

CONNECTICUT PACKAGE STORES ASSOCIATION

ALAN WILENSKY



700 PLAZA MIDDLESEX
MIDDLETOWN, CT 06457
PHONE - 860. 346. 7978
FAX - 860. 343. 0014

Executive Director
Carroll J. Hughes
Assistant Executive Director
Josh D. Hughes Esq.

Senator Doyle, Representative Taborsak and members of the General Law Committee. The Connecticut Package Stores Association (CPSA) represents the 1,100 off-premise package store retailers in the state of Connecticut. We work to promote and protect their integral role as one of the three tiers of the alcohol beverage industry in CT. We are submitting this testimony on the following bills:

The Connecticut Package Stores Association urges that the Committee take a close look at the risk of the precedent that Proposed Bill 464 will set. We therefore urge caution when deciding on the fate of Proposed Bill 464 AN ACT AUTHORIZING THE SALE OF CONNECTICUT FARM WINE AT FARMERS' MARKETS.

This bill, although not yet drafted, in past years has allowed an exemption for farm wineries enabling them to sell their products away from their permit premises at farmer's markets. All other beverage alcohol retailers are required to make their sales at one permitted location and cannot utilize their permit to travel to additional towns.

Additionally, in light of the Supreme Court Granholm decision, any situation that is allowed for in-state entities must also be allowed for an out-of-state entity. Allowing an in-state winery to sell at various locations around the state might also open an opportunity for an out-of-state winery to establish retail locations throughout Connecticut without regard for an established permit premises. We also urge that a local permit be sought from local law enforcement before such permits are authorized by the Department of Consumer Protection.

We understand the importance that the farm wineries provide to Connecticut residents. However, we want to ensure that there are no loopholes which would allow abuse by out of state entities.

We want to make suggestions concerning Raised bill 6267 AN ACT CONCERNING THE SALE OF WINE WITH GIFT BASKETS. We support the entrepreneurial spirit and innovation that would bring additional businesses and jobs to our state, and we have, in the past, supported the increased sales opportunities of the state's brewpub and farm winery industries. We cannot support this bill as written. We offer the following issues that could cause concern amongst the tiers of the existing industry and variances in the existing laws and regulations:

- No business entity may hold more than one class of permit. For example, the holder of a package store permit may not also hold a grocery beer permit or vice versa. Therefore, it would seem that an entity that holds a grocery beer permit should be prohibited from obtaining one of these permits for their floral / gift basket department even if they were to establish their own corporate entity to do so.

- We would suggest some limit on the volume of purchasing that an entity operating under this permit would be capable of and want to prevent it from developing into a package store. Package stores do not want to be in the gift basket or floral business.
- We continue to be concerned, as a result of the recent Supreme Court decision Granholm, in expanding the number of ways that alcohol is delivered to the consumer. The Court decision stipulates that an out-of-state entity may not be treated differently than one that is in-state. This could enable out-of-state florists/gift basket companies to deliver alcohol products directly to the consumer with no capacity of our state agencies to enforce our laws and penalties on those businesses.
- Wine cannot currently be sold in food stores. Package Stores and Wine and Spirit Wholesalers vehemently oppose any back-door efforts that would allow food stores to purchase and sell wine through their stores.

CPSA has concerns with S.B. No. 864 (RAISED) GENERAL LAW. 'AN ACT CONCERNING GROCERY STORE BEER PERMITS. Alcohol is a regulated product and as such we take very seriously all issues involving expansion of availability of the product. Many convenience stores currently sell beer because they meet the threshold of selling enough grocery items in the store. We believe this is an appropriate requirement. We are concerned with the precedent that would allow such retailers as Walmart, Super K-Mart, Costco and other Big-box stores to also sell beer even though they do not meet the threshold of selling enough grocery products to qualify for a grocery-beer permit. For years package stores have fought to prevent Big-Box stores from changing the definition of grocery beer because of the unfortunate consequences once these entities start to sell beer or other alcohol products in their mega stores. Regional substance abuse councils and the CT Coalition Against Underage Drinking, our partners in protecting the public from unlimited access to alcohol, share our concerns about additional venues for alcohol purchase and the potential for additional opportunities for minors to purchase, especially if gas stations begin to sell beer in cold singles.

We would be happy to make ourselves available to further discuss these issues.

Alan Wilensky
President, CPSA
Owner, Max's Package Store
East Lyme, CT