the following fees and not in excess of  
5 50,000 gallons per year and to sell and distribute his products to  
6 wholesalers and retailers licensed in accordance with this chapter  
7 and to churches for religious purposes and to sell and distribute  
8 without this State to any persons pursuant to the laws of the places  
9 of such sale and distribution, and to maintain a warehouse and to  
10 sell at retail to consumers for consumption on or off the licensed  
11 premises and to offer samples for sampling purposes only. The  
12 license shall be issued only when the winery at which such  
13 fermented wines and fruit juices are manufactured is located and  
14 constructed upon a tract of land exclusively under the control of the  
15 licensee, provided that the license is actively engaged in growing  
16 and cultivating an area of not less than three acres on or adjacent to  
17 the winery premises and on which are growing grape vines or fruit  
18 to be processed into wine or fruit juice; and provided, further, that  
19 for the first five years of the operation of the winery such fermented  
20 wines and fruit juices shall be manufactured from at least 51%  
21 grapes or fruit grown in the State and that thereafter they shall be  
22 manufactured from grapes or fruit grown in this State at least to the  
23 extent required for labeling as "New Jersey Wine" under the  
24 applicable federal laws and regulations. The containers of all wine  
25 sold to consumers by such licensee shall have affixed a label stating  
26 such information as shall be required by the rules and regulations of  
27 the Director of the Division of Alcoholic Beverage Control. The  
28 fee for this license shall be graduated as follows:

29 To so manufacture between 30,000 and 50,000 gallons per  
30 annum, \$375; to so manufacture between 2,500 and 30,000 gallons  
31 per annum, \$250; to so manufacture between 1,000 and 2,500  
32 gallons per annum, \$125; to so manufacture less than 1,000 gallons  
33 per annum, \$63. No farm winery shall be held by the holder of a  
34 plenary winery license or be situated on a premises licensed as a  
35 plenary winery. The holder of this license shall also have the right  
36 to sell his products in original packages at retail to consumers in six  
37 salesrooms apart from the winery premises for consumption on or  
38 off the premises, and for sampling purposes for consumption on the  
39 premises, at a fee of \$250 for each salesroom. Additionally, subject  
40 to rules and regulations, one salesroom per county may be jointly  
41 controlled and operated by at least two plenary or farm winery  
42 licensees for the sale of the products of any plenary or farm winery  
43 licensee for consumption on or off the premises and for  
44 consumption on the licensed premises for sampling purposes only,  
45 at an additional fee of \$625 per county salesroom. For the purposes  
46 of this subsection, "sampling" means the selling at a nominal charge  
47 or the gratuitous offering of an open container not exceeding one

1 and one-half of any wine. Unless otherwise indicated, for the  
2 purposes of this subsection, with respect to farm winery licenses,  
3 “manufacture” means the vinification, aging, storage, blending,  
4 clarification, stabilization and bottling of wine or juice from New  
5 Jersey fruit to the extent required by this subsection.

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

14 Instructional winemaking facility license. 2d. The holder of this  
15 license shall be entitled, subject to rules and regulations, to instruct  
16 persons in and provide them with the opportunity to participate  
17 directly in the process of winemaking and to directly assist such  
18 persons in the process of winemaking while in the process of  
19 instruction on the premises of the facility. The holder of this  
20 license also shall be entitled to manufacture wine on the premises  
21 not in excess of an amount of 10% of the wine produced annually  
22 on the premises of the facility, which shall be used only to replace  
23 quantities lost or discarded during the winemaking process, to  
24 maintain a warehouse, and to offer samples produced to persons  
25 who have received instruction in winemaking on the premises by  
26 the licensee for sampling purposes only on the licensed premises for  
27 the purpose of promoting winemaking for personal or household use  
28 or consumption. Wine produced on the premises of an instructional  
29 winemaking facility shall be used, consumed or disposed of on the  
30 facility’s premises or distributed from the facility’s premises to a  
31 person who has participated directly in the process of winemaking  
32 for the person’s personal or household use or consumption. The  
33 holder of this license may sell mercantile items traditionally  
34 associated with winemaking and novelty wearing apparel identified  
35 with the name of the establishment licensed under the provisions of  
36 this section. The holder of this license may use the licensed  
37 premises for an event or affair, including an event or affair at which  
38 a plenary retail consumption licensee serves alcoholic beverages in  
39 compliance with all applicable statutes and regulations promulgated  
40 by the director. The fee for this license shall be \$1,000. For the  
41 purposes of this subsection, “sampling” means the gratuitous  
42 offering of an open container not exceeding one and one-half  
43 ounces of any wine.

44 Plenary distiller license. 3a. The holder of this license shall be  
45 entitled, subject to rules and regulation, to manufacture any distilled  
46 alcoholic beverages and rectify, blend, treat and mix, and to sell and  
47 distribute his products to wholesalers and retailers licensed in

1 accordance with this chapter, and to sell and distribute without this  
2 State to any persons pursuant to the laws of the places of such sale  
3 and distribution, and to maintain a warehouse. The fee for this shall  
4 be \$12,500.

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

15 Supplementary limited distillery license. 3c. The holder of this  
16 license shall be entitled, subject to rules and regulations, to bottle  
17 and rebottle, in a quantity to be expressed in said license, dependent  
18 upon the following fess, alcoholic beverages distilled from fruit  
19 juices by such holder pursuant to a priority plenary or limited  
20 distillery license, and to sell and distribute his products to  
21 wholesalers and retailers licensed in accordance with this chapter ,  
22 and to sell and distribute without this State to any persons pursuant  
23 to the laws of the places of such sale and distribution, and to  
24 maintain a warehouse. The fee for this license shall be graduated as  
25 follows:

26 to so bottle and rebottle not more than 5,000 wine gallons per  
27 annum, \$313;

28 to so bottle and rebottle not more than 10,000 wine gallons per  
29 annum, \$625;

30 to so bottle and rebottle without limit as to amount, \$1,250.

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

40 Bonded warehouse bottling license. 5. The holder of this license  
41 shall be entitled, subject to rules and regulations, to bottle alcoholic  
42 beverages in bond on behalf of all persons authorized by federal and  
43 State law and regulations to withdraw alcoholic beverages from  
44 bond. The fee for this license shall be \$625. This license shall be  
45 issued only to persons holding permits to operate Internal Revenue  
46 bonded warehouses pursuant to the laws of the United States. The  
47 provisions of section 21 of P.L.2003, c.117 amendatory of this

1 section shall apply to licenses issued or transferred on or after July  
2 1, 2003, and to license renewals commencing on or after July 1,  
3 2003.

4 (cf: P.L.2007, c. 329, s.1)

5

6 2. Section 2 of P.L.1962, c.152 (C.33:1-12.32) is amended to  
7 read as follow:

8 2. The provisions of this act shall not apply to the acquisition  
9 of an additional license or licenses or an interest therein, when such  
10 license is issued to a person for use in connection with the operation  
11 of a hotel containing at least 50 sleeping rooms, for use in  
12 connection with the operation of a restaurant, for use in connection  
13 with the operation of a bowling establishment consisting of more  
14 than 20 lanes, but only so long as the person uses the license in  
15 connection with the operation of that bowling establishment, for use  
16 in a restaurant having ownership which is identical to the ownership  
17 of a restricted brewery license issued pursuant to R.S.33:1-10, or  
18 for use on premises within the grounds of an international airport,  
19 nor shall the provisions of this act affect the right of any person to  
20 dispose of an interest in a license or licenses by will or to the  
21 transfer of such an interest by descent and distribution.

22 Any additional license acquired for use in connection with a  
23 restaurant or bowling establishment consisting of more than 20  
24 lanes or for use on premises within the grounds of an international  
25 airport, as herein authorized, shall be limited, however, to the sale  
26 of alcoholic beverages for consumption on the licensed premises  
27 only, except that this restriction shall not apply to the sale of malt  
28 alcoholic beverages produced on the licensed premises of a  
29 restricted brewery pursuant to R.S.33:1-10.

30 (cf: P.L.1985, c.65, s.1)

31

32 3. R.S.33:1-43 is amended to read as follows:

33 33:1-43. a. It shall be unlawful for any owner, part owner,  
34 stockholder or officer or director of any corporation, or any other  
35 person whatsoever interested in any way whatsoever in any  
36 brewery, winery, distillery or rectifying and blending plant, or any  
37 wholesaler of alcoholic beverages, to conduct, own either in whole  
38 or in part, or be directly or indirectly interested in the retailing of  
39 any alcoholic beverages in New Jersey except as provided in this  
40 chapter, and such interest shall include any payments or delivery of  
41 money or property by way of loan or otherwise accompanied by an  
42 agreement to sell the product of said brewery, winery, distillery,  
43 rectifying and blending plant or wholesaler.

44 b. It shall be unlawful for any owner, part owner, stockholder  
45 or officer or director of any corporation, or any other person  
46 whatsoever, interested in any way whatsoever in the retailing of  
47 alcoholic beverages to conduct, own either whole or in part, or to be



1 a shareholder, officer or director of a corporation or association,  
2 directly or indirectly, interested in any brewery, winery, distillery,  
3 rectifying and blending plant, or wholesaling or importing interest  
4 of any kind whatsoever.

5 No interest in the retailing of alcoholic beverages shall be  
6 deemed to exist by reason of the ownership, delivery or loan of  
7 interior signs designed for and exclusively used for advertising the  
8 product of or product offered for sale by such brewery, winery,  
9 distillery or rectifying and blending plant or wholesaler.

10 c. Nothing in this section shall prohibit:

11 (1) The exercise of limited retail privileges by Class A or Class  
12 B licensees conferred pursuant to R.S.33:1-10, R.S.33:1-11, by rule  
13 or regulation or by special permit issued by the director;

14 (2) Any owner, part owner, stockholder, officer or director of  
15 any corporation, or any other person whatsoever interested in any  
16 way whatsoever in any brewery, winery, distillery, rectifying and  
17 blending plant or any wholesaler of alcoholic beverages, from  
18 conducting, owning, either in whole or in part, or being directly or  
19 indirectly interested in the retailing of any alcoholic beverages,  
20 under any retail consumption license or State issued permit, in  
21 conjunction with and as a part of the operations of a hotel or motel;

22 (3) Any owner, part owner, stockholder or officer or director of  
23 any corporation, or any other person or corporation interested in  
24 any way whatsoever in the retailing of alcoholic beverages, under a  
25 retail consumption license or State issued permit, in conjunction  
26 with and as a part of the operations of a hotel or motel from  
27 conducting, owning, either in whole or in part, or being a  
28 shareholder, officer or director of a corporation or association,  
29 directly or indirectly interested in any brewery, winery, distillery,  
30 rectifying and blending plant, or wholesaling or importing interest  
31 of any kind whatsoever; or

32 (4) The exercise of a limited brewery or restricted brewery  
33 license privilege by an immediately adjoining or other restaurant  
34 having a plenary retail consumption license issued under R.S.33:1-  
35 12, and having ownership which is identical to the ownership of the  
36 limited brewery license and restricted brewery license.

37 No more than 20% of the total gross annual revenues of a hotel  
38 or motel described in paragraphs (2) and (3) shall be derived from  
39 the sale of alcoholic beverages by the hotel or motel. A retail  
40 licensee described in paragraphs (2) and (3) shall not purchase or  
41 sell any alcoholic beverage product produced or sold by the  
42 brewery, winery, distillery, rectifying and blending plant,  
43 wholesaler or importer that has any interest in the retail license of  
44 the hotel or motel, unless the total of all such products is 5% or less  
45 of the total volume of alcoholic beverage products purchased and  
46 sold annually by the hotel or motel holding the retail license. The  
47 retail licensee shall, within 30 days following the effective date of

1 this act, file with the Division of Alcoholic Beverage Control a list  
2 of all alcoholic beverage products which shall not be purchased or  
3 sold by the hotel or motel except to the extent permitted herein.  
4 Thereafter, the retail licensee shall file a new or amended list with  
5 the division within 30 days of any changed circumstances which  
6 affect the information on the list. This list shall be made available  
7 to the public upon request.

8 For purposes of this subsection "hotel" or "motel" means an  
9 establishment containing at least 100 guest room accommodations  
10 where the relationship between the occupants thereof and the owner  
11 or operator of the establishment is that of innkeeper and guest.  
12 (cf: P.L.1993, c.216, s.3)

13

14 4. This act shall take effect immediately.

15

16

17

STATEMENT

18

19 This bill revises current law concerning limited breweries and  
20 restricted breweries, which are popularly known as brewpubs.

21 The bill permits limited breweries to increase their annual  
22 production from 300,000 to 500,000 barrels annually. The bill also  
23 permits these breweries to sell their products at retail to consumers  
24 on the licensed premises of the brewery for consumption on or off  
25 the premises, and to offer samples. The bill revises the fee for  
26 licensees who produce certain quantities: the fee to produce up to  
27 300,000 barrels annually would be \$5,000 and to brew up to  
28 500,000 barrels annually would be \$7,500. The bill also permits the  
29 licensee to sell malt alcoholic beverages at retail in original  
30 packages in 10 salesrooms for consumption on or off the premises,  
31 and to offer samples, at a fee of \$250 for each salesroom.

32 Upon submission of the required fees and proof satisfactory to  
33 the director, a brewery duly licensed in another state which does not  
34 produce more than 500,000 barrels annually may apply for a limited  
35 brewery license under the bill. The holder of the limited brewery  
36 license would have the right to sell the brewery's products to  
37 consumers at retail in original packages in 10 salesrooms situated in  
38 New Jersey for consumption on or off the premises and to offer  
39 samples, at a fee of \$250 for each salesroom.

40 The bill also increases the quantity of malt alcoholic beverages  
41 that may be produced by a restricted brewery from 3,000 to 10,000  
42 barrels annually. Under current law, a restricted brewery must be  
43 operated in conjunction with a restaurant which is immediately  
44 adjoining the restricted brewery premises, and the brewery product  
45 only may be delivered to that restaurant premises. This bill permits  
46 licensees to serve their products at another restaurant they own  
47 which is not a restricted brewery. The bill decreases the fee the

1 licensee is required to pay from \$625 to \$250 for every additional  
2 1,000 barrels produced. In addition, the licensee may offer samples  
3 of its products off the licensed premises if the licensee obtains an  
4 annual permit issued by the director. The bill also permits a  
5 restricted brewery licensee to obtain a limited brewery license for  
6 the same premises licensed as a restricted brewery.

7 Current law prohibits the acquisition of more than two alcoholic  
8 beverage retail licenses, with certain exceptions including  
9 restaurants. This bill amends that statute to provide an exception  
10 for the acquisition of an additional license to be used in a restaurant  
11 with ownership identical to the ownership of a restricted brewery  
12 license. If an additional license is acquired under current law for  
13 use in a restaurant, the licensee may sell alcoholic beverages for  
14 consumption only on the licensed premises. Under this bill,  
15 however, the restaurant would be permitted to sell malt alcoholic  
16 beverages produced by a restricted brewery for consumption off the  
17 licensed premises.

18 Finally, the bill clarifies that the operation of a limited brewery  
19 in conjunction with a restricted brewery and restaurants would not  
20 conflict with the "tied house" prohibition established under  
21 R.S.33:1-43, which prohibits a person with an interest in a brewery  
22 from conducting or being directly or indirectly interested in the  
23 retailing of any alcoholic beverages.