



House of Representatives

General Assembly

File No. 284

February Session, 2006

House Bill No. 5559

House of Representatives, March 31, 2006

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 CONCERNING THE LIQUOR CONTROL ACT AND COSTS OF ACQUISITION.

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

1 Section 1. Section 30-68m of the 2006 supplement to the general
2 statutes is repealed and the following is substituted in lieu thereof
3 (*Effective October 1, 2006*):

4 (a) No retail permittee shall sell at a price below his cost. For the
5 purposes of this section, cost for the retail permittee for alcoholic
6 liquor other than beer shall mean the posted bottle price from the
7 wholesaler plus any charge for shipping or delivery to the retailer's
8 place of business paid by the retailer in addition to the posted price,
9 except on items of wine, [sold prior to January 1, 1983,] cost shall mean
10 the posted bottle price from the wholesaler plus a minimum of thirty-
11 three and one-third per cent of such permittee's selling price. For beer,
12 cost for the retail permittee shall mean the lowest posted price during
13 the month in which the retail permittee is selling plus any charge for
14 shipping or delivery to the retailer's place of business paid by the retail

15 permittee in addition to the price originally paid by the retail
16 permittee. As used in this section, the term retail permittee means the
17 holder of a permit allowing the sale of alcoholic liquor for off-premises
18 consumption.

19 (b) "Bottle price" means the price per unit of the contents of any case
20 of alcoholic liquor, other than beer, and shall be arrived at by dividing
21 the case price by the number of units or bottles making up such case
22 price and adding to the quotient an amount that is not less than the
23 following: A unit or bottle one-half pint or two hundred milliliters or
24 less, two cents; a unit or bottle more than one-half pint or two hundred
25 milliliters but not more than one pint or five hundred milliliters, four
26 cents; and a unit or bottle greater than one pint or five hundred
27 milliliters, eight cents.

28 (c) Notwithstanding the provisions of subsections (a) and (b) of this
29 section, a retail permittee shall be permitted to sell a unit or bottle of
30 alcoholic liquor, including beer, at such permittee's actual cost for such
31 unit or bottle. For purposes of this subsection, "actual cost" of a unit or
32 bottle shall mean the per unit or bottle price the permittee paid to a
33 wholesaler for a unit or bottle, rounded up to the nearest ninety-nine
34 cents.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2006	30-68m

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: None

Municipal Impact: None

Explanation

This bill allows alcoholic beverage retailers to sell a unit or bottle of alcoholic liquor, including beer, at such retailer's actual cost for such unit or bottle. The actual cost is defined as the price paid to the retailer's wholesaler, rounded up to the nearest ninety-nine cents. There is no fiscal impact.

The Out Years

State Impact: None

Municipal Impact: None

OLR Bill Analysis
HB 5559

AN ACT CONCERNING THE LIQUOR CONTROL ACT AND COSTS OF ACQUISITION.

SUMMARY:

This bill allows alcoholic beverage retailers to sell a bottle of alcoholic liquor, including beer, at its actual cost. It defines "actual cost" as the per bottle price paid, rounded up to the nearest 99¢. Current law prohibits alcoholic beverage retailers from selling below cost, and defines "cost" as a wholesaler's "posted bottle price" plus any shipping charge paid by the retailer. The law (1) requires all alcoholic beverage wholesalers to post their bottle, can, case, keg, barrel, or fractional unit (*e.g.* quarter keg) prices for the following month with the Department of Consumer Protection and (2) allows beer sellers to post additional prices for specified parts of the following month.

EFFECTIVE DATE: October 1, 2006

BACKGROUND

Related Bill

HB 5183 (File 59) repeals the June 30, 2006 sunset date on the law requiring alcoholic beverage price posting and wholesalers to notify retailers of their prices.

COMMITTEE ACTION

General Law Committee

Joint Favorable

Yea 9 Nay 6 (03/14/2006)