



Senate

General Assembly

File No. 231

February Session, 2014

Substitute Senate Bill No. 315

Senate, April 1, 2014

The Committee on Environment reported through SEN. MEYER of the 12th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT CONCERNING FARMERS' MARKET WINE SALES PERMITS.

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

1 Section 1. Section 30-37o of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2014*):

3 (a) The Commissioner of Consumer Protection shall issue a farmers'
4 market wine sales permit to a holder of a manufacturer permit for a
5 farm winery upon submission of proof to the commissioner that such
6 holder is in compliance with the requirements of subsection (e) of
7 section 30-16. Such permit shall authorize the sale of wine
8 manufactured from such farm winery during an unlimited number of
9 appearances at a farmers' market [at not more than three farmers'
10 market locations per year] provided such holder: (1) Has an invitation
11 from such farmers' market to sell wine at such farmers' market, (2)
12 [only] sells wine by the bottle and offers tastings at such farmers'
13 markets, and (3) is present, or has an authorized representative
14 present, at the time of sale of any such bottle of wine from such farm
15 winery at such farmers' market. Any such farmers' market wine sales

16 permit shall be valid for a period of one year from the date of issuance.
 17 The annual fee for a farmers' market wine sales permit shall be two
 18 hundred fifty dollars. There shall be a one-hundred-dollar,
 19 nonrefundable filing fee for any such permit.

20 (b) Any town or municipality may, by ordinance or zoning
 21 regulation, prohibit the sale of wine by the holder of a farmers' market
 22 wine sales permit at a farmers' market held in such town or
 23 municipality.

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2014	30-37o

ENV *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 15 \$	FY 16 \$
Consumer Protection, Dept.	GF - Revenue Gain	Up to 10,850	Up to 10,850
State Comptroller - Fringe Benefits ¹	GF - Cost	18,500	18,500
Department of Revenue Services	GF - Revenue Gain	Up to 15,000	Up to 15,000
Consumer Protection, Dept.	GF - Cost	52,466	52,466

Municipal Impact: None

Explanation

The bill results in a cost to the state of \$70,966 and a revenue gain of \$25,850 in FY 15 and FY 16 by allowing tastings of wine from Connecticut farm wineries at farmer's markets. The cost includes one Liquor Control Agent at the Department of Consumer Protection (\$50,466), related Other Expenses, including travel (\$2,000) and fringe benefits (\$18,500). The position is needed as there are over 120 farmers' markets in Connecticut where wine tastings could occur under the bill without notification to DCP as to where such tasting would occur. There are 37 Connecticut farm wineries. Under current law there is a limitation of three farmers' markets where a Connecticut Farm winery could offer its product for sale and the DCP is notified where they will be held. Under the bill DCP would no longer know where they would occur.

¹The fringe benefit costs for most state employees are budgeted centrally in accounts administered by the Comptroller. The estimated active employee fringe benefit cost associated with most personnel changes is 36.66% of payroll in FY 15 and FY 16.

The bill results in an increase in the alcoholic beverages and sales tax revenue of up to \$15,000 annually. Additionally, the elimination of the restriction in the number of farmers' markets where a Connecticut farm winery could offer its product and the allowance for tastings will likely increase the number of farmers' market wine permits (\$350 each) from the current six to upwards of 37. This would result in a revenue gain of \$10,850.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation and the number of permits issued.

OLR Bill Analysis**sSB 315*****AN ACT CONCERNING FARMERS' MARKET WINE SALES PERMITS.*****SUMMARY:**

This bill (1) allows the holder of a farmers' market wine sales permit to offer wine tastings at farmers' markets and (2) removes restrictions on the number of farmers' markets where a permittee may sell wine. Under current law, if invited, permittees may make an unlimited number of appearances at three farmers' market locations per year to sell wine by the bottle. The bill removes the three-locations-per-year limit. By law and unchanged by the bill, the permittee or an authorized representative must be present at the farmers' markets during wine sales.

The bill does not define the term "wine tasting" or specify a serving size for tastings. Current law regarding a manufacturing permit for a farm winery, which is required for the farmers' market wine sales permit, allows for tastings on the winery premises but likewise does not specify a serving size (see BACKGROUND).

EFFECTIVE DATE: July 1, 2014

BACKGROUND***Manufacturing Permit for a Farm Winery***

The farmers' market wine sales permit is issued by the Consumer Protection commissioner to a holder of a manufacturer permit for a farm winery. Applicants for the farmers' market wine sales permit must be in compliance with the requirements of their manufacturer permit. This manufacturer permit is issued only to wineries located on farms, and allows holders, among other things, to produce and sell wine, and offer tastings on the winery premises.

COMMITTEE ACTION

Environment Committee

Joint Favorable Substitute

Yea 28 Nay 0 (03/17/2014)