



WINE AND SPIRITS WHOLESALERS OF CONNECTICUT, INC.

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Executive Director
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**Testimony of Lawrence F. Cafero, Jr.
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Wine and Spirit Wholesalers of CT, Inc., (WSWC)
Environment Committee Public Hearing
February 28, 2024**

In Opposition of Raised Bill 5215; An Act Concerning Municipal Authority To Prohibit The Sale Of Nips.

WSWC stands in **strong** opposition to Raised Bill 5215. The proposed Bill overturns 90 years of precedent by shifting a specific regulation of alcohol beverage from the state to local municipalities.

Since the adoption of the 21st Amendment to our U.S. Constitution, which marked the end of Prohibition over 90 years ago, all matters regarding the regulation of alcohol products have been relegated to the States. Connecticut, being the fifth smallest state in our Union, with 169 towns, chose to have a centralized model of liquor laws and regulations to avoid our state having a patchwork of conflicting and varied laws regarding beverage alcohol. This model grew in importance and effectiveness especially after the phasing out of any real form of county government in Connecticut. The only authority ever given to municipalities over the regulation of beverage alcohol was a town's ability to vote itself "wet" or "dry" by allowing the sale of alcohol within its borders. All other matters regarding to whom alcohol can be sold, what venue can sell, when it can be sold and what can be sold, has **always been** left to the state. That 90-year model of regulation has proved so successful that when the Connecticut Legislature decided to legalize the sale and use of cannabis, the same model was followed.

Towns can decide if they want it sold in their town or not, but all other regulation of cannabis is by the state.

To allow any municipality the authority to **ban** a specific product by a simple majority of its legislative body can lead to chaos. Imagine a town with a 9-member legislative body elected every two years. One year, by a 5 to 4 vote they ban the sale of nips. Two years later, after an election change, they vote 5 to 4 the other way to allow their sale. This inconsistency is unfair to the consumer as well as the retailer who relied on a certain set of rules when they invested in their business. Rules that, if this bill were to pass, would be subject to change on a vote of a simple majority of the town council.

At the center of the "Nip" issue is litter. The proponents of this bill insist that if a town chooses to ban the sale of nips in their town, the "litter" issue will go away or decrease substantially. We would respectfully disagree. The proposed bill would only allow a municipality the authority to ban the sale of nips within their borders. The bill does not allow the banning of the possession or use of "Nips" within a town. That said, if a resident of a town is a frequent purchaser of nips and that town bans their sale, it is reasonable to assume that person would purchase nips in a neighboring town and bring them home to consume. If that were the case, the discarding of the container would happen regardless. **No one town is an island.**

Alcoholic beverages are sold in a vast variety of sizes and quantities. For example, alcohol is sold in 50 ml containers, also known as "Nips," as well as 100 ml and 200 ml containers, etc. The typical nip sells for \$0.99 cents plus tax and the \$0.05 cent environmental fee, for a total cost of \$1.11 out the door. The 100ml size of that same liquor also comes in a relatively small, concealable container and sells for \$1.99 plus tax (no environmental fee) for a cost of \$2.13 out the door. (See attachment.) We believe it is reasonable to assume that if a consumer of nips lives in a town that has banned their sale, they would simply start buying the larger quantity container, which, because of its size, is no less likely to be consumed and "chucked", and adds to the litter problem. What happens then? Do we go back and allow the banning of 100mls or 200mls? When does it stop? How about various flavors that some might object to? Do we allow them to be banned as well? This is the proverbial slippery slope and a very bad and dangerous precedent. Alcohol beverages are an intoxicant. Their

regulation is serious business with serious consequences to the public at large. Our citizens are entitled to rely upon one centralized, uniform regulation system and not a patchwork of laws throughout our small state.

Nip bottles are being discarded on our roadways and waterways, causing litter. To that point, there is no denying. As a result, in 2021, the legislature passed the "Nickel for Nip" legislation. The law charges an "Environmental Fee" of \$0.05 cents for each and every nip sold in our state and every six months returns that nickel to the municipality wherein the nip was sold. The monies are to be used for an environmental purpose. The program is only two years old and has generated nearly \$9 million that has gone back to the municipalities. The program has been a great success and has gained national recognition becoming known as "The Connecticut Model" with other states looking to implement the same program. Many towns have been very creative in how they have used their "NIP" money and are reporting real success in their fight against litter.

Unfortunately, because of the newness of the program and lack of accountability, not all towns have used their money appropriately or even at all.

Instead of allowing towns to ban nips, the Environment Committee could instead recommend to the legislature that each town report to them, on an annual basis, how they are using the money to assure it is being used for the eradication of litter. Perhaps the language of the statute can be tightened up to more directly address litter instead of just any environmental purpose. Before we potentially dismantle a successful program, let us make it even better and give it some time to work.

Lastly, with very few exceptions, Connecticut is not a state that bans products. For products, like prescription drugs, nicotine, cannabis and alcohol, that if misused can impact public safety, we centrally, uniformly and strictly regulate their sale and use. **Connecticut is not about the business of banning products.** Let's not start now.

Please Vote NO on Raised Bill 5215.



Who is the WSWC? The Wine and Spirits Wholesalers of Connecticut, Inc. (WSWC) was established in 1964 and is the trade association representing wine and spirits wholesalers in Connecticut. Our membership totals 56 and our members distribute the vast majority of wines and spirits sold in Connecticut.

WSWC members span a diversity of size, from very large to very small, but all are family-owned businesses. Individually, they employ as many of 230 employees and as few as one person working part-time. Collectively, they are a significant and integral part of Connecticut's economy.

The members of WSWC:

- Contribute in excess of \$200 million in direct and indirect benefits to the state economy
- Provide in excess of 1,700 direct jobs to Connecticut residents
- Pay in excess of \$167 million in wages
- Pay in excess of \$60.2 million in state excise taxes
- Promote, market, sell, warehouse and deliver nearly 43,000 different brands
- Assist the Connecticut Department of Revenue Services in the collection of sales and use taxes in excess of \$141 million annually.

WSWC members are committed to ensuring that the best possible safeguards to prevent the sale of beverage alcohol to minors are in place and that adults of legal drinking age consume beverage alcohol responsibly, while at the same time providing an efficient method of distribution that offers access to a wide variety of quality wine and spirits from all over the world.

Member companies:

Connecticut, Distributors, Inc., Stratford, Conn.; Hartley & Parker Limited, Inc., Stratford, Conn., Eder Bros., Inc., West Haven, Conn., Allan S. Goodman, Inc., East Hartford, Conn., Northeast Beverage CT, Orange, Conn., The Winebow Group, Wallingford, Conn., Opici Family Distributing, Milford, Conn.

Respectfully submitted,


Lawrence F. Cafero, Jr.

50 ml

\$0.99

\$0.07 tax

\$0.05 Enviro Fee

\$1.11 total cost

100ml

\$1.99

\$0.14 tax

\$2.13 total cost

