

CHAPTER 17

AN ACT concerning the issuance of special permits to serve alcoholic beverages and supplementing Title 33 of the Revised Statutes.

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

C.33:1-12.49 Issuance of special permits to serve alcoholic beverages in “qualifying development projects.”

1. a. The Director of the Division of Alcoholic Beverage Control may issue one or more special permits to one or more individual corporations or other types of legal entities operating a restaurant on any premises located in a qualifying development project, as defined in subsection g. of this section.

b. Each permit may authorize the sale of alcoholic beverages on the operator's premises in accordance with an agreement, approved by the director, between the holder of a plenary retail consumption license pursuant to R.S.33:1-12 and the operator of those premises, which may provide for the terms and conditions of the management and operation of the premises and may establish legal liability and responsibility between the licensee and the operator for any violation of Title 33 of the Revised Statutes, provided that the licensee primarily shall be responsible for ensuring compliance with the terms and conditions of the permit and applicable statutes and regulations on the premises of the permit holders. In the case of a serious violation or a series of violations by an operator, the director also may impose penalties against the licensee which would result in a substantial revocation or suspension of the license.

c. The permits and plenary retail consumption license under which the permits were issued shall be subject to all the provisions of Title 33 of the Revised Statutes, rules and regulations promulgated by the director and municipal ordinances. Any violation by an operator may result in the denial of the renewal of the operator's permit. Any series of violations by multiple operators within the qualifying development project may result in the denial of the issuance of future permits or the renewal of existing permits.

d. No person who would fail to qualify as a licensee under Title 33 of the Revised Statutes shall be permitted to operate a licensed premises holding a special permit under this act.

e. Application for each permit shall be made on an annual basis and the administrative fee for the permit shall be fixed by the director. One-half of the administrative fee shall be allocated to the director and one-half of the administrative fee shall be allocated to the municipality in which the licensed premises is located. In addition, the initial administrative fee for a permit shall be based upon the average sales price for plenary retail consumption licenses recently sold in the county where the permit is being issued, reduced by the fair market value of the limitation on transferability, as set forth in subsection f. of this section.

f. No permit issued pursuant to this section shall be transferred to any premises other than a premises located within the same qualifying development project.

g. As used in this act, a "qualifying development project" means a real estate development project that:

(1) Is located in a municipality which lacks the anticipated number of plenary retail consumption licenses to be utilized within the real estate development project, as determined by the Director of the Division of Alcoholic Beverage Control;

(2) Is expected to generate directly or indirectly at least \$250 million of private investments and more than \$7.5 million annually in new sales and use tax revenue or hotel and motel occupancy fee revenue;

(3) Consists of at least 200 contiguous acres of land approved as a single unitary development by the planning board or zoning board of adjustment of the municipality where the real estate development project is located;

(4) Is contiguous to a minimum 1,500 acres of land which, in the aggregate, have been either preserved by the operator of the real estate development project or sold or donated by the operator or adjacent landowners to the State for a public use purpose;

(5) Includes a ski area as defined in section 2 of P.L.1979, c.29 (C.5:13-2); and

(6) Holds, through any entity having an interest in all or a part of the real estate development project, a plenary retail consumption license.

2. The Director of the Division of Alcoholic Beverage Control shall, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), adopt rules and regulations necessary to effectuate the purposes of this act.

3. This act shall take effect on the first day of the third month after enactment; provided however, the Director of the Division of Alcoholic Beverage Control, prior to the effective date, may take such anticipatory action as needed for the act's timely implementation.

Approved May 3, 2006.