



New Jersey Considers Alcohol License Changes

C-stores and grocery stores want permission to sell beer and wine, competing against liquor stores.

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TRENTON, N.J.—New Jersey lawmakers have wrapped up a series of hearings regarding what, if any, changes should and can be made to the way liquor licenses are doled out within the state, reports NJ1015.com.

Assemblyman Joseph Danielsen, D-Somerset, chairman of the Oversight, Reform and Federal Relations Committee, believes an update is necessary. "I think there's some opportunity here to think creatively, but whatever we do, we have to do it surgically," he said.

Danielsen said New Jersey is dealing with a convoluted, antiquated set of rules. However, approximately 9,000 liquor license holders, who've made hefty investments in the industry, currently follow those rules, and opponents of change say they could be harmed should the state introduce major shifts in the formula.

"Whatever improvements or corrections we make statutorily need to be sensitive to the success and the vulnerabilities [of] the people in the business," Danielsen said.

Today, the availability of licenses is based on the population of a municipality. According to Danielsen, New Jersey is dotted with hundreds of inactive "pocket licenses," which can be sold and resold for hundreds of thousands of dollars. Danielsen favors giving municipalities more freedom to decide how many licenses should be distributed within city limits. "Some towns have too many licenses, and some towns don't have enough," he said.

Paul Santelle, executive director of the New Jersey Liquor Store Alliance, stated that the "local home rule" from 80-plus years ago resulted in New Jersey having "too many licenses" today.

"Whatever we want to do with tweaking the system—what the end result should be is that we don't end up with more licenses than we have now," Santelle told state lawmakers. "The licensing system that's tied to population caps is a very good system."

Many convenience store owners in New Jersey want the ability to sell alcohol. Sal Risalvato, executive director of the New Jersey Gasoline, C-Store, Automotive Association, said 79% of convenience stores elsewhere in the country are permitted to sell beer, but in New Jersey it's illegal.

"Legislators finally recognize that New Jersey's liquor licensing laws are archaic and do not make any sense in this world," Risalvato said. "Convenience stores, with an underline underneath the word convenience, would like to satisfy their customers by being able to sell beer and wine, not all alcoholic beverages ... as a matter of convenience."

Speaking before the Assembly panel, a member of the New Jersey Licensed Beverage Association said allowing convenience stores and supermarkets to sell alcohol will negatively impact family-owned private businesses in this industry. The items that convenience stores would be selling—single beers and six-packs—are the same items that turn the most profit for liquor stores, the member said.