

Mayor and Common Council

38 Park Avenue
Flemington, NJ 08822

Meeting: 12/14/20 07:30 PM
Department: Clerk of the Borough
Category: Board Policy
Prepared By: Sallie Graziano

Initiator: Sallie Graziano
Sponsors:

SCHEDULED

RESOLUTION 2020-211

DOC ID: 3357

In Support of NJ Senate Bill No. S-2964 and NJ Assembly Bill No. A-4925 Which Establishes a Restricted Alcoholic Beverage License that Allows the Sale of Beer, Wine and Cider by the Glass on the Premises of a Restaurant with a Full-Service Kitchen

Borough of Flemington, County of Hunterdon

WHEREAS, the State of New Jersey's liquor license laws date back to the 1950s and 1960s; and

WHEREAS, under current law, a municipality may issue plenary retail consumption licenses until the combined total number in the municipality is fewer than one license for each 3,000 municipal residents and this restriction creates a shortage of these licenses in some municipalities; and

WHEREAS, the State of New Jersey's liquor license laws have caused an extreme supply imbalance that the statewide average cost of an individual liquor license is \$300,000, an exorbitant amount causing an inequitable landscape among current and potential restaurateurs; and

WHEREAS, a recent license in Flemington Borough sold for \$1.2 million; and

WHEREAS, the restaurant liquor license standards of other states in the Northeast region enable restaurateurs to join the market at a significantly lower price point than the State of New Jersey, thus giving them a competitive advantage; and

WHEREAS, no consumption licenses are currently in use in the Borough of Flemington; and

WHEREAS, the COVID-19 pandemic has put additional burden on New Jersey's small businesses, particularly the restaurant industry; and

WHEREAS, Senate Bill No. S-2964 and Assembly Bill No. A-4925, attached hereto, addresses this shortage by allowing a municipality to issue these limited beer, wine, and cider licenses; and

WHEREAS, Senate Bill No. S-2964 and Assembly Bill No. A-4925 also allows the licensee to charge a service or corkage fee to patrons who bring their own beer, wine, or cider for consumption on the licensed premises and removes the prohibition on advertising that a restaurant is "BYOB;" and

WHEREAS, in addition to other details related to taxation and application, Senate Bill No. S-2964 and Assembly Bill No. A-4925 also provides a tax credit against the corporation business tax and gross income tax to compensate license holders for the expected loss in value resulting from the creation of the new restricted licenses.

NOW, THEREFORE, BE IT RESOLVED by the Council of the Borough of Flemington that it supports S-2964 and A-4925 as a means to address the limited availability of plenary retail consumption licenses and the resulting escalating retail/transactional price associated with the acquisition of such licenses; and

BE IT FURTHER RESOLVED that the Clerk be and hereby is authorized to distribute copies of this Resolution to all appropriate officials and agencies including our Legislative Representatives, Senator Vin Gopal, Assemblyman Brian Bergen, the Governor, the Lieutenant Governor and the New Jersey State League of Municipalities.

Adopted:

Attest:

Betsy Driver, Mayor

Sallie Graziano, Borough Clerk