

Cutting Red Tape by Modernizing Liquor Licensing Laws

By Assemblyman Louis Greenwald

Last fall as I traveled around my district, listening to the concerns of my constituents and their families, I heard a clear, consistent message: the economic recession is hurting New Jersey families in ways unseen since the Great Depression of nearly eighty years ago.

I am encouraged by the work Governor Christie and his administration have done to examine ways to cut bureaucratic red tape and streamline overly burdensome regulations to promote economic growth.

In these tough economic times, we must do everything we can as a state to become more competitive and create jobs. While regulations certainly have their place, I believe there must be a balance between protecting New Jersey's valued interests and vulnerable citizens and ensuring that businesses don't drown under mountains of paperwork and excessive, suffocating rules.

To that end, I have introduced legislation that I believe will cut red tape and create jobs. Assembly Bill 2591, known as the "New Jersey Grocery Store Economic Development Act" would stimulate local economies in New Jersey by modernizing our state's outdated liquor licensing laws, bringing our state's policy in line with many other states across the country.

Under current laws—laws which were crafted nearly fifty years ago to combat price fixing and organized crime—an individual or entity that owns grocery stores may only receive permits to sell beer, wine or other alcoholic beverages in two of their stores in New Jersey. These laws are holdovers from a bygone era of 'mom and pop' corner stores, and unfortunately, they have harmful effects on New Jersey's economy in comparison to neighboring states.

Many grocery retailers that have been growing and expanding operations in other states are reluctant to invest in New Jersey locations and create jobs here because of our overly restrictive liquor licensing laws. I believe in today's tough economic times we should do everything in our power to promote economic growth, and my legislation will do that.

Specifically, my bill would gradually increase the current cap of two liquor licenses to ten. By allowing more grocery stores to sell alcoholic beverages, we will encourage New Jersey's grocery stores to expand their operations and attract outside investment. Current stores would be able to hire more workers and expand their beverage operations. Other grocery retailers would have an incentive to build new stores, creating jobs and promoting access to grocery stores in traditionally underserved areas.

Critics of this legislation charge that it is a radical step that will lead to rampant underage drinking. As a husband and a father myself, I understand concerns about underage drinking, yet research on this issue indicates nothing could be further from the truth.

Many other states permit the sale of alcoholic beverages in grocery stores, without facing such problems. In addition, my bill would not increase the number of liquor licenses a municipality may issue, maintaining an appropriate balance of liquor licenses.

Our state's families are struggling under an economy in recession. While there is no silver bullet, I believe my legislation will help create jobs and stimulate local economies in New Jersey.

These tough times require action. Clearly, the time for common-sense regulatory reform is now. My bill does just that, cutting red tape and bringing New Jersey's liquor licensing laws into the 21st century.

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