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Dear Editor:

This week, the NJ State Treasurer announced plans by the Administration to eliminate property tax rebates and delay preschool programs for kids. These are just a few of the plans that also include cuts in programs for seniors, our children and the disabled due to the severe economic climate and overwhelming drop in state revenue. Today, the state budget deficit has ballooned to \$9 billion. As state lawmakers attempt to overcome this crippling financial crisis, legislative leaders have announced all options for new sources of revenue will be considered. We suggest New Jersey join 45 other states that have competitive liquor laws and open a revenue stream that is being strangled by the packaged goods and wholesale liquor lobby. This would result in more competition, convenience for shoppers and a windfall of revenue for the state.

Lifting the current cap on most grocery stores from owning more than two retail packaged goods licenses would fix a closed and anti-competitive liquor system and create a much needed source of funding to the State Budget. Currently, there are almost 400 dormant liquor licenses throughout the state that sit unused. Unlike other states that have open and transparent liquor markets, the anti-competitive NJ liquor system leaves money on the table as these licenses sit idle and the sales tax revenue that goes with them is unrealized in the State's coffers.

In lifting the license cap and activating just 200 of the dormant licenses, the state would generate about \$60 million in new revenue. During a time when our state revenues have plummeted, we believe that the option for supermarkets to sell beer and wine is a reasonable one as it is in almost every state in the nation.

The proposed legislation includes a transfer fee on the sale of each license that provides revenue that could be used for direct property tax relief, prevent cuts to healthcare for children and special needs programs or help for the needy.

Supermarket companies employ almost 250,000 NJ residents, provide quality health coverage to the workforce and are the anchors of the community. Superior enforcement capabilities at the point of sale would prevent the sale of alcohol beverages to minors. FBI studies demonstrate that policies and procedures to prevent underage sales to minors are much more successfully enforced by supermarkets than small corner liquor stores.

We strongly believe this measure promotes the free flow of commerce, more convenience to the customer, greater enforcement to prevent underage sales and growth in the supermarket industry that has seen flat sales recently in New Jersey.

If government leaders are serious about closing the budget shortfall in this year's budget, all options for new revenue must be examined. We know there is no silver bullet that will solve all of our needs in this State but allowing supermarkets to purchase more than two liquor licenses will generate additional revenue for the State to begin to close our current budget hole. Without new public policies that are effectively implemented in other states, our state budget will continue to spiral out of control and NJ will face a larger deficit next year.

The supermarket industry is willing to stand up and offer a viable fiscal offset for untapped revenue.

If all options for economic recovery and revenue growth are on the table than wine should be on the table, too.

Linda Doherty  
President  
New Jersey Food Council