



# House of Representatives

General Assembly

**File No. 118**

January Session, 2023

Substitute House Bill No. 6548

*House of Representatives, March 20, 2023*

The Committee on General Law reported through REP. D'AGOSTINO of the 91st Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

***AN ACT CONCERNING THE DEPARTMENT OF CONSUMER PROTECTION'S RECOMMENDATIONS REGARDING ALCOHOLIC LIQUOR REGULATION.***

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

1 Section 1. Section 30-1 of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective from passage*):

3 For the purposes of this chapter and sections 4 and 5 of this act, unless  
4 the context indicates a different meaning:

5 (1) "Airline" means any (A) United States airline carrier holding a  
6 certificate of public convenience and necessity from the Civil  
7 Aeronautics Board under Section 401 of the Federal Aviation Act of  
8 1958, as amended from time to time, or (B) foreign flag carrier holding a  
9 permit under Section 402 of said act.

10 (2) "Alcohol" (A) means the product of distillation of any fermented  
11 liquid that is rectified at least once and regardless of such liquid's origin,  
12 and (B) includes synthetic ethyl alcohol which is considered nonpotable.

13 (3) "Alcoholic beverage" and "alcoholic liquor" include the four  
14 varieties of liquor defined in subdivisions (2), (5), (21) and (22) of this  
15 section (alcohol, beer, spirits and wine) and every liquid or solid,  
16 patented or unpatented, containing alcohol, beer, spirits or wine and at  
17 least one-half of one per cent alcohol by volume, and capable of being  
18 consumed by a human being as a beverage. Any liquid or solid  
19 containing more than one of the four varieties so defined belongs to the  
20 variety which has the highest percentage of alcohol according to the  
21 following order: Alcohol, spirits, wine and beer, except as provided in  
22 subdivision (22) of this section.

23 (4) "Backer" means, except in cases where the permittee is the  
24 proprietor, the proprietor of any business or club, incorporated or  
25 unincorporated, that is engaged in manufacturing or selling alcoholic  
26 liquor and in which business a permittee is associated, whether as an  
27 agent, employee or part owner.

28 (5) "Beer" means any beverage obtained by the alcoholic fermentation  
29 of a decoction or infusion of barley, hops and malt in drinking water.

30 (6) "Boat" means any vessel that is (A) operating on any waterway of  
31 this state, and (B) engaged in transporting passengers for hire to or from  
32 any port of this state.

33 (7) "Case price" means the price of a container made of cardboard,  
34 wood or any other material and containing units of the same class and  
35 size of alcoholic liquor. A case of alcoholic liquor, other than beer,  
36 cocktails, cordials, prepared mixed drinks and wines, shall be in the  
37 quantity and number, or fewer, with the permission of the  
38 Commissioner of Consumer Protection, of bottles or units as follows:  
39 (A) Six one thousand seven hundred fifty milliliter bottles, (B) six one  
40 thousand eight hundred milliliter bottles, (C) twelve seven hundred  
41 milliliter bottles, (D) twelve seven hundred twenty milliliter bottles, (E)  
42 twelve seven hundred fifty milliliter bottles, (F) twelve nine hundred  
43 milliliter bottles, (G) twelve one liter bottles, (H) twenty-four three  
44 hundred seventy-five milliliter bottles, (I) forty-eight two hundred  
45 milliliter bottles, (J) sixty one hundred milliliter bottles, or (K) one

46 hundred twenty fifty milliliter bottles, except a case of fifty milliliter  
47 bottles may be in a quantity and number as originally configured,  
48 packaged and sold by the manufacturer or out-of-state shipper prior to  
49 shipment if the number of such bottles in such case is not greater than  
50 two hundred. The commissioner shall not authorize fewer quantities or  
51 numbers of bottles or units as specified in this subdivision for any one  
52 person or entity more than eight times in any calendar year. For the  
53 purposes of this subdivision, "class" has the same meaning as provided  
54 in 27 CFR 4.21 for wine, 27 CFR 5.22 for spirits and 27 CFR 7.24 for beer.

55 (8) "Charitable organization" means any nonprofit organization that  
56 (A) is organized for charitable purposes, and (B) has received a ruling  
57 from the Internal Revenue Service classifying such nonprofit  
58 organization as an exempt organization under Section 501(c)(3) of the  
59 Internal Revenue Code of 1986, or any subsequent corresponding  
60 internal revenue code of the United States, as amended from time to  
61 time.

62 (9) "Club" has the same meaning as provided in section 30-22aa.

63 (10) "Coliseum" has the same meaning as provided in section 30-33a.

64 (11) "Commission" means the Liquor Control Commission  
65 established under this chapter.

66 (12) "Department" means the Department of Consumer Protection.

67 (13) "Dining room" means any room or rooms (A) located in premises  
68 operating under (i) a hotel permit issued under section 30-21, (ii) a  
69 restaurant permit issued under subsection (a) of section 30-22, (iii) a  
70 restaurant permit for wine and beer issued under subsection (b) of  
71 section 30-22, or (iv) a cafe permit issued under section 30-22a, and (B)  
72 where meals are customarily served to any member of the public who  
73 has means of payment and a proper demeanor.

74 (14) "Mead" means fermented honey (A) with or without additions or  
75 adjunct ingredients, and (B) regardless of (i) alcohol content, (ii) process,  
76 and (iii) whether such honey is carbonated, sparkling or still.

77 (15) "Minor" means any person who is younger than twenty-one  
78 years of age.

79 (16) "Nonprofit club" has the same meaning as provided in section  
80 30-22aa.

81 (17) "Nonprofit public television corporation" has the same meaning  
82 as provided in section 30-37d, as amended by this act.

83 (18) (A) "Person" means an individual, including, but not limited to,  
84 a partner.

85 (B) "Person" does not include a corporation, joint stock company,  
86 limited liability company or other association of individuals.

87 (19) (A) "Proprietor" includes all owners of a business or club,  
88 incorporated or unincorporated, that is engaged in manufacturing or  
89 selling alcoholic liquor, whether such owners are persons, fiduciaries,  
90 joint stock companies, stockholders of corporations or otherwise.

91 (B) "Proprietor" does not include any person who, or corporation that,  
92 is merely a creditor, whether as a bond holder, franchisor, landlord or  
93 note holder, of a business or club, incorporated or unincorporated, that  
94 is engaged in manufacturing or selling alcoholic liquor.

95 (20) "Restaurant" has the same meaning as provided in section 30-22.

96 (21) "Spirits" means any beverage that contains alcohol obtained by  
97 distillation mixed with drinkable water and other substances in  
98 solution, including brandy, rum, whiskey and gin.

99 (22) "Wine" means any alcoholic beverage obtained by fermenting the  
100 natural sugar content of fruits, such as apples, grapes or other  
101 agricultural products, containing such sugar, including fortified wines  
102 such as port, sherry and champagne.

103 Sec. 2. Section 30-1 of the general statutes, as amended by section 1 of  
104 this act, is repealed and the following is substituted in lieu thereof  
105 (*Effective July 1, 2023*):

106 For the purposes of this chapter and sections 4 and 5 of this act, unless  
107 the context indicates a different meaning:

108 (1) "Airline" means any (A) United States airline carrier holding a  
109 certificate of public convenience and necessity from the Civil  
110 Aeronautics Board under Section 401 of the Federal Aviation Act of  
111 1958, as amended from time to time, or (B) foreign flag carrier holding a  
112 permit under Section 402 of said act.

113 (2) "Alcohol" (A) means the product of distillation of any fermented  
114 liquid that is rectified at least once and regardless of such liquid's origin,  
115 and (B) includes synthetic ethyl alcohol which is considered nonpotable.

116 (3) "Alcoholic beverage" and "alcoholic liquor" include the four  
117 varieties of liquor defined in subdivisions (2), (5), ~~[(21)]~~ (20) and ~~[(22)]~~  
118 (21) of this section (alcohol, beer, spirits and wine) and every liquid or  
119 solid, patented or unpatented, containing alcohol, beer, spirits or wine  
120 and at least one-half of one per cent alcohol by volume, and capable of  
121 being consumed by a human being as a beverage. Any liquid or solid  
122 containing more than one of the four varieties so defined belongs to the  
123 variety which has the highest percentage of alcohol according to the  
124 following order: Alcohol, spirits, wine and beer, except as provided in  
125 subdivision ~~[(22)]~~ (21) of this section.

126 (4) "Backer" means, except in cases where the permittee is the  
127 proprietor, the proprietor of any business or club, incorporated or  
128 unincorporated, that is engaged in manufacturing or selling alcoholic  
129 liquor and in which business a permittee is associated, whether as an  
130 agent, employee or part owner.

131 (5) "Beer" means any beverage obtained by the alcoholic fermentation  
132 of a decoction or infusion of barley, hops and malt in drinking water.

133 (6) "Boat" means any vessel that is (A) operating on any waterway of  
134 this state, and (B) engaged in transporting passengers for hire to or from  
135 any port of this state.

136 (7) "Case price" means the price of a container made of cardboard,

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137 wood or any other material and containing units of the same class and  
138 size of alcoholic liquor. A case of alcoholic liquor, other than beer,  
139 cocktails, cordials, prepared mixed drinks and wines, shall be in the  
140 quantity and number, or fewer, with the permission of the  
141 Commissioner of Consumer Protection, of bottles or units as follows:  
142 (A) Six one thousand seven hundred fifty milliliter bottles, (B) six one  
143 thousand eight hundred milliliter bottles, (C) twelve seven hundred  
144 milliliter bottles, (D) twelve seven hundred twenty milliliter bottles, (E)  
145 twelve seven hundred fifty milliliter bottles, (F) twelve nine hundred  
146 milliliter bottles, (G) twelve one liter bottles, (H) twenty-four three  
147 hundred seventy-five milliliter bottles, (I) forty-eight two hundred  
148 milliliter bottles, (J) sixty one hundred milliliter bottles, or (K) one  
149 hundred twenty fifty milliliter bottles, except a case of fifty milliliter  
150 bottles may be in a quantity and number as originally configured,  
151 packaged and sold by the manufacturer or out-of-state shipper prior to  
152 shipment if the number of such bottles in such case is not greater than  
153 two hundred. The commissioner shall not authorize fewer quantities or  
154 numbers of bottles or units as specified in this subdivision for any one  
155 person or entity more than eight times in any calendar year. For the  
156 purposes of this subdivision, "class" has the same meaning as provided  
157 in 27 CFR 4.21 for wine, 27 CFR 5.22 for spirits and 27 CFR 7.24 for beer.

158 [(8) "Charitable organization" means any nonprofit organization that  
159 (A) is organized for charitable purposes, and (B) has received a ruling  
160 from the Internal Revenue Service classifying such nonprofit  
161 organization as an exempt organization under Section 501(c)(3) of the  
162 Internal Revenue Code of 1986, or any subsequent corresponding  
163 internal revenue code of the United States, as amended from time to  
164 time.]

165 [(9)] (8) "Club" has the same meaning as provided in section 30-22aa.

166 [(10)] (9) "Coliseum" has the same meaning as provided in section 30-  
167 33a.

168 [(11)] (10) "Commission" means the Liquor Control Commission  
169 established under this chapter.

170 [(12)] (11) "Department" means the Department of Consumer  
171 Protection.

172 [(13)] (12) "Dining room" means any room or rooms (A) located in  
173 premises operating under (i) a hotel permit issued under section 30-21,  
174 (ii) a restaurant permit issued under subsection (a) of section 30-22, (iii)  
175 a restaurant permit for wine and beer issued under subsection (b) of  
176 section 30-22, or (iv) a cafe permit issued under section 30-22a, and (B)  
177 where meals are customarily served to any member of the public who  
178 has means of payment and a proper demeanor.

179 [(14)] (13) "Mead" means fermented honey (A) with or without  
180 additions or adjunct ingredients, and (B) regardless of (i) alcohol  
181 content, (ii) process, and (iii) whether such honey is carbonated,  
182 sparkling or still.

183 [(15)] (14) "Minor" means any person who is younger than twenty-  
184 one years of age.

185 (15) "Noncommercial entity" means an academic institution,  
186 charitable organization, government organization, nonprofit  
187 organization or similar entity that is not primarily dedicated to  
188 obtaining a commercial advantage or monetary compensation.

189 (16) "Nonprofit club" has the same meaning as provided in section  
190 30-22aa.

191 [(17)] "Nonprofit public television corporation" has the same meaning  
192 as provided in section 30-37d, as amended by this act.]

193 [(18)] (17) (A) "Person" means an individual, including, but not  
194 limited to, a partner.

195 (B) "Person" does not include a corporation, joint stock company,  
196 limited liability company or other association of individuals.

197 [(19)] (18) (A) "Proprietor" includes all owners of a business or club,  
198 incorporated or unincorporated, that is engaged in manufacturing or

199 selling alcoholic liquor, whether such owners are persons, fiduciaries,  
200 joint stock companies, stockholders of corporations or otherwise.

201 (B) "Proprietor" does not include any person who, or corporation that,  
202 is merely a creditor, whether as a bond holder, franchisor, landlord or  
203 note holder, of a business or club, incorporated or unincorporated, that  
204 is engaged in manufacturing or selling alcoholic liquor.

205 [(20)] (19) "Restaurant" has the same meaning as provided in section  
206 30-22.

207 [(21)] (20) "Spirits" means any beverage that contains alcohol  
208 obtained by distillation mixed with drinkable water and other  
209 substances in solution, including brandy, rum, whiskey and gin.

210 [(22)] (21) "Wine" means any alcoholic beverage obtained by  
211 fermenting the natural sugar content of fruits, such as apples, grapes or  
212 other agricultural products, containing such sugar, including fortified  
213 wines such as port, sherry and champagne.

214 Sec. 3. Section 30-1 of the general statutes, as amended by sections 1  
215 and 2 of this act, is repealed and the following is substituted in lieu  
216 thereof (*Effective October 1, 2023*):

217 For the purposes of this chapter and sections 4 [and 5] to 6, inclusive,  
218 of this act, unless the context indicates a different meaning:

219 (1) "Airline" means any (A) United States airline carrier holding a  
220 certificate of public convenience and necessity from the Civil  
221 Aeronautics Board under Section 401 of the Federal Aviation Act of  
222 1958, as amended from time to time, or (B) foreign flag carrier holding a  
223 permit under Section 402 of said act.

224 (2) "Alcohol" (A) means the product of distillation of any fermented  
225 liquid that is rectified at least once and regardless of such liquid's origin,  
226 and (B) includes synthetic ethyl alcohol which is considered nonpotable.

227 (3) "Alcoholic beverage" and "alcoholic liquor" include the four



228 varieties of liquor defined in subdivisions (2), (5), (20) and (21) of this  
229 section (alcohol, beer, spirits and wine) and every liquid or solid,  
230 patented or unpatented, containing alcohol, beer, spirits or wine and at  
231 least one-half of one per cent alcohol by volume, and capable of being  
232 consumed by a human being as a beverage. Any liquid or solid  
233 containing more than one of the four varieties so defined belongs to the  
234 variety which has the highest percentage of alcohol according to the  
235 following order: Alcohol, spirits, wine and beer, except as provided in  
236 subdivision (21) of this section.

237 (4) "Backer" means, except in cases where the permittee is the  
238 proprietor, the proprietor of any business or club, incorporated or  
239 unincorporated, that is engaged in manufacturing or selling alcoholic  
240 liquor and in which business a permittee is associated, whether as an  
241 agent, employee or part owner.

242 (5) "Beer" means any beverage obtained by the alcoholic fermentation  
243 of a decoction or infusion of barley, hops and malt in drinking water.

244 (6) "Boat" means any vessel that is (A) operating on any waterway of  
245 this state, and (B) engaged in transporting passengers for hire to or from  
246 any port of this state.

247 (7) "Case price" means the price of a container made of cardboard,  
248 wood or any other material and containing units of the same class and  
249 size of alcoholic liquor. A case of alcoholic liquor, other than beer,  
250 cocktails, cordials, prepared mixed drinks and wines, shall be in the  
251 quantity and number, or fewer, with the permission of the  
252 Commissioner of Consumer Protection, of bottles or units as follows:  
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255 milliliter bottles, (D) twelve seven hundred twenty milliliter bottles, (E)  
256 twelve seven hundred fifty milliliter bottles, (F) twelve nine hundred  
257 milliliter bottles, (G) twelve one liter bottles, (H) twenty-four three  
258 hundred seventy-five milliliter bottles, (I) forty-eight two hundred  
259 milliliter bottles, (J) sixty one hundred milliliter bottles, or (K) one  
260 hundred twenty fifty milliliter bottles, except a case of fifty milliliter

261 bottles may be in a quantity and number as originally configured,  
262 packaged and sold by the manufacturer or out-of-state shipper prior to  
263 shipment if the number of such bottles in such case is not greater than  
264 two hundred. The commissioner shall not authorize fewer quantities or  
265 numbers of bottles or units as specified in this subdivision for any one  
266 person or entity more than eight times in any calendar year. For the  
267 purposes of this subdivision, "class" has the same meaning as provided  
268 in 27 CFR 4.21 for wine, 27 CFR 5.22 for spirits and 27 CFR 7.24 for beer.

269 (8) "Club" has the same meaning as provided in section 30-22aa.

270 (9) "Coliseum" has the same meaning as provided in section 30-33a.

271 (10) "Commission" means the Liquor Control Commission  
272 established under this chapter.

273 (11) "Department" means the Department of Consumer Protection.

274 (12) "Dining room" means any room or rooms (A) located in premises  
275 operating under (i) a hotel permit issued under section 30-21, (ii) a  
276 restaurant permit issued under subsection (a) of section 30-22, (iii) a  
277 restaurant permit for wine and beer issued under subsection (b) of  
278 section 30-22, or (iv) a cafe permit issued under section 30-22a, and (B)  
279 where meals are customarily served to any member of the public who  
280 has means of payment and a proper demeanor.

281 (13) "Mead" means fermented honey (A) with or without additions or  
282 adjunct ingredients, and (B) regardless of (i) alcohol content, (ii) process,  
283 and (iii) whether such honey is carbonated, sparkling or still.

284 (14) "Minor" means any person who is younger than twenty-one  
285 years of age.

286 (15) "Noncommercial entity" means an academic institution,  
287 charitable organization, government organization, nonprofit  
288 organization or similar entity that is not primarily dedicated to  
289 obtaining a commercial advantage or monetary compensation.

290 (16) "Nonprofit club" has the same meaning as provided in section  
291 30-22aa.

292 (17) (A) "Person" means an individual, including, but not limited to,  
293 a partner.

294 (B) "Person" does not include a corporation, joint stock company,  
295 limited liability company or other association of individuals.

296 (18) (A) "Proprietor" includes all owners of a business or club,  
297 incorporated or unincorporated, that is engaged in manufacturing or  
298 selling alcoholic liquor, whether such owners are persons, fiduciaries,  
299 joint stock companies, stockholders of corporations or otherwise.

300 (B) "Proprietor" does not include any person who, or corporation that,  
301 is merely a creditor, whether as a bond holder, franchisor, landlord or  
302 note holder, of a business or club, incorporated or unincorporated, that  
303 is engaged in manufacturing or selling alcoholic liquor.

304 (19) "Restaurant" has the same meaning as provided in section 30-22.

305 (20) "Spirits" means any beverage that contains alcohol obtained by  
306 distillation mixed with drinkable water and other substances in  
307 solution, including brandy, rum, whiskey and gin.

308 (21) "Wine" means any alcoholic beverage obtained by fermenting the  
309 natural sugar content of fruits, such as apples, grapes or other  
310 agricultural products, containing such sugar, including fortified wines  
311 such as port, sherry and champagne.

312 Sec. 4. (NEW) (*Effective from passage*) (a) For the purposes of this  
313 section:

314 (1) "Alternating proprietorship agreement" or "agreement" means a  
315 written agreement between a host manufacturer and at least one tenant  
316 manufacturer under which the host manufacturer agrees to share  
317 permit premises with, or rent permit premises to, a tenant manufacturer  
318 for the purpose of producing alcoholic beverages;

319 (2) "Certificate of label approval" has the same meaning as provided  
320 in 27 CFR 4.10, as amended from time to time;

321 (3) "Host manufacturer" means a manufacturer who enters into an  
322 alternating proprietorship agreement with a tenant manufacturer and  
323 agrees to share permit premises with, or rent permit premises to, the  
324 tenant manufacturer pursuant to such agreement;

325 (4) "Manufacturer" means the holder of a manufacturer permit issued  
326 under section 30-16 of the general statutes, as amended by this act;

327 (5) "Permit premises" means the location where alcoholic beverages  
328 are produced under an alternating proprietorship agreement; and

329 (6) "Tenant manufacturer" means a manufacturer who enters into an  
330 alternating proprietorship agreement with a host manufacturer and  
331 agrees to share permit premises with, or rent permit premises from, the  
332 host manufacturer pursuant to such agreement.

333 (b) (1) A host manufacturer and a tenant manufacturer may enter into  
334 an alternating proprietorship agreement, provided:

335 (A) If the host manufacturer is sharing permit premises with the  
336 tenant manufacturer pursuant to such agreement, the host  
337 manufacturer or tenant manufacturer shall be deemed to be in exclusive  
338 control and possession of those portions of the permit premises which  
339 such host manufacturer or tenant manufacturer is actively using to  
340 produce and store alcoholic beverages pursuant to such agreement.

341 (B) (i) Each manufacturer shall separately hold title to (I) all  
342 ingredients, packaging supplies and raw materials that such  
343 manufacturer uses to produce alcoholic beverages pursuant to such  
344 agreement, and (II) all alcoholic beverages such manufacturer produces  
345 on the permit premises pursuant to such agreement until such alcoholic  
346 beverages are removed from such permit premises.

347 (ii) All alcoholic beverages, ingredients, packaging supplies and raw  
348 materials described in subparagraph (B)(i) of this subdivision shall be

349 conspicuously labeled in a manner that identifies the manufacturer who  
350 is in possession of such alcoholic beverages, ingredients, packaging  
351 supplies or raw materials.

352 (iii) Nothing in subparagraphs (B)(i) and (B)(ii) of this subdivision  
353 shall be construed to prohibit a tenant manufacturer from purchasing  
354 ingredients, packaging supplies or raw materials from the host  
355 manufacturer before the tenant manufacturer begins producing an  
356 alcoholic beverage pursuant to such agreement.

357 (C) During all stages of the production process, each alcoholic  
358 beverage that a manufacturer produces pursuant to such agreement  
359 shall be maintained (i) separately from the alcoholic beverages  
360 produced by all other manufacturers pursuant to such agreement, and  
361 (ii) in a manner in which such manufacturer's alcoholic beverages are  
362 readily identifiable as such manufacturer's alcoholic beverages.

363 (D) Each manufacturer who is a party to such agreement shall assume  
364 any risk of loss of an alcoholic beverage that such manufacturer  
365 produces pursuant to such agreement, and no tenant manufacturer shall  
366 return to the host manufacturer any alcoholic beverage that such tenant  
367 manufacturer produces pursuant to such agreement.

368 (E) (i) Each manufacturer who is a party to such agreement shall (I)  
369 separately maintain control and responsibility over the alcoholic  
370 beverages that such manufacturer produces pursuant to such  
371 agreement as well as the production quantity of, and formula  
372 development and quality control standards for, such alcoholic  
373 beverages, and (II) ensure the independence of such manufacturer's  
374 brands, marketing, product registrations, sales and trademarks.

375 (ii) Nothing in subparagraph (E)(i) of this subdivision shall be  
376 construed to preclude a tenant manufacturer from paying a host  
377 manufacturer for any service rendered by a host manufacturer's  
378 employee for the purpose of assisting the tenant manufacturer with any  
379 aspect of such tenant manufacturer's operations.

380 (F) Each manufacturer who is a party to such agreement shall (i)  
381 maintain separate records concerning such manufacturer's production  
382 pursuant to such agreement, sales and any other matter required by  
383 other applicable law, (ii) file separate licensing, production and sales  
384 reports with federal and state authorities as required by other applicable  
385 law, and (iii) separately pay any tax due on the alcoholic beverages such  
386 manufacturer has produced pursuant to such agreement.

387 (G) Each manufacturer who is a party to such agreement shall (i) be  
388 approved, licensed or qualified by the federal Alcohol and Tobacco Tax  
389 and Trade Bureau as required by federal law, (ii) be responsible for  
390 obtaining such manufacturer's (I) certificates of label approval, and (II)  
391 brand registrations from the department under section 30-63 of the  
392 general statutes, and (iii) label each alcoholic beverage that such  
393 manufacturer produces pursuant to such agreement with such  
394 manufacturer's business name and the address of the permit premises.

395 (H) No manufacturer who is a party to such agreement may be  
396 owned by any person who owns any other manufacturer who is a party  
397 to such agreement, except if such manufacturers are producing different  
398 classes of alcoholic beverage.

399 (2) Nothing in subdivision (1) of this subsection shall be construed to  
400 prohibit (A) multiple manufacturers from equally sharing the  
401 ownership or use of any permit premises, or (B) an out-of-state  
402 manufacturer from entering into an alternating proprietorship  
403 agreement with a host manufacturer as a tenant manufacturer, provided  
404 the out-of-state manufacturer applies for a manufacturer permit under  
405 section 30-16 of the general statutes, as amended by this act.

406 (c) The department may adopt regulations, in accordance with the  
407 provisions of chapter 54 of the general statutes, to implement the  
408 provisions of this section.

409 Sec. 5. (NEW) (*Effective from passage*) (a) For the purposes of this  
410 section:

411 (1) "Certificate of label approval" has the same meaning as provided  
412 in 27 CFR 4.10, as amended from time to time;

413 (2) "Contract manufacturing agreement" or "agreement" means a  
414 written agreement, including, but not limited to, a custom crush  
415 agreement, in which a primary manufacturer agrees to produce an  
416 alcoholic beverage on behalf of a contracting party;

417 (3) "Contracting party" means the holder of a manufacturer permit  
418 issued under section 30-16 of the general statutes, as amended by this  
419 act, a wholesaler permit issued under section 30-17 of the general  
420 statutes or an out-of-state shipper's permit for alcoholic liquor issued  
421 under section 30-18 of the general statutes that owns the recipe for an  
422 alcoholic beverage;

423 (4) "Custom crush agreement" means a contract manufacturing  
424 agreement under which a primary manufacturer that holds a  
425 manufacturer permit issued under section 30-16 of the general statutes,  
426 as amended by this act, for the production of wine produces wine on  
427 behalf of a contracting party by using grapes or other fruit provided by  
428 the contracting party; and

429 (5) "Primary manufacturer" means a manufacturer who produces an  
430 alcoholic beverage on behalf of a contracting party on the  
431 manufacturer's permit premises pursuant to a contract manufacturing  
432 agreement.

433 (b) A contracting party may enter into a contract manufacturing  
434 agreement with a primary manufacturer, provided:

435 (1) The primary manufacturer shall:

436 (A) Maintain, at all times during the term of such agreement,  
437 exclusive control and possession of all premises on which the primary  
438 manufacturer produces alcoholic beverages on behalf of the contracting  
439 party pursuant to such agreement;

440 (B) Bear sole responsibility for production of all alcoholic beverages

441 on behalf of the contracting party pursuant to such agreement;

442 (C) Label with the primary manufacturer's business name and  
443 address all alcoholic beverages the primary manufacturer produces on  
444 behalf of the contracting party pursuant to such agreement;

445 (D) Maintain title to (i) all ingredients that the primary manufacturer  
446 uses during the production process for an alcoholic beverage that the  
447 primary manufacturer produces on behalf of the contracting party  
448 pursuant to such agreement unless such agreement is a custom crush  
449 agreement, (ii) all machinery and supplies that the primary  
450 manufacturer uses during the production process for an alcoholic  
451 beverage that the primary manufacturer produces on behalf of the  
452 contracting party pursuant to such agreement, and (iii) each alcoholic  
453 beverage the primary manufacturer produces on behalf of the  
454 contracting party pursuant to such agreement until such alcoholic  
455 beverage is removed from such primary manufacturer's permit  
456 premises;

457 (E) Maintain appropriate production records concerning all alcoholic  
458 beverages the primary manufacturer produces on behalf of the  
459 contracting party pursuant to such agreement;

460 (F) Obtain from the federal Alcohol and Tobacco Tax and Trade  
461 Bureau any certificate of label approval required for an alcoholic  
462 beverage that the primary manufacturer produces on behalf of the  
463 contracting party pursuant to such agreement;

464 (G) File any registration required under section 30-63 of the general  
465 statutes for an alcoholic beverage that the primary manufacturer  
466 produces on behalf of the contracting party pursuant to such agreement;

467 (H) Pay any tax due on the alcoholic beverages the primary  
468 manufacturer has produced on behalf of the contracting party pursuant  
469 to such agreement, which agreement may require the contracting party  
470 to reimburse the primary manufacturer for the cost of such tax;

471 (I) Provide to the department, upon inspection or request, an up-to-

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472 date list and copies of all contract manufacturing agreements to which  
473 the primary manufacturer is a party and production records concerning  
474 such agreements, which list, copies and records shall be provided to the  
475 department in an electronic format unless it is commercially impractical;  
476 and

477 (J) Not sell at retail for off-premises consumption or at wholesale any  
478 alcoholic beverage such primary manufacturer produces on behalf of  
479 the contracting party if any wholesaler permittee under section 30-17 of  
480 the general statutes has the distribution rights for such alcoholic  
481 beverage; and

482 (2) The contracting party shall not produce any alcoholic beverage on  
483 the primary manufacturer's permit premises.

484 (c) The department may adopt regulations, in accordance with the  
485 provisions of chapter 54 of the general statutes, to implement the  
486 provisions of this section.

487 Sec. 6. (NEW) (*Effective October 1, 2023*) (a) For the purposes of this  
488 section:

489 (1) "Auctioneer" means any person who (A) regularly provides  
490 professional services by auctioning items for sale, and (B) does not hold  
491 any other permit issued under chapter 545 of the general statutes; and

492 (2) "Individual collector" means any person who is not (A) a backer  
493 or permittee, (B) an employee of a backer, or (C) a director or officer of  
494 a backer.

495 (b) A temporary auction permit issued under this section shall allow  
496 the sale of beer, spirits and wine obtained from one or more individual  
497 collectors through an auction conducted by an auctioneer. Such auction  
498 may be conducted, in person or online, only during the hours in which  
499 a package store is permitted to sell alcoholic liquor under subsection (d)  
500 of section 30-91 of the general statutes.

501 (c) To obtain a temporary auction permit under this section, an

502 auctioneer shall submit an application to the department, in a form and  
503 manner prescribed by the department, at least sixty days before the first  
504 day of the auction to be conducted under such permit. The auctioneer  
505 applicant shall serve as the backer of such permit. Each such permit shall  
506 be valid for one auction and shall be effective for a period not to exceed  
507 three consecutive days in duration. The department may issue not more  
508 than four temporary auction permits to an auctioneer in any calendar  
509 year. The fee for a temporary auction permit shall be one hundred  
510 seventy-five dollars per day.

511 (d) The auctioneer shall obtain all beer, spirits and wine that are the  
512 subject of an auction conducted under a temporary auction permit  
513 issued under this section from one or more individual collectors. The  
514 auctioneer shall only accept beer, spirits or wine that was lawfully  
515 acquired by an individual collector and bears an intact seal from the  
516 manufacturer of such beer, spirits or wine. An individual collector may  
517 sell or consign such beer, spirits or wine to the auctioneer. All unsold  
518 consigned beer, spirits or wine shall be returned to the individual  
519 collector not later than ten days after the final day of such auction.

520 (e) All beer, spirits and wine sold at an auction conducted pursuant  
521 to a temporary auction permit issued under this section is exempt from  
522 the requirements of sections 30-63 and 30-68m of the general statutes.  
523 No such beer, spirits or wine may be resold, offered for sale or otherwise  
524 used on the permit premises of any other permittee operating, or the  
525 backer of any other permit issued, under chapter 545 of the general  
526 statutes.

527 (f) A holder of a temporary auction permit issued under this section  
528 may offer free samples of any beer, spirits or wine to be sold at auction  
529 for tasting, provided the holder sends a notice to the department, at least  
530 thirty days before the first day of such auction and in a form and manner  
531 prescribed by the department, disclosing that the holder intends to offer  
532 such free samples for tasting. Any tasting shall be conducted only  
533 during the hours in which a package store is permitted to sell alcoholic  
534 liquor under subsection (d) of section 30-91 of the general statutes. No

535 tasting shall be offered to any minor or intoxicated person, or from more  
536 than ten uncorked or open cans or bottles at any one time. Any town or  
537 municipality may, by ordinance or zoning regulation, prohibit the  
538 offering of such free samples by the holders of temporary auction  
539 permits issued under this section at events or functions held in such  
540 town or municipality.

541 (g) A temporary auction permit issued under this section shall allow  
542 for the delivery and shipment of any beer, spirits or wine sold at an  
543 auction conducted pursuant to such permit directly to the consumer  
544 who purchased such beer, spirits or wine. Any shipment to a consumer  
545 outside of this state is subject to all applicable laws of the jurisdiction in  
546 which such consumer is located. When shipping such beer, spirits or  
547 wine directly to a consumer in this state, the holder of such permit shall:  
548 (1) Ensure that the shipping label on each container containing such  
549 beer, spirits or wine states the following: "CONTAINS ALCOHOL –  
550 SIGNATURE OF A PERSON AGE 21 OR OLDER REQUIRED FOR  
551 DELIVERY"; (2) obtain the signature of a person who is at least twenty-  
552 one years of age at the delivery address prior to delivery, after requiring  
553 such person to demonstrate that such person is at least twenty-one years  
554 of age by providing a valid motor vehicle operator's license or a valid  
555 identity card described in section 1-1h of the general statutes; (3) not  
556 ship such beer, spirits or wine to any address in this state where the sale  
557 of alcoholic liquor is prohibited by local option pursuant to section 30-9  
558 of the general statutes; and (4) make any such shipment through the use  
559 of a person who holds an in-state transporter's permit issued under  
560 section 30-19f of the general statutes.

561 (h) The department may adopt regulations, in accordance with the  
562 provisions of chapter 54 of the general statutes, to implement the  
563 provisions of this section.

564 Sec. 7. Subsections (a) and (b) of section 30-14 of the general statutes  
565 are repealed and the following is substituted in lieu thereof (*Effective July*  
566 *1, 2023*):

567 (a) Each permit shall be a purely personal privilege that is revocable

568 in the discretion of the Department of Consumer Protection, and subject  
569 to appeal, as provided in section 30-55. Except as otherwise provided in  
570 the general statutes, including, but not limited to, sections [30-25,] 30-35,  
571 as amended by this act, [30-37b, 30-37d,] and 30-37g, [and 30-37h,] each  
572 permit shall expire annually. No permit shall constitute property, be  
573 subject to attachment and execution or be alienable, except a permit  
574 shall descend to the estate of a deceased permittee by the laws of testate  
575 or intestate succession. An airline permit issued under section 30-28a or  
576 a cafe permit issued under subsection (h) of section 30-22a shall be  
577 granted to the airline corporation or railway corporation and not to any  
578 person, and the corporation shall be the permittee.

579 (b) Any permit in this part, except a permit issued under sections [30-  
580 25,] 30-35, as amended by this act, [30-37b, 30-37d,] and 30-37g, [and 30-  
581 37h,] may be issued for a continuous period of not more than six  
582 consecutive calendar months, at two-thirds of regular fees, but rebate of  
583 fees shall not be permitted for any unexpired portion of the term of a  
584 permit revoked by reason of a violation of any provision of this chapter.

585 Sec. 8. Subsections (a) and (b) of section 30-14 of the general statutes,  
586 as amended by section 7 of this act, are repealed and the following is  
587 substituted in lieu thereof (*Effective October 1, 2023*):

588 (a) Each permit shall be a purely personal privilege that is revocable  
589 in the discretion of the Department of Consumer Protection, and subject  
590 to appeal, as provided in section 30-55. Except as otherwise provided in  
591 the general statutes, including, but not limited to, sections 30-35, as  
592 amended by this act, and 30-37g and section 6 of this act, each permit  
593 shall expire annually. No permit shall constitute property, be subject to  
594 attachment and execution or be alienable, except a permit shall descend  
595 to the estate of a deceased permittee by the laws of testate or intestate  
596 succession. An airline permit issued under section 30-28a or a cafe  
597 permit issued under subsection (h) of section 30-22a shall be granted to  
598 the airline corporation or railway corporation and not to any person,  
599 and the corporation shall be the permittee.

600 (b) Any permit in this part, except a permit issued under sections 30-

601 35, as amended by this act, and 30-37g and section 6 of this act, may be  
602 issued for a continuous period of not more than six consecutive calendar  
603 months, at two-thirds of regular fees, but rebate of fees shall not be  
604 permitted for any unexpired portion of the term of a permit revoked by  
605 reason of a violation of any provision of this chapter.

606 Sec. 9. Subsections (a) and (b) of section 30-16 of the general statutes  
607 are repealed and the following is substituted in lieu thereof (*Effective*  
608 *from passage*):

609 (a) (1) As used in this [subsection] subdivision, "proof gallon" has the  
610 same meaning as provided in section 12-433. A manufacturer permit for  
611 spirits shall allow the manufacture of spirits and the storage, bottling  
612 and wholesale distribution and sale of spirits manufactured or bottled  
613 to permittees in this state and without the state as may be permitted by  
614 law; but no such permit shall be granted unless the place or the plan of  
615 the place of manufacture has received the approval of the Department  
616 of Consumer Protection. The holder of a manufacturer permit for spirits  
617 who produces less than fifty thousand proof gallons of spirits in a  
618 calendar year may sell at retail from the premises sealed bottles or other  
619 sealed containers of spirits manufactured on the premises for  
620 consumption off the premises, provided such holder shall not sell to any  
621 one consumer more than three liters of spirits per day nor more than  
622 five gallons of spirits in any two-month period. Retail sales by a holder  
623 of a manufacturer permit for spirits shall occur only on the days and  
624 times permitted under subsection (d) of section 30-91. A holder of a  
625 manufacturer permit for spirits, alone or in combination with any parent  
626 or subsidiary business or related or affiliated party, who sells more than  
627 ten thousand gallons of spirits in any calendar year may not sell spirits  
628 at wholesale to retail permittees within this state. Such permit shall also  
629 authorize the offering and tasting, on the premises of the permittee, of  
630 free samples of spirits distilled on the premises. Such free samples of  
631 spirits distilled on the premises may be offered for consumption in  
632 combination with a nonalcoholic beverage. Tastings shall not exceed  
633 two ounces per patron per day and shall not be allowed on such  
634 premises on Sunday before eleven o'clock a.m. and after eight o'clock

635 p.m. and on any other day before ten o'clock a.m. and after eight o'clock  
636 p.m. No tastings shall be offered to or allowed to be consumed by any  
637 minor or intoxicated person. A holder of a manufacturer permit for  
638 spirits may apply for and shall receive an out-of-state shipper's permit  
639 for manufacturing plants and warehouse locations outside the state  
640 owned by such manufacturer or a subsidiary corporation thereof, at  
641 least eighty-five per cent of the voting stock of which is owned by such  
642 manufacturer, to bring into any of its plants or warehouses in the state  
643 spirits for reprocessing, repackaging, reshipment or sale either [(1)] (A)  
644 within the state to wholesaler permittees not owned or controlled by  
645 such manufacturer, or [(2)] (B) outside the state. The annual fee for a  
646 manufacturer permit for spirits shall be one thousand eight hundred  
647 fifty dollars.

648 (2) A holder of a manufacturer permit for spirits issued under this  
649 subsection may sell and offer free tastings of spirits manufactured by  
650 such permittee at a farmers' market, as defined in section 22-6r, that is  
651 operated as a nonprofit enterprise or association, provided such  
652 farmers' market invites such holder to sell spirits at such farmers' market  
653 and such holder has a farmers' market sales permit issued by the  
654 commissioner in accordance with the provisions of subsection (a) of  
655 section 30-37o, as amended by this act.

656 (b) (1) A manufacturer permit for beer shall allow the manufacture of  
657 beer and the storage, bottling and wholesale distribution and sale of  
658 beer manufactured or bottled on the premises of the permittee to  
659 permittees in this state and without the state as may be permitted by  
660 law, but no such permit shall be granted unless the place or the plan of  
661 the place of manufacture has received the approval of the Department  
662 of Consumer Protection. A holder of a manufacturer permit for beer  
663 who sells beer brewed on such premises at wholesale to retail permittees  
664 within this state shall make such beer available to all holders of a  
665 package store permit issued pursuant to section 30-20 and to all holders  
666 of a grocery store beer permit held pursuant to said section in the  
667 geographical region in which the holder of the manufacturer permit for  
668 beer self distributes, subject to reasonable limitations, as determined by

669 the Department of Consumer Protection. Such permit shall also allow  
670 [(1)] (A) the retail sale of such beer, and beer brewed in collaboration  
671 with at least one other holder of such a permit, to be consumed on the  
672 premises with or without the sale of food, [(2)] (B) the selling at retail  
673 from the premises of sealed bottles or other sealed containers of beer  
674 brewed on such premises, or in collaboration with at least one other  
675 holder of such a permit, for consumption off the premises, and [(3)] (C)  
676 the sale of sealed bottles or other sealed containers of beer brewed on  
677 such premises to the holder of a wholesaler permit issued pursuant to  
678 section 30-17, provided the holder of such permit produces at least five  
679 thousand gallons of beer on the premises annually. Such selling at retail  
680 from the premises of sealed bottles or other sealed containers shall  
681 comply with the provisions of subsection (d) of section 30-91 and shall  
682 permit not more than nine gallons of beer to be sold to any person on  
683 any day on which such sale is authorized under the provisions of  
684 subsection (d) of section 30-91. The annual fee for a manufacturer permit  
685 for beer shall be one thousand four hundred dollars. For the purposes  
686 of this [subsection] subdivision and section 30-22d, "collaboration"  
687 means an arrangement, other than contract brewing or an alternating  
688 proprietorship, under which the holder of a manufacturer permit for  
689 beer issued under this subsection works together with at least one other  
690 such permit holder to manufacture beer by, among other things, sharing  
691 the beer recipe or at least forty-nine per cent of the ingredients or labor  
692 necessary to manufacture such beer.

693 (2) A holder of a manufacturer permit for beer issued under this  
694 subsection may sell and offer free tastings of beer manufactured by such  
695 permittee at a farmers' market, as defined in section 22-6r, that is  
696 operated as a nonprofit enterprise or association, provided such  
697 farmers' market invites such holder to sell beer at such farmers' market  
698 and such holder has a farmers' market sales permit issued by the  
699 commissioner in accordance with the provisions of subsection (a) of  
700 section 30-37o, as amended by this act.

701 Sec. 10. Subsection (a) of section 30-16a of the general statutes is  
702 repealed and the following is substituted in lieu thereof (*Effective July 1,*

703 2023):

704 (a) The Commissioner of Consumer Protection shall issue an off-site  
705 farm winery sales and wine, cider and mead tasting permit to a holder  
706 of a manufacturer permit for a farm winery or to a holder of a  
707 manufacturer permit for wine, cider and mead upon the holder's  
708 submission of proof to the commissioner that the holder is in  
709 compliance with the requirements of subsection (c) or (d) of section 30-  
710 16. An off-site farm winery sales and wine, cider and mead tasting  
711 permit shall authorize the sale and offering of free samples of products  
712 manufactured by such permittees during a total of not more than seven  
713 events or functions per year [held pursuant to a temporary liquor permit  
714 issued pursuant to section 30-35, a charitable organization permit issued  
715 pursuant to section 30-37b or a nonprofit corporation permit issued  
716 pursuant to section 30-37h,] at locations outside the permit holder's  
717 permit premises, provided such holder: (1) Notifies the Department of  
718 Consumer Protection, on a form prescribed by the Commissioner of  
719 Consumer Protection, not less than five business days prior to the date  
720 of the event or function, of the date, hours and location of each event or  
721 function, (2) sells only wine, cider and mead by the bottle at the event  
722 or function, and (3) is present, or has an authorized representative  
723 present, at the time of the sale of any such bottles or the offering of a free  
724 sample of such products from the permit holder at the event or function.  
725 An off-site farm winery sales and wine, cider and mead tasting permit  
726 shall be valid for a period of one year from the date of issuance. The  
727 annual fee for such permit shall be two hundred fifty dollars. There shall  
728 be a one-hundred-dollar nonrefundable filing fee for any such permit.

729 Sec. 11. Subsection (a) of section 30-16b of the general statutes is  
730 repealed and the following is substituted in lieu thereof (*Effective July 1,*  
731 *2023*):

732 (a) [During the period beginning June 4, 2021, and ending June 5,  
733 2024, the] The holder of a permit issued under section 30-16, as amended  
734 by this act, 30-21 or 30-22, subsection (c) or (g) of section 30-22a or  
735 section 30-22aa may sell for off-premises consumption sealed containers



736 of all alcoholic liquor such permit holder is allowed to sell for on-  
737 premises consumption, subject to the requirements of this section and  
738 consistent with all local ordinances for the town in which the permit  
739 premises are located.

740 Sec. 12. Section 30-35 of the general statutes is repealed and the  
741 following is substituted in lieu thereof (*Effective July 1, 2023*):

742 (a) A [temporary beer permit shall allow the sale of beer and a]  
743 temporary liquor permit for a noncommercial entity shall allow the sale  
744 of [alcoholic liquor] beer, spirits or wine at any fundraising event,  
745 outing, picnic or social gathering conducted by a bona fide  
746 noncommercial [organization] entity, club or golf country club, as  
747 described in subsection (g) of section 30-22a, which [organization]  
748 noncommercial entity, club or golf country club shall be the backer of  
749 the permittee under such permit. [The] No for-profit business entity  
750 may be the backer of any such permittee. Each temporary liquor permit  
751 for a noncommercial entity shall also allow the retail sale of beer, spirits  
752 or wine at an in-person or online auction, provided such auction is held  
753 as part of a fundraising event to benefit the tax-exempt activities of the  
754 noncommercial entity, club or golf country club. All profits from the  
755 auction or sale of such beer, [or alcoholic liquor] spirits or wine shall be  
756 retained by the [organization] backer or permittee conducting such  
757 fundraising event, outing, picnic, [or] social gathering or auction, and  
758 no portion of such profits shall be paid, directly or indirectly, to any  
759 individual or other corporation. Such permit shall be issued subject to  
760 the approval of the [Department of Consumer Protection] department  
761 and shall be effective only for specified dates and times limited by the  
762 department. The combined total of fundraising events, outings, picnics,  
763 [or] social gatherings or auctions, for which a [temporary beer permit  
764 or] temporary liquor permit for a noncommercial entity is issued  
765 [pursuant to] under this section, shall not exceed twelve in any calendar  
766 year and the approved dates and times for each such fundraising event,  
767 outing, picnic, [or] social gathering or auction shall be displayed on such  
768 permit. Each temporary liquor permit for a noncommercial entity issued  
769 under this section shall be subject to the hours of sale established in

770 section 30-91, as amended by this act, and the combined total of days for  
771 which such permit is issued shall not exceed twenty days in any  
772 calendar year. The holder of a temporary liquor permit for a  
773 noncommercial entity issued under this section shall display such  
774 permit, and the days for which such permit has been issued, in a  
775 prominent location adjacent to the entrance to the fundraising event,  
776 outing, picnic, social gathering or auction. The fee [for a temporary beer  
777 permit shall be thirty dollars per day and] for a temporary liquor permit  
778 for a noncommercial entity shall be fifty dollars per day.

779 (b) The holder of a manufacturer permit issued under section 30-16,  
780 as amended by this act, a wholesaler permit issued under section 30-17  
781 or a package store permit issued under subsection (b) of section 30-20  
782 may donate to the holder of a temporary liquor permit for a  
783 noncommercial entity issued under this section any beer, spirits or wine  
784 such manufacturer permittee manufactures, for which such wholesaler  
785 permittee holds distribution rights or which such package store  
786 permittee sells at retail.

787 Sec. 13. Subsection (a) of section 30-37o of the general statutes is  
788 repealed and the following is substituted in lieu thereof (*Effective from*  
789 *passage*):

790 (a) The Commissioner of Consumer Protection shall issue a farmers'  
791 market sales permit to [a] the holder of a manufacturer permit for [a  
792 farm winery, the holder of a manufacturer permit for wine, cider and  
793 mead or the holder of a manufacturer permit for beer,] spirits issued  
794 under subsection (a) of section 30-16, as amended by this act, beer issued  
795 under subsection (b) of section 30-16, as amended by this act, a farm  
796 winery issued under subsection (c) of section 30-16 or wine, cider and  
797 mead issued under subsection (d) of section 30-16 upon submission of  
798 proof to the commissioner that such holder is in compliance with the  
799 [applicable] permit requirements of subsection (a), (b), (c) or (d) of  
800 section 30-16, as amended by this act, as applicable. Such permit shall  
801 authorize the sale of products manufactured by such permittees during  
802 an unlimited number of appearances at a farmers' market at not more

803 than ten farmers' market locations per year provided such holder: (1)  
804 Has an invitation from such farmers' market to sell such products at  
805 such farmers' market, (2) only sells such products by the bottle or sealed  
806 container at such farmers' [markets] market, and (3) is present, or has an  
807 authorized representative present, at the time of sale of any such  
808 product from such permit holder at such farmers' market. Any such  
809 permit shall be valid for a period of one year from the date of issuance.  
810 The annual fee for such permit shall be two hundred fifty dollars. There  
811 shall be a one-hundred-dollar, nonrefundable filing fee for any such  
812 permit.

813 Sec. 14. Subsection (g) of section 30-37t of the general statutes is  
814 repealed and the following is substituted in lieu thereof (*Effective from*  
815 *passage*):

816 (g) Each participating eligible manufacturer may, during the festival  
817 and for the alcoholic liquor such participating eligible manufacturer has  
818 manufactured:

819 (1) Offer to festival visitors free or paid samples or tastings of  
820 alcoholic liquor for consumption on the festival premises, in accordance  
821 with the provisions of section 30-16, as amended by this act; [and]

822 [(2) Unless such participating eligible manufacturer is the holder of  
823 an out-of-state shipper's permit for beer issued under section 30-19:]

824 [(A)] (2) Sell and directly ship to festival visitors, if allowed under  
825 section 30-16, as amended by this act, alcoholic liquor that such  
826 participating eligible manufacturer sells to festival visitors at such  
827 festival;

828 [(B)] (3) Sell, at retail, for consumption off the festival premises and  
829 in accordance with the provisions of section 30-16, as amended by this  
830 act, bottles and other sealed containers of alcoholic liquor; and

831 [(C)] (4) Sell, at retail, alcoholic liquor by the glass or receptacle for  
832 consumption on the festival premises, provided each such glass or  
833 receptacle is embossed or otherwise permanently labeled with the name

834 and date of the festival.

835 Sec. 15. Section 30-39 of the general statutes is repealed and the  
836 following is substituted in lieu thereof (*Effective July 1, 2023*):

837 (a) For the purposes of this section, the "filing date" of an application  
838 means the date upon which the department, after approving the  
839 application for processing, mails or otherwise delivers to the applicant  
840 a placard containing such date.

841 (b) (1) Any person desiring a liquor permit or a renewal of such a  
842 permit shall make an affirmed application therefor to the Department of  
843 Consumer Protection, upon forms to be furnished by the department,  
844 showing the name and address of the applicant and of the applicant's  
845 backer, if any, the location of the club or place of business which is to be  
846 operated under such permit and a financial statement setting forth all  
847 elements and details of any business transactions connected with the  
848 application. Such application shall include a detailed description of the  
849 type of live entertainment that is to be provided. A club or place of  
850 business shall be exempt from providing such detailed description if the  
851 club or place of business (A) was issued a liquor permit prior to October  
852 1, 1993, and (B) has not altered the type of entertainment provided. The  
853 application shall also indicate any crimes of which the applicant or the  
854 applicant's backer may have been convicted. Applicants shall submit  
855 documents sufficient to establish that state and local building, fire and  
856 zoning requirements and local ordinances concerning hours and days  
857 of sale will be met, except that local building and zoning requirements  
858 and local ordinances concerning hours and days of sale shall not apply  
859 to a cafe permit issued under subsection (d) or (h) of section 30-22a. The  
860 State Fire Marshal or the marshal's certified designee shall be  
861 responsible for approving compliance with the State Fire Code at  
862 Bradley International Airport. Any person desiring a permit provided  
863 for in section 30-33b shall file a copy of such person's license with such  
864 application if such license was issued by the Department of Consumer  
865 Protection. The department may, at its discretion, conduct an  
866 investigation to determine whether a permit shall be issued to an

867 applicant.

868 (2) The applicant shall pay to the department a nonrefundable  
869 application fee, which fee shall be in addition to the fees prescribed in  
870 this chapter for the permit sought. An application fee shall not be  
871 charged for an application to renew a permit. The application fee shall  
872 be in the amount of ten dollars for the filing of each application for a  
873 permit by [a charitable organization under section 30-37b, including a  
874 nonprofit public television corporation under section 30-37d,] a  
875 nonprofit golf tournament permit under section 30-37g [.] or a  
876 temporary liquor permit for a noncommercial entity under section 30-  
877 35, as amended by this act; [or a special club permit under section 30-  
878 25;] and in the amount of one hundred dollars for the filing of an initial  
879 application for all other permits. Any permit issued shall be valid only  
880 for the purposes and activities described in the application.

881 (3) The applicant, immediately after filing an application, shall give  
882 notice thereof, with the name and residence of the permittee, the type of  
883 permit applied for and the location of the place of business for which  
884 such permit is to be issued and the type of live entertainment to be  
885 provided, all in a form prescribed by the department, by publishing the  
886 same in a newspaper having a circulation in the town in which the place  
887 of business to be operated under such permit is to be located, at least  
888 once a week for two successive weeks, the first publication to be not  
889 more than seven days after the filing date of the application and the last  
890 publication not more than fourteen days after the filing date of the  
891 application. The applicant shall affix, and maintain in a legible condition  
892 upon the outer door of the building wherein such place of business is to  
893 be located and clearly visible from the public highway, the placard  
894 provided by the department, not later than the day following the receipt  
895 of the placard by the applicant. If such outer door of such premises is so  
896 far from the public highway that such placard is not clearly visible as  
897 provided, the department shall direct a suitable method to notify the  
898 public of such application. When an application is filed for any type of  
899 permit for a building that has not been constructed, such applicant shall  
900 erect and maintain in a legible condition a sign not less than six feet by

901 four feet upon the site where such place of business is to be located,  
902 instead of such placard upon the outer door of the building. The sign  
903 shall set forth the type of permit applied for and the name of the  
904 proposed permittee, shall be clearly visible from the public highway and  
905 shall be so erected not later than the day following the receipt of the  
906 placard. Such applicant shall make a return to the department, under  
907 oath, of compliance with the foregoing requirements, in such form as  
908 the department may determine, but the department may require any  
909 additional proof of such compliance. Upon receipt of evidence of such  
910 compliance, the department may hold a hearing as to the suitability of  
911 the proposed location. The provisions of this subdivision shall not apply  
912 to applications for (A) airline permits issued under section 30-28a, (B)  
913 [charitable organization permits issued under section 30-37b, (C)]  
914 temporary liquor permits for noncommercial entities issued under  
915 section 30-35, as amended by this act, [(D) special club permits issued  
916 under section 30-25, (E)] (C) concession permits issued under section 30-  
917 33, [(F)] (D) military permits issued under section 30-34, [(G)] (E) cafe  
918 permits issued under subsection (h) of section 30-22a, [(H)] (F)  
919 warehouse permits issued under section 30-32, [(I)] (G) broker's permits  
920 issued under section 30-30, [(J)] (H) out-of-state shipper's permits for  
921 alcoholic liquor issued under section 30-18, [(K)] (I) out-of-state  
922 shipper's permits for beer issued under section 30-19, [(L)] (J) coliseum  
923 permits issued under section 30-33a, [(M)] (K) nonprofit golf  
924 tournament permits issued under section 30-37g, [(N) nonprofit public  
925 television corporation permits issued under section 30-37d, (O)] (L)  
926 Connecticut craft cafe permits issued under section 30-22d to permittees  
927 who held a manufacturer permit for a brew pub or a manufacturer  
928 permit for beer issued under subsection (b) of section 30-16, as amended  
929 by this act, and a brew pub before July 1, 2020, [(P)] (M) off-site farm  
930 winery sales and wine, cider and mead tasting permits issued under  
931 section 30-16a, as amended by this act, [(Q)] (N) out-of-state retailer  
932 shipper's permits for wine issued under section 30-18a, [(R)] (O) out-of-  
933 state winery shipper's permits for wine issued under section 30-18a, [(S)]  
934 (P) in-state transporter's permits for alcoholic liquor issued under  
935 section 30-19f, including, but not limited to, boats operating under such

936 permits, [(T)] (Q) seasonal outdoor open-air permits issued under  
937 section 30-22e, [(U)] (R) festival permits issued under section 30-37t, as  
938 amended by this act, and [(V)] (S) renewals of any permit described in  
939 subparagraphs (A) to [(U)] (R), inclusive, of this subdivision, if  
940 applicable. The provisions of this subdivision regarding publication and  
941 placard display shall also be required of any applicant who seeks to  
942 amend the type of entertainment either upon filing of a renewal  
943 application or upon requesting permission of the department in a form  
944 that requires the approval of the municipal zoning official.

945 (4) In any case in which a permit has been issued to a partnership, if  
946 one or more of the partners dies or retires, the remaining partner or  
947 partners need not file a new application for the unexpired portion of the  
948 current permit, and no additional fee for such unexpired portion shall  
949 be required. Notice of any such change shall be given to the department  
950 and the permit shall be endorsed to show correct ownership. When any  
951 partnership changes by reason of the addition of one or more persons, a  
952 new application with new fees shall be required.

953 (c) Any ten persons who are at least eighteen years of age, and are  
954 residents of the town within which the business for which the permit or  
955 renewal thereof has been applied for, is intended to be operated, or, in  
956 the case of a manufacturer's or a wholesaler's permit, any ten persons  
957 who are at least eighteen years of age and are residents of the state, may  
958 file with the department, within three weeks from the last date of  
959 publication of notice made pursuant to subdivision (3) of subsection (b)  
960 of this section for an initial permit, and in the case of renewal of an  
961 existing permit, at least twenty-one days before the renewal date of such  
962 permit, a remonstrance containing any objection to the suitability of  
963 such applicant or proposed place of business, provided any such issue  
964 is not controlled by local zoning. Upon the filing of such remonstrance,  
965 the department, upon written application, shall hold a hearing and shall  
966 give such notice as it deems reasonable of the time and place at least five  
967 days before such hearing is had. The remonstrants shall designate one  
968 or more agents for service, who shall serve as the recipient or recipients  
969 of all notices issued by the department. At any time prior to the issuance

970 of a decision by the department, a remonstrance may be withdrawn by  
971 the remonstrants or by such agent or agents acting on behalf of such  
972 remonstrants and the department may cancel the hearing or withdraw  
973 the case. The decision of the department on such application shall be  
974 final with respect to the remonstrance. The provisions of this subsection  
975 shall not apply to festival permits issued under section 30-37t, as  
976 amended by this act.

977 (d) No new permit shall be issued until the foregoing provisions of  
978 subsections (a) and (b) of this section have been complied with. If no  
979 new permit is issued within twelve months of the filing date, as defined  
980 in subsection (a) of this section, the application may, in the discretion of  
981 the department, be deemed withdrawn and shall then be returned to the  
982 applicant. Six months' or seasonal permits may be renewed, provided  
983 the renewal application and fee shall be filed at least twenty-one days  
984 before the reopening of the business, there is no change in the permittee,  
985 ownership or type of permit, and the permittee or backer did not receive  
986 a rebate of the permit fee with respect to the permit issued for the  
987 previous year.

988 (e) The department may renew a permit that has expired if the  
989 applicant pays to the department a nonrefundable late fee pursuant to  
990 subsection (c) of section 21a-4, which fee shall be in addition to the fees  
991 prescribed in this chapter for the permit applied for. The provisions of  
992 this subsection shall not apply to one-day permits, to any permit which  
993 is the subject of administrative or court proceedings, or where otherwise  
994 provided by law.

995 (f) No person who assists an applicant, backer or permittee in  
996 submitting an application for a liquor permit shall submit, or cause to  
997 be submitted, any false statement in connection with such application,  
998 or engage in any conduct which delays or impedes the department in  
999 processing such application. A violation of this subsection shall be  
1000 deemed an unfair or deceptive trade practice under subsection (a) of  
1001 section 42-110b. The commissioner, after providing an opportunity for  
1002 a hearing in accordance with chapter 54, may impose on any person who



1003 violates the provisions of this subsection a civil penalty in an amount  
1004 not to exceed one thousand dollars per violation, and may order such  
1005 person to pay restitution to the applicant, backer or permittee. All civil  
1006 penalties paid, collected or recovered under this subsection shall be  
1007 deposited in the consumer protection enforcement account established  
1008 in section 21a-8a.

1009 Sec. 16. Section 30-48 of the general statutes is repealed and the  
1010 following is substituted in lieu thereof (*Effective from passage*):

1011 (a) No backer or permittee of one permit class shall be a backer or  
1012 permittee of any other permit class except in the case of airline permits  
1013 issued under section 30-28a, boats operating under in-state transporter's  
1014 permits issued under section 30-19f, and cafe permits issued under  
1015 subsections (d) and (h) of section 30-22a, except that: (1) A backer of a  
1016 hotel permit issued under section 30-21 or a restaurant permit issued  
1017 under section 30-22 may be a backer of both such classes; (2) a holder or  
1018 backer of a restaurant permit issued under section 30-22 or a cafe permit  
1019 issued under subsection (a) of section 30-22a may be a holder or backer  
1020 of any other or all of such classes; (3) a holder or backer of a restaurant  
1021 permit issued under section 30-22 may be a holder or backer of a cafe  
1022 permit issued under subsection (f) of section 30-22a; (4) a backer of a  
1023 restaurant permit issued under section 30-22 may be a backer of a  
1024 coliseum permit issued under section 30-33a when such restaurant is  
1025 within a coliseum; (5) a backer of a hotel permit issued under section 30-  
1026 21 may be a backer of a coliseum permit issued under section 30-33a; (6)  
1027 a backer of a grocery store beer permit issued under subsection (c) of  
1028 section 30-20 may be (A) a backer of a package store permit issued under  
1029 subsection (b) of section 30-20 if such was the case on or before May 1,  
1030 1996, and (B) a backer of a restaurant permit issued under section 30-22,  
1031 provided the restaurant permit premises do not abut or share the same  
1032 space as the grocery store beer permit premises; (7) a backer of a cafe  
1033 permit issued under subsection (j) of section 30-22a, may be a backer of  
1034 a nonprofit theater permit issued under section 30-35a; (8) a backer of a  
1035 nonprofit theater permit issued under section 30-35a may be a holder or  
1036 backer of a hotel permit issued under section 30-21 or a coliseum permit

1037 issued under section 30-33a; (9) a backer of a concession permit issued  
1038 under section 30-33 may be a backer of a coliseum permit issued under  
1039 section 30-33a; (10) a holder of an out-of-state winery shipper's permit  
1040 for wine issued under section 30-18a may be a holder of an in-state  
1041 transporter's permit issued under section 30-19f; (11) a holder of an out-  
1042 of-state shipper's permit for alcoholic liquor issued under section 30-18  
1043 or an out-of-state winery shipper's permit for wine issued under section  
1044 30-18a may be a holder of an in-state transporter's permit issued under  
1045 section 30-19f; (12) a holder of a manufacturer permit for a farm winery  
1046 issued under subsection (c) of section 30-16 or a manufacturer permit  
1047 for wine, cider and mead issued under subsection (d) of section 30-16  
1048 may be a holder of an in-state transporter's permit issued under section  
1049 30-19f, a farmers' market sales permit issued under subsection (a) of  
1050 section 30-37o, as amended by this act, an off-site farm winery sales and  
1051 tasting permit issued under section 30-16a, as amended by this act, or  
1052 any combination of such permits; (13) a holder of a manufacturer permit  
1053 for beer issued under subsection (b) of section 30-16, as amended by this  
1054 act, may be a holder of a farmers' market sales permit issued under  
1055 subsection (a) of section 30-37o, as amended by this act; (14) the holder  
1056 of a manufacturer permit for spirits, beer, a farm winery or wine, cider  
1057 and mead, issued under subsection (a), (b), (c) or (d), respectively, of  
1058 section 30-16, as amended by this act, may be a holder of a Connecticut  
1059 craft cafe permit issued under section 30-22d, a restaurant permit or a  
1060 restaurant permit for wine and beer issued under section 30-22; (15) the  
1061 holder of a restaurant permit issued under section 30-22, a cafe permit  
1062 issued under section 30-22a, or an in-state transporter's permit issued  
1063 under section 30-19f, may be the holder of a seasonal outdoor open-air  
1064 permit issued under section 30-22e; and (16) the holder of a festival  
1065 permit issued under section 30-37t, as amended by this act, may be the  
1066 holder or backer of one or more of such other classes. Any person may  
1067 be a permittee of more than one permit. No holder of a manufacturer  
1068 permit for beer issued under subsection (b) of section 30-16, as amended  
1069 by this act, and no spouse or child of such holder may be a holder or  
1070 backer of more than three restaurant permits issued under section 30-22  
1071 or cafe permits issued under section 30-22a.

1072 (b) No permittee or backer thereof and no employee or agent of such  
1073 permittee or backer shall borrow money or receive credit in any form  
1074 for a period in excess of thirty days, directly or indirectly, from any  
1075 manufacturer permittee, or backer thereof, or from any wholesaler  
1076 permittee, or backer thereof, of alcoholic liquor or from any member of  
1077 the family of such manufacturer permittee or backer thereof or from any  
1078 stockholder in a corporation manufacturing or wholesaling such liquor,  
1079 and no manufacturer permittee or backer thereof or wholesaler  
1080 permittee or backer thereof or member of the family of either of such  
1081 permittees or of any such backer, and no stockholder of a corporation  
1082 manufacturing or wholesaling such liquor shall lend money or  
1083 otherwise extend credit, directly or indirectly, to any such permittee or  
1084 backer thereof or to the employee or agent of any such permittee or  
1085 backer. A wholesaler permittee or backer, or a manufacturer permittee  
1086 or backer, that has not received payment in full from a retailer permittee  
1087 or backer within thirty days after the date such credit was extended to  
1088 such retailer or backer or to an employee or agent of any such retailer or  
1089 backer, shall give a written notice of obligation to such retailer within  
1090 the five days following the expiration of the thirty-day period of credit.  
1091 The notice of obligation shall state: The amount due; the date credit was  
1092 extended; the date the thirty-day period ended; and that the retailer is  
1093 in violation of this section. A retailer who disputes the accuracy of the  
1094 "notice of obligation" shall, within the ten days following the expiration  
1095 of the thirty-day period of credit, give a written response to notice of  
1096 obligation to the department and give a copy to the wholesaler or  
1097 manufacturer who sent the notice. The response shall state the retailer's  
1098 basis for dispute and the amount, if any, admitted to be owed for more  
1099 than thirty days; the copy forwarded to the wholesaler or manufacturer  
1100 shall be accompanied by the amount admitted to be due, if any, and  
1101 such payment shall be made and received without prejudice to the  
1102 rights of either party in any civil action. Upon receipt of the retailer's  
1103 response, the chairman of the commission or such chairman's designee  
1104 shall conduct an informal hearing with the parties being given equal  
1105 opportunity to appear and be heard. If the chairman or such chairman's  
1106 designee determines that the notice of obligation is accurate, the

1107 department shall forthwith issue an order directing the wholesaler or  
1108 manufacturer to promptly give all manufacturers and wholesalers  
1109 engaged in the business of selling alcoholic liquor to retailers in this  
1110 state, a "notice of delinquency". The notice of delinquency shall identify  
1111 the delinquent retailer, and state the amount due and the date of the  
1112 expiration of the thirty-day credit period. No wholesaler or  
1113 manufacturer receiving a notice of delinquency shall extend credit by  
1114 the sale of alcoholic liquor or otherwise to such delinquent retailer until  
1115 after the manufacturer or wholesaler has received a "notice of  
1116 satisfaction" from the sender of the notice of delinquency. If the  
1117 chairman or such chairman's designee determines that the notice of  
1118 obligation is inaccurate, the department shall forthwith issue an order  
1119 prohibiting a notice of delinquency. The party for whom the  
1120 determination by the chairman or such chairman's designee was  
1121 adverse, shall promptly pay to the department a part of the cost of the  
1122 proceedings as determined by the chairman or such chairman's  
1123 designee, which shall not be less than fifty dollars. The department may  
1124 suspend or revoke the permit of any permittee who, in bad faith, gives  
1125 an incorrect notice of obligation, an incorrect response to notice of  
1126 obligation, or an unauthorized notice of delinquency. If the department  
1127 does not receive a response to the notice of obligation within such ten-  
1128 day period, the delinquency shall be deemed to be admitted and the  
1129 wholesaler or manufacturer who sent the notice of obligation shall,  
1130 within the three days following the expiration of such ten-day period,  
1131 give a notice of delinquency to the department and to all wholesalers  
1132 and manufacturers engaged in the business of selling alcoholic liquor to  
1133 retailers in this state. A notice of delinquency identifying a retailer who  
1134 does not file a response within such ten-day period shall have the same  
1135 effect as a notice of delinquency given by order of the chairman or such  
1136 chairman's designee. A wholesaler permittee or manufacturer permittee  
1137 that has given a notice of delinquency and that receives full payment for  
1138 the credit extended, shall, within three days after the date of full  
1139 payment, give a notice of satisfaction to the department and to all  
1140 wholesalers and manufacturers to whom a notice of delinquency was  
1141 sent. The prohibition against extension of credit to such retailer shall be

1142 void upon such full payment. The department may revoke or suspend  
1143 any permit for a violation of this section. An appeal from an order of  
1144 revocation or suspension issued in accordance with this section may be  
1145 taken in accordance with section 30-60.

1146 (c) If there is a proposed change or change in ownership of a retail  
1147 permit premises, no application for a permit shall be approved until the  
1148 applicant files with the department an affidavit executed by the seller of  
1149 the retail permit premises stating that all obligations of the predecessor  
1150 permittee for the purchase of alcoholic liquor at such permit premises  
1151 have been paid or that such applicant did not receive direct or indirect  
1152 consideration from the predecessor permittee. The commissioner may  
1153 waive the requirement of such seller's affidavit upon finding that (1) the  
1154 predecessor permittee abandoned the premises prior to the filing of the  
1155 application, and (2) such permittee did not receive any consideration,  
1156 direct or indirect, for such permittee's abandonment. For the purposes  
1157 of this subsection, "consideration" means the receipt of legal tender or  
1158 goods or services for the purchase of alcoholic liquor remaining on the  
1159 premises of the predecessor permittee, for which bills remain unpaid.

1160 (d) A permittee may file a designation of an authorized agent with  
1161 the department to issue or receive all notices or documents provided for  
1162 in this section. The permittee shall be responsible for the issuance or  
1163 receipt of such notices or documents by the agent.

1164 (e) The period of credit permitted under this section shall be  
1165 calculated as the time elapsing between the date of receipt of the  
1166 alcoholic liquors by the purchaser and the date of full legal discharge of  
1167 the purchaser through the payment of cash or its equivalent from all  
1168 indebtedness arising from the transaction except that, if the last day for  
1169 payment falls on a Saturday, Sunday or legal holiday, the last day for  
1170 payment shall then be the next business day.

1171 (f) A permittee shall be a director, employee, member, officer, partner  
1172 or shareholder of the backer. For the purposes of this subsection,  
1173 "employee" means an individual whose (1) manner and means of work  
1174 performance are subject to the right of control of, or are controlled by,

1175 the backer, and (2) compensation is reported, or required to be reported,  
1176 on a federal Form W-2 issued by, or caused to be issued by, the backer.

1177 Sec. 17. Section 30-76a of the general statutes is repealed and the  
1178 following is substituted in lieu thereof (*Effective July 1, 2023*):

1179 A wholesaler permittee shall not sell alcoholic liquor to any [persons]  
1180 person holding a temporary liquor permit for [outings, picnics or special  
1181 gatherings] a noncommercial entity issued under section 30-35, as  
1182 amended by this act, or [a charitable organization permit, including a  
1183 nonprofit public television corporation permit issued under section 30-  
1184 37d but excluding] a nonprofit golf tournament permit issued under  
1185 section 30-37g. Holders of such permits shall purchase alcoholic liquor  
1186 only from permittees holding package store permits issued under  
1187 subsection (b) of section 30-20. The provisions of this section shall not  
1188 apply to the sale of beer in kegs or donations of any beer, spirits or wine  
1189 to which a wholesaler permittee holds distribution rights.

1190 Sec. 18. Subsection (a) of section 30-91 of the general statutes is  
1191 repealed and the following is substituted in lieu thereof (*Effective July 1,*  
1192 *2023*):

1193 (a) The sale, dispensing, consumption or presence in glasses or other  
1194 receptacles suitable to allow for the consumption of alcoholic liquor by  
1195 an individual in places operating under hotel permits issued under  
1196 section 30-21, restaurant permits issued under section 30-22, cafe  
1197 permits issued under section 30-22a, Connecticut craft cafe permits  
1198 issued under section 30-22d, club permits issued under section 30-22aa,  
1199 restaurant permits for catering establishments issued under section 30-  
1200 22b, coliseum permits issued under section 30-33a, nonprofit public  
1201 museum permits issued under section 30-37a, manufacturer permits for  
1202 beer, a farm winery or wine, cider and mead issued under subsection  
1203 (b), (c) or (d), respectively, of section 30-16, as amended by this act,  
1204 casino permits issued under section 30-37k [,] and caterer liquor permits  
1205 issued under section 30-37j [and charitable organization permits issued  
1206 under section 30-37b] shall be unlawful on: (1) Monday, Tuesday,  
1207 Wednesday, Thursday and Friday between the hours of one o'clock a.m.

1208 and nine o'clock a.m.; (2) Saturday between the hours of two o'clock a.m.  
1209 and nine o'clock a.m.; (3) Sunday between the hours of two o'clock a.m.  
1210 and ten o'clock a.m.; (4) Christmas, except (A) for alcoholic liquor that is  
1211 served where food is also available during the hours otherwise  
1212 permitted by this section for the day on which Christmas falls, and (B)  
1213 by casino permittees at casinos, as defined in section 30-37k; and (5)  
1214 January first between the hours of three o'clock a.m. and nine o'clock  
1215 a.m., except that on any Sunday that is January first the prohibitions of  
1216 this section shall be between the hours of three o'clock a.m. and ten  
1217 o'clock a.m.

1218 Sec. 19. Section 30-114 of the general statutes is repealed and the  
1219 following is substituted in lieu thereof (*Effective from passage*):

1220 (a) As used in this section, "keg" means any brewery-sealed  
1221 individual container of beer having a liquid capacity of [six] at least four  
1222 gallons. [or more.]

1223 (b) Any holder of a package store permit or a grocery store beer  
1224 permit under section 30-20, or of a manufacturer permit for beer under  
1225 subsection (b) of section 30-16, as amended by this act, that sells kegs for  
1226 consumption off the permit premises shall, at the time of sale, (1) place  
1227 an identification tag on all kegs sold by the permittee, (2) require each  
1228 purchaser of any such keg to sign a receipt for the keg, and (3) inform  
1229 such purchaser that any deposit paid by the purchaser for the keg, if  
1230 required, shall be forfeited if the keg is returned without the original  
1231 identification tag intact and readable.

1232 (c) (1) The identification tag required under subdivision (1) of  
1233 subsection (b) of this section shall be in the form of a numbered label,  
1234 prescribed and furnished by the department, that clearly identifies the  
1235 seller of the keg. Such tags shall be fabricated and made attachable in  
1236 such a manner as to make the tag easily removable by a beer  
1237 manufacturer for the purpose of cleaning and reusing the keg.

1238 (2) The receipt required under subdivision (2) of subsection (b) of this  
1239 section shall be on a form prescribed and furnished by the department

1240 and shall include the name, address and signature of the purchaser of  
1241 the keg and the purchaser's motor vehicle operator's license number or  
1242 such other identifying information as the department may prescribe by  
1243 regulation under section 30-6a. The permittee shall retain a copy of all  
1244 such receipts on the permit premises for a period of six months. Such  
1245 receipts shall be available for inspection and copying by the department  
1246 or any authorized criminal justice agency.

1247 (3) The information required under subdivision (3) of subsection (b)  
1248 of this section may be given verbally to each purchaser of a keg or may  
1249 be provided by means of a sign conspicuously posted at the point of sale  
1250 in such form and containing such disclosures as the department may  
1251 require by regulation under section 30-6a.

1252 (4) The department may charge a reasonable fee for furnishing the  
1253 forms required by subdivisions (1) and (2) of this subsection, not to  
1254 exceed the actual cost of furnishing such forms.

1255 (d) No holder of a package store permit or a grocery store beer permit  
1256 under section 30-20, or of a manufacturer permit for beer under  
1257 subsection (b) of section 30-16, as amended by this act, may refund any  
1258 deposit upon the return of any keg that (1) does not have an  
1259 identification tag required under subdivision (1) of subsection (b) of this  
1260 section, or (2) has an identification tag that has been defaced to the  
1261 extent that the information contained on the tag cannot be read.

1262 (e) The violation by any holder of a package store permit or a grocery  
1263 store beer permit under section 30-20, or of a manufacturer permit for  
1264 beer under subsection (b) of section 30-16, as amended by this act, of any  
1265 provision of this section shall be cause for revocation or suspension of  
1266 such permit under section 30-55.

1267 Sec. 20. Sections 30-25, 30-37b, 30-37d and 30-37h of the general  
1268 statutes are repealed. (*Effective July 1, 2023*)

This act shall take effect as follows and shall amend the following sections:
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Section 1	<i>from passage</i>	30-1
Sec. 2	<i>July 1, 2023</i>	30-1
Sec. 3	<i>October 1, 2023</i>	30-1
Sec. 4	<i>from passage</i>	New section
Sec. 5	<i>from passage</i>	New section
Sec. 6	<i>October 1, 2023</i>	New section
Sec. 7	<i>July 1, 2023</i>	30-14(a) and (b)
Sec. 8	<i>October 1, 2023</i>	30-14(a) and (b)
Sec. 9	<i>from passage</i>	30-16(a) and (b)
Sec. 10	<i>July 1, 2023</i>	30-16a(a)
Sec. 11	<i>July 1, 2023</i>	30-16b(a)
Sec. 12	<i>July 1, 2023</i>	30-35
Sec. 13	<i>from passage</i>	30-37o(a)
Sec. 14	<i>from passage</i>	30-37t(g)
Sec. 15	<i>July 1, 2023</i>	30-39
Sec. 16	<i>from passage</i>	30-48
Sec. 17	<i>July 1, 2023</i>	30-76a
Sec. 18	<i>July 1, 2023</i>	30-91(a)
Sec. 19	<i>from passage</i>	30-114
Sec. 20	<i>July 1, 2023</i>	Repealer section

**Statement of Legislative Commissioners:**

In the introductory language of Section 3, "section 2" was changed to "sections 1 and 2" for accuracy; in Section 5(b)(1)(I), provisions were rewritten for clarity; in Section 6(c), "to a backer" was changed to "to an auctioneer" for accuracy; and in Section 7, references to "section 6 of this act" were deleted for accuracy.

**GL**            *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 24 \$	FY 25 \$
Revenue Serv., Dept.	Various - Potential Revenue Gain	See Below	See Below
Resources of the General Fund	GF - Potential Revenue Gain	See Below	See Below
Consumer Protection, Dept.	Consumer Protection Enforcement Account - Potential Revenue Gain	See Below	See Below

Note: GF=General Fund; All Funds=All Funds; Various=Various

**Municipal Impact:** None

**Explanation**

The bill makes various changes to the Liquor Control Act resulting in the potential revenue gains described below.

**Section 6** creates a new temporary auction permit for a fee of \$175 per day resulting in a potential revenue gain to the General Fund (GF) to the extent that these permits are issued.

Sec. 6 also results in a revenue gain to the state's sales tax by allowing the temporary auction permit to allow the sale of alcohol at auctions. The actual revenue gain in a given fiscal year will be dependent upon the number of auctions permitted and the total value of sales for that fiscal year.

**Sections 9 & 13** allow manufacturers of spirits to sell products at a farmers' market if they obtain a farmer markets permit resulting in a potential revenue gain to the GF if additional farmer market permits are applied for. The annual fee for the permit is \$250 with a \$100 nonrefundable filing fee.

Secs. 9 & 13 also result in potential revenue gain up to \$15,000 annually in the state's sales and alcoholic beverage taxes by allowing manufacturer permittees for spirits and beer to sell their products at farmers markets. Any revenue gain in taxes would be only to the extent that there is an increase in alcohol sales rather than a shift from currently allowed transactions for alcohol.

**Section 12** replaces several temporary and nonprofit permits with a temporary liquor permit for a noncommercial entity and raises the fee for some of these permits<sup>1</sup> resulting in a potential revenue gain to the GF to the extent these permits are issued. The fee for a temporary liquor permit for a noncommercial entity is \$50 per day.

**Section 14** results in a potential revenue gain in the state's sales and alcoholic beverage taxes by allowing manufacturer permittees that hold an out-of-state shipper's permit for beer to make certain types of sales at a festival. Any revenue gain in taxes would be only to the extent that there is an increase in alcohol sales rather than a shift from currently allowed transactions for alcohol.

**Section 15** creates a new civil penalty for a false statement on applications of up to \$1,000 per violation resulting in a potential revenue gain to the consumer protection enforcement account<sup>2</sup> to the extent violations occur.

The bill also makes various changes to the consumer protection statute that are not anticipated to result in a fiscal impact to the state or municipalities.

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<sup>1</sup> These permits currently range from \$25 to \$50 per day.

<sup>2</sup> The consumer protection enforcement account is a non-appropriated account used to fund positions dedicated to the enhanced enforcement of DCP licensing laws and regulations.

***The Out Years***

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

**OLR Bill Analysis****sHB 6548*****AN ACT CONCERNING THE DEPARTMENT OF CONSUMER PROTECTION'S RECOMMENDATIONS REGARDING ALCOHOLIC LIQUOR REGULATION.***

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Lowers the minimum liquid capacity needed, from six to four gallons, to be considered a keg to meet industry standards; and allows manufacturer permittees for beer to sell kegs

### BACKGROUND

### **SUMMARY**

This bill makes various unrelated changes to the Liquor Control Act. Among other things, it:

1. conforms law with practice by allowing alternating proprietorships (sharing permit premises to produce alcoholic beverages) and contract manufacturing agreements (contracting to produce alcoholic beverages on behalf of another);
2. establishes two temporary permits, one for auctions and another for noncommercial entities (e.g., charities);
3. expands the farmers' market sales and festival permits to allow additional types of sales;
4. eliminates the sunset for certain permittees for on-premises

consumption to sell for off-premises consumption;

5. prohibits anyone assisting an applicant, backer, or permittee in a liquor application from submitting a false statement;
6. lowers the minimum liquid capacity needed, from six to four gallons, to be considered a keg and allows manufacturers to sell kegs; and
7. makes various minor, technical, and conforming changes.

EFFECTIVE DATE: Various, see below

### **§§ 1 & 4 — ALTERNATING PROPRIETORSHIPS**

*Allows host manufacturers to have a tenant manufacturer share or rent their permit premises*

The bill conforms law with practice by allowing a host manufacturer and tenant manufacturer to enter into an alternating proprietorship agreement, but under certain conditions.

Under the bill, an “alternating proprietorship agreement” or “agreement” means a written agreement between a host manufacturer and at least one tenant manufacturer under which the host agrees to share permit premises with, or rent permit premises to, a tenant manufacturer for the purpose of producing alcoholic beverages.

#### **Agreement Requirements**

The bill requires the agreement to provide that:

1. if the host manufacturer is sharing the permit premises with the tenant manufacturer under the agreement, the host or tenant is deemed to be in exclusive control and possession of those portions of the permit premises which the respective manufacturer is actively using to produce and store alcoholic beverages under the agreement; and
2. each manufacturer must separately hold title to all (a) ingredients, packaging supplies, and raw materials that he or she uses to produce alcoholic beverages under the agreement, all of

which must be conspicuously labeled to identify which manufacturer possesses it; and (b) alcoholic beverages the manufacturer produces on the permit premises under the agreement, until the alcohol is removed.

The bill specifies that these provisions are not to be construed to prohibit a tenant manufacturer from purchasing ingredients, packaging supplies, or raw materials from the host manufacturer before the tenant manufacturer begins producing alcoholic beverages under the agreement.

### ***Separation Requirements***

The bill requires, during all stages of production, each alcoholic beverage a manufacturer produces under an agreement to be maintained separately from those produced by other manufacturers and so that the beverages' manufacturer is readily identifiable as the manufacturer's beverage.

### ***Assumption of Risk of Loss***

Each manufacturer who is party to an agreement assumes any risk of loss of an alcoholic beverage that he or she produces under it. The tenant manufacturer is prohibited from returning to the host any alcoholic beverage that he or she produces under the agreement.

### ***Independence***

The bill requires each manufacturer in an agreement to:

1. ensure the independence of his or her brands, marketing, product registrations, sales, and trademarks; and
2. separately maintain control and responsibility over the alcoholic beverages he or she produces under the agreement, as well as the production quantity of, and formula development and quality control standards for, the alcoholic beverage.

The bill specifies that this separation requirement does not preclude

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a tenant manufacturer from paying a host manufacturer for services rendered by a host manufacturer's employee for assisting the tenant manufacturer with any aspect of his or her operation.

Under the bill, each manufacturer under an agreement must:

1. maintain separate records on his or her production, sales, and any other matter the law requires;
2. file separate licensing, production, and sales reports with federal and state authorities as the law requires;
3. separately pay any alcoholic beverages tax due under the agreement;
4. be approved, licensed, or qualified by the federal Alcohol and Tobacco Tax and Trade Bureau as required by federal law;
5. be responsible for obtaining the manufacturer's (a) certificates of label approval (i.e., federal certificate that authorizes the bottling of wine, distilled spirits, or malt beverages, for commerce purposes, 27 C.F.R. 4.10), and (b) brand registrations from the Department of Consumer Protection (DCP); and
6. label each alcoholic beverage that he or she produces under the agreement with the manufacturer's business name and the address of the permit premises.

### ***Prohibitions***

The bill prohibits any manufacturer who is a party in an agreement from being owned by anyone who owns another manufacturer who is also a party to the agreement, except if the manufacturers are producing different classes of alcoholic beverages.

The bill specifies that the alternating proprietorship provision should not be construed to prohibit (1) multiple manufacturers from equally sharing the ownership or use of any permit premises, or (2) an out-of-state manufacturer from entering into an alternating proprietorship

agreement with a host manufacturer as a tenant manufacturer, provided the out-of-state manufacturer applies for a Connecticut manufacturer permit.

### **Regulations**

The bill allows DCP to adopt regulations to implement the alternating proprietorship provision.

EFFECTIVE DATE: Upon passage

### **§§ 1 & 5 — CONTRACT MANUFACTURING AGREEMENTS**

*Allows contracting parties (i.e., manufacturer, wholesaler, or certain out-of-state shipper's permittees) to produce an alcoholic beverage on behalf of a contracting party*

Broadly, the bill allows a manufacturer to produce alcohol on someone's behalf. Specifically, the bill conforms law with practice by allowing a contracting party to enter into a contracting manufacturing agreement with a primary manufacturer under certain conditions. Under the bill, "contracting party" is a manufacturer permittee, a wholesaler permittee, or an out-of-state shipper's permittee for alcoholic liquor that owns the recipe for an alcoholic beverage. "Contract manufacturing agreement" or "agreement" means a written agreement, including a custom crush agreement, in which a primary manufacturer agrees to produce an alcoholic beverage on behalf of a contracting party. "Custom crush agreement" means a contract manufacturing agreement where a primary manufacturer produces wine on a contracting party's behalf using the contracting party's grapes or other fruit.

### **Primary Manufacturer Responsibilities**

The bill requires the primary manufacturer to do the following under the agreement on the contracting party's behalf:

1. maintain, at all times during the agreement, exclusive control and possession of all premises where he or she produces alcoholic beverages;
2. have sole responsibility for producing all alcoholic beverages;
3. label all alcoholic beverages produced with his or her business

- name and address;
4. maintain title to all ingredients that he or she uses during the production process unless the agreement is a custom crush agreement;
  5. maintain title to all machinery and supplies that he or she uses during the alcoholic beverage production process;
  6. maintain title to each alcoholic beverage he or she produces until the alcoholic beverage is removed from his or her permit premises;
  7. maintain appropriate production records on all alcoholic beverages he or she produces;
  8. obtain from the federal Alcohol and Tobacco Tax and Trade Bureau any certificate of label approval required for an alcoholic beverage that he or she produces; and
  9. file any state registration requirements for an alcoholic beverage that he or she produces.

The bill also requires the primary manufacturer to pay any tax due on the alcoholic beverages he or she has produced for the contracting party. The bill allows the agreement to require that the contracting party reimburse them for the tax.

### ***Inspections***

Under the bill, the primary manufacturer must also provide to DCP, upon inspection or request, an up-to-date list and copies of all contract manufacturing agreements to which he or she is a party and production records on the agreements. This information must be provided to DCP in an electronic format unless it is commercially impractical.

**Prohibitions**

The bill also prohibits (1) primary manufacturers from selling at retail for off-premises consumption or at wholesale any alcoholic beverage he or she produces on behalf of the contracting party if a wholesaler permittee has the distribution rights for the alcoholic beverage, and (2) the contracting party from producing any alcoholic beverage on the primary manufacturer's permit premises.

**Regulations**

The bill allows DCP to adopt regulations to implement these provisions.

EFFECTIVE DATE: Upon passage

**§§ 3, 6 & 8 — TEMPORARY AUCTION PERMITS**

*Establishes a temporary auction permit to allow the permittee to sell alcohol obtained from individual collectors through an auction*

The bill establishes a temporary auction permit that allows the permittee to sell beer, spirits, and wine obtained from one or more individual collectors through an auction an auctioneer conducts. An auctioneer is anyone who (1) regularly provides professional services by auctioning items for sale and (2) does not hold an alcoholic liquor permit. An individual collector is anyone who is not a backer (i.e., proprietor) or permittee or a backer's director, officer, or employee.

The auction may only be held during the hours a package store is allowed to sell alcohol (e.g., generally allowed between 8:00 a.m. and 10:00 p.m. on Monday through Saturday and between 10:00 a.m. and 6:00 p.m. on Sunday).

**Application**

To obtain a permit, an auctioneer must apply to DCP, in a form and manner it prescribes, at least 60 days before the auction starts. The applicant must serve as the permit's backer. Each permit is valid for one auction and is effective for a period of up to three consecutive days. DCP may not issue more than four permits to a backer in any calendar year. The permit fee is \$175 per day.

***Nature and Duration of Permit***

Similar to other alcohol permits under existing law, the bill makes the permit revocable at DCP's discretion and expires annually. The permit is to be a purely personal privilege and does not constitute property.

***Obtaining Alcohol***

Only beer, spirits, and wine from individual collectors can be auctioned. Additionally, an auctioneer can only accept alcohol that (1) the individual collector lawfully acquired and (2) bears an intact seal from the alcohol manufacturer.

The bill correspondingly allows an individual collector to sell or consign alcohol to an auctioneer and requires any unsold alcohol to be returned to the individual collector within 10 days after the final day of the auction.

***Exemption***

The bill exempts the alcohol sold at an auction under this permit from the state's brand registration, price posting, and selling below minimum retail cost prohibition. The bill prohibits alcohol from being resold, offered for sale, or otherwise used on the permit premises of any other alcohol permittee or its backer.

***Samples and Tastings***

Under the bill, the permittee may offer free tasting samples of any alcohol to be auctioned, but must first notify DCP (in a form and manner DCP prescribes) of its intent to do so at least 30 days before the auction's first day. Similar to the restrictions on conducting auctions, tastings may only occur during the times a package store is allowed to sell alcohol. The bill prohibits (presumably, the permittee from conducting) tastings from being offered to any minor or intoxicated person, or from more than 10 uncorked or open cans or bottles at any one time.

***Municipal Option***

Under the bill, any town or municipality may, by ordinance or zoning regulation, prohibit the offering of the free samples by permittees at

events or functions held in the town or municipality.

### **Shipping**

The bill allows permittees to deliver and ship any auctioned alcohol directly to the consumer who purchased it. Any shipment to a consumer outside of the state is subject to all applicable laws of the jurisdiction where the consumer is located. When shipping the alcohol directly to a Connecticut consumer, the permittee must:

1. ensure that each container's shipping label on each container states the following: "CONTAINS ALCOHOL—SIGNATURE OF A PERSON AGE 21 OR OLDER REQUIRED FOR DELIVERY";
2. obtain the signature of a person who is at least age 21 at the delivery address prior to delivery, after requiring the person to demonstrate he or she is at least age 21 by providing a valid motor vehicle operator's license or a valid identity card;
3. not ship the alcohol to any address in this state where the sale of alcoholic liquor is prohibited by local option; and
4. make any such shipment through an in-state transporter permittee.

### **Regulations**

The bill allows DCP to adopt regulations to implement the bill's temporary auctioneer provisions.

EFFECTIVE DATE: October 1, 2023

### **§§ 9 & 13 — FARMERS' MARKET ALCOHOL SALES PERMIT**

*Expands the farmers' market sales permit to allow manufacturer permittees for spirits to sell their product at a farmers' market and allows manufacturer permittees for spirits and beer to offer free tastings of their product at farmers' markets*

### **Spirits**

By law, manufacturer permittees for beer; farm winery; and wine, cider, and mead may obtain a farmers' market sales permit allowing

them to sell their product at farmers' markets. The bill expands the permit to also allows manufacturer of spirits to sell spirits at a farmers' market.

Existing law allows these sales at the farmers' market if the permittee (1) has an invitation from the farmers' market; (2) only sells these products by the bottle or in sealed containers; and (3) is present, or has an authorized representative present, at the time of any sale. The permit authorizes the sale of these products during an unlimited number of appearances at a farmers' market and at up to 10 locations per year. Any town or municipality, by ordinance or zoning regulation, may prohibit the sale of these products at a farmers' market held in the town or municipality. The annual fee for the permit is \$250 with a \$100 nonrefundable filing fee.

### **Tastings**

Additionally, existing law allows permittees for farm winery and wine, cider, and mead to sell and offer free tastings of their products at a farmers' market organized by a nonprofit. The bill also extends this to manufacturer permittees for spirits and beer.

EFFECTIVE DATE: Upon passage

### **§ 11 — ELIMINATION OF SUNSET FOR CERTAIN PERMITTEES FOR ON-PREMISES CONSUMPTION TO SELL FOR OFF-PREMISES CONSUMPTION**

*Eliminates the sunset for certain permittees for on-premises consumption to sell for off-premises consumption*

The bill eliminates the sunset for the law that allows manufacturer, hotel, restaurant, club, nonprofit, and certain cafe permittees, until June 5, 2024, to sell and deliver sealed alcoholic liquor (e.g., beer, wine, or spirits) for off-premises consumption. Among other things, the law includes requirements that the:

1. alcoholic liquor sold for off-premises consumption be accompanied by food prepared on the permit premises;

2. sales be consistent with all local ordinances where the premises is located;
3. container, other than the manufacturer's original sealed container, be securely sealed in a way that prevents consumption without removing the tamper-evident lid, cap, or seal;
4. sales and deliveries be made (a) only during the hours package stores may operate under state law and (b) by the permittee's direct employee (or a third-party vendor or entity that holds an in-state transporter permit); and
5. sales comply with specified per-customer, per-order limits (i.e., 196 ounces for beer, one liter for spirits, and 1.5 liters for wine).

EFFECTIVE DATE: July 1, 2023

#### **§§ 2, 7, 10, 12, 15, 17-18 & 20 — TEMPORARY LIQUOR PERMIT FOR NONCOMMERCIAL ENTITIES**

*Replaces several of current law's permits that are temporary or related to nonprofits and charities with a new temporary liquor permit for a noncommercial entity*

The bill replaces several of current law's permits that are temporary or related to nonprofits and charities with a new temporary liquor permit for a noncommercial entity. Specifically, under the bill, the new permit replaces and repeals: the temporary permit for outings, picnics, or social gatherings; special club permit for picnics; charitable organization permit; nonprofit public television corporation permit; and the nonprofit corporation permit (CGS §§ 30-25, -35, -37b, -37d, and -37h).

Under the bill, a noncommercial entity is an academic institution, charitable organization, government organization, nonprofit organization or similar entity that is not primarily dedicated to obtaining a commercial advantage or monetary compensation.



***Nature and Duration of Permit***

As under current law for the replaced permits, the temporary liquor permit for a noncommercial entity is, among other things, revocable at DCP's discretion and expires annually. The permit is to be a purely personal privilege and does not constitute property. The application fee is \$10 for each application.

***Placarding***

By law, alcoholic liquor permit applicants must generally give notice of a new permit in the newspaper and place placards visible from the road that include certain information, such as the business's name and location. As under current law for the replaced and repealed permits, the bill exempts temporary liquor permittees for a noncommercial entity from the notice and placard requirements.

***Sales***

The new permit allows the sale of beer, spirits, or wine at any fundraising event, outing, picnic, or social gathering ("event") a bona fide noncommercial entity, club, or golf country club conducts. The bill requires one of these entities to be the permit's backer (i.e., proprietor) and prohibits a for-profit entity from being the backer. The permit also allows for the retail sale of beer, spirits, or wine at an in-person or online auction if the auction is part of a fundraising event to benefit the tax-exempt activities of the noncommercial entity, club, or golf country club.

***Profits***

Under the bill, all profits from the auction or sale of the beer, spirits, or wine must be retained by the backer or permittee conducting the event. No portion of the profits may be paid, directly or indirectly, to any individual or other corporation.

***Dates***

The permit must be issued subject to DCP approval and is effective only for specified dates and times limited by the department. The combined total of events for which a permit is issued must not exceed 12 in any calendar year and the approved dates and times for each event

must be displayed on the permit. The combined total of days for which the permit is issued must not exceed 20 days in any calendar year.

***Hours of Sale***

Under the bill, each permit is subject to the hours of sale established under the allowable alcohol times and hours law, but the bill does not specify which provision of the law this permit may sell under.

***Permit***

The permittee must display the permit and the days for which the permit has been issued in a prominent location next to the event entrance. The permit fee is \$50 per day.

***Donations***

The bill allows a manufacturer permittee, a wholesaler permittee, or package store permittee to donate to a temporary liquor permittee for a noncommercial entity, any beer, spirits, or wine they manufacture, distribute, or sell, respectively.

***Off-Site Farm Winery Sales and Wine, Cider, and Mead Tasting Permit***

Current law allows an off-site farm winery sales and wine, cider, and mead tasting permittee to sell and offer free samples of their products at up to seven events or functions per year held under a temporary liquor permit, a charitable organization permit, or a nonprofit corporation permit. The bill appears to remove the requirement that these events are held at charitable or nonprofit functions, and instead allows these permittees to hold up to seven off-site events at any location under certain circumstances.

***Prohibited Sales and Donations***

Current law prohibits wholesaler permittees from selling alcoholic liquor to a temporary permittee for outings, picnics, or special gatherings or a charitable organization permittee, but excludes a nonprofit golf tournament permittee (e.g., Travelers Championship). The bill (1) extends this prohibition to the temporary liquor permit for a noncommercial entity, which replaces these permits, and (2) also

prohibits sales to a nonprofit golf tournament permittee. As under existing law, these permittees must purchase alcoholic liquor only from package store permittees.

Additionally, the bill allows donations of any beer, spirits, or wine to which a wholesaler holds the distribution rights, to these permittees.

EFFECTIVE DATE: July 1, 2023

#### **§ 14 — FESTIVAL PERMITS**

*Allows manufacturer permittees that hold an out-of-state shipper's permit for beer to make certain types of sales at a festival and ship directly to visitors*

By law, a festival sponsor can organize and sponsor a festival in Connecticut by inviting eligible manufactures to participate. The bill removes a specific restriction on manufacturer permittees that hold an out-of-state shipper's permit for beer to make certain types of sales at a festival. Under the bill, these permittees may now:

1. sell and directly ship alcoholic liquor to festival visitors that the manufacturer sells to at the festival, if allowed under its permit;
2. sell, at retail, bottles and other sealed containers of alcoholic liquor for consumption off the festival premises, subject to its permit limitations (e.g., three liters of spirits per day and nine gallons of beer per day); and
3. sell, at retail, alcoholic liquor by the glass or receptacle for consumption on the festival premises, so long as each glass or receptacle is embossed or permanently labeled with the festival's name and date.

EFFECTIVE DATE: Upon passage

**§ 15 — FALSE STATEMENTS**

*Prohibits anyone assisting an applicant, backer, or permittee in a liquor application from submitting a false statement; violators may be subject to a \$1,000 civil fine and a CUTPA violation*

The bill prohibits anyone who assists an applicant, backer, or permittee in submitting a liquor permit application from submitting, or causing to submit, any false statement connected to the application. He or she also must not engage in any conduct that delays or impedes DCP in processing the application. A violation is deemed a violation of the Connecticut Unfair or Deceptive Trade Practices Act (CUTPA).

The commissioner, after providing an opportunity for a hearing, may impose a civil penalty of up to \$1,000 per violation on anyone who violates this provision. She may also order the person to pay restitution to the applicant, backer, or permittee. Under the bill, all civil penalties paid, collected, or recovered must be deposited in the consumer protection enforcement account (DCP uses this account to enforce the licensing and registration laws it administers).

By law, CUTPA prohibits businesses from engaging in unfair and deceptive acts or practices. It allows the DCP commissioner to issue regulations defining an unfair trade practice, investigate complaints, issue cease and desist orders, order restitution in cases involving less than \$10,000, enter into consent agreements, ask the attorney general to seek injunctive relief, and accept voluntary statements of compliance. It also allows individuals to sue. Courts may issue restraining orders; award actual and punitive damages, costs, and reasonable attorney's fees; and impose civil penalties of up to \$5,000 for willful violations and up to \$25,000 for a restraining order violation.

EFFECTIVE DATE: July 1, 2023

**§ 16 — PERMITTEE REQUIREMENTS**

*Requires permittees to be a backer's director, employee, member, officer, partner, or shareholder*

The bill requires a permittee to be a backer's director, employee, member, officer, partner, or shareholder. For this purpose, an

“employee” is an individual whose (1) manner and means of work performance are subject to the backer’s control or right of control, and (2) compensation is reported, or required to be reported, on a federal Form W-2 issued by, or caused to be issued by, the backer.

EFFECTIVE DATE: Upon passage

## **§ 19 — BEER KEGS**

*Lowers the minimum liquid capacity needed, from six to four gallons, to be considered a keg to meet industry standards; and allows manufacturer permittees for beer to sell kegs*

### ***Liquid Capacity Increase***

The bill lowers the minimum liquid capacity needed, from six to four gallons, to be considered a keg, to meet industry standards. As a result, more containers must adhere to keg identification requirements (see below). As under existing law, a keg must be a brewery-sealed individual container of beer.

### ***Manufacturer Permittees for Beer***

The bill allows a manufacturer permittee for beer to sell kegs for off-premises consumption and extends existing law’s requirements to these sales. As under existing law for package and grocery stores, the permittee must, at the time of sale, (1) place an identification tag on the keg; (2) require purchasers to sign a receipt; and (3) inform them that the deposit, if any, must be forfeited if the keg is returned without an intact and readable tag. The seller may inform buyers of this fact either verbally or by posting a conspicuous sign at the point of sale.

By law, the tag must be a numbered label DCP furnishes that clearly identifies the seller. It must be made and attached so that the beer manufacturer can easily remove it for keg cleaning and reuse. DCP may charge a reasonable fee, up to the actual cost, for supplying the tags and customer receipts.

The customer signature receipt must be a form provided by DCP stating the purchaser’s name, address, driver’s license number, or other identification set by regulation. The seller must keep a copy of all receipts on the premises and available for inspection and copying by department and criminal justice agencies for six months.

As under existing law, the bill prohibits manufacturers from refunding a keg deposit if the keg (1) does not have the required identification tag or (2) has one that is defaced and unreadable.

Under the bill, a manufacturer permittee who violates these provisions may have his or her permit revoked or suspended.

EFFECTIVE DATE: Upon passage

**BACKGROUND**

***Related Bill***

sSB 905, reported favorably by the General Law Committee, contains:

- 1. an identical provision that allows manufacturer permittees that hold an out-of-state shipper’s permit for beer to make certain types of sales at a festival and ship directly to visitors, and
- 2. similar provisions on (a) temporary auction permits and (b) manufacturer permittees for spirits selling at farmers’ markets.

**COMMITTEE ACTION**

General Law Committee

Joint Favorable Substitute

Yea 23 Nay 0 (03/02/2023)