

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

IN THE MATTER OF THE FURTHER
EXTENSION OF CREDIT IN SR 2020-02

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SR 2020-07
SPECIAL RULING AMENDING SR 2020-
02 AND GRANTING FURTHER
EXTENSION OF CREDIT

BY THE ACTING DIRECTOR:

On April 7, 2020, in response to the unprecedented health crisis posed by the novel coronavirus 19 (“COVID-19”), the Division of Alcoholic Beverage Control (the “Division”) issued Special Ruling 2020-02 (“SR 2020-02”). In SR 2020-02, the Division granted relaxation of N.J.A.C. 13:2-20.4 (signatures on invoices), N.J.A.C. 13:2-24.4 (extension of credit and Notice of Obligations), N.J.A.C. 13:2-39.1 (returns of merchandise), and granted an extension of the Bill and Hold requirements contained in a June 2015 Special Ruling. On May 6, 2020, Governor Murphy executed Executive Order (“EO”) No. 138 extending the Public Health Emergency declared in EO No. 103 to June 7, 2020. EO No. 138 provides that all prior Executive Orders and actions taken by Executive Branch departments and agencies adopted in whole or in part in response to the Public Health Emergency remain in full force and effect.

In SR 2020-02, the Division authorized, among other things, the extension of credit to on-premises retail consumption licensees that accepted deliveries of alcoholic beverage products between February 23 and March 16, 2020 until May 15, 2020, provided those licenses were not on Cash on Delivery (“C.O.D.”) status as of February 23, 2020. In light of the ongoing issues posed by COVID-19 and the extension of the Public Health Emergency in EO No. 138 for an additional thirty days, the Division has determined that it is necessary to extend the previously authorized extension of credit in SR 2020-02 until June 7, 2020 to coincide with the extension of the Public Health Emergency. Please note that the same conditions

contained in SR 2020-02 shall apply and the relief granted herein is only available to those on-premises retail consumption licensees that are not on C.O.D. status as of February 23, 2020, and must be made available to all on-premises retail consumption licensees on a non-discriminatory basis. For any purchase orders submitted after March 16, 2020, the usual credit terms contained in N.J.A.C. 13:2-24.4(a)(1) shall apply. In addition, pursuant to SR 2020-02, wholesalers are permitted to send Notices of Obligation to defaulting retailers by electronic mail for the duration of the State of Emergency, or until restrictions are otherwise lifted, whichever is earlier. All other provisions in N.J.A.C. 13:2-24.4 shall continue to apply unless circumstances arise warranting further relaxation.

Nothing in this Special Ruling Amending SR 2020-02 is intended to alter any other relief granted in SR 2020-02, and any relaxation of rules or the June 2015 Special Ruling, as set forth therein, shall remain in place.

The relief provided herein is based on information provided by licensees in the wholesale and retail tiers of the industry and represents a balancing of those interests. Should the underlying facts and/or general State of Emergency change, the Director reserves the right to make modifications to this Special Ruling in the exercise of his discretion.



JAMES B. GRAZIANO
ACTING DIRECTOR

DATED: May 13, 2020