LEGISLATIVE AFFAIRS REPORT NEW JERSEY LICENSED BEVERAGE ASSOCIATION MARCH 11, 2010

Keg Registration – S-1658

Senator Shirley Turner – D-Trenton – has once again introduced legislation that she feels will address what she considers an on-going problem that exists at a college in her district. This legislation – S-1658 – would require that all kegs sold by retailers to consumers be affixed with a keg registration seal which displays a registration number and the name of the licensee offering the keg for sale to the consumer.

The keg registration receipt would also contain a statement signed by the consumer stating that the consumer is 21 years of age or older, does not intend to allow persons under 21 years of age to illegally consumer any of the alcoholic beverage purchased, and will not remove or obliterate the keg registration seal affixed to the keg or allow its removal or obliteration. The seller would have to maintain the keg declaration of receipt form for two years following the date of purchase.

The seller would be required to collect a \$50 deposit from the consumer for each keg. The deposit would be forfeited if the keg is not returned with the keg registration seal attached. A violation of the provisions of the bill would be a petty disorderly persons offense, punishable by a fine not exceeding \$500 imprisonment for up to 30 days, or both.

Existing Keg-Reg Laws

Among the 30 states and District of Columbia have some form of statewide keg registration; however, the specifics vary dramatically. As of 2005, 20 states have no state keg registration requirements

NJLBA has serious concerns with this legislation; namely, all of the liability falls on the retailer. There are no fines or penalties imposed on the consumer who may violate the act. Currently, most retailers keep the name and address of individuals purchasing kegs, but this legislation would place an extra requirement and burden on sellers.

<u>Direct Shipping – S-2237</u>

This legislation would allow a manufacturer, wholesaler or retailer of alcoholic beverages who are not licensed in New Jersey, but holds a license from another state to ship directly to new Jersey residents. The legislation allows for up to 60 bottles of alcoholic beverages to be shipped directly to a New Jersey resident over 21 for personal consumption on an annual basis.

NJLBA is opposed to this legislation and has testified in opposition before the Senate Law and Public Safety Committee, and we will continue to fight to oppose this measure.

B-I-N-G-O

Legislation sponsored by Assemblyman Rible and Cryan would permit bars and restaurants to serve alcohol at bingo games and premises.

NJLBA strongly supports this legislation which passed the Assembly on February 25 by a vote of 76-0.

<u>Lapsed Licenses – A-1893</u>

Legislation which would extend the time period for renewal of lapsed alcoholic beverage retail licenses has passed both Houses and was sent to the Governor on February 25, 2010.

NJLBA supports this legislation.