



Senate

General Assembly

File No. 90

January Session, 2009

Substitute Senate Bill No. 926

Senate, March 16, 2009

The Committee on General Law reported through SEN. COLAPIETRO of the 31st Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT CONCERNING THE SALE OF CONNECTICUT WINE AT FARMERS' MARKETS.

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 Section 30-16 of the general statutes is repealed and the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. Such selling
30 at retail from the premises of sealed bottles or other sealed containers
31 shall comply with the provisions of subsection (d) of section 30-91 and
32 shall permit not more than eight liters of beer to be sold to any person
33 on any day on which such sale is authorized under the provisions of
34 subsection (d) of section 30-91. The annual fee for a manufacturer
35 permit for beer shall be eight hundred dollars.

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

45 (d) A manufacturer permit for apple brandy and eau-de-vie shall be
46 in all respects the same as a manufacturer permit, except that the scope
47 of operations of the holder shall be limited to apple brandy or eau-de-

48 vie, or both. The annual fee for a manufacturer permit for apple
49 brandy and eau-de-vie shall be three hundred twenty dollars.

50 (e) (1) A manufacturer permit for a farm winery shall be in all
51 respects the same as a manufacturer permit, except that the scope of
52 operations of the holder shall be limited to wine and brandies distilled
53 from grape products or other fruit products, including grappa and
54 eau-de-vie. As used in this section, "farm winery" means any place or
55 premises, located on a farm in the state in which wine is manufactured
56 and sold.

57 (2) Such permit shall, at the single principal premises of the farm
58 winery, authorize (A) the sale in bulk by the holder thereof from the
59 premises where the products are manufactured pursuant to such
60 permit; (B) as to a manufacturer who produces one hundred thousand
61 gallons of wine or less per year, the sale and shipment by the holder
62 thereof to a retailer of wine manufactured by the farm winery
63 permittee in the original sealed containers of not more than fifteen
64 gallons per container; (C) the sale and shipment by the holder thereof
65 of wine manufactured by the farm winery permittee to persons outside
66 the state; (D) the offering and tasting of free samples of such wine or
67 brandy to visitors and prospective retail customers for consumption on
68 the premises of the farm winery permittee; (E) the sale at retail from
69 the premises of sealed bottles or other sealed containers of such wine
70 or brandy for consumption off the premises; (F) the sale at retail from
71 the premises of wine or brandy by the glass and bottle to visitors on
72 the premises of the farm winery permittee for consumption on the
73 premises; and (G) subject to the provisions of subdivision (3) of this
74 subsection, the sale and delivery or shipment of wine manufactured by
75 the permittee directly to a consumer in this state. Notwithstanding the
76 provisions of subparagraphs (D), (E) and (F) of this subdivision, a
77 town may, by ordinance or zoning regulation, prohibit any such
78 offering, tasting or selling at retail at premises within such town for
79 which a manufacturer permit for a farm winery has been issued.

80 (3) A permittee, when selling and shipping wine directly to a

81 consumer in this state, shall: (A) Ensure that the shipping labels on all
82 containers of wine shipped directly to a consumer in this state
83 conspicuously state the following: "CONTAINS ALCOHOL—
84 SIGNATURE OF A PERSON AGE 21 OR OLDER REQUIRED FOR
85 DELIVERY"; (B) obtain the signature of a person age twenty-one or
86 older at the address prior to delivery, after requiring the signer to
87 demonstrate that he or she is age twenty-one or older by providing a
88 valid motor vehicle operator's license or a valid identity card described
89 in section 1-1h; (C) not ship more than five gallons of wine in any two-
90 month period to any person in this state; (D) pay, to the Department of
91 Revenue Services, all sales taxes and alcoholic beverage taxes due
92 under chapters 219 and 220 on sales of wine to consumers in this state,
93 and file, with said department, all sales tax returns and alcoholic
94 beverage tax returns relating to such sales; (E) report to the
95 Department of Consumer Protection a separate and complete record of
96 all sales and shipments to consumers in the state, on a ledger sheet or
97 similar form which readily presents a chronological account of such
98 permittee's dealings with each such consumer; (F) not ship to any
99 address in the state where the sale of alcoholic liquor is prohibited by
100 local option pursuant to section 30-9; and (G) hold an in-state
101 transporter's permit pursuant to section 30-19f or make any such
102 shipment through the use of a person who holds such an in-state
103 transporter's permit.

104 (4) No licensed farm winery may sell any such wine or brandy not
105 manufactured by such winery, except a licensed farm winery may sell
106 from the premises wine manufactured by another farm winery located
107 in this state.

108 (5) The farm winery permittee shall grow on the premises of the
109 farm winery or on property under the same ownership and control of
110 said permittee or leased by the backer of a farm winery permit or by
111 said permittee within the farm winery's principal state an average crop
112 of fruit equal to not less than twenty-five per cent of the fruit used in
113 the manufacture of the farm winery permittee's wine. An average crop
114 shall be defined each year as the average yield of the farm winery

115 permittee's two largest annual crops out of the preceding five years,
116 except that during the first seven years from the date of issuance of a
117 farm winery permit, an average crop shall be defined as three tons of
118 grapes for each acre of vineyard farmed by the farm winery permittee.
119 In the event the farm winery consists of more than one property, the
120 aggregate acreage of the farm winery shall not be less than five acres.

121 (6) A holder of a manufacturer permit for a farm winery, when
122 advertising or offering wine for direct shipment to a consumer in this
123 state via the Internet or any other on-line computer network, shall
124 clearly and conspicuously state such liquor permit number in its
125 advertising.

126 (7) The annual fee for a manufacturer permit for a farm winery shall
127 be two hundred forty dollars.

128 (8) Notwithstanding any provision of this chapter, the holder of a
129 manufacturer permit for a farm winery may sell wine manufactured in
130 this state at a farmers' market operated on a not-for-profit basis in this
131 state. Such holder shall only sell such wine by the bottle and shall first
132 obtain a farmers' market wine sale permit from the Department of
133 Consumer Protection. Said department shall issue a farmers' market
134 wine sale permit to such holder upon receiving satisfactory proof
135 meeting the requirements of this subdivision. The holder of the permit
136 or such holder's duly authorized representative shall be present at the
137 time of sale of the wine. The permit shall be valid for not more than
138 one year. The annual fee for a farmers' market wine sale permit shall
139 be seventy-five dollars.

140 (f) A manufacturer permit for a brew pub shall allow: (1) The
141 manufacture, storage and bottling of beer, (2) the retail sale of alcoholic
142 liquor to be consumed on the premises with or without the sale of
143 food, (3) the selling at retail from the premises of sealed bottles or
144 other sealed containers of beer brewed on such premises for
145 consumption off the premises, and (4) the sale of sealed bottles or other
146 sealed containers of beer brewed on such premises to the holder of a
147 wholesaler permit issued pursuant to subsection (b) of section 30-17,

148 provided that the holder of a manufacturer permit for a brew pub
 149 produces at least five thousand gallons of beer on the premises
 150 annually. Such selling at retail from the premises of sealed bottles or
 151 other sealed containers shall comply with the provisions of subsection
 152 (d) of section 30-91 and shall permit not more than eight liters of beer
 153 to be sold to any person on any day on which such sale is authorized
 154 under the provisions of subsection (d) of section 30-91. The annual fee
 155 for a manufacturer permit for a brew pub shall be two hundred forty
 156 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 Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 10 \$	FY 11 \$
Consumer Protection, Dept.	GF - Revenue Gain	Minimal	Minimal

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill results in a minimal revenue gain as the bill creates a new permit to allow farm winery permittees to sell by the bottle wine manufactured in this state at not-for-profit farmers' markets. Valid for one year, the permit fee is \$75.

The Out Years

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

OLR Bill Analysis**sSB 926*****AN ACT CONCERNING THE SALE OF CONNECTICUT WINE AT FARMERS' MARKETS.*****SUMMARY:**

This bill creates a \$75 annual permit to allow farm winery permittees to sell Connecticut made wine by the bottle at nonprofit farmers' markets. The permit holder or authorized representative must be present at the time of sale.

EFFECTIVE DATE: From passage

COMMITTEE ACTION

General Law Committee

Joint Favorable Substitute

Yea 18 Nay 0 (02/26/2009)