CSG FROM HOPS TO GROWLERS DURING COVID 19

Lisa R. Barata, Counsel Chiesa Shahinian & Giantomasi PC April 28, 2020





WHAT IS NEW IN THE WORLD OF ABC 2020

Topics to be Covered today:

Enforcement of State of New Jersey mandates during COVID- 19 pandemic

- 1. Renewal 2020-21- Extension until September 30
- 2. Credit and Returns
- 3. Transit Insignia
- 4. Hand Sanitizer-Distilleries
- 5. Permit Extension
- 6. Limited Breweries Allowed to Deliver
- 7. Social distancing, bars, restaurants, and the future what will it look like?



ABC has issued numerous Orders, Advisories and Special Rulings during pandemic:



Order Authorizing Extension of 2019-2020 Municipal and State Licenses and Permits through

Wednesday, September 30, 2020

Special Ruling Relaxing Signature Requirement, Product Returns, Credit, Notices of Obligation and Bill and Hold

- Special Ruling Relaxing of Transit Insignias
- Special Ruling Suspending Enforcement of Any Violations by Plenary Distillery Licensees and Craft Distillery Licensees for Production of Hand Sanitizer or Distilled Spirits to be Used for Hand Sanitizer
- Order Extending Certain ABC Permits (Ad Interim, TAPs and Minor Work)
- Special Ruling 2020-01 Granting the Relaxation of Schedule A, Paragraph 2(j) of the Special Ruling Authorizing Certain Activities by Holders of Limited Brewery Licenses (Allowing Delivery)



Let's review the ABC's actions one at a time....

Order Authorizing Extension of 2019-2020 Municipal and State Licenses and Permits through Wednesday, September 30, 2020 This Ruling outlines dates and deadlines for

CSG

Renewal Extension

SOME KEY POINTS:

The 2019-2020 license term has been extended until September 30, 2020, so the 2020-2021 Renewals do not have to be completed until September 30, 2020.

Licensee can operate with their 2019-2020 license through September 30, 2020

If not renewed prior to September 30, 2020, licensee will need an Ad Interim permit to operate starting October 1.

I recommend that all municipalities start the renewal process now, and build in extra time to meet extended deadlines.





Special Ruling Relaxing Signature Requirement, Product Returns, Credit, Notices of Obligation and Bill and Hold



This Ruling addresses operation of licensees and their interactions with their wholesalers

- Signature on Invoices-licensees are not required to sign invoices at time of delivery.
- Return of Product-Allows a manufacturer/wholesaler to accept returns of alcoholic beverages from on premise consumption licensees for credit. These products must have been purchased or delivered between Feb. 23-March 16. Must be unopen and sealed cases.
- Manufacturer/wholesaler may accept returns, but are not required to. Should they accept returns, it must be offered on a non-discriminatory basis.
- Extension of Credit-Credit regulations are relaxed for on-premises retail consumption licenses. Credit is extended until May 15, 2020 for deliveries accepted between Feb. 23 and March 16, 2020.



Special Ruling Relaxing of Transit Insignias



This Ruling addresses Delivery of Alcoholic Beverages by Distribution and Consumption licensees for Delivery.

- Alcohol may be delivered, licensee must first obtain a transit insignia from Division of ABC. May apply online through POSSE; \$50 fee.
- Licensees are permitted to display receipt for Insignia in window of vehicle until Insignia is received from Division.
- Vehicle must be registered in NJ, and must be owned by the licensee.
- Licensee must check that person is 21, not intoxicated, and no money may be taken at the door. Sale must occur on licensed premises.







Special Ruling Suspending Enforcement of Any Violations by Plenary Distillery Licensees and Craft Distillery Licensees for Production of Hand Sanitizer or Distilled Spirits to be Used for Hand Sanitizer



This Ruling addresses Distilleries ability to produce Hand Sanitizer.

SOME KEY POINTS:

- Manufacturing of hand sanitizers and distilled spirits to be used in hand sanitizers is temporarily permitted.
- Licensees are required to follow TTB
 Guidance and FDA requirements (Federal).
- Division must be notified via email if Distillery wants to produce hand sanitizer.

Breweries are not permitted to manufacture hand sanitizers.





Order Extending Certain ABC Permits (Ad Interim, TAPs and Minor Work)



This Ruling addresses Permits; which are Extended until State of Emergency is over, plus an additional fourteen days.

- Licenses currently operating under Ad Interims are extended.
- Temporary Authorization to Operate Permits (TAP) for State issued licenses are extended.
- Blanket employment and Minor employment permits are extended.





Special Ruling 2020-01 Granting the Relaxation of Schedule A, Paragraph 2(j) of the Special Ruling Authorizing Certain Activities by Holders of Limited Brewery Licenses (Allowing Delivery)



- Limited Breweries are permitted to Deliver beer that they have manufactured in sealed containers directly to homes of consumers.
- Limited Brewery owner must follow law regarding sales: no sales to underage, and sale must occur over phone or online via credit card.
- Limited Breweries are permitted to allow pick up outside or adjacent to their premises.







Enforcement Actions Against

Pool hall owner who kept his business open and 11 people who gathered around a bonfire with alcohol are among latest violators of coronavirus order to be charged in New Jersey New Jersey authorities are busting residents for violating the state's coronavirus New relact aumornica are puantity residents for violating the and six months jail time lockdown order, which could result in a \$1,000 fine and six months jail time



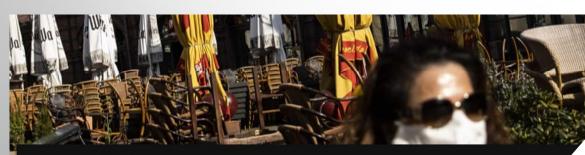
Among the latest charged, Kevin Ellerbee, the 28-year-old owner c Hall in Patterson, was given a summons after he opened for busine

On Sunday, 11 people from Maple Shade, ages 18 to 29, were also c

In addition, licensees are subject to administrative penalties, including but not limited to fines, suspension, or revocation of their license.



What will the restaurant industry look like after coronavirus?



Can Europe's restaurants survive the coronavirus lockdown?

Chefs and owners fear bankruptcy as continent's gastronomic culture remains in

2019 Chiesa Shahinian & Giantomasi PC

Ellow room and silence? My Confidence in the citation of the c



Restaurant Closings on horizon

- The National Restaurant Association recently suggested that 3 percent of all restaurants have already permanently closed, and that 11 percent could join in the next 30 days.
- Others have opined that up to 30 percent of restaurants could shutter.
- Sites and licenses will likely become available after things get back to normal.







Social distancing, bars, restaurants and the future



13 Things That Could Change for Restaurants After COVID-19

Those that survive will need to embrace a much different reality.



Restaurants Will never be the same after Residulains will heat may be a good thing Only a fundamental rethink will ensure their survival in the Jonathan Nunn

post-outbreak world



Changes that may be coming to Restaurant industry:

Restaurant owners to screen employees for signs of illness;



Requiring employees to wear face coverings and gloves;

Limiting capacity to no more than 10 or 12 people per 500 square feet of space;

Limiting party sizes to of no more than six people;

Discontinuing buffets and salad bars;

Curbside service will be a staple of the industry;



There will also be a shift in consumer focus regarding food safety;

Third-party delivery companies and restaurant concepts will have a stronger focus on a touchless customer service customer experience.

Restaurant concepts will invest into drive thru or pick-up window options in construction designs;

Restaurant sites (and liquor licenses) will become available as landlords try to secure tenants in vacated locations

THANK YOU



Lisa R. Barata

Counsel Chiesa Shahinian & Giantomasi PC 973.530.2343

lbarata@csglaw.com

Website: www.csglaw.com

