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

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IN THE MATTER OF THE APPLICATION TO RELAX THE PROVISIONS OF N.J.A.C. 13:2-5.1(d) WHICH ALLOWS A SOCIAL AFFAIR PERMITTEE TO OBTAIN NO MORE THAN TWELVE SOCIAL AFFAIR PERMITS IN A TWELVE-MONTH PERIOD

SR 2022-06 SPECIAL RULING GRANTING RELAXATION

## BY THE DIRECTOR:

The Division of Alcoholic Beverage Control (the "Division") has received a request from the Long Beach Island Foundation of the Arts and Sciences ("Foundation"), seeking relaxation of N.J.A.C. 13:2-5.1(d), which allows a social affair permittee to obtain no more than twelve social affair permits in a twelve-month period. Relaxation of the regulation is permitted pursuant to N.J.A.C. 13:2-9.1; in the absence of such relief, the applicant is not permitted to exceed twelve social affair permits in one twelve-month period.

On January 26, 2022, the applicant filed an application requesting that an additional eight social affair permits be issued for the 2022 calendar year. According to the Foundation, it is a not for profit organization operating in Ocean County. The mission of the Foundation is to promote the "arts and sciences on Long Beach Island and in the surrounding communities by enlightening, educating, and stimulating thought and discussion about current trends in the arts and sciences and by providing broad educational and cultural programs for all ages." In addition, the Foundation was founded in 1948 and has been serving the Long Beach Island community for over seventy-years. The Foundation is the principal marketer of events that raise the necessary revenue to

support the Foundation's mission. The applicant maintains that the limitation of social affair permits per calendar year creates an undue hardship for the organization to meet its fundraising goals. As a result, the undue economic hardship that the Foundation would experience would jeopardize the many programs it undertakes to achieve its mission. The Foundation states that relaxation is essential to expanding the Foundation's outreach and fundraising efforts and the increased events assist the Foundation in meeting the ever-demanding increase in costs that it faces as a not for profit organization.

Under N.J.A.C. 13:2-9.1, the Director may relax the provisions of a regulation, upon a showing of undue economic hardship; a determination that the waiver of the rule does not unduly burden any affected party; and a demonstration that the waiver is consistent with the underlying purposes of Title 33 and the implementing rules. Based on the review of these specific circumstances there appears to be an adverse economic impact on the applicant if relaxation is not granted. Moreover, the Division is satisfied that by allowing the Foundation to host a total of twenty social affair events per year through December 31, 2022, there shall be no burden to any other party. In 2019 and 2020, the Division permitted the issuance of an additional twelve social affair permits to the Foundation without any undue burden on any other party. Conversely, if relief is not provided, there is the potential for an adverse effect on this organization. Finally, allowing this relaxation does not seem to be inconsistent with Title 33's statutory mandate to protect the public health, safety and welfare of the people of this State.

In light of the foregoing, pursuant to N.J.A.C. 13:2-9.1, the Division will GRANT the request for relaxation of N.J.A.C. 13:2-5.1(d) allowing the issuance of eight additional social affair permits through December 31, 2022, provided applicant applies for all permits, complies with all

other requirements of N.J.A.C. 13:2-5.1, and the Licensing Bureau makes a satisfactory determination on the merits of each application

The relief provided herein is based on information provided in the Foundation's application. Should the relief granted be inconsistent with Title 33 in actual practice or should the applicant violate the terms of its social affairs permit or any special conditions attached thereto this approval may be withdrawn or modified.

5 B. GR DIRECTOR

Dated: March 25 ,2022

JBG/MES/APW