



House of Representatives

General Assembly

File No. 9

January Session, 2005

House Bill No. 6071

House of Representatives, March 3, 2005

The Committee on General Law reported through REP. STONE, C. of the 9th Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

AN ACT AUTHORIZING THE RETAIL SALE OF BEER BY PERSONS WHO HOLD A MANUFACTURER PERMIT FOR BEER OR A BREW PUB.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 30-16 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective from passage*):

3 (a) A manufacturer permit shall allow the manufacture of alcoholic
4 liquor and the storage, bottling and wholesale distribution and sale of
5 alcoholic liquor manufactured or bottled to permittees in this state and
6 without the state as may be permitted by law; but no such permit shall
7 be granted unless the place or the plan of the place of manufacture has
8 received the approval of the Department of Consumer Protection. A
9 holder of a manufacturer permit may apply for and shall receive an
10 out-of-state shipper's permit for manufacturing plants and warehouse
11 locations outside the state owned by such manufacturer or a
12 subsidiary corporation thereof, at least eighty-five per cent of the

13 voting stock of which is owned by such manufacturer, to bring into
14 any of its plants or warehouses in the state alcoholic liquors for
15 reprocessing, repackaging, reshipment or sale either (1) within the
16 state to wholesaler permittees not owned or controlled by such
17 manufacturer, or (2) outside the state. A holder of a manufacturer
18 permit, except a manufacturer permit for cider, may apply for and
19 shall receive a wholesaler permit. The annual fee for a manufacturer
20 permit shall be one thousand six hundred dollars.

21 (b) A manufacturer permit for beer shall be in all respects the same
22 as a manufacturer permit, except that the scope of operations of the
23 holder shall be limited to beer, but shall permit the storage of beer in
24 any part of the state. Such permit shall also authorize the offering and
25 tasting, on the premises of the permittee, of free samples of beer
26 brewed on such premises and the selling at retail from the premises of
27 sealed bottles or other sealed containers of such beer for consumption
28 off the premises. The offering and tasting shall be limited to visitors
29 who have attended a tour of the premises of the permittee. The annual
30 fee for a manufacturer permit for beer shall be eight hundred dollars.

31 (c) A manufacturer permit for cider not exceeding six per cent
32 alcohol by volume and apple wine not exceeding fifteen per cent
33 alcohol by volume shall allow the manufacture, storage, bottling and
34 wholesale distribution and sale at retail of such cider and apple wine
35 to permittees and nonpermittees in this state as may be permitted by
36 law; but no such permit shall be issued unless the place or the plan of
37 the place of manufacture has received the approval of the department.
38 The annual fee for a manufacturer permit for cider shall be one
39 hundred sixty dollars.

40 (d) A manufacturer permit for apple brandy and eau-de-vie shall be
41 in all respects the same as a manufacturer permit, except that the scope
42 of operations of the holder shall be limited to apple brandy or eau-de-
43 vie, or both. The annual fee for a manufacturer permit for apple
44 brandy and eau-de-vie shall be three hundred twenty dollars.

45 (e) A manufacturer permit for a farm winery shall be in all respects

46 the same as a manufacturer permit, except that the scope of operations
47 of the holder shall be limited to wine and brandies distilled from grape
48 products or other fruit products, including grappa and eau-de-vie. As
49 used in this section, "farm winery" means any place or premises,
50 located on a farm in the state in which wine is manufactured and sold.
51 Such permit shall authorize the sale in bulk by the holder thereof from
52 the premises where the products are manufactured pursuant to such
53 permit and shall authorize the holder thereof to sell from such farm
54 winery premises to a retailer wine manufactured by the farm winery
55 permittee in the original sealed containers of not more than fifteen
56 gallons per container and to sell or deliver such wine or brandy to
57 persons outside the state. Such permit shall also authorize: (1) The
58 offering and tasting of free samples of such wine or brandy to visitors
59 and prospective retail customers for consumption on the premises of
60 the farm winery permittee; (2) the selling at retail from the premises
61 sealed bottles or other sealed containers of such wine or brandy for
62 consumption off the premises; and (3) the selling at retail from the
63 premises wine by the glass and bottle to visitors on the premises of the
64 farm winery permittee for consumption on the premises, provided a
65 town may, by ordinance or zoning regulation, prohibit any such
66 offering, tasting or selling at retail at premises within such town for
67 which a manufacturer permit for farm winery has been issued. No
68 licensed farm winery may sell any such wine or brandy not
69 manufactured by such winery, except a farm winery may sell wine
70 manufactured by another farm winery located in this state. The farm
71 winery permittee shall produce within the state an average crop of
72 fruit equal to not less than twenty-five per cent of the fruit used in the
73 manufacture of the farm winery permittee's wine. An average crop
74 shall be defined each year as the average yield of the farm winery
75 permittee's two largest annual crops out of the preceding five years,
76 except that during the first seven years from the date of issuance of a
77 farm winery permit, an average crop shall be defined as three tons of
78 grapes for each acre of vineyard farmed by the farm winery permittee.
79 The annual fee for a manufacturer permit for a farm winery shall be
80 two hundred forty dollars.

81 (f) A manufacturer permit for a brew pub shall allow the
 82 manufacture, storage and bottling of beer, [and] the retail sale of
 83 alcoholic liquor to be consumed on the premises with or without the
 84 sale of food, and the selling at retail from the premises of sealed bottles
 85 or other sealed containers of beer for consumption off the premises,
 86 provided that the holder of a manufacturer permit for a brew pub
 87 produces at least five thousand gallons of beer on the premises
 88 annually. [On and after July 1, 1995, such permit shall also authorize
 89 any person holding such permit on January 1, 1994, to engage in the
 90 retail sale of beer produced on the premises for personal consumption
 91 off the premises provided (1) such beer shall be dispensed into sealed
 92 containers not larger than two liters and (2) no permittee shall allow a
 93 person to purchase more than one container of such beer per day.] The
 94 annual fee for a manufacturer permit for a brew pub shall be two
 95 hundred forty dollars.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	30-16

GL *Joint Favorable*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 06 \$	FY 07 \$
Spec. Revenue, Div. of	GF - Revenue Impact	Minimal	Minimal

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill is estimated to result in a minimal General Fund revenue gain, of less than \$50,000, to the sales tax and alcoholic beverage tax. The revenue gain is anticipated to be minimal because beer consumption is not expected to increase substantially as a result of allowing beer to be sold for off-premise consumption by brew pubs and beer manufacturers.

Currently there are only 9 brewpubs and 4 licensed beer manufacturers licensed in the state.

OLR Bill Analysis

HB 6071

AN ACT AUTHORIZING THE RETAIL SALE OF BEER BY PERSONS WHO HOLD A MANUFACTURER PERMIT FOR BEER OR A BREW PUB.**SUMMARY:**

This bill allows brewpubs and beer manufacturers to sell beer at retail for off-premises consumption. The law already allows brewpubs to brew and bottle beer and sell it for on-premises consumption and beer manufacturers to brew and bottle beer and sell it at wholesale. Beer manufacturers may also offer free samples of their beer between 10:00 a.m. (11:00 a.m. on Sunday) and 8:00 p.m.

EFFECTIVE DATE: Upon passage

BACKGROUND***Permissible Days and Hours of Sale***

The law limits when brewpubs may sell for on-premises consumption to the same hours allowed for most sellers for on-premises consumption. They may sell on Monday through Thursday from 9:00 am to 1:00 a.m. the following morning, on Friday and Saturday from 9:00 a.m. to 2:00 a.m. the following morning, and on Sunday from 11:00 a.m. to 1:00 a.m. the following morning (CGS § 30-91).

COMMITTEE ACTION

General Law Committee

Joint Favorable Report

Yea 17 Nay 0