

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

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 )

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SR 2022-09  
SPECIAL RULING GRANTING  
RELAXATION

BY THE DIRECTOR:

The Division of Alcoholic Beverage Control (the “Division”) has received a request from the Central Jersey Arts Council (the “Council”), 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 June 17, 2022, the Council filed an application requesting that an additional twenty social affair permits be issued since they have already been obtained twelve social affairs permits for the 2022 calendar year. According to the Council, it is a not for profit organization formed in collaboration with the Borough of Carteret. The mission of the Council is to facilitate arts and cultural programing in the community. In addition, under the social affair permit, the Council has conducted the sale of alcoholic beverages at the Carteret Performing Arts and Events Center. The Carteret Performing Arts and Events Center is located on property owned by Carteret, a political subdivision of the State of New Jersey. The Borough of Carteret has entered into an agreement

with JBH Services, Inc. to provide food and beverages at the Carteret Performing Arts and Events Center. However, JBH Services application for a Special Concessionaire Permit is pending. Due to the pending application, the Council has conducted the sale of alcoholic beverages at the Carteret Performing Arts and Events Center.

The proceeds the Council earns provides funding for free public programming to the community. The Council maintains that the limitation of twelve 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 Council would experience would jeopardize the many programs it undertakes to achieve its mission. The Division recognizes that the relief being sought is a temporary relief until JBH Services qualifies for a Special Concessionaire Permit.

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. Further, under the recent amendment to N.J.S.A. 33:1-74, the number of social affairs events that can be held on a single designated premises was expanded to an aggregate of fifty-two in any one calendar year when the designated premises is owned by a municipality or the event is sponsored by a municipality. Accordingly, the Council's request for relaxation of N.J.A.C. 13:2-5.1(d) to allow a total of thirty-two social affair permits at the Carteret Performing Arts and Events Center is not inconsistent with this new law.

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 Council to host a total of thirty-two social affair events per year through December 31, 2022, there shall be no burden to any other party. Conversely, if relief is not

provided, there is the potential for an adverse effect on this organization. Finally, allowing this relaxation is not 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 twenty 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 Council'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.

  
JAMES B. GRAZIAN  
DIRECTOR

Dated: July 1st , 2022

JBG/MES/APW