



Beer Wholesalers Association of New Jersey

941 WHITEHORSE AVENUE, SUITE 16 · TRENTON, NJ 08610-1497
PHONE: (609) 585-5900 · FAX: (609) 585-5903

June 18, 2020

Honorable James Graziano, Director
State of New Jersey
Department of Law and Public Safety
Division of Alcoholic Beverage Control
P.O. Box 087
Trenton, NJ 08625-0087

Re: Special Ruling Amending Previous Relaxation of N.J.A.C. 13:2-20.4 et al.

Dear Director Graziano:

Please accept this correspondence in connection with Special Ruling 2020-11 in which it was requested that members of the alcohol beverage industry work together to resolve issues related to the relaxation of the credit regulation as set forth in Special Rulings 2020-02, 2020-07 and 2020-11.

On behalf of all participants in this process I would like to extend our gratitude for the efforts of yourself and your staff, particularly Counsel to the Director Alyssa Wolfe, in assisting the industry during this difficult time.

Since the Division issued Special Ruling 2020-11, dated June 7, 2020, representatives from the alcohol beverage industry trade associations along with owners of both retail establishments and wholesale distribution companies have met via conference call on multiple occasions. Specifically represented was the Beer Wholesalers Association of New Jersey, the Wine and Spirits Wholesalers Association of New Jersey, the New Jersey Licensed Beverage Association, the New Jersey Restaurant and Hospitality Association and the Brewers Guild of New Jersey.

The issues confronting the industry were thoroughly discussed and all points of view were considered in providing the proposed resolution that is set forth below.

The initial Special Ruling, SR 2020-02 dated April 7, 2020 provided that invoices for alcoholic beverages sold from wholesaler to retailer and dated between February 23, 2020 and March 16, 2020, inclusive, were to be segregated, (or "quarantined") and not

placed on “COD” at the expiration of the time frame prescribed in N.J.A.C 13:2–24 et seq.

As New Jersey engages in the re-opening of alcoholic beverage-licensed retail establishments, it is imperative that the retailers be provided with credit to restock in anticipation of re-opening. It is also imperative that wholesalers not become overextended in the supply of credit to those same retailers. The Special Rulings have recognized the competing interests and the special nature of the relationship between retailers and wholesalers under New Jersey’s alcoholic beverage licensing laws and have therefore provided the participants with both guidance and inspiration during this process.

The following is the unified industry resolution:

- The outstanding invoices will be divided into two groups, representing 11 days in each group.

- Group One will be comprised of invoices dated from February 23 through March 5 and will be permitted to age 135 days and will thereafter be due on July 7 through July 20, respectively.

- As always, no payment will be due on weekends with those invoices becoming due on the Monday thereafter.

- There will be a “payment holiday” with no payments due from July 21 through July 26.

- The Group 2 invoices will be comprised of invoices dated March 6 through March 16 and will be permitted to age 142 days and will thereafter be due on July 27 through August 5, respectively.

- Again, no payments will be due on weekends with those invoices all becoming due on the Monday thereafter.

- Failure to make payment within 135 days and 142 days, respectively, will result in the licensee being placed on COD status effective at 12:01 a.m. on the 136th and 143rd days.

- Credit Compliance Corporation will send electronic Notices of Obligation to each retailer three days prior to the due date.

Attached as Exhibit A to this correspondence is a breakdown of the calendar for the months of July and August 2020 with the appropriate due dates represented as set forth above.

Additionally, Credit Compliance Corporation will supply to each wholesaler, upon request, a spreadsheet of each retailer, their invoices, and their due dates.

In SR 2020-11 it was asked that a proposed resolution also address five specific concerns. Without reciting each concern in detail, it is the consensus of the participants that the proposed resolution, combined with the long-established operation of the industry participants in compliance with the credit regulation, that a specific response to those five concerns is unnecessary. For example, in Item 3 it was asked what would constitute a payment. It was agreed by all involved that there is no reason to change what constitutes a payment under normal circumstances. If the Division would like further clarification on these five concerns, please do not hesitate to contact the undersigned.

We would ask that the foregoing be incorporated into a new Special Ruling that will Amend and Supersede Special Rulings 2020-02, 2020-07 and 2020-11

Finally, it is requested that the new Special Ruling contain language that will allow electronic delivery of Notices of Obligation to continue until such time as the credit regulation is amended to allow same. The electronic NOO program has been a tremendous success, and CCC has committed to not charging for the service through the end of July 2020.

Again, on behalf of the undersigned Association representatives, we would like to thank the Division for its hard work during this crisis.

Please do not hesitate to contact me should you have any comments or questions. As always, thank you for your kind support and attention.

Respectfully submitted,



Michael I. Halfacre, Esq.

Diane Weiss, Executive Director
NJ Licensed Beverage Association

Jeff Warsh, Executive Director
NJ Wine and Spirits Wholesalers

Marilou Halvorsen, President
NJ Restaurant and Hospitality Association

Eric Orlando, Executive Director
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cc: Counsel to the Director Alyssa Wolfe

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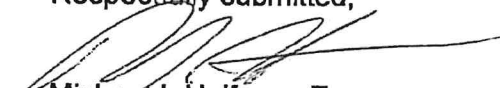
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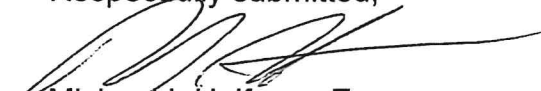
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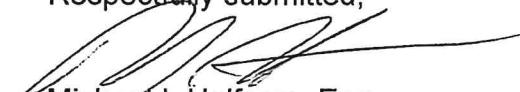
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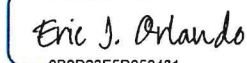


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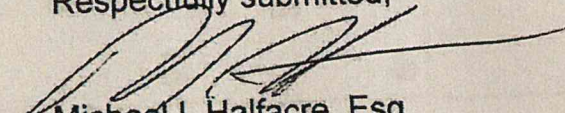
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JULY 2020

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
28	29	30	1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	1
	2/27 2/28 2/29	2/23 (Aged 135 days)	2/24	2/25	2/26	
	3/5	Off	Off	Off	Off	
	3/6 3/7 (Aged 142 Days)	3/8	3/9	3/10	3/11	

AUGUST 2020

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
26	27	28	29	30	31	1
2	3 3/12 3/13 3/14	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31	1	2	3	4	5