

General Assembly

Raised Bill No. 5580

February Session, 2016

LCO No. 2502



Referred to Committee on ENVIRONMENT

Introduced by: (ENV)

AN ACT ESTABLISHING A FARM BREWERY MANUFACTURER PERMIT.

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

- 1 Section 1. Subsections (f) and (g) of section 30-16 of the 2016
- 2 supplement to the general statutes are repealed and the following is
- 3 substituted in lieu thereof (*Effective from passage*):
- 4 (f) (1) A manufacturer permit for a farm brewery shall be in all
- 5 <u>respects the same as a manufacturer permit</u>, except that the scope of
- 6 operations of the holder shall be limited to beer. As used in this
- 7 section, "farm brewery" means any place or premises that is located on
- 8 a farm in the state in which beer is manufactured and sold.
- 9 (2) Such permit shall, at the single principal premises of the farm
- 10 brewery, authorize (A) the sale in bulk by the holder thereof from the
- 11 premises where the products are manufactured pursuant to such
- 12 permit; (B) as to a manufacturer who produces one hundred thousand
- gallons of beer or less per year, the sale and shipment by the holder
- 14 thereof to a retailer of beer manufactured by the farm brewery

LCO No. 2502 **1** of 7

15 permittee in the original sealed containers; (C) the sale and shipment 16 by the holder thereof of beer manufactured by the farm brewery permittee to persons outside the state; (D) the offering and tasting of 17 free samples of such beer, dispensed out of bottles or other sealed 18 19 containers to visitors and prospective retail customers for consumption 20 on the premises of the farm brewery permittee; (E) the sale at retail 21 from the premises of sealed bottles or other sealed containers of such 22 beer for consumption off the premises; (F) the sale at retail from the 23 premises of beer by the glass and bottle to visitors on the premises of 24 the farm brewery permittee for consumption on the premises; and (G) 25 subject to the provisions of subdivision (3) of this subsection, the sale and delivery or shipment of beer manufactured by the permittee 26 27 directly to a consumer in this state. Notwithstanding the provisions of subparagraphs (D), (E) and (F) of this subdivision, a town may, by 28 29 ordinance or zoning regulation, prohibit any such offering, tasting or selling at retail at premises within such town for which a manufacturer 30 31 permit for a farm brewery has been issued.

32 (3) A permittee, when selling and shipping beer directly to a 33 consumer in this state, shall: (A) Ensure that the shipping labels on all 34 containers of beer shipped directly to a consumer in this state 35 conspicuously state the following: "CONTAINS ALCOHOL-SIGNATURE OF A PERSON AGE 21 OR OLDER REQUIRED FOR 36 37 DELIVERY"; (B) obtain the signature of a person age twenty-one or older at the address prior to delivery, after requiring the signer to 38 39 demonstrate that he or she is age twenty-one or older by providing a 40 valid motor vehicle operator's license or a valid identity card described in section 1-1h; (C) not ship more than five gallons of beer in any two-41 month period to any person in this state; (D) pay, to the Department of 42 43 Revenue Services, all sales taxes and alcoholic beverage taxes due 44 under chapters 219 and 220 on sales of beer to consumers in this state, 45 and file, with said department, all sales tax returns and alcoholic 46 beverage tax returns relating to such sales; (E) report to the 47 Department of Consumer Protection a separate and complete record of

LCO No. 2502 **2** of 7

- 48 all sales and shipments to consumers in the state, on a ledger sheet or
- 49 <u>similar form that readily presents a chronological account of such</u>
- 50 permittee's dealings with each such consumer; (F) not ship to any
- 51 address in the state where the sale of alcoholic liquor is prohibited by
- 52 local option pursuant to section 30-9; and (G) hold an in-state
- 53 transporter's permit pursuant to section 30-19f or make any such
- 54 <u>shipment through the use of a person who holds such an in-state</u>
- 55 <u>transporter's permit.</u>
- 56 (4) No licensed farm brewery may sell any such beer not
- 57 <u>manufactured by such brewery.</u>
- 58 (5) The farm brewery permittee shall grow on the premises of the
- 59 <u>farm brewery or on property under the same ownership and control of</u>
- 60 said permittee or leased by the backer of a farm brewery permit or by
- 61 said permittee within the farm brewery's principal state an average
- 62 annual crop equal to not less than twenty-five per cent of the hops and
- 63 <u>barley used in the manufacture of the farm brewery permittee's beer</u>
- 64 for the first year of issuance for any such permit and not less than fifty
- 65 per cent of the hops and barley used in the manufacture of the farm
- brewery permittee's beer for the second and any subsequent year of
- 67 <u>issuance for any such permit.</u>
- 68 (6) A holder of a manufacturer permit for a farm brewery, when
- 69 advertising or offering beer for direct shipment to a consumer in this
- 30 state via the Internet or any other on-line computer network, shall
- 71 <u>clearly and conspicuously state such liquor permit number in its</u>
- 72 <u>advertising.</u>
- 73 (7) A holder of a manufacturer permit for a farm brewery may sell
- 74 beer manufactured from such brewery at a farmers' market, as defined
- 75 <u>in section 22-6r, that is operated as a nonprofit enterprise or</u>
- association, provided such farmers' market invites such holder to sell
- 77 beer at such farmers' market and such holder has a farmers' market
- 78 <u>beer sales permit issued by the Commissioner of Consumer Protection</u>

LCO No. 2502 3 of 7

in accordance with the provisions of subsection (a) of section 30-370, as amended by this act.

81

82

83

84

85

86

87

88

89

90 91

92

93

94

95

96

97

98

99

100

101

102

103

104

105

106107

108

- (8) The annual fee for a manufacturer permit for a farm brewery shall be three hundred dollars.
- [(f)] (g) A manufacturer permit for a brew pub shall allow: (1) The manufacture, storage and bottling of beer, (2) the retail sale of alcoholic liquor to be consumed on the premises with or without the sale of food, (3) the selling at retail from the premises of sealed bottles or other sealed containers of beer brewed on such premises for consumption off the premises, and (4) the sale of sealed bottles or other sealed containers of beer brewed on such premises to the holder of a wholesaler permit issued pursuant to subsection (b) of section 30-17, provided that the holder of a manufacturer permit for a brew pub produces at least five thousand gallons of beer on the premises annually. Such selling at retail from the premises of sealed bottles or other sealed containers shall comply with the provisions of subsection (d) of section 30-91 and shall permit not more than nine liters of beer to be sold to any person on any day on which such sale is authorized under the provisions of subsection (d) of section 30-91. The annual fee for a manufacturer permit for a brew pub shall be three hundred dollars.
- [(g)] (h) A manufacturer permit for beer and brew pub shall be in all respects the same as a manufacturer permit for beer, as defined in subsection (b) of this section, and shall allow those additional permissible uses specified in the manufacturer permit for a brew pub, as defined in subsection [(f)] (g) of this section, provided the holder of a manufacturer permit for beer and brew pub produces at least five thousand gallons of beer on the premises annually. The annual fee for a manufacturer permit for beer and brew pub shall be one thousand five hundred dollars.
- Sec. 2. Subsection (c) of section 30-37j of the general statutes is

LCO No. 2502 **4** of 7

- repealed and the following is substituted in lieu thereof (*Effective from passage*):
- 112 (c) Notwithstanding the provisions of subsection (a) of section 30-48, 113 a backer or holder of a caterer liquor permit may be a backer or holder 114 of any other permit issued under the provisions of this chapter, 115 including, but not limited to, a manufacturer permit for a brew pub 116 issued under subsection [(f)] (g) of section 30-16, as amended by this 117 act, or a manufacturer permit for beer and brew pub issued under 118 subsection [(g)] (h) of section 30-16, as amended by this act, except that 119 a backer or holder of a caterer liquor permit may not be a backer or 120 holder of any other manufacturer permit issued under section 30-16, as 121 amended by this act, or a wholesaler permit issued under section 30-122 17.
- Sec. 3. Section 30-37r of the 2016 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

126

127

128

129

130

131

132

133

134

- (a) The Commissioner of Consumer Protection shall issue a farmers' market beer sales permit to a holder of: (1) A manufacturer permit for beer issued pursuant to subsection (b) of section 30-16, (2) a manufacturer permit for a brew pub issued pursuant to subsection [(f)] (g) of section 30-16, as amended by this act, [or] (3) a manufacturer permit for beer and brew pub issued pursuant to subsection [(g)] (h) of section 30-16, as amended by this act, or (4) a manufacturer permit for a farm brewery issued pursuant to subsection (f) of section 30-16, as amended by this act.
- (b) A farmers' market beer sales permit shall authorize the sale of beer manufactured by the holder of a permit specified in subdivision (1), (2), [or] (3) or (4) of subsection (a) of this section for an unlimited number of appearances at a farmers' market at not more than three farmers' market locations per year, provided such permit holder: (1) Has an invitation from such farmers' market to sell beer at such

LCO No. 2502 5 of 7

141 farmers' market, (2) sells only sealed bottles of beer for off-premises 142 consumption at such farmers' market, (3) is present, or has an 143 authorized representative present, at the time of sale of any such beer 144 at such farmers' market, and (4) does not sell more than five liters of 145 such beer per day to any one person at such farmers' market. A 146 farmers' market beer sales permit shall be valid for a period of one year 147 from the date of issuance. The annual fee for a farmers' market beer 148 sales permit shall be two hundred fifty dollars. There shall be a one-149 hundred-dollar nonrefundable filing fee for any such permit.

- (c) Any town or municipality may, by ordinance or zoning regulation, prohibit the sale of beer by the holder of a farmers' market beer sales permit at a farmers' market held in such town or municipality.
- Sec. 4. Subsection (a) of section 30-62c of the 2016 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):
 - (a) The holder of an alcoholic liquor permit issued by the Department of Consumer Protection pursuant to subsections (b) to [(g)] (h), inclusive, of section 30-16, as amended by this act, or an agent of such permit holder, shall furnish potable water without charge to any person on the permit premises requesting such water or shall offer nonalcoholic beverages for sale to such person.

| This act shall take effect as follows and shall amend the following | | |
|---|--------------|------------------|
| sections: | | |
| | | _ |
| Section 1 | from passage | 30-16(f) and (g) |
| Sec. 2 | from passage | 30-37j(c) |
| Sec. 3 | from passage | 30-37r |
| Sec. 4 | from passage | 30-62c(a) |

Statement of Purpose:

150

151

152

153

157

158

159

160

161

162

To establish a manufacturer permit for farm breweries.

LCO No. 2502 **6** of 7

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]

LCO No. 2502 **7** of 7