



General Assembly

February Session, 2018

Governor's Bill No. 5036

LCO No. 244



Referred to Committee on GENERAL LAW

Introduced by:

REP. ARESIMOWICZ, 30th Dist.

REP. RITTER M., 1st Dist.

SEN. LOONEY, 11th Dist.

SEN. DUFF, 25th Dist.

AN ACT PROMOTING CRAFT BREWERIES AND DISTILLERIES AND PRICE FAIRNESS.

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

1 Section 1. Section 30-16 of the 2018 supplement to the general
2 statutes is repealed and the following is substituted in lieu thereof
3 (*Effective July 1, 2018*):

4 (a) A manufacturer permit shall allow the manufacture of alcoholic
5 liquor and the storage, bottling and wholesale distribution and sale of
6 alcoholic liquor manufactured or bottled to permittees in this state and
7 without the state as may be permitted by law; but no such permit shall
8 be granted unless the place or the plan of the place of manufacture has
9 received the approval of the Department of Consumer Protection. The
10 holder of a manufacturer permit who produces less than twenty-five
11 thousand gallons of alcoholic liquor in a calendar year may sell at

12 retail from the premises sealed bottles or other sealed containers of
13 alcoholic liquor manufactured on the premises for consumption off the
14 premises, provided such holder shall not sell to any one consumer
15 more than one and one-half liters of alcoholic liquor per day nor more
16 than five gallons of alcoholic liquor in any two-month period. Retail
17 sales by a holder of a manufacturer permit shall occur only on the days
18 and times permitted under subsection (d) of section 30-91. A holder of
19 a manufacturer permit, alone or in combination with any parent or
20 subsidiary business or related or affiliated party, who sells more than
21 ten thousand gallons of alcoholic liquor in any calendar year may not
22 sell alcoholic liquor at wholesale to retail permittees within this state.
23 Such permit shall also authorize the offering and tasting, on the
24 premises of the permittee, of free samples of spirits distilled on the
25 premises. Such samples may be offered individually or as ingredients
26 in a cocktail or mixed drink prepared on the premises. Tastings shall
27 not exceed a total of two ounces of such spirits per patron per day and
28 shall not be allowed on such premises on Sunday before eleven o'clock
29 a.m. and after eight o'clock p.m. and on any other day before ten
30 o'clock a.m. and after eight o'clock p.m. No tastings shall be offered to
31 or allowed to be consumed by any minor or intoxicated person. A
32 holder of a manufacturer permit may apply for and shall receive an
33 out-of-state shipper's permit for manufacturing plants and warehouse
34 locations outside the state owned by such manufacturer or a
35 subsidiary corporation thereof, at least eighty-five per cent of the
36 voting stock of which is owned by such manufacturer, to bring into
37 any of its plants or warehouses in the state alcoholic liquors for
38 reprocessing, repackaging, reshipment or sale either (1) within the
39 state to wholesaler permittees not owned or controlled by such
40 manufacturer, or (2) outside the state. The annual fee for a
41 manufacturer permit shall be one thousand eight hundred fifty dollars.

42 (b) A manufacturer permit for beer shall be in all respects the same
43 as a manufacturer permit, except that the scope of operations of the
44 holder shall be limited to beer, but shall permit the storage of beer in

45 any part of the state. Such permit shall also authorize the offering and
46 tasting, on the premises of the permittee, of free samples of beer
47 brewed on such premises and the selling at retail from the premises of
48 sealed bottles or other sealed containers of such beer for consumption
49 off the premises. The offering and tasting may be limited to visitors
50 who have attended a tour of the premises of the permittee. Such selling
51 at retail from the premises of sealed bottles or other sealed containers
52 shall comply with the provisions of subsection (d) of section 30-91 and
53 shall permit [not more than nine liters of] beer to be sold to any person
54 on any day on which such sale is authorized under the provisions of
55 subsection (d) of section 30-91. The annual fee for a manufacturer
56 permit for beer shall be one thousand dollars.

57 (c) A manufacturer permit for cider not exceeding six per cent
58 alcohol by volume and apple wine not exceeding fifteen per cent
59 alcohol by volume shall allow (1) the manufacture, storage, bottling
60 and wholesale distribution and sale at retail of such cider and apple
61 wine to permittees and nonpermittees in this state as may be permitted
62 by law; but no such permit shall be issued unless the place or the plan
63 of the place of manufacture has received the approval of the
64 department; (2) the sale and shipment by the holder of such permit of
65 such cider and such apple wine to persons outside the state and to
66 consumers in this state in the same manner and subject to the same
67 conditions as such sale and shipment is permitted for wine by a farm
68 winery manufacturer permittee pursuant to subsection (e) of this
69 section; and (3) the offering and tasting, on the premises of the
70 permittee, of free samples of cider and apple wine manufactured on
71 such premises. Tastings shall not exceed two ounces per patron and
72 shall not be allowed on such premises on Sunday before eleven o'clock
73 a.m. and after eight o'clock p.m. and on any other day before ten
74 o'clock a.m. and after eight o'clock p.m. No tasting shall be offered to
75 or allowed to be consumed by any minor or intoxicated person.
76 Offerings and tastings may be limited to visitors who have attended a
77 tour of the premises of the permittee. The annual fee for a

78 manufacturer permit for cider shall be two hundred dollars.

79 (d) A manufacturer permit for apple brandy and eau-de-vie shall be
80 in all respects the same as a manufacturer permit, except that the scope
81 of operations of the holder shall be limited to apple brandy or eau-de-
82 vie, or both. The annual fee for a manufacturer permit for apple
83 brandy and eau-de-vie shall be four hundred dollars.

84 (e) (1) A manufacturer permit for a farm winery shall be in all
85 respects the same as a manufacturer permit, except that the scope of
86 operations of the holder shall be limited to wine and brandies distilled
87 from grape products or other fruit products, including grappa and
88 eau-de-vie. As used in this section, "farm winery" means any place or
89 premises that is located on a farm in the state in which wine is
90 manufactured and sold.

91 (2) Such permit shall, at the single principal premises of the farm
92 winery, authorize (A) the sale in bulk by the holder thereof from the
93 premises where the products are manufactured pursuant to such
94 permit; (B) as to a manufacturer who produces one hundred thousand
95 gallons of wine or less per year, the sale and shipment by the holder
96 thereof to a retailer of wine manufactured by the farm winery
97 permittee in the original sealed containers of not more than fifteen
98 gallons per container; (C) the sale and shipment by the holder thereof
99 of wine manufactured by the farm winery permittee to persons outside
100 the state; (D) the offering and tasting of free samples of such wine or
101 brandy, dispensed out of bottles or containers having capacities of not
102 more than two gallons per bottle or container, to visitors and
103 prospective retail customers for consumption on the premises of the
104 farm winery permittee; (E) the sale at retail from the premises of sealed
105 bottles or other sealed containers of such wine or brandy for
106 consumption off the premises; (F) the sale at retail from the premises of
107 wine or brandy by the glass and bottle to visitors on the premises of
108 the farm winery permittee for consumption on the premises; and (G)
109 subject to the provisions of subdivision (3) of this subsection, the sale

110 and delivery or shipment of wine manufactured by the permittee
111 directly to a consumer in this state. Notwithstanding the provisions of
112 subparagraphs (D), (E) and (F) of this subdivision, a town may, by
113 ordinance or zoning regulation, prohibit any such offering, tasting or
114 selling at retail at premises within such town for which a manufacturer
115 permit for a farm winery has been issued.

116 (3) A permittee, when selling and shipping wine directly to a
117 consumer in this state, shall: (A) Ensure that the shipping labels on all
118 containers of wine shipped directly to a consumer in this state
119 conspicuously state the following: "CONTAINS ALCOHOL –
120 SIGNATURE OF A PERSON AGE 21 OR OLDER REQUIRED FOR
121 DELIVERY"; (B) obtain the signature of a person age twenty-one or
122 older at the address prior to delivery, after requiring the signer to
123 demonstrate that he or she is age twenty-one or older by providing a
124 valid motor vehicle operator's license or a valid identity card described
125 in section 1-1h; (C) not ship more than five gallons of wine in any two-
126 month period to any person in this state; (D) pay, to the Department of
127 Revenue Services, all sales taxes and alcoholic beverage taxes due
128 under chapters 219 and 220 on sales of wine to consumers in this state,
129 and file, with said department, all sales tax returns and alcoholic
130 beverage tax returns relating to such sales; (E) report to the
131 Department of Consumer Protection a separate and complete record of
132 all sales and shipments to consumers in the state, on a ledger sheet or
133 similar form which readily presents a chronological account of such
134 permittee's dealings with each such consumer; (F) not ship to any
135 address in the state where the sale of alcoholic liquor is prohibited by
136 local option pursuant to section 30-9; and (G) hold an in-state
137 transporter's permit pursuant to section 30-19f or make any such
138 shipment through the use of a person who holds such an in-state
139 transporter's permit.

140 (4) No licensed farm winery may sell any such wine or brandy not
141 manufactured by such winery, except a licensed farm winery may sell
142 from the premises (A) wine manufactured by another farm winery

143 located in this state, and (B) brandy manufactured from fruit harvested
144 in this state and distilled off the premises in this state.

145 (5) The farm winery permittee shall grow on the premises of the
146 farm winery or on property under the same ownership and control of
147 said permittee or leased by the backer of a farm winery permit or by
148 said permittee within the farm winery's principal state an average crop
149 of fruit equal to not less than twenty-five per cent of the fruit used in
150 the manufacture of the farm winery permittee's wine. An average crop
151 shall be defined each year as the average yield of the farm winery
152 permittee's two largest annual crops out of the preceding five years,
153 except that during the first seven years from the date of issuance of a
154 farm winery permit, an average crop shall be defined as three tons of
155 grapes for each acre of vineyard farmed by the farm winery permittee.
156 Such seven-year period shall not begin anew if the property for which
157 the farm winery permit is held is transferred or sold during such
158 seven-year period. In the event the farm winery consists of more than
159 one property, the aggregate acreage of the farm winery shall not be
160 less than five acres.

161 (6) A holder of a manufacturer permit for a farm winery, when
162 advertising or offering wine for direct shipment to a consumer in this
163 state via the Internet or any other on-line computer network, shall
164 clearly and conspicuously state such liquor permit number in its
165 advertising.

166 (7) A holder of a manufacturer permit for a farm winery may sell
167 and offer free tastings of wine manufactured from such winery at a
168 farmers' market, as defined in section 22-6r, that is operated as a
169 nonprofit enterprise or association, provided such farmers' market
170 invites such holder to sell wine at such farmers' market and such
171 holder has a farmers' market wine sales permit issued by the
172 Commissioner of Consumer Protection in accordance with the
173 provisions of subsection (a) of section 30-37o.

174 (8) The annual fee for a manufacturer permit for a farm winery shall
175 be three hundred dollars.

176 (f) (1) A manufacturer permit for a farm brewery shall be in all
177 respects the same as a manufacturer permit, except that the scope of
178 operations of the holder shall be limited to the production of not more
179 than seventy-five thousand gallons of beer in a calendar year. As used
180 in this section, "farm brewery" means any place or premises that is
181 located on a farm in the state in which beer is manufactured and sold.

182 (2) Such permit shall, at the single principal premises of the farm
183 brewery, authorize (A) the sale of sealed bottles or other sealed
184 containers of beer brewed on such premises to the holder of a
185 wholesaler permit issued pursuant to section 30-17; (B) the offering
186 and tasting of free samples of beer manufactured by the farm brewery
187 permittee, dispensed out of bottles or other sealed containers to
188 visitors and prospective retail customers for consumption on the
189 premises of the farm brewery permittee; (C) the sale at retail from the
190 premises of [not more than nine liters of] such beer to any person per
191 day, in sealed bottles or other sealed containers, for consumption off
192 the premises; and (D) the sale at retail from the premises of beer by the
193 glass and bottle to visitors on the premises of the farm brewery
194 permittee for consumption on the premises. Notwithstanding the
195 provisions of subparagraphs (A) to (D), inclusive, of this subdivision, a
196 town may, by ordinance or zoning regulation, prohibit any such
197 offering, tasting or selling at retail at premises within such town for
198 which a manufacturer permit for a farm brewery has been issued.

199 (3) The farm brewery permittee shall use not less than twenty-five
200 per cent of a combination of hops, barley, cereal grains, honey, flowers
201 or other fermentables grown or malted within the state of Connecticut
202 in the manufacture of the farm brewery permittee's beer for the first
203 year of issuance for any such permit and not less than fifty per cent of
204 such hops, barley, cereal grains, honey, flowers or other fermentables
205 in the manufacture of the farm brewery permittee's beer for the second

206 and any subsequent year of issuance for any such permit. Any such
207 beer may be advertised and sold by the farm brewery permittee as
208 "Connecticut Craft Beer".

209 (4) A holder of a manufacturer permit for a farm brewery may sell
210 beer manufactured from such brewery at a farmers' market, as defined
211 in section 22-6r, that is operated as a nonprofit enterprise or
212 association, provided such farmers' market invites such holder to sell
213 beer at such farmers' market and such holder has a farmers' market
214 beer sales permit issued by the Commissioner of Consumer Protection
215 in accordance with the provisions of subsection (a) of section 30-37r.

216 (5) The annual fee for a manufacturer permit for a farm brewery
217 shall be three hundred dollars.

218 (g) A manufacturer permit for a brew pub shall allow: (1) The
219 manufacture, storage and bottling of beer, (2) the retail sale of alcoholic
220 liquor to be consumed on the premises with or without the sale of
221 food, (3) the selling at retail from the premises of sealed bottles or
222 other sealed containers of beer brewed on such premises for
223 consumption off the premises, and (4) the sale of sealed bottles or other
224 sealed containers of beer brewed on such premises to the holder of a
225 wholesaler permit issued pursuant to subsection (b) of section 30-17,
226 provided that the holder of a manufacturer permit for a brew pub
227 produces at least five thousand gallons of beer on the premises
228 annually. Such selling at retail from the premises of sealed bottles or
229 other sealed containers shall comply with the provisions of subsection
230 (d) of section 30-91 and shall permit [not more than nine liters of] such
231 beer to be sold to any person on any day on which such sale is
232 authorized under the provisions of subsection (d) of section 30-91. The
233 annual fee for a manufacturer permit for a brew pub shall be three
234 hundred dollars.

235 (h) A manufacturer permit for beer and brew pub shall be in all
236 respects the same as a manufacturer permit for beer, as defined in

237 subsection (b) of this section, and shall allow those additional
238 permissible uses specified in the manufacturer permit for a brew pub,
239 as defined in subsection (g) of this section, provided the holder of a
240 manufacturer permit for beer and brew pub produces at least five
241 thousand gallons of beer on the premises annually. The annual fee for
242 a manufacturer permit for beer and brew pub shall be one thousand
243 five hundred dollars.

244 (i) (1) A manufacturer permit for a farm distillery shall be in all
245 respects the same as a manufacturer permit, except that the scope of
246 operations of the holder shall be limited to the production of not more
247 than ten thousand gallons per calendar year of distilled alcohol or
248 spirits including, but not limited to, whiskey, gin, vodka and rum. As
249 used in this section, "farm distillery" means any place or premises that
250 is located on a farm in the state in which distilled spirits or alcohol are
251 manufactured and sold.

252 (2) Such permit shall, at the single principal premises of the farm
253 distillery, authorize (A) the sale in bulk by the holder thereof from the
254 premises where the products are manufactured pursuant to such
255 permit; (B) the sale and shipment by the holder thereof to a retailer of
256 distilled alcohol or spirits manufactured by the farm distillery
257 permittee in the original sealed containers of not more than fifteen
258 gallons per container; (C) the offering and tasting of free samples of
259 such distilled alcohol or spirits, in amounts not to exceed a total of two
260 ounces per day per person of such distilled alcohol or spirits, which
261 samples may be offered individually or as ingredients in cocktails or
262 mixed drinks prepared on the premises, to visitors and prospective
263 retail customers for consumption on the premises of the farm distillery
264 permittee; and (D) the sale at retail from the premises of sealed bottles
265 or other sealed containers, in amounts not to exceed four and one-half
266 liters per customer per day, of such distilled alcohol or spirits for
267 consumption off the premises. Notwithstanding the provisions of
268 subparagraphs (C) and (D) of this subdivision, a town may, by
269 ordinance or zoning regulation, prohibit any such offering, tasting or

270 selling at retail at premises within such town for which a manufacturer
271 permit for a farm distillery has been issued.

272 (3) No licensed farm distillery may sell any such distilled alcohol or
273 spirits not manufactured by such distillery.

274 (4) The farm distillery permittee shall grow on the premises of the
275 farm distillery or on property under the same ownership and control
276 of said permittee or leased by the backer of a farm distillery permit or
277 by said permittee within the farm distillery's principal state an average
278 crop of fruit or crops equal to not less than twenty-five per cent of the
279 fruit or crops used in the manufacture of the farm distillery permittee's
280 distilled alcohol or spirits. An average crop shall be defined each year
281 as the average yield of the farm distillery permittee's two largest
282 annual crops out of the preceding five years. In the event the farm
283 distillery consists of more than one property, the aggregate acreage of
284 the farm distillery shall not be less than five acres.

285 (5) The annual fee for a manufacturer permit for a farm distillery
286 shall be three hundred dollars.

287 Sec. 2. Section 30-20 of the general statutes is repealed and the
288 following is substituted in lieu thereof (*Effective July 1, 2018*):

289 (a) A package store permit shall allow the retail sale of alcoholic
290 liquor not to be consumed on the premises, such sales to be made only
291 in sealed bottles or other containers. Such permit shall also authorize
292 the sale at retail from the premises of sealed containers supplied or
293 filled by the permittee of draught beer for consumption off the
294 premises. Such sales shall be conducted only during the hours a
295 package store is permitted to sell alcoholic liquor under the provisions
296 of subsection (d) of section 30-91. The holder of a package store permit
297 may, in accordance with regulations adopted by the Department of
298 Consumer Protection pursuant to the provisions of chapter 54, offer
299 free samples of alcoholic liquor for tasting on the premises, conduct
300 fee-based wine education and tasting classes and demonstrations and

301 conduct tastings or demonstrations provided by a permittee or backer
302 of a package store for a nominal charge to charitable nonprofit
303 organizations. Any offering, tasting, wine education and tasting class
304 or demonstration held on permit premises shall be conducted only
305 during the hours a package store is permitted to sell alcoholic liquor
306 under section 30-91. No tasting of wine on the premises shall be
307 offered from more than ten uncorked bottles at any one time. No store
308 operating under a package store permit shall sell any commodity other
309 than alcoholic liquor except that, notwithstanding any other provision
310 of law, such store may sell (1) cigarettes and cigars, (2) publications, (3)
311 bar utensils, which shall include, but need not be limited to,
312 corkscrews, beverage strainers, stirrers or other similar items used to
313 consume or related to the consumption of alcoholic liquor, (4) gift
314 packages of alcoholic liquor shipped into the state by a manufacturer
315 or out-of-state shipper, which may include a nonalcoholic item in the
316 gift package that may be any item, except food or tobacco products,
317 provided the dollar value of the nonalcoholic items does not exceed
318 the dollar value of the alcoholic items of the package, (5)
319 complementary fresh fruits used in the preparation of mixed alcoholic
320 beverages, (6) cheese or crackers, or both, (7) olives, (8) nonalcoholic
321 beverages, (9) concentrates used in the preparation of mixed alcoholic
322 beverages, (10) beer and wine-making kits and products related to beer
323 and wine-making kits, (11) ice in any form, (12) articles of clothing
324 imprinted with advertising related to the alcoholic liquor industry, (13)
325 gift baskets or other containers of alcoholic liquor, (14) multiple
326 packages of alcoholic liquors, as defined in subdivision (3) of section
327 30-1, provided in all such cases the minimum retail selling price for
328 such alcoholic liquor shall apply, (15) lottery tickets authorized by the
329 Department of Consumer Protection, if licensed as an agent to sell such
330 tickets by said department, and (16) gift baskets containing only
331 containers of alcoholic liquor and commodities authorized for sale
332 under subdivisions (1) to (15), inclusive, of this subsection. A package
333 store permit shall also allow the taking and transmitting of orders for
334 delivery of such merchandise in other states. Notwithstanding any

335 other provision of law, a package store permit shall allow the
336 participation in any lottery ticket promotion or giveaway sponsored by
337 the Department of Consumer Protection. The annual fee for a package
338 store permit shall be five hundred thirty-five dollars.

339 (b) A grocery store beer permit may be granted to any grocery store
340 and shall allow the retail sale of beer in standard size containers not to
341 be consumed on the premises. A holder of a grocery store beer permit
342 shall post in a prominent location adjacent to the beer display, the
343 retail price for each brand of beer and said retail price shall include all
344 applicable federal and state taxes including the applicable state sales
345 taxes. The annual fee for a grocery store beer permit shall be one
346 hundred seventy dollars. For a grocery store that has annual sales of
347 food and grocery items of not less than two million dollars the annual
348 fee for a grocery store beer permit shall be one thousand five hundred
349 dollars.

350 (c) "Grocery store" means any store commonly known as a
351 supermarket, food store, grocery store or delicatessen, primarily
352 engaged in the retail sale of all sorts of canned goods and dry goods
353 such as tea, coffee, spices, sugar and flour, either packaged or in bulk,
354 with or without fresh fruits and vegetables, and with or without fresh,
355 smoked and prepared meats, fish and poultry, except that no store
356 primarily engaged in the retail sale of seafood, fruits and vegetables,
357 candy, nuts and confectioneries, dairy products, bakery products or
358 eggs and poultry shall be included in the definition of "grocery store".

359 Sec. 3. Section 30-22 of the general statutes is repealed and the
360 following is substituted in lieu thereof (*Effective July 1, 2018*):

361 (a) A restaurant permit shall allow the retail sale of alcoholic liquor
362 to be consumed on the premises of a restaurant. A restaurant patron
363 shall be allowed to remove one unsealed bottle of wine for off-
364 premises consumption provided the patron has purchased such bottle
365 of wine at such restaurant and has purchased a full course meal at

366 such restaurant and consumed a portion of the bottle of wine with
367 such meal on such restaurant premises. For the purposes of this
368 section, "full course meal" means a diversified selection of food which
369 ordinarily cannot be consumed without the use of tableware and
370 which cannot be conveniently consumed while standing or walking. A
371 restaurant permit, with prior approval of the Department of Consumer
372 Protection, shall allow alcoholic liquor to be served at tables in outside
373 areas which are screened or not screened from public view where
374 permitted by fire, zoning and health regulations. If not required by
375 fire, zoning or health regulations, a fence or wall enclosing such
376 outside areas shall not be required by the Department of Consumer
377 Protection. No fence or wall used to enclose such outside areas shall be
378 less than thirty inches high. Such permit shall also authorize the sale at
379 retail from the premises of sealed containers supplied [and] or filled by
380 the permittee with draught beer for consumption off the premises.
381 Such sales shall be conducted only during the hours a package store is
382 permitted to sell alcoholic liquor under the provisions of subsection (d)
383 of section 30-91. Not more than four liters of such beer shall be sold to
384 any person on any day on which the sale of alcoholic liquor is
385 authorized under the provisions of subsection (d) of section 30-91. No
386 holder of a manufacturer permit, out-of-state shipper's permit or
387 wholesaler permit shall supply to the holder of a restaurant permit the
388 containers permitted to be sold for consumption off the premises
389 under this section or any draught system components other than
390 tapping accessories. The annual fee for a restaurant permit shall be one
391 thousand four hundred fifty dollars.

392 (b) A restaurant permit for beer shall allow the retail sale of beer
393 and of cider not exceeding six per cent of alcohol by volume to be
394 consumed on the premises of a restaurant. Such permit shall also
395 authorize the sale at retail from the premises of sealed containers
396 supplied or filled by the permittee of draught beer for consumption off
397 the premises. Such sales shall be conducted only during the hours a
398 package store is permitted to sell alcoholic liquor under the provisions

399 of subsection (d) of section 30-91. Not more than four liters of such
400 beer shall be sold to any person on any day on which the sale of
401 alcoholic liquor is authorized under the provisions of subsection (d) of
402 section 30-91. The annual fee for a restaurant permit for beer shall be
403 three hundred dollars.

404 (c) A restaurant permit for wine and beer shall allow the retail sale
405 of wine and beer and of cider not exceeding six per cent of alcohol by
406 volume to be consumed on the premises of the restaurant. A restaurant
407 patron may remove one unsealed bottle of wine for off-premises
408 consumption provided the patron has purchased a full course meal
409 and consumed a portion of the bottle of wine with such meal on the
410 restaurant premises. Such permit shall also authorize the sale at retail
411 from the premises of sealed containers supplied or filled by the
412 permittee of draught beer for consumption off the premises. Such sales
413 shall be conducted only during the hours a package store is permitted
414 to sell alcoholic liquor under the provisions of subsection (d) of section
415 30-91. Not more than four liters of such beer shall be sold to any
416 person on any day on which the sale of alcoholic liquor is authorized
417 under the provisions of subsection (d) of section 30-91. The annual fee
418 for a restaurant permit for wine and beer shall be seven hundred
419 dollars.

420 (d) Repealed by P.A. 77-112, S. 1.

421 (e) A partially consumed bottle of wine that is to be removed from
422 the premises pursuant to subsection (a) or (c) of this section shall be
423 securely sealed and placed in a bag by the permittee or permittee's
424 agent or employee prior to removal from the premises.

425 (f) "Restaurant" means space, in a suitable and permanent building,
426 kept, used, maintained, advertised and held out to the public to be a
427 place where hot meals are regularly served, but which has no sleeping
428 accommodations for the public and which shall be provided with an
429 adequate and sanitary kitchen and dining room and employs at all

430 times an adequate number of employees.

431 Sec. 4. Section 30-22a of the general statutes is repealed and the
432 following is substituted in lieu thereof (*Effective July 1, 2018*):

433 (a) A cafe permit shall allow the retail sale of alcoholic liquor to be
434 consumed on the premises of a cafe. Premises operated under a cafe
435 permit shall regularly keep food available for sale to its customers for
436 consumption on the premises. The availability of sandwiches, soups or
437 other foods, whether fresh, processed, precooked or frozen, shall be
438 deemed compliance with this requirement. The licensed premises shall
439 at all times comply with all the regulations of the local department of
440 health. Nothing herein shall be construed to require that any food be
441 sold or purchased with any liquor, nor shall any rule, regulation or
442 standard be promulgated or enforced requiring that the sale of food be
443 substantial or that the receipts of the business other than from the sale
444 of liquor equal any set percentage of total receipts from sales made
445 therein. A cafe permit shall allow, with the prior approval of the
446 Department of Consumer Protection, alcoholic liquor to be served at
447 tables in outside areas that are screened or not screened from public
448 view where permitted by fire, zoning and health regulations. If not
449 required by fire, zoning or health regulations, a fence or wall enclosing
450 such outside areas shall not be required by the Department of
451 Consumer Protection. No fence or wall used to enclose such outside
452 areas shall be less than thirty inches high. Such permit shall also
453 authorize the sale at retail from the premises of sealed containers
454 supplied or filled by the permittee of draught beer for consumption off
455 the premises. Such sales shall be conducted only during the hours a
456 package store is permitted to sell alcoholic liquor under the provisions
457 of subsection (d) of section 30-91. Not more than four liters of such
458 beer shall be sold to any person on any day on which the sale of
459 alcoholic liquor is authorized under the provisions of subsection (d) of
460 section 30-91. The annual fee for a cafe permit shall be two thousand
461 dollars.

462 (b) (1) A cafe patron may remove one unsealed bottle of wine for
463 off-premises consumption provided the patron has purchased a full
464 course meal and consumed a portion of the wine with such meal on
465 the cafe premises. For purposes of this section, "full course meal"
466 means a diversified selection of food which ordinarily cannot be
467 consumed without the use of tableware and which cannot be
468 conveniently consumed while standing or walking.

469 (2) A partially consumed bottle of wine that is to be removed from
470 the premises pursuant to this subsection shall be securely sealed and
471 placed in a bag by the permittee or the permittee's agent or employee
472 prior to removal from the premises.

473 (c) As used in this section, "cafe" means space in a suitable and
474 permanent building, kept, used, maintained, advertised and held out
475 to the public to be a place where alcoholic liquor and food is served for
476 sale at retail for consumption on the premises but which does not
477 necessarily serve hot meals; it shall have no sleeping accommodations
478 for the public and need not necessarily have a kitchen or dining room
479 but shall have employed therein at all times an adequate number of
480 employees.

481 Sec. 5. Section 30-26 of the general statutes is repealed and the
482 following is substituted in lieu thereof (*Effective July 1, 2018*):

483 A tavern permit shall allow the retail sale of beer and of cider not
484 exceeding six per cent of alcohol by volume and wine to be consumed
485 on the premises of a tavern with or without the sale of food. "Tavern"
486 means a place where beer and wine are sold under a tavern permit.
487 Such permit shall also authorize the sale at retail from the premises of
488 sealed containers supplied or filled by the permittee of draught beer
489 for consumption off the premises. Such sales shall be conducted only
490 during the hours a package store is permitted to sell alcoholic liquor
491 under the provisions of subsection (d) of section 30-91. Not more than
492 four liters of such beer shall be sold to any person on any day on which

493 the sale of alcoholic liquor is authorized under the provisions of
494 subsection (d) of section 30-91. The annual fee for a tavern permit shall
495 be three hundred dollars.

496 Sec. 6. Section 30-63 of the 2018 supplement to the general statutes is
497 repealed and the following is substituted in lieu thereof (*Effective July*
498 *1, 2018*):

499 (a) No holder of any manufacturer, wholesaler or out-of-state
500 shipper's permit shall ship, transport or deliver within this state, or sell
501 or offer for sale, any alcoholic liquors, except for beer manufactured by
502 a permittee in this state and sold for consumption only on the
503 permittee's premises, unless the name of the brand, trade name or
504 other distinctive characteristic by which such alcoholic liquors are
505 bought and sold, the name and address of the manufacturer thereof
506 and the name and address of each wholesaler permittee who is
507 authorized by the manufacturer or his authorized representative to sell
508 such alcoholic liquors are registered with the Department of Consumer
509 Protection and until such brand, trade name or other distinctive
510 characteristic has been approved by the department. Such registration
511 shall be valid for a period of three years. The fee for such registration,
512 or renewal thereof, shall be two hundred dollars for out-of-state
513 shippers and fifteen dollars for Connecticut manufacturers for each
514 brand so registered, payable by the manufacturer or such
515 manufacturer's authorized representative when such liquors are
516 manufactured in the United States and by the importer or such
517 importer's authorized representative when such liquors are imported
518 into the United States. The department shall not approve the brand
519 registration of any fortified wine, as defined in section 12-433, which is
520 labeled, packaged or canned so as to appear to be a wine or liquor
521 cooler, as defined in section 12-433.

522 (b) No manufacturer, wholesaler or out-of-state shipper permittee
523 shall discriminate in any manner in price discounts between one
524 permittee and another on sales or purchases of alcoholic liquors

525 bearing the same brand or trade name and of like age, size and quality,
526 nor shall such manufacturer, wholesaler or out-of-state shipper
527 permittee allow in any form any discount, rebate, free goods,
528 allowance or other inducement for the purpose of making sales or
529 purchases. Nothing in this subsection shall be construed to prohibit
530 beer manufacturers, beer wholesalers or beer out-of-state shipper
531 permittees from differentiating in the manner in which their products
532 are packaged on the basis of on-site or off-site consumption.

533 (c) For alcoholic liquor other than beer, each manufacturer,
534 wholesaler and out-of-state shipper permittee shall post with the
535 department, on a monthly basis, the bottle, can and case price of any
536 brand of goods offered for sale in Connecticut, which price when so
537 posted shall be the controlling price for such manufacturer, wholesaler
538 or out-of-state permittee for the month following such posting. On and
539 after July 1, 2005, for beer, each manufacturer, wholesaler and out-of-
540 state shipper permittee shall post with the department, on a monthly
541 basis, the bottle, can and case price, and the price per keg or barrel or
542 fractional unit thereof for any brand of goods offered for sale in
543 Connecticut which price when so posted shall be the controlling price
544 for such brand of goods offered for sale in this state for the month
545 following such posting. Such manufacturer, wholesaler and out-of-
546 state shipper permittee may also post additional prices for such bottle,
547 can, case, keg or barrel or fractional unit thereof for a specified portion
548 of the following month which prices when so posted shall be the
549 controlling prices for such bottle, can, case, keg or barrel or fractional
550 unit thereof for such specified portion of the following month. Notice
551 of all manufacturer, wholesaler and out-of-state shipper permittee
552 prices shall be given to permittee purchasers by direct mail, Internet
553 web site or advertising in a trade publication having circulation among
554 the retail permittees except a wholesaler permittee may give such
555 notice by hand delivery. Price postings with the department setting
556 forth wholesale prices to retailers shall be available for inspection
557 during regular business hours at the offices of the department by

558 manufacturers and wholesalers until three o'clock p.m. of the first
559 business day after the last day for posting prices. [A manufacturer or
560 wholesaler may amend such manufacturer's or wholesaler's posted
561 price for any month to meet a lower price posted by another
562 manufacturer or wholesaler with respect to alcoholic liquor bearing the
563 same brand or trade name and of like age, vintage, quality and unit
564 container size; provided that any such amended price posting shall be
565 filed before three o'clock p.m. of the fourth business day after the last
566 day for posting prices; and provided further such amended posting
567 shall not set forth prices lower than those being met. Any
568 manufacturer or wholesaler posting an amended price shall, at the
569 time of posting, identify in writing the specific posting being met.] On
570 and after July 1, 2005, all wholesaler postings, other than for beer, for
571 the following month shall be provided to retail permittees not later
572 than the twenty-seventh day of the month prior to such posting. All
573 wholesaler postings for beer shall be provided to retail permittees not
574 later than the twentieth day of the month prior to such posting.

575 Sec. 7. Section 30-68 of the general statutes is repealed and the
576 following is substituted in lieu thereof (*Effective July 1, 2018*):

577 The provisions of this section shall apply to sales made on and after
578 January 1, 1983. The wholesale prices of wine, bottled in this state,
579 imported or domestic, whether sold under a brand name or private
580 label, shall be filed with the Department of Consumer Protection as set
581 forth in section 30-63, as amended by this act, [but such wine shall not
582 be sold by a wholesaler to a retailer for less than minimum base cost.
583 Minimum base cost shall be computed by adding the current selling
584 price of wine in bulk in California, as set forth in the federal state
585 market service news published by the United States Department of
586 Agriculture, the charges necessary for transportation and delivery of
587 wine in bulk into Connecticut, all federal and state taxes and the
588 general prevailing cost of labels, containers, crowns, caps and seals.]
589 The wholesale prices of wine not bottled in this state, imported or
590 domestic, whether sold under a brand name or private label, shall be

591 filed with the department as set forth in section 30-63, as amended by
592 this act. [but such wine shall not be sold by a wholesaler to a retailer at
593 a price which is below the wholesaler's cost.] For the purposes of this
594 section, "cost" means (1) the invoice price from the supplier to the
595 wholesaler, (2) all transportation charges from point of origin to point
596 of destination, and (3) all applicable federal and state taxes and duties.

597 Sec. 8. Section 30-68m of the general statutes is repealed and the
598 following is substituted in lieu thereof (*Effective July 1, 2018*):

599 [(a)] For the purposes of this section:

600 (1) "Cost" for a retail permittee means (A) for alcoholic liquor other
601 than beer, the [posted bottle price from the wholesaler] actual cost paid
602 per bottle by the retail permittee to the wholesaler, plus any charge for
603 shipping or delivery to the retail permittee's place of business paid by
604 the retail permittee, [in addition to the posted price,] and (B) for beer,
605 the lowest posted price during the month in which the retail permittee
606 is selling plus any charge for shipping or delivery to the retail
607 permittee's place of business paid by the retail permittee in addition to
608 the price originally paid by the retail permittee; and

609 (2) "Retail permittee" means the holder of a permit allowing the sale
610 of alcoholic liquor for off-premises consumption. [; and]

611 [(3) "Bottle price" means the price per unit of the contents of any
612 case of alcoholic liquor, other than beer, and shall be arrived at by
613 dividing the case price by the number of units or bottles making up
614 such case price and adding to the quotient an amount that is not less
615 than the following: A unit or bottle one-half pint or two hundred
616 milliliters or less, two cents; a unit or bottle more than one-half pint or
617 two hundred milliliters but not more than one pint or five hundred
618 milliliters, four cents; and a unit or bottle greater than one pint or five
619 hundred milliliters, eight cents.

620 (b) No retail permittee shall sell alcoholic liquor at a price below his

621 or her cost.

622 (c) Notwithstanding the provisions of subsection (b) of this section,
623 a retail permittee may sell one beer item identified by a stock-keeping
624 unit number or one item of alcoholic liquor other than beer identified
625 by a stock-keeping unit number below his or her cost each month,
626 provided the item is not sold at less than ninety per cent of such retail
627 permittee's cost. A retail permittee who intends to sell an item below
628 cost pursuant to this subsection shall notify the Department of
629 Consumer Protection of such sale not later than the second day of the
630 month such item will be offered for sale.]

631 Sec. 9. Section 30-6a of the general statutes is repealed and the
632 following is substituted in lieu thereof (*Effective July 1, 2018*):

633 (a) The Department of Consumer Protection may adopt in
634 accordance with the provisions of chapter 54 all necessary regulations,
635 subject to the provisions of subsection (c) of this section, to: (1) Carry
636 out, enforce and prevent violation of the provisions of this chapter, (2)
637 inspect permit premises, (3) ensure sanitary conditions, (4) ensure
638 proper, safe and orderly conduct of permit premises, and (5) protect
639 the public against fraud or overcharge.

640 (b) More specifically, with respect to part V of this chapter, the
641 Department of Consumer Protection may adopt in accordance with the
642 provisions of chapter 54 regulations that are necessary to (1) [carry out
643 the purposes of section 30-64 and prevent the circumvention thereof by
644 the offering or giving of any rebate, allowance, free goods, discount or
645 any other thing or service of value; (2) permit the withdrawal of, an
646 addition to, a deletion from or an amendment of any schedule, or a
647 modification of prices therein, when not inconsistent with the
648 purposes of said section 30-64, whenever necessary to avoid practical
649 difficulties or unnecessary hardships to any permittee affected by said
650 section 30-64 or because of acts or circumstances beyond the control of
651 such permittee and under such terms and conditions as are necessary

652 to carry out the purposes of said section 30-64; (3) permit the sale by a
653 retailer of a brand of alcoholic liquor or wine for which a schedule of
654 suggested consumer resale prices has not been and cannot be filed,
655 whenever necessary to avoid practical difficulties or unnecessary
656 hardships to any permittee affected by said section or because of acts
657 or circumstances beyond the control of such permittee, and under such
658 terms and conditions as are necessary to carry out the purposes of said
659 section 30-64; (4) subject to the provisions of section 30-63e, permit the
660 closeout of a brand for the purpose of discontinuing its sale, under
661 such terms and conditions as are necessary to carry out the purposes of
662 said section 30-64; (5)] carry out the purposes of sections 30-68k to 30-
663 68m, inclusive, and section 30-76a and prevent their circumvention;
664 [(6)] (2) on verified application, and for good cause shown, permit any
665 adjustment or change of any item on the schedule required to be filed
666 under section 30-63, as amended by this act; [and said section 30-64;]
667 and [(7)] (3) permit the sale at a price which is less than cost by a
668 supplier, wholesaler or retailer for any item of alcoholic liquor, except
669 beer, that is damaged or deteriorated in quality, or, subject to the
670 provisions of section 30-63f, permit the closeout of a brand or size for
671 the purpose of discontinuing its sale, under such terms and conditions
672 as are necessary to carry out the purposes of sections 30-68k [to] and
673 30-68m, inclusive, as amended by this act, and section 30-76a.

674 (c) The department shall not adopt any regulation: (1) Requiring
675 prior approval of alterations or changes in the interior or exterior of
676 permit premises; (2) requiring prior approval for live entertainment or
677 the installation of amusement devices or games; (3) requiring
678 registration of employees or agents of permittees; (4) requiring the
679 presence of retail permittees on permit premises during hours of sale
680 or prohibiting employment of such permittees in another occupation
681 or business except as provided in section 30-45; or (5) establishing a
682 mandated minimum price above which a permittee must sell.

683 Sec. 10. Sections 30-64, 30-67, 30-68i and 30-68l of the general
684 statutes are repealed. (*Effective July 1, 2018*)

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2018</i>	30-16
Sec. 2	<i>July 1, 2018</i>	30-20
Sec. 3	<i>July 1, 2018</i>	30-22
Sec. 4	<i>July 1, 2018</i>	30-22a
Sec. 5	<i>July 1, 2018</i>	30-26
Sec. 6	<i>July 1, 2018</i>	30-63
Sec. 7	<i>July 1, 2018</i>	30-68
Sec. 8	<i>July 1, 2018</i>	30-68m
Sec. 9	<i>July 1, 2018</i>	30-6a
Sec. 10	<i>July 1, 2018</i>	Repealer section

Statement of Purpose:

To implement the Governor's budget recommendations.

[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.]