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DEPARTMENT OF LAW AND PUBLIC SAFETY
DIVISION OF ALCOHOLIC BEVERAGE CONTROL

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NOTICE TO THE REGULATED COMMUNITY

A question has arisen regarding the interplay between the two-license limitation law, N.J.S.A. 33:1-12.31, and the hotel/motel exception in N.J.S.A. 33:1-12.20. The purpose of this Notice is to clarify any confusion that may exist with respect to the permissible sale of package goods. Pursuant to N.J.S.A. 33:1-12.31, no person may hold a beneficial interest in more than two retail liquor licenses. N.J.S.A. 33:1-12.32 lists certain exceptions to N.J.S.A. 33:1-12.31.

Some background information is required to answer the question. In order for a plenary retail consumption licensee (without the broad package privilege) to sell package goods, the licensee must have a principal public barroom. N.J.S.A. 33:1-12.23. However, pursuant to N.J.S.A. 33:1-12.25, if a consumption license is issued for a hotel/motel premises, a principal public barroom is not required for the sale of package goods delivered by room service staff to individual rooms on the hotel/motel premises.

The Appellate Division has agreed that a hotel/motel license, issued as an exception to the population cap, is in other respects a plenary retail consumption license. Tenaglia v. City of Wildwood, Docket No. A-0240-03T1 (unreported) (App. Div. 2005). Thus, if a hotel/motel licensee wishes to sell package goods for consumption off the licensed premises, it is subject to the same requirement as all plenary retail consumption licensees (without the broad package privilege), that is, the sale must take place from the principal public barroom. Thus, a



hotel/motel licensee is not permitted to operate a kiosk or convenience store selling package goods to either hotel/motel guests or the general public.

Given this background information, I will now address the question that has arisen regarding the interplay between the two-license limitation law, N.J.S.A. 33:1-12.31, and the hotel/motel exception in N.J.S.A. 33:1-12.20. The two exceptions to the two-license limitation law in N.J.S.A. 33:1-12.32 that are relevant are the exceptions for restaurants and hotel/motels. The closing paragraph of N.J.S.A. 33:1-12.32 indicates that the sale of alcohol at a restaurant, when the license is held under this exception, is limited to consumption on the licensed premises only. Similarly, since a hotel/motel license is essentially a plenary retail consumption license sited at a hotel/motel, when a hotel/motel license is acquired by a person or persons holding a beneficial interest in two other retail licenses, it may only be used in conjunction with a restaurant and for consumption on the license premises. However, this does not preclude the sale of package goods delivered by room service staff to individual rooms on the hotel/motel premises, which is permitted by statute to all hotel/motel licensees. N.J.S.A. 33:1-12.25.

If there are any further questions, or if any clarification is necessary, please contact the Division.



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