

**LEGISLATIVE AFFAIRS REPORT**  
**NEW JERSEY LICENSED BEVERAGE ASSOCIATION**  
**WEDNESDAY, JANUARY 14, 2009**  
**TRENTON, NEW JERSEY**

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**New Jersey's Budget Deficit** - On March 10, Governor Corzine will present his Budget Address for fiscal year 2010, several weeks later than originally scheduled. Currently, the shortfall is estimated at \$2.1 billion, but some are predicting that it could be as high as \$5 billion.

Governor Corzine has proposed cuts to make up the current year deficit, including \$812 million from state departments and agencies; using \$275 million from the state's surplus; \$500 million from the Long Term Debt Reduction Fund; \$208 million in unspent funds and by freezing state union employee salaries. The Administration also anticipates receiving \$300 million from a federal stimulus package. Should the budget exceed \$2.1 billion, it is unknown how the Governor plans to balance the budget. To date, there has been no mention of "new taxes".

**New Jersey Fire Code** - Sent letter to Commissioner Doria at Community Affairs, asking that he please made some administrative changes to the new Fire Code before they go into effect, or that his Department simply postpone the implementation of the amendments until better economic times. Under the new Fire Code, the definition of "nightclub" is so broad that it will apply to virtually all "eating and drinking" establishments with an occupancy load of 100. This then will trigger the need to have the house lights. An unnecessary financial burden. These establishments will also be required to install an automatic sprinkler system at another great cost. The egress requirements will necessitate structural changes in some instances, and in other simply be installed an automatic fire detection system, tied to the performance sound system and to impossible to achieve. A copy of our request to Doria was also sent to Senator Steve Sweeney, and Speaker Joe Roberts.

**Xanadu** - NJLBA spoke out to their members regarding the ABC Director's recent announcement that he had granted a "concessionaire's" license to a restaurant in the Xanadu Mall project for a mere \$2,000. President Fred Barnes said, "*it is simply another blow to the thousands of small bars, taverns and restaurants who have paid up to \$600,000 for an on-premise consumption license in the area of East Rutherford. Not only is it unfair but it devalues existing licenses! Why should a large restaurant chain be able to come into a project such as Xanadu and receive a liquor license for \$2,000 when other have had to pay market value?*"

## Priority Issues for 2009

- **Paid Family Leave** - Support legislation that would have requirements only apply to businesses with 50 or more employees;
- **Special Liquor Licenses** - Oppose any attempt to grant a “special” liquor license;
- **Fire Code Regulations** - Continue to oppose and seek “administrative changes”;
- **Smart Container** - A-121 - a proposed “bottle bill” - Oppose;
- **Ignition Interlock Devices** - A-3073 - Oppose legislation that would make mandatory for all drunk driving offenses;
- **Two Plenary Retail Distribution License Limit** - S-1608 - Oppose
- **Liability Insurance** - Strongly oppose A-3514 - would impose liability insurance requirements on alcoholic beverage licensees and provide penalties for occupancy and fire code violations