



Senate

General Assembly

File No. 698

February Session, 2008

Substitute Senate Bill No. 519

Senate, April 21, 2008

The Committee on Planning and Development reported through SEN. COLEMAN of the 2nd Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT CONCERNING WINE FESTIVALS.

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

1 Section 1. (NEW) (*Effective from passage*) (a) A wine festival permit
2 shall allow the holder of a manufacturer permit for a farm winery,
3 issued pursuant to section 30-16 of the 2008 supplement to the general
4 statutes, to participate in a wine festival organized and sponsored by
5 the Connecticut Farm Wine Development Council, established
6 pursuant to section 22-26c of the general statutes. Such wine festival
7 permit shall not be effective for more than three consecutive days.

8 (b) A wine festival permit shall authorize: (1) The sale and
9 shipment, by the holders of such permits, of wine manufactured by the
10 farm winery permittee to persons outside the state; (2) the offering and
11 tasting of free samples of wine or brandy to visitors and prospective
12 retail customers for consumption on the grounds of the wine festival;
13 (3) the sale at retail of sealed bottles or other sealed containers of wine
14 or brandy for consumption off the grounds of the wine festival; and (4)

15 the sale at retail of wine or brandy by the glass or receptacle, provided
16 the glass or receptacle is embossed or otherwise permanently labeled
17 with the trade name of the farm winery permittee.

18 (c) No licensed farm winery may sell, offer or give to any person or
19 entity wine or brandy not manufactured by such farm winery.

20 (d) The holder of a wine festival permit shall disclose to each person
21 who purchases admission to a wine festival in which the holder is
22 participating, at the time of purchase, any restriction or limitation of
23 such admission, including, but not limited to, the maximum number of
24 glasses or receptacles of wine or brandy that the admission to the wine
25 festival entitles the purchaser.

26 (e) Only one wine festival permit may be issued per calendar year
27 pursuant to this section by the Commissioner of Consumer Protection
28 to each holder of a manufacturer permit for a farm winery. The fee for
29 a wine festival permit shall be seventy-five dollars.

30 Sec. 2. (NEW) (*Effective from passage*) (a) Notwithstanding the
31 provisions of section 30-18a of the 2008 supplement to the general
32 statutes, the holder of an out-of-state winery shipper's permit, issued
33 pursuant to said section 30-18a, may obtain an out-of-state wine
34 festival permit. Such out-of-state wine festival permit shall not be
35 effective for more than three consecutive days in any calendar year.

36 (b) Such permit shall authorize in this state: (1) The sale and
37 shipment, by holders of such permits, of wine manufactured by the
38 out-of-state winery shipper permittee to persons outside the state; (2)
39 the offering and tasting of free samples of such wine or brandy to
40 visitors and prospective retail customers for consumption on the
41 grounds of the wine festival; (3) the sale at retail of sealed bottles or
42 other sealed containers of wine or brandy for consumption off the
43 grounds of the wine festival; and (4) the sale at retail of wine or brandy
44 by the glass or receptacle, provided the glass or receptacle is embossed
45 or otherwise permanently labeled with the trade name of the out-of-
46 state winery shipper permittee.

47 (c) No out-of-state winery shipper permittee may sell, offer or give
48 to any person or entity wine or brandy not manufactured by such out-
49 of-state winery shipper permittee.

50 (d) No out-of-state winery shipper permittee may sell, offer or give
51 to a person or entity wine or brandy manufactured by such out-of-state
52 winery shipper permittee unless such wine or brandy is assigned to a
53 wholesaler permittee in this state.

54 (e) The holder of an out-of-state wine festival permit shall disclose
55 to each person who purchases admission to a wine festival in which
56 the holder is participating, at the time of purchase, any restriction or
57 limitation of such admission, including, but not limited to, the
58 maximum number of glasses or receptacles of wine or brandy that the
59 admission to the wine festival entitles the purchaser.

60 (f) Only one out-of-state wine festival permit may be issued per year
61 pursuant to this section by the Commissioner of Consumer Protection
62 to each holder of an out-of-state winery shipper's permit. The fee for a
63 wine festival permit shall be seventy-five dollars.

64 Sec. 3. Subsection (a) of section 30-48 of the general statutes is
65 repealed and the following is substituted in lieu thereof (*Effective from*
66 *passage*):

67 (a) No backer or permittee of one permit class shall be a backer or
68 permittee of any other permit class except in the case of any class of
69 airport, railroad, airline and boat permits, and except that: (1) A backer
70 of a hotel or restaurant permit may be a backer of both such classes; (2)
71 a holder or backer of a manufacturer permit for a brew pub, a
72 restaurant permit or a cafe permit may be a holder or backer of any
73 other or all of such classes; (3) a holder or backer of a restaurant permit
74 may be a holder or backer of a bowling establishment permit; (4) a
75 backer of a restaurant permit may be a backer of a coliseum permit or a
76 coliseum concession permit, or both, when such restaurant is within a
77 coliseum; (5) a backer of a hotel permit may be a backer of a coliseum
78 permit or a coliseum concession permit, or both; (6) a backer of a

79 coliseum permit may be a backer of a coliseum concession permit; (7) a
80 backer of a coliseum concession permit may be a backer of a coliseum
81 permit; (8) a backer of a grocery store beer permit may be a backer of a
82 package store permit if such was the case on or before May 1, 1996; (9)
83 a backer of a university permit may be a backer of a nonprofit theater
84 permit; (10) subject to the discretion of the department, a backer of a
85 permit provided for in section 30-33b, may be a backer of any other
86 retail on-premise consumption permit, including those permits
87 provided for in section 30-33b; (11) a backer of a nonprofit theater
88 permit may be a holder or backer of a hotel permit; (12) a holder or
89 backer of a restaurant permit may be a holder or backer of a special
90 outing facility permit; (13) a backer of a concession permit may be a
91 backer of a coliseum permit or a coliseum concession permit, or both;
92 (14) a holder of an out-of-state winery shipper's permit for wine may
93 be a holder of an in-state transporter's permit or an out-of state wine
94 festival permit issued pursuant to section 2 of this act, or both; (15) a
95 holder of an out-of-state shipper's permit for alcoholic liquor other
96 than beer may be a holder of an in-state transporter's permit; and (16) a
97 holder of a manufacturer's permit for a farm winery may be a holder of
98 an in-state transporter's permit or a wine festival permit issued
99 pursuant to section 1 of this act, or both. Any person may be a
100 permittee of more than one permit. A person may be a permittee under
101 a permit provided for in section 30-33b and a backer of any other retail
102 on-premise consumption permit, including those permits provided for
103 in section 30-33b. The operator of a racing or jai alai exhibition with
104 pari-mutuel betting licensed by the Gaming Policy Board may be a
105 backer of any permit provided for in section 30-33b. No holder of a
106 manufacturer permit for a brew pub and no spouse or child of such
107 holder may be a holder or backer of more than three restaurant
108 permits or cafe permits.

109 Sec. 4. Section 30-91 of the general statutes is repealed and the
110 following is substituted in lieu thereof (*Effective from passage*):

111 (a) The sale or the dispensing or consumption or the presence in
112 glasses or other receptacles suitable to permit the consumption of

113 alcoholic liquor by an individual in places operating under hotel
114 permits, restaurant permits, cafe permits, restaurant permits for
115 catering establishments, bowling establishment permits, racquetball
116 facility permits, club permits, coliseum permits, coliseum concession
117 permits, special sporting facility restaurant permits, special sporting
118 facility employee recreational permits, special sporting facility guest
119 permits, special sporting facility concession permits, special sporting
120 facility bar permits, golf country club permits, nonprofit public
121 museum permits, university permits, airport restaurant permits,
122 airport bar permits, airport airline club permits, tavern permits, a
123 manufacturer permit for a brew pub, casino permits, caterer liquor
124 permits and charitable organization permits shall be unlawful on: (1)
125 Monday, Tuesday, Wednesday, Thursday and Friday between the
126 hours of one o'clock a.m. and nine o'clock a.m.; (2) Saturday between
127 the hours of two o'clock a.m. and nine o'clock a.m.; (3) Sunday
128 between the hours of two o'clock a.m. and eleven o'clock a.m.; (4)
129 Christmas, except (A) for alcoholic liquor that is served where food is
130 also available during the hours otherwise permitted by this section for
131 the day on which Christmas falls, and (B) by casino permittees at
132 casinos, as defined in section 30-37k; and (5) January first between the
133 hours of three o'clock a.m. and nine o'clock a.m., except that on any
134 Sunday that is January first the prohibitions of this section shall be
135 between the hours of three o'clock a.m. and eleven o'clock a.m.

136 (b) Any town may, by vote of a town meeting or by ordinance,
137 reduce the number of hours during which sales under subsection (a) of
138 this section, except sales pursuant to an airport restaurant permit,
139 airport bar permit or airport airline club permit, shall be permissible.
140 In all cases when a town, either by vote of a town meeting or by
141 ordinance, has acted on the sale of alcoholic liquor or the reduction of
142 the number of hours when such sale is permissible, such action shall
143 become effective on the first day of the month succeeding such action
144 and no further action shall be taken until at least one year has elapsed
145 since the previous action was taken.

146 (c) Notwithstanding any provisions of subsections (a) and (b) of this

147 section to the contrary, such sale or dispensing or consumption or
148 presence in glasses in places operating under a bowling establishment
149 permit shall be unlawful before two p.m. on any day, except in that
150 portion of the permit premises which is located in a separate room or
151 rooms entry to which, from the bowling lane area of the establishment,
152 is by means of a door or doors which shall remain closed at all times
153 except to permit entrance and egress to and from the lane area. Any
154 alcoholic liquor sold or dispensed in a place operating under a bowling
155 establishment permit shall be served in containers such as, but not
156 limited to, plastic or glass. Any town may, by vote of a town meeting
157 or by ordinance, reduce the number of hours during which sales under
158 this subsection shall be permissible.

159 (d) The sale or dispensing of alcoholic liquor in places operating
160 under package store permits, drug store permits, manufacturer
161 permits for beer or grocery store beer permits shall be unlawful on
162 Decoration Day, Independence Day, Labor Day, Thanksgiving Day,
163 New Year's Day, Sunday or Christmas or, if Independence Day,
164 Christmas or New Year's Day occurs on a Sunday, on the Monday next
165 following such day except that such sale or dispensing shall be lawful
166 on any Independence Day occurring on a Saturday; and such sale or
167 dispensing of alcoholic liquor in places operating under package store
168 permits, drug store permits, manufacturer permits for beer and
169 grocery store beer permits shall be unlawful on any other day before
170 eight o'clock a.m. and after nine o'clock p.m. It shall be unlawful for
171 the holder of a manufacturing permit for a brew pub to sell beer for
172 consumption off the premises on the days or hours prohibited by this
173 subsection. Any town may, by a vote of a town meeting or by
174 ordinance, reduce the number of hours during which such sale shall be
175 permissible.

176 (e) In the case of any premises operating under a tavern permit or
177 premises operating under a cafe permit, wherein, under the provisions
178 of this section, the sale of alcoholic liquor is forbidden on certain days
179 or hours of the day, or during the period when a tavern permit or cafe
180 permit is suspended, it shall likewise be unlawful to keep such

181 premises open to, or permit it to be occupied by, the public on such
182 days or hours.

183 (f) The retail sale of wine and the tasting of free samples of wine by
184 visitors and prospective retail customers of a permittee holding a
185 manufacturer permit for a farm winery on the premises of such
186 permittee shall be unlawful on Sunday before eleven o'clock a.m. and
187 after eight o'clock p.m. and on any other day before ten o'clock a.m.
188 and after eight o'clock p.m. Any town may, by vote of a town meeting
189 or by ordinance, reduce the number of hours during which sales and
190 the tasting of free samples of wine under this subsection shall be
191 permissible.

192 (g) Notwithstanding any provision of subsection (a) of this section
193 to the contrary, food or nonalcoholic beverages may be sold, dispensed
194 or consumed in places operating under an airport restaurant permit,
195 an airport bar permit or an airport airline club permit, at any time, as
196 allowed by agreement between the state of Connecticut and its lessees
197 or concessionaires.

198 (h) The sale or the dispensing or consumption or the presence in
199 glasses or other receptacles suitable to permit the consumption of
200 alcoholic liquor by an individual in places operating under a nonprofit
201 golf tournament permit shall be unlawful on any day prior to eleven
202 o'clock a.m. and after nine o'clock p.m.

203 (i) The tasting of free samples of beer by visitors of a permittee
204 holding a manufacturing permit for beer on the premises of such
205 permittee shall be unlawful on Sunday before eleven o'clock a.m. and
206 after eight o'clock p.m. and on any other day before ten o'clock a.m.
207 and after eight o'clock p.m. Nothing in this section shall be construed
208 to limit the right of a holder of such permit to conduct manufacturing
209 operations at any time. Any town may, by vote of a town meeting or
210 ordinance, reduce the number of hours during which the tasting and
211 free samples of beer under this subsection shall be permissible.

212 (j) Nothing in this section shall be construed to require any

213 permittee to continue the sale or dispensing of alcoholic liquor until
214 the closing hour established under this section.

215 (k) The retail sale of wine and the tasting of free samples of wine by
216 visitors and prospective retail customers of a permittee holding a wine
217 festival permit or an out-of-state wine festival permit issued pursuant
218 to section 1 or 2 of this act shall be unlawful on Sunday before eleven
219 o'clock a.m. and after eight o'clock p.m., and on any other day before
220 ten o'clock a.m. and after eight o'clock p.m. Any town may, by vote of
221 a town meeting or by ordinance, reduce the number of hours during
222 which the retail sale of wine and the tasting of free samples of wine
223 pursuant to this subsection shall be permissible.

| | | |
|---|---------------------|-------------|
| This act shall take effect as follows and shall amend the following sections: | | |
| Section 1 | <i>from passage</i> | New section |
| Sec. 2 | <i>from passage</i> | New section |
| Sec. 3 | <i>from passage</i> | 30-48(a) |
| Sec. 4 | <i>from passage</i> | 30-91 |

PD *Joint Favorable Subst.*

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 chamber thereof for any purpose:

OFA Fiscal Note

State Impact:

| Agency Affected | Fund-Effect | FY 09 \$ | FY 10 \$ |
|----------------------------|-------------------|----------|----------|
| Consumer Protection, Dept. | GF - Revenue Gain | Minimal | Minimal |

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill results in a minimal revenue gain to the state by instituting two liquor permits for wine festivals. The new permit fees of \$75 are anticipated to result in a minimal revenue gain to the state as the bill limits the holder of such permits to one wine festival per year.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

OLR Bill Analysis**sSB 519*****AN ACT CONCERNING WINE FESTIVALS.*****SUMMARY:**

This bill creates two liquor permits; each allows its holder to conduct one wine festival per year. Connecticut farm wineries holding a manufacturer permit for a farm winery are eligible to apply for and receive the first permit and out-of-state farm wineries holding a Connecticut out-of-state small winery shipper's permit are eligible for the other. Both permit fees are \$75.

EFFECTIVE DATE: Upon passage

WINE FESTIVALS

Both permits authorize:

1. sale and shipment of wine manufactured by the permit holder to customers outside of the state;
2. offering and tasting of free wine or brandy samples to visitors and prospective customers for consumption on the grounds of the wine festival;
3. retail sale of wine or brandy in sealed bottles or other containers for consumption off the grounds of the wine festival; and
4. retail sale of wine or brandy by the glass or receptacle, but the glass or receptacle must be embossed or permanently labeled with the winery's trade name.

Both permits require their holders to disclose to each person who has been charged admission all restrictions or limits, including those on the maximum number of glasses of wine or brandy to which

purchaser is entitled. The disclosure must be made when the admission charge is paid.

The bill prohibits permit holders from making retail sales and offering free samples before 11:00 a.m. on Sunday, before 10:00 a.m. on any other day, and after 8:00 p.m. on any day. The bill authorizes towns, by town meeting vote or ordinance, to reduce the permissible hours of sale.

The bill prohibits permit holders from selling, offering, or giving wine or brandy it did not manufacture.

The wine festival permit authorizes a Connecticut farm winery to participate in a wine festival organized and sponsored by the Connecticut Farm Wine Development Council. The permit is valid for three consecutive days in a calendar year. Only one permit may be held in a calendar year.

The out-of-state wine festival permit authorizes its holder to hold festivals in Connecticut and is valid for up to three days. Only one permit may be held in a year. The bill requires permit holders to “assign” their wine or brandy to a Connecticut wholesaler before selling, offering, or giving it. (The bill does not define “assign” and its meaning in this provision is unclear.)

BACKGROUND

Connecticut Farm Wine Development Council

The council is a state agency located in the Department of Agriculture for administrative purposes. It consists of 10 members representing state agencies and the Connecticut wine industry. The law requires the council to promote state wines by:

1. engaging in activities to maintain current and create new markets;
2. advising groups on farm wine development;
3. educating the public, government agencies, and the farm wine

industry on the use and value of state wine; and

4. recommending research projects on wine, wine grape culture, and wine use, and disseminating the research results.

Legislative History

The Senate referred the bill (File 220) to the Planning and Development Committee on April 3, which reported a substitute that adds the disclosure provision.

COMMITTEE ACTION

General Law Committee

Joint Favorable Substitute

Yea 17 Nay 1 (03/11/2008)

Planning and Development Committee

Joint Favorable Substitute

Yea 18 Nay 0 (04/09/2008)