

Dear Committee Members,

RE: H.B. No. 5021 AN ACT CONCERNING COMPETITIVE ALCOHOLIC LIQUOR PRICING AND HOURS OF OPERATION FOR PERMITTEES.

My name is Ken Braga, I am the owner/permittee of Ellington Center Liquor Shoppe, located in Ellington, CT. I have been in business for 27 years.

Please refrain from changing the liquor laws. There are several reasons I don't believe the changes would benefit the State.

The proposed changes would increase unemployment. Allowing grocery stores to sell liquor without keeping the bottle minimum law would drive the State's 1,902 off-premise-liquor stores out of business. With stores closing, all the employees and owners would not have jobs. Even our small store has five employees. If each of the 1,902 stores employ 5 people, you would be adding approximately 9,510 people to your unemployment rolls. This scenario happened with CVS Pharmacies and Home Depot, leaving the small business owner with no options but to close business.

The proposed changes would create monopolies. Allowing grocery stores to hold up to 9 permits (medallions) will create towns with only 1 store that sells liquor. In fact, my town (Ellington) only has six permits. If one grocery store purchased all the permits, there would not be any competition to keep prices reasonable.

The proposed changes would not increase sales tax revenue. Proponents claim the proposed changes would increase tax revenue by \$87 million. At 6.35%, the State's population would have to increase its alcohol purchases by approximately \$55,245,000.00 to reach the proposed increased revenue. These are the same proponents who claimed that staying open until 9pm would increase tax revenue by millions. Did those additional millions arrive after passing that law? The proponents were wrong then, and they are wrong now.

I urge you to consider the harm these regulations would cause to the small liquor-store owner. In closing, CT residents cross borders to purchase items in other states to avoid taxes. These regulations will not solve border issues.

Thank you for your time.

Ken Braga
Owner/Permittee for over 27 years
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