

STATE OF NEW JERSEY
DEPARTMENT OF LAW AND PUBLIC SAFETY
DIVISION OF ALCOHOLIC BEVERAGE CONTROL

IN THE MATTER OF)	
APPLICATION FOR)	FOURTH ¹ AMENDED SPECIAL
TEMPORARY CONSUMER)	RULING EXTENDING AUTHORIZATION
ALCOHOLIC BEVERAGE)	FOR ISSUANCE OF TEMPORARY CONSUMER
FESTIVAL EVENT PERMITS)	ALCOHOLIC BEVERAGE FESTIVAL
_____)	EVENT PERMITS
)	

BY THE ACTING DIRECTOR:

On August 22, 2014, former Director Michael Halfacre issued the First Amended Special Ruling authorizing and creating a Temporary Consumer Alcoholic Beverage Festival Event Permit (“Festival Permit”). The Ruling was effective for eighteen months and allowed certain qualified Applicants to conduct various types of alcoholic beverage Festivals without strict compliance with certain regulatory requirements. On May 12, 2016, the Director extended that Special Ruling for an additional eighteen months. On August 23, 2017, former Director David P. Rible issued the Second Extension of the Special Ruling for an additional eighteen months, to February 22, 2019. I have determined that good cause exists to extend it for an additional eighteen months, to August 7, 2020, or until such time as the Division promulgates implementing regulations, whichever occurs first.

It is the mandate of the New Jersey Legislature that the Director of the Division of Alcoholic Beverage Control (“Division”) in the Department of Law and Public Safety supervise the manufacture, distribution and sale of alcoholic beverages in such a manner as to fulfill the public policies and legislative purposes of the Alcoholic Beverage Control Act (“ABC Act”). N.J.S.A. 33:1-3. Two such policies and purposes are: 1) the strict regulation of alcoholic beverages to protect the health, safety and welfare of the people of New Jersey, and 2) the fostering of moderation and responsibility in the use and consumption of alcoholic beverages. N.J.S.A.

¹ To avoid any possible confusion caused by how the three prior Special Rulings governing this matter were titled, this Special Ruling is titled the Fourth Amended Special Ruling Extending Authorization for Issuance of Temporary Consumer Alcoholic Beverage Festival Event Permits. This Special Ruling shall supersede the three prior Special Rulings. In the event of a conflict, this Special Ruling controls.

33:1-3.1. To this end, it is our obligation to the people of New Jersey to exercise due diligence when issuing all licenses and permits. Indeed, it is the Division's mandate.

With regard to Consumer Alcoholic Beverage Festival Events ("Festival"), it had come to the attention of the Division that events were being held where the primary focus was on the consumption of large amounts of alcohol. Such events, therefore, posed a threat to the health, safety and welfare of the people of this State, and ran counter to the Division's policy of fostering moderation and responsibility in the use and consumption of alcoholic beverages. These unmonitored events and their potential harm to the citizens of this State prompted the Division to issue the first Special Ruling, the purpose of which was to require Applicants to apply and meet certain standards in order to conduct a Festival as defined in Schedule A.

The requirements of the Festival Permit served to eliminate events primarily focused on consuming large amounts of alcohol and instead, permitted the holding of events that met educational, size and control requirements. The Ruling also allowed the Director to monitor and review the number and scope of events held, how they were operated, the problems encountered, the ability of Applicants to maintain the public health, safety and welfare, whether existing permits or licenses could satisfactorily address the needs for such events and finally, whether additional regulations are necessary to address the needs and requirements of these events. The Division, upon issuing these Festival Permits, created Special Conditions and requirements imposed upon the Applicant that struck a balance between the need to protect and ensure the public safety and the need to develop a mechanism that allowed craft producers to market their products to the general public. One such Special Condition towards this end was to allow only sampling of alcoholic beverages in specified sizes at these events, and to prohibit the sale of alcohol in original containers for either on-premises or off-premises consumption.

Since the inception of the Festival Permit, the Division has found that there are several methods of operations depending on the different types of Applicants. With the rapidly growing popularity of craft beer and the emergence of craft distilleries, as well as the creation of cidery and meadery licenses, the nature and number of these events are changing. Moreover, the Division has learned that Festivals are not only held to introduce and educate the public about craft alcoholic beverages but also other varieties of malt alcoholic beverages, wines and distilled spirits.

In reviewing the previous Special Rulings and the Division's experience monitoring and reviewing Festivals over the past several years, I have determined that a Fourth Amended Special Ruling Extending Authorization for Issuance of Temporary Consumer Alcoholic Beverage Festival Event Permits, with a revised Schedule A and a new Schedule B, is warranted. Special effort has been made to streamline the application process and to clarify the requirements and responsibilities of the Festival Permittee, upon whom the Director is conferring a privilege to hold such events.