



General Assembly

February Session, 2006

**Raised Bill No. 501**

LCO No. 2597



Referred to Committee on

Introduced by: **GENERAL LAW**  
(GL)

**AN ACT CONCERNING THE SHIPMENT OF WINE TO STATE RESIDENTS.**

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

1 Section 1. Subsection (e) of section 30-16 of the 2006 supplement to  
2 the general statutes is repealed and the following is substituted in lieu  
3 thereof (*Effective from passage*):

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

11 (2) Such permit shall authorize (A) the sale in bulk by the holder  
12 thereof from the premises where the products are manufactured  
13 pursuant to such permit; (B) as to a manufacturer who produces one  
14 hundred thousand gallons of wine or less per year, the sale and  
15 shipment by the holder thereof to a retailer of wine manufactured by

LCO No. 2597

1 of 4

CONNECTICUT STATE LIBRARY  
LEGISLATIVE REFERENCE SECTION

16 the farm winery permittee in the original sealed containers of not more  
17 than fifteen gallons per container; (C) the sale and shipment by the  
18 holder thereof of wine manufactured by the farm winery permittee to  
19 persons outside the state; (D) the offering and tasting of free samples  
20 of such wine or brandy to visitors and prospective retail customers for  
21 consumption on the premises of the farm winery permittee; (E) the sale  
22 at retail from the premises of sealed bottles or other sealed containers  
23 of such wine or brandy for consumption off the premises; (F) the sale  
24 at retail from the premises of wine or brandy by the glass and bottle to  
25 visitors on the premises of the farm winery permittee for consumption  
26 on the premises; and (G) subject to the provisions of subdivision (3) of  
27 this subsection, the sale and delivery or shipment of wine  
28 manufactured by the permittee directly to a consumer in this state.  
29 Notwithstanding the provisions of subparagraphs (D), (E) and (F) of  
30 this subdivision, a town may, by ordinance or zoning regulation,  
31 prohibit any such offering, tasting or selling at retail at premises within  
32 such town for which a manufacturer permit for a farm winery has been  
33 issued.

34 (3) A permittee, when selling and shipping wine directly to a  
35 consumer in this state, shall: (A) Ensure that the shipping labels on all  
36 containers of wine shipped directly to a consumer in this state  
37 conspicuously state the following: "CONTAINS ALCOHOL—  
38 SIGNATURE OF A PERSON AGE 21 OR OLDER REQUIRED FOR  
39 DELIVERY"; (B) obtain the signature of a person age twenty-one or  
40 older at the address prior to delivery, after requiring the signer to  
41 demonstrate that he or she is age twenty-one or older by providing a  
42 valid motor vehicle operator's license or a valid identity card described  
43 in section 1-1h, as amended; (C) not ship more than five gallons of  
44 wine in any sixty-day period to any person in this state; (D) pay, to the  
45 Department of Revenue Services, all sales taxes and alcoholic beverage  
46 taxes due under chapters 219 and 220 on sales of wine to consumers in  
47 this state, and file, with said department, all sales tax returns and  
48 alcoholic beverage tax returns relating to such sales; (E) report to the  
49 Department of Consumer Protection a separate and complete record of

50 all sales and shipments to consumers in the state, on a ledger sheet or  
 51 similar form which readily presents a chronological account of such  
 52 permittee's dealings with each such consumer; (F) not ship to any  
 53 address in the state where the sale of alcoholic liquor is prohibited by  
 54 local option pursuant to section 30-9; and (G) hold an in-state  
 55 transporter's permit pursuant to section 30-19f, as amended, or make  
 56 any such shipment through the use of a person who holds such an in-  
 57 state transporter's permit.

58 (4) No licensed farm winery may sell any such wine or brandy not  
 59 manufactured by such winery, except a licensed farm winery may sell  
 60 from the premises wine manufactured by another farm winery located  
 61 in this state.

62 (5) The farm winery permittee shall produce within the state an  
 63 average crop of fruit equal to not less than twenty-five per cent, or  
 64 shall purchase not less than twenty-five per cent, of the fruit used in  
 65 the manufacture of the farm winery permittee's wine from a farm or  
 66 farms within the state. An average crop shall be defined each year as  
 67 the average yield of the farm winery permittee's two largest annual  
 68 crops out of the preceding five years, except that during the first seven  
 69 years from the date of issuance of a farm winery permit, an average  
 70 crop shall be defined as three tons of grapes for each acre of vineyard  
 71 farmed by the farm winery permittee.

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

77 (7) The annual fee for a manufacturer permit for a farm winery shall  
 78 be two hundred forty dollars.

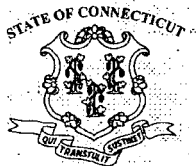
This act shall take effect as follows and shall amend the following sections:

Section 1	<i>from passage</i>	30-16(e)
-----------	---------------------	----------

**Statement of Purpose:**

To allow a farm winery permittee to purchase not less than twenty-five per cent of the fruit used in the permittee's wine from another farm or farms located in Connecticut.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*



## Senate

General Assembly

**File No. 156**

February Session, 2006

Substitute Senate Bill No. 501

*Senate, March 28, 2006*

The Committee on General Law reported through SEN. COLAPIETRO of the 31st Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

### **AN ACT CONCERNING FARM WINERIES.**

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

1 Section 1. Subsection (e) of section 30-16 of the 2006 supplement to  
2 the general statutes is repealed and the following is substituted in lieu  
3 thereof (*Effective from passage*):

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

11 (2) Such permit shall authorize (A) the sale in bulk by the holder  
12 thereof from the premises where the products are manufactured  
13 pursuant to such permit; (B) as to a manufacturer who produces one  
14 hundred thousand gallons of wine or less per year, the sale and

15 shipment by the holder thereof to a retailer of wine manufactured by  
16 the farm winery permittee in the original sealed containers of not more  
17 than fifteen gallons per container; (C) the sale and shipment by the  
18 holder thereof of wine manufactured by the farm winery permittee to  
19 persons outside the state; (D) the offering and tasting of free samples  
20 of such wine or brandy to visitors and prospective retail customers for  
21 consumption on the premises of the farm winery permittee; (E) the sale  
22 at retail from the premises of sealed bottles or other sealed containers  
23 of such wine or brandy for consumption off the premises; (F) the sale  
24 at retail from the premises of wine or brandy by the glass and bottle to  
25 visitors on the premises of the farm winery permittee for consumption  
26 on the premises; and (G) subject to the provisions of subdivision (3) of  
27 this subsection, the sale and delivery or shipment of wine  
28 manufactured by the permittee directly to a consumer in this state.  
29 Notwithstanding the provisions of subparagraphs (D), (E) and (F) of  
30 this subdivision, a town may, by ordinance or zoning regulation,  
31 prohibit any such offering, tasting or selling at retail at premises within  
32 such town for which a manufacturer permit for a farm winery has been  
33 issued.

34 (3) A permittee, when selling and shipping wine directly to a  
35 consumer in this state, shall: (A) Ensure that the shipping labels on all  
36 containers of wine shipped directly to a consumer in this state  
37 conspicuously state the following: "CONTAINS ALCOHOL—  
38 SIGNATURE OF A PERSON AGE 21 OR OLDER REQUIRED FOR  
39 DELIVERY"; (B) obtain the signature of a person age twenty-one or  
40 older at the address prior to delivery, after requiring the signer to  
41 demonstrate that he or she is age twenty-one or older by providing a  
42 valid motor vehicle operator's license or a valid identity card described  
43 in section 1-1h, as amended; (C) not ship more than five gallons of  
44 wine in any sixty-day period to any person in this state; (D) pay, to the  
45 Department of Revenue Services, all sales taxes and alcoholic beverage  
46 taxes due under chapters 219 and 220 on sales of wine to consumers in  
47 this state, and file, with said department, all sales tax returns and  
48 alcoholic beverage tax returns relating to such sales; (E) report to the  
49 Department of Consumer Protection a separate and complete record of

50 all sales and shipments to consumers in the state, on a ledger sheet or  
 51 similar form which readily presents a chronological account of such  
 52 permittee's dealings with each such consumer; (F) not ship to any  
 53 address in the state where the sale of alcoholic liquor is prohibited by  
 54 local option pursuant to section 30-9; and (G) hold an in-state  
 55 transporter's permit pursuant to section 30-19f, as amended, or make  
 56 any such shipment through the use of a person who holds such an in-  
 57 state transporter's permit.

58 (4) No licensed farm winery may sell any such wine or brandy not  
 59 manufactured by such winery, except a licensed farm winery may sell  
 60 from the premises wine manufactured by another farm winery located  
 61 in this state.

62 (5) The farm winery permittee shall produce on the premises of the  
 63 farm winery or on property adjacent to and under the same ownership  
 64 and control of said permittee within the state an average crop of fruit  
 65 equal to not less than twenty-five per cent of the fruit used in the  
 66 manufacture of the farm winery permittee's wine. An average crop  
 67 shall be defined each year as the average yield of the farm winery  
 68 permittee's two largest annual crops out of the preceding five years,  
 69 except that during the first seven years from the date of issuance of a  
 70 farm winery permit, an average crop shall be defined as three tons of  
 71 grapes for each acre of vineyard farmed by the farm winery permittee.

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

77 (7) The annual fee for a manufacturer permit for a farm winery shall  
 78 be two hundred forty dollars.

This act shall take effect as follows and shall amend the following sections:

---

Section 1	<i>from passage</i>	30-16(e)
-----------	---------------------	----------

**GL**      *Joint Favorable Subst.*



1067

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

**OFA Fiscal Note**

**State Impact:**

Agency Affected	Fund-Effect	FY 07 \$	FY 08 \$
Consumer Protection, Dept.	GF - Revenue Gain	Potential Minimal	Potential Minimal

Note: GF=General Fund

**Municipal Impact:** None

**Explanation**

The bill facilitates the operation of a Connecticut farm winery by allowing at least 25% of the fruit used to make the wine to be grown on the property adjacent to and under the same ownership and control as the farm winery's permitted premises. There are approximately eighteen farm wineries in the state and a manufacturer permit for a farm winery is currently \$240 per year. To the degree the bill makes it easier to operate a farm winery, it could increase the number of farm wineries in the state. As a result there is potential for additional permit fee revenue of \$240 an occurrence.

**The Out Years**

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

---

**OLR Bill Analysis**  
**sSB 501****AN ACT CONCERNING FARM WINERIES.****SUMMARY:**

This bill makes it easier to meet one of the standards for operating a Connecticut farm winery. Current law requires a farm winery, as a condition for obtaining and holding its permit, to produce on its permitted premises an average crop of fruit at least equal to 25% of the fruit used to make its wine. The bill also allows the fruit to be grown on property adjacent to and under the same ownership and control as the farm winery's permitted premises.

EFFECTIVE DATE: Upon passage

**COMMITTEE ACTION**

General Law Committee

Joint Favorable Substitute

Yea 14 Nay 1 (03/14/2006)