

LEGISLATIVE AFFAIRS REPORT
NEW JERSEY LICENSED BEVERAGE ASSOCIATION
MAY 1, 2009
TRENTON, NEW JERSEY

The following are the issues and activities in which we have been engaged during April and May:

- **Alcohol Excise Tax** – Governor Corzine has proposed a 25% increase in the excise tax for wine and distilled spirits as a measure to help balance New Jersey’s Budget. NJLBA is participating in a coalition of the alcohol beverage industry to try and defeat this proposal. NJLBA wrote letter to all Members of the Senate & Assembly Budget and Appropriations Committee, as well as to the State Treasurer. *(A copy of the letter is attached.)*
- **Proposed Cigarette Tax** – Governor Corzine has also proposed another hike in the cigarette tax of 12.5 cents, believing it will generate \$26 million. However, a recent study by the Center for Policy Research of New Jersey claims the tax hike would do just the opposite. CPRNJ believes the “hike” would cause New Jersey to lose \$11.7 million during FY 2010, with a loss of ancillary sales that often accompany cigarette purchases of an additional \$3.3 million. *New Jersey’s cigarette tax is counter-productive. It’s a money loser for the Treasury, and it robs customers from New Jersey retailers.*
- **Legislation granting immunity for underage drinkers** who call for help in an alcohol-related medical emergency recently passed the Senate Law and Public Safety Committee. NJLBA supports this legislation. Fred Barnes, President, stated *“It is far better to teach our young people the importance of saving the life of a friend, than it is to try and teach the lessons of “consequence” at such a crucial moment.”*
- **Bingo!** – The Senate Law and Public Safety Committee also released S-2418 – legislation that would permit bars and restaurants to serve alcohol at bingo games on premises. This bill is likely to be signed into law!
- **Alcohol Beverage License** – Legislation that would prohibit municipalities from imposing a minimum bid for issuance of a hotel liquor license in certain cases – certain cases being, if the hotel is for catering only. The cost of a license would be \$25,000, plus \$50 per hotel room.
- **Wine Tastings** – Legislation to revise the law on wine tastings and samplings to include distilled spirits. NJLBA opposes.
- **Press Releases & President’s Reports** – Wrote and published the following releases and President’s Report, which are now on **NJLBA’s Website**: “Video Lottery”; “Not another Tax”; Interlock Devices; “Granting Immunity for Underage Drinkers”; “Proposed Alcohol Beverage Tax”; “Governor Corzine Ease our Pain as Well”.