12-07-2020: #3

BOROUGH OF DUNELLEN MIDDLESEX COUNTY, NEW JERSEY

RESOLUTION IN SUPPORT OF NEW JERSEY SENATE BILL NO. S-2964 AND NEW JERSEY ASSEMBLY BILL 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.

BE IT RESOLVED BY THE GOVERNING BODY OF THE BOROUGH OF DUNELLEN, NEW JERSEY, THAT:

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 has 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, 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, 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 Mayor and Council of the Borough of Dunellen, Middlesex County, 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.

Mayor of the Borough of Dunellen/

I certify the foregoing to be a true and correct abstract of a resolution regularly passed at a meeting of the Common Council of the Borough of Dunellen, held

and in that respect a true and correct copy of

its minutes.

Clerk of the Borough of Dunellen

Clerk of the Borough of Dunellen