



## CONNECTICUT DEPARTMENT OF CONSUMER PROTECTION

---

MICHELLE H. SEAGULL | COMMISSIONER

### Testimony of Michelle Seagull Commissioner of Consumer Protection General Law Committee Public Hearing, March 6, 2018

#### **HOUSE BILL 5036 “AN ACT PROMOTING CRAFT BREWERIES AND DISTILLERIES AND PRICE FAIRNESS”**

Senator Leone, Senator Witkos, Representative D’Agostino, Representative Smith and Honorable Members of the General Law Committee, thank you for the opportunity to offer testimony in support of HB 5036 An Act Promoting Craft Breweries and Distilleries and Price Fairness. This bill would make several changes to the Liquor Control Act modernizing Connecticut’s liquor laws to help businesses and consumers.

Currently, manufacturers of alcoholic liquor and farm distilleries are not authorized to offer samples that are part of mixed drinks, and breweries, including farm breweries, are limited to selling no more than nine liters of beer for off-site consumption. This proposal aims to eliminate those limitations, giving these businesses more flexibility and allowing them to be more competitive.

---

450 Columbus Boulevard, Suite 901 Hartford, CT 06103 | (860) 713-6100

[www.ct.gov/DCP](http://www.ct.gov/DCP) |  [facebook.com/ctdcp](https://facebook.com/ctdcp) |  @ctdcp

This proposal would also amend the restaurant, tavern and café permits so that consumers, who under current statutes can purchase sealed containers of up to four liters of draught beer (growlers) for consumption off-site, could bring their own growlers, to be filled by the permittee. Package store permittees would also be permitted to fill and sell growlers of draught beer for off-site consumption.

Finally, this proposed legislation would amend minimum pricing laws, to create a more competitive market for liquor sales in Connecticut. It would eliminate the manufacturer or wholesaler “peeking period,” which allows manufacturers to review and meet their competitors’ prices, and it would change the definition of “cost” to reflect what “cost” actually means. By replacing current language that cost to the retailer means “the posted bottle price from the wholesaler” with language re-defining cost as “the actual cost paid per bottle” by the retailer, the retailer can price his or her product with greater flexibility and to the potential benefit to Connecticut’s consumers of alcoholic products. This proposal also eliminates a minimum bottle price; it modernizes language to take a small step in improving Connecticut’s competitive posture with our neighboring states.

This bill does not reduce existing protections for smaller packager stores. If this bill becomes law, Connecticut’s smaller package stores would continue to benefit from the laws that protect our local, mom-and-pop stores. The prohibition of quantity discounts where big box stores could benefit from discounted prices through large bulk purchases, the requirement that wholesalers sell to all retailers at a single locked-in price per month, and limiting the maximum number of package stores in each town are untouched by this proposal.

Thank you again for your time today. I am happy to answer any questions you may have.