File No. 586

(Reprint of File No. 45)

House Bill No. 5225
As Amended by House
Amendment Schedule "A"

Approved by the Legislative Commissioner
April 23, 1998

AN ACT CONCERNING THE RETAIL SALE OF BEER IN KEGS.

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

1 Section 1. (NEW) (a) As used in this section,
2 "keg" means any brewery-sealed individual
3 container of beer having a liquid capacity of six
4 gallons or more.
5 (b) Any holder of a package store permit or a
6 grocery store beer permit under section 30-20 of
7 the general statutes that sells kegs for
8 consumption off the permit premises shall, at the
9 time of sale, (1) place an identification tag on
10 all kegs sold by the permittee, (2) require each
11 purchaser of any such keg to sign a receipt for
12 the keg, and (3) inform such purchaser that any
13 deposit paid by the purchaser for the keg, if
14 required, shall be forfeited if the keg is
15 returned without the original identification tag
16 intact and readable.
17 (c) (1) The identification tag required under
18 subdivision (1) of subsection (b) of this section
19 shall be in the form of a numbered label,
20 prescribed and furnished by the department, that
21 clearly identifies the seller of the keg. Such
22 tags shall be fabricated and made attachable in

23 such a manner as to make the tag easily removable
24 by a beer manufacturer for the purpose of cleaning
25 and reusing the keg.
26 (2) The receipt required under subdivision
27 (2) of subsection (b) of this section shall be on
28 a form prescribed and furnished by the department
29 and shall include the name, address and signature
30 of the purchaser of the keg and the purchaser's
31 motor vehicle operator's license number or such
32 other identifying information as the department
33 may prescribe by regulation under section 30-6a of
34 the general statutes. The permittee shall retain a
35 copy of all such receipts on the permit premises
36 for a period of six months. Such receipts shall be
37 available for inspection and copying by the
38 department or any authorized criminal justice
39 agency.
40 (3) The information required under
41 subdivision (3) of subsection (b) of this section
42 may be given verbally to each purchaser of a keg
43 or may be provided by means of a sign
44 conspicuously posted at the point of sale in such
45 form and containing such disclosures as the
46 department may require by regulation under section
47 30-6a of the general statutes.
48 (4) The department may charge a reasonable
49 fee for furnishing the forms required by
50 subdivisions (1) and (2) of this subsection, not
51 to exceed the actual cost of furnishing such
52 forms.
53 (d) No holder of a package store permit or a
54 grocery store beer permit under section 30-20 of
55 the general statutes may refund any deposit upon
56 the return of any keg that (1) does not have an
57 identification tag required under subdivision (1)
58 of subsection (b) of this section or (2) has an
59 identification tag that has been defaced to the
60 extent that the information contained on the tag
61 cannot be read.
62 (e) The violation by any holder of a package
63 store permit or a grocery store beer permit under
64 section 30-20 of the general statutes of any
65 provision of this section shall be cause for
66 revocation or suspension of such permit under
67 section 30-55 of the general statutes, as amended
68 by section 7 of public act 97-175.
69 Sec. 2. (NEW) (a) Any person who possesses any
70 keg containing beer that is required to have an

71 identification tag pursuant to section 1 of this
72 act, knowing that such keg does not have such
73 required identification tag, shall be guilty of a
74 class C misdemeanor. This subsection shall not
75 apply to any manufacturer, shipper, wholesaler or
76 retail seller of beer, or to any person who finds
77 a discarded keg containing beer on such person's
78 property.
79 (b) Any person who purchases any keg
80 containing beer and who knowingly provides false
81 information on any receipt required by section 1
82 of this act at the time of such purchase shall be
83 guilty of a class C misdemeanor.
84 Sec. 3. This act shall take effect January 1,
85 1999.

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"THE FOLLOWING FISCAL IMPACT STATEMENT AND BILL ANALYSIS ARE PREPARED FOR THE BENEFIT OF 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 HOUSE THEREOF FOR ANY PURPOSE."

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FISCAL IMPACT STATEMENT - BILL NUMBER HB 5225

STATE IMPACT	Cost, Minimal Revenue Gain (General Fund), see explanation below
MUNICIPAL IMPACT	None
STATE AGENCY(S)	Department of Consumer Protection, Various Criminal Justice Agencies

EXPLANATION OF ESTIMATES:

STATE IMPACT: It is anticipated that the passage of this bill will result in additional cost to the Department of Consumer Protection which may exceed the agency's anticipated budgetary resources for the 1998-99 fiscal year. The additional costs are associated with supplying the tags and customer receipts to the vendors.

Since the bill would allow DCP to charge a fee for the receipts and the tags, a revenue gain is expected to result for the General Fund. The exact extent of the revenue gain is not known, as it is contingent upon the fee that is charged and the quantity that are provided to the vendors.

If the DCP elects to issue regulations, minimal additional costs, which can be handled within the anticipated budgetary resources of the agency are expected to result. The minimal additional costs are associated with developing and publishing the regulations.

Passage of the bill would result in additional workload for law enforcement and criminal justice agencies that

can be absorbed within current budgetary and caseload structures. Any revenue from collected fines is anticipated to be minimal.

House "A" made a technical change that did not alter the fiscal impact of the original bill.

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OLR AMENDED BILL ANALYSIS

HB 5225 (as amended by House "A")*

AN ACT CONCERNING THE RETAIL SALE OF BEER IN KEGS

SUMMARY: This bill requires package and grocery stores selling keg beer to (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. The bill defines "keg" as a brewery-sealed container of at least six gallons. The Department of Consumer Protection (DCP) may adopt regulations setting requirements for the form and content of the sign.

The bill establishes penalties for retailers who violate its provisions, purchasers who provide false identification, and people who possess untagged kegs.

*House Amendment "A" exempts those who find discarded kegs on their property from the penalty.

EFFECTIVE DATE: January 1, 1999

FURTHER EXPLANATION

Identification Tag

The tag must be a numbered label furnished by DCP that clearly identifies the seller. It must be made and attached in a way 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.

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 prescribed 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.

Deposit

The bill prohibits keg sellers from returning a keg deposit if the keg (1) does not have the required identification tag or (2) has one that is defaced and unreadable.

Penalties

A retailer who violates the law is subject to permit suspension or revocation.

A purchaser who knowingly provides false information on the customer receipt commits a class C misdemeanor, which is punishable by up to three months in prison, a fine of up to $500, or both.

Anyone who possesses an untagged keg, knowing it to be untagged, commits a class C misdemeanor. The penalty does not apply to a beer manufacturer, wholesaler, or retailer or someone who finds a discarded keg containing beer on his property.

BACKGROUND

Legislative History

The House referred the bill (File 45) to the Judiciary and Finance, Revenue and Bonding committees on March 24 and April 1, respectively. They favorably reported the bill without change on March 31 and April 8,

COMMITTEE ACTION

General Law Committee

Joint Favorable Report
Yea 17 Nay 0

Judiciary Committee

Joint Favorable Report
Yea 26 Nay 15