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

AN 2021-05 – ADVISORY NOTICE TO THE INDUSTRY IMPLEMENTING THE ONLINE FILING PROCESS FOR *AD INTERIM* (TEMPORARY) PERMITS ON A PERMANENT BASIS

I. Ad Interim Permit Application Process.

On August 27, 2020, the Division of Alcoholic Beverage Control (the "Division") announced an *Ad Interim* permit application process through the POSSE online licensing system. *See* AN 2020-07 (2020) [https://www.nj.gov/oag/abc/downloads/AN2020.07-Adv-Notice-Introducing-On-line-App-Process-for-AI-Permits-8.26.20-v4.pdf] That filing process replaced the customary in-person filing of paper *Ad Interim* permit applications by licensees. These changes were introduced in response to the public health hazard posed by the novel Coronavirus disease ("COVID-19"), Governor Philip D. Murphy's various Executive Orders aimed at protecting the public health, safety and welfare by minimizing person-to-person contact, and the Division's intention to modernize its business practices. In that Advisory Notice, the Director also stated that, if the electronic *Ad Interim* permitting process was successful, it would be implemented on a permanent basis.

Under normal circumstances, all liquor licenses are valid for a one-year term that runs from July 1 through June 30. N.J.S.A. 33:1-26. If a municipal issuing authority does not act on a complete renewal application by June 30, a licensee must obtain an *Ad Interim* (temporary) permit from the Division, effective July 1. An *Ad Interim* permit ensures the uninterrupted sale and service of alcoholic beverages and authorizes an applicant to continue to conduct the licensed business until the issuing authority has acted upon the application. N.J.A.C. 13:2-2.10(b). All alcohol sales on the licensed premises must cease on the first day following the expiration date of the license term if a license expires and an *Ad Interim* permit is not obtained.

The Division has reviewed the online *Ad Interim* permit application process that was piloted last year, and has determined that it provides a more efficient, modern and user-friendly process for licensees, municipal issuing authorities and Division staff. Accordingly, the Division will be implementing it on a permanent basis, with periodic reviews of the process as determined by the Division. Therefore, if a plenary retail consumption or distribution licensee is unable to complete the renewal process for the 2021-2022 license term or a municipality is unable to act on a renewal application by June 30, 2021, a licensee must apply for an *Ad Interim* permit using the POSSE online licensing system.

Beginning on **Monday**, **June 14**, **2021**, applicants needing an *Ad Interim* permit must file a complete application that will be available on POSSE at https://abc.lps.nj.gov/ABCPublic/Login.aspx. A complete application consists of the following:

- 1. Licensing identification information;
- 2. Requested effective dates for the *Ad Interim* permit;
- 3. Certification by the licensee/applicant of the following:
 - a. Licensee has filed an online or paper template renewal application with the State filing fee for the 2021-2022 license term;
 - b. Licensee has paid the municipal renewal filing fee;
 - c. Licensee has received regular or "full" tax clearance issued by the Division of Taxation;
 - d. If the licensee has received interim or "temporary tax clearance, the licensee has uploaded a Temporary Tax Clearance Certificate issued by the Division of Taxation for the number of days authorized therein;
- 4. Payment of the *Ad Interim* permit fee of \$75 plus \$5.00 per day, in accordance with N.J.A.C. 13:2-5.4(e) by electronic check or credit card; and
- 5. Certification by the licensee or authorized representative of the licensee as to the truthfulness of the aforementioned information.

Failure to submit a complete application and pay all required fees will result in rejection of the application and an interruption in the sale of alcoholic beverages by the licensee.

Under no circumstances will the Division accept a paper application for an *Ad Interim* permit, nor will licensees be allowed to come to the Division's offices in Trenton to obtain this permit or pay the required fees with a personal check. All licensees should refer to the prior Advisory Notice for instructions on the filing of the POSSE application, and the documents required.

Licensees should be aware that delays in filing for *Ad Interim* permits may result in an interruption in alcohol sales. Therefore, licensees are encouraged to contact their municipal issuing authorities as soon as possible to determine whether their licenses will be renewed prior to June 30, 2021, or whether they will need to obtain an *Ad Interim* permit. *Ad Interim* permits may be renewed through POSSE, if needed. Applicants are limited to requesting a maximum of 30 days per *Ad Interim* permit. The permit application filing fee is \$75 plus \$5 per day for the duration of the permit. There is no additional \$75 filing fee required to renew an *Ad Interim* permit; only the additional \$5 per day fee for operating under an *Ad Interim* permit is required.

II. General Information Applicable to All Licensees and Municipal Issuing Authorities.

In summary, municipal issuing authorities and licensees are advised:

- 1) The *Ad Interim* permit application is available now on POSSE and will be accepted by the Division beginning on **Monday**, **June 14**, **2021**.
- 2) Licensees should check with their municipal issuing authorities to determine whether an *Ad Interim* permit is needed. Taking this step could eliminate an unnecessary application.
- 3) The Ad Interim permit application must be endorsed by the Municipal Clerk or ABC Board Secretary before the Division will act upon the application.
- 4) Ad Interim permits are expressly subject to all limitations and special conditions previously imposed upon the license.

5) Licensees are required to have a renewed license or an *Ad Interim* permit on July 1, 2021 to continue operating the licensed business without interruption. <u>Licensees who continue to sell alcohol without a valid license or *Ad Interim* permit will be referred to the Division's Enforcement Bureau for appropriate action.</u>

6) Once the Division issues an *Ad Interim* permit, it will be posted on POSSE. Licensees will need to log in to their online account and print out the permit certificate which must be visibly displayed on the permitted premises.

7) Ad Interim permits are subject to all ABC rules and regulations and may be cancelled by the Director in the exercise of his discretion.

Questions concerning this Advisory Notice should be directed to DAG Amy Beth Cohn at (609)376-9672 or DAG Ray Lamboy at (609)376-2774.

JAMES B. GRAZIANO DIRECTOR

DATED: June <u>8</u>, 2021

JBG/RL/ABC