

Legislative History for Connecticut Act

**PA 14-22**

SB82

House	4149-4155	7
Senate	495-497, 625-627	6
<u>General Law</u>	<u>98-101</u>	<u>4</u>
		<b>17</b>

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**CONNECTICUT  
GENERAL ASSEMBLY  
HOUSE**

**PROCEEDINGS  
2014**

**VOL.57  
PART 13  
4098 – 4450**

Have all the members voted? Have all the members voted? Will members please check the board to make sure your vote is properly cast.

Have all the members voted? Have all the members voted? Will members please check the board to make sure your vote is properly cast.

If all the members have voted, the machine will be locked and the Clerk will take a tally. The Clerk please announce the tally.

THE CLERK:

Senate Bill 376 in concurrence.

Total number voting	135
Necessary for passage	68
Those voting Yea	135
Those voting Nay	0
Those absent and not voting	16

SPEAKER SHARKEY:

The bill passes in concurrence with the Senate.

Will the Clerk please call Calendar 315.

THE CLERK:

Calendar 315 on page 14, favorable report of the joint standing committee on General Law, Substitute House, Substitute Senate Bill 82, AN ACT CONCERNING PACKAGE STORES AND THE SALE OF GIFT BASKETS.

SPEAKER SHARKEY:

Representative Baram.

REP. BARAM (15th):

Thank you, Mr. Speaker. I move for acceptance of the joint committee's favorable report and passage of the bill in concurrence with the Senate.

SPEAKER SHARKEY:

The question is on acceptance of the joint committee's favorable report and passage of the bill in concurrence with the Senate.

Will you remark, sir?

REP. BARAM (15th):

Thank you, Mr. Speaker. This bill allows package stores now to sell gift baskets containing alcohol and include in it the 14 items it has set forth by statute. Those items include things like bar utensils, cheese, fruits and the like.

This passed the Senate unanimously. It passed General Law overwhelming. There's no fiscal note and it is effective upon passage.

The will help package stores become more competitive and fill a consumer niche that is much needed. I urge my colleagues to pass this legislation.

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SPEAKER SHARKEY:

Thank you, sir.

Would you care to remark? Would you care to  
remark further on the bill that's before us?

Representative Carter.

REP. CARTER (2nd):

Thank you very much, Mr. Speaker. I rise for a  
few questions, through you, to the proponent of the  
bill, please.

SPEAKER SHARKEY:

Please proceed, sir.

REP. CARTER (2nd):

Thank you, Mr. Speaker. Through you, prior to  
this legislation, have the package stores been able to  
sell gift baskets? Through you, Mr. Speaker.

SPEAKER SHARKEY:

Representative Baram.

REP. BARAM (15th):

Through you, Mr. Speaker, package stores were  
allowed to sell 14 items set forth by statute but they  
could not combine those items with alcohol in terms of  
a gift basket.

SPEAKER SHARKEY:

Representative Carter.

REP. CARTER (2nd):

So then it's my understanding then, when we made the changes to the alcohol reform a couple of years ago, we allowed package stores to sell more items, but because of the way the statutes were written, they could not include that in the gift baskets they sold?

Through you, Mr. Speaker.

SPEAKER SHARKEY:

Representative Baram.

REP. BARAM (15th):

Through you, Mr. Speaker, that's correct.

SPEAKER SHARKEY:

Representative Carter.

REP. CARTER (2nd):

Thank you very much. And through you, Mr. Speaker, I noticed that one of the items that package stores may be able to put in a gift basket if they're authorized to sell them is a lottery ticket if approved by the Department of Consumer Protection.

My question through you, Mr. Speaker is, if a package store is co-located with a grocery store or some other establishment, or I should say owned by such, is the intention that the lottery ticket would have had to have been sold in the package store?

Through you, Mr. Speaker.

SPEAKER SHARKEY:

Representative Baram.

REP. BARAM (15th):

Through you, Mr. Speaker, that is correct. A package store is separately licensed, has to be a separate facility, so any of these items have to come from the package store.

SPEAKER SHARKEY:

Representative Carter.

REP. CARTER (2nd):

Thank you very much, Mr. Speaker. Ladies and gentlemen, I think this makes sense. We gave the package stores the ability a couple of years ago to be able to sell more things, you know, pre-packaged foods and basically a list of 14 items.

At the time they could actually sell liquor in a gift basket but I think now we're doing what we need to do by this legislation to allow them to sell those prepackaged things in that same gift basket.

During the Committee process, I did vote against this but I wanted to make sure that we were limiting it to those 14 items and that's what was done, so I

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intend to fully support this and I hope my colleagues do the same. Thank you, Mr. Speaker.

SPEAKER SHARKEY:

Thank you, sir.

Would you care to remark? Would you care to remark further on the bill that's before us?

If not, staff and guests to the well of the House. Members take your seats. The machine will be opened.

THE CLERK:

The House of Representatives is voting by roll.

The House of Representatives is voting by roll. Will members please return to the chamber immediately.

SPEAKER SHARKEY:

Have all the members voted? Have all the members voted? Will the members please check the board to make sure you vote is properly cast.

If all the members have voted, the machine will be locked and the Clerk will take a tally.

Representative Bowles for what reason do you rise?

REP. BOWLES (42nd):

Yes, Mr. Speaker. Sorry for the delay. I would like to vote in the affirmative, please.

SPEAKER SHARKEY:

Thank you, sir.

Will the Clerk please indicate Representative  
Bowles in the affirmative.

The Clerk please announce the tally.

THE CLERK:

In concurrence with the Senate, S.B. 82.

Total number voting	135
Necessary for passage	68
Those voting Yea	135
Those voting Nay	0
Those absent and not voting	16

SPEAKER SHARKEY:

The bill passes.

Are there any announcements or introductions?

Representative Wood.

REP. WOOD (141st):

Thank you, Mr. Speaker. I rise on a point of  
introduction, please.

SPEAKER SHARKEY:

Please proceed, madam.

REP. WOOD (141st):

Would like to welcome Oxford School, the fifth  
graders to the Capitol and hope everyone gives them a

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**CONNECTICUT  
GENERAL ASSEMBLY  
SENATE**

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Yes, thank you, Madam President. What this bill does is, the Connecticut Real Estate Appraisal Commission did a study and looked over the general statutes of real estate appraisers. This bill incorporates a recommended kind of minor and technical changes to our real estate appraiser and management statutes and I ask the Chamber to support the bill. Thank you, Madam President.

THE CHAIR:

Thank you. Will you remark? Senator Witkos.

SENATOR WITKOS:

Thank you, Madam President. I just wanted to rise to let my side of the aisle know that the bill is exactly as Senator Doyle described and purely almost technical and minor changes. I urge adoption.

THE CHAIR:

Thank you. Will you remark further? Will you remark further? If not, Senator Doyle.

SENATOR DOYLE:

Yes, thank you, Madam President. I move this bill to the Consent Calendar with no objection.

THE CHAIR:

Seeing no objection, so ordered, sir. Mr. Clerk.

THE CLERK:

On Page 20, Calendar 201, Substitute for Senate Bill Number 82 AN ACT CONCERNING PACKAGE STORES AND THE SALE OF GIFT BASKETS. Favorable Report of the Committee on General Law.

THE CHAIR:

Senator Doyle.

SENATOR DOYLE:

Thank you, Madam President.

THE CHAIR:

Keep it rolling.

SENATOR DOYLE:

Exactly. I move acceptance of the Joint Committee's Favorable Report and passage of the bill.

THE CHAIR:

Motion is on acceptance and passage. Will you remark, sir?

SENATOR DOYLE:

Yes, thank you, Madam President. This bill before us will permit people, entities with package store permits to sell gift baskets. This is a bill that was passed unanimously out of the Committee and it's really a clarification bill because it's the interpretation of some as we reviewed the bill that we thought, if you see what package stores are permitted to sell, there's a definition or term of gift baskets, and the interpretation of the Department is that it's not qualified.

So this bill clarifies, I believe, and permits them to sell gift baskets, but it does limit what it can sell to the current list of what their permitted sale items is, so really it's a bill that's really clarification in my perspective. It's really not, there was always a lot of us, our understanding, they could sell the gift baskets, so I believe it's a good bill and I urge the Chamber to approve the bill. Thank you, Madam President.

THE CHAIR:

Thank you. Will you remark? Senator Witkos.

SENATOR WITKOS:

Thank you, Madam President. I also rise in support of the bill. When we had our discussion at the

screening, we thought the leadership level of the Committee, we thought that the bill was unnecessary because everything was there that they already had to do but there were some questions about it so what the bill before us, I guess it clears it up so nobody has a question as to what they're allowed to do, what they're allowed to put in the gift baskets and hopefully we finally put this issue to rest. Thank you, Madam President. Supporting it.

THE CHAIR:

Thank you. Will you remark further? Will you remark further? If not, Senator Doyle.

SENATOR DOYLE:

Thank you, Madam President. Without objection, I move this bill to the Consent Calendar.

THE CHAIR:

Seeing no objection, so ordered. Mr. Clerk. Senator Looney, sorry.

SENATOR LOONEY:

Thank you, Madam President. Madam President, if we might return to some markings to, that may have been PTd earlier.

First, if we could go to Calendar Page 8, Calendar 76, Senate Bill 113 and then Calendar Page 9, Calendar 102, Senate Bill 258, Calendar Page 9, Calendar 106, Senate Bill 37 and Calendar Page 14, Calendar 165, Senate Bill 115, we might mark that item Go.

And then Calendar Page 15, Calendar 174, Senate Bill 443, also to be marked Go at this time.

In addition, Madam President, on Calendar Page 35 under Matters Returned From Committee, Calendar 57, Senate Bill 68, would move to refer that item to the Committee on Planning and Development.

THE CHAIR:

Consent Calendar Number 2. On Page 6, Calendar 63,  
Senate Bill Number 19.

On Page 7, Calendar 64, Senate Bill Number 20.

Also on Page 7, Calendar 71, Senate Bill 241.

On Page 12, Calendar 156, Senate Bill Number 207.

And on Page 14, Calendar 165, Senate Bill 115.

Page 15, Calendar 171, Senate Bill Number 313.

And on Page 16, Calendar 179, Senate Bill Number 376.

Also on Page 16, Calendar 182, Senate Bill Number 101.

And on Page 17, Calendar 184, Senate Bill Number 247.

Page 19, Calendar 200, Senate Bill 205.

On Page 20, Calendar 201, Senate Bill Number 82.

On Page 35, Calendar 69, Senate Bill 63.

Calendar 75, Senate Bill 112.

And Calendar 77, Senate Bill Number 364.

On Page 36, Calendar 88, Senate Bill 100.

THE CHAIR:

Senator Looney.

SENATOR LOONEY:

Thank you, Madam President. When the Clerk was reading those items, wanted to inquire on the status of Calendar Page 7, Calendar 72, Senate Bill 92.

THE CLERK:

And I should have read, Page 7, Calendar 72, Senate Bill 92.

THE CHAIR:

That's also on the Consent Calendar. Is that correct?

THE CHAIR:

Mr. Clerk, could I ask you about Page 8. I don't know if there has been marked, which bill, Page 8, Calendar 76, 113? Did you say that?

THE CLERK:

Yes, Madam President. It is on the Second Consent Calendar for today.

THE CHAIR:

And Page 9, Calendar 84, Bill 201. Was that read, sir?

THE CLERK:

Yes, ma'am.

THE CHAIR:

Thank you very much. At this time, Mr. Clerk, will you please call for a Roll Call Vote on the Consent Calendar. The machine will be opened.

THE CLERK:

Immediate Roll Call is ordered in the Senate.

Immediate Roll Call on the Second Consent Calendar for today is ordered in the Senate.

THE CHAIR:

If all members have voted, all members voted, the machine will be closed. I ask the Clerk to please call the tally.

THE CLERK:

On the Second Consent Calendar for today.

Total number voting

36

Necessary for adoption	19
Those voting Yea	36
Those voting Nay	0
Those absent and not voting	0

THE CHAIR:

The Consent Calendar passes. Senator Looney.

SENATOR LOONEY:

Yes, Madam President. Thank you. Madam President, would move that all of the bills referred to various Committees earlier in the Session, that those bills be immediately transmitted to the Committees to which they were referred.

THE CHAIR:

Seeing no objection, so ordered, sir.

SENATOR LOONEY:

Thank you. Thank you, Madam President. Madam President, if the Clerk would now call an item that was marked passed temporarily earlier, and that was Calendar Page 9, Calendar 108, Senate Bill 36.

THE CHAIR:

Mr. Clerk.

THE CLERK:

On Page 9, Calendar 108, Substitute for Senate Bill Number 36 AN ACT CONCERNING THE GOVERNOR'S RECOMMENDATIONS TO IMPROVE ACCESS TO HEALTHCARE. Favorable Report of the Committee on Public Health, and there are amendments.

THE CHAIR:

Good evening, Senator Gerratana.

SENATOR GERRATANA:

**JOINT  
STANDING  
COMMITTEE  
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**2014  
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# DIAGEO North America

*Celebrating Life, Every Day, Everywhere*

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## GENERAL LAW COMMITTEE –

TESTIMONY IN SUPPORT OF **SB 82**, AN ACT ALLOWING PACKAGE STORE PERMIT HOLDERS AND BACKERS TO HOLD GIFT BASKET RETAILER PERMITS

February 18, 2014

Good afternoon Representative Baram and Senator Doyle and the other distinguished members of the General Law Committee. My name is Dwayne Kratt. I am the Sr. Director of Government Affairs for the Northeast for Diageo North America. My office is in Norwalk, CT which is also the North American headquarters for Diageo.

The purpose for my testimony is to speak in support of **SB 82**, An Act Allowing Package Store Permit Holders And Backers To Hold Gift Basket Retailer Permits. However, I am requesting that amendments be made to the legislation to include spirits and beer as items that can be used for gift baskets. My rationale for this request is quite simple. As you may know, at Diageo we are brewers, distillers and vintners of beer, wine and spirits and we believe a gift basket retailer permit should not be limited to just wine. Indeed, each year I personally put together many gift baskets for charitable purposes and the recipients are most appreciative of the beer, wine and spirits I include in those gift baskets.

I recognize that this legislation amends law that was passed a few years ago mainly for the benefit of florists and other gift shops. And at the time, I did not make the same request to have beer and spirits included. However, now that package stores in particular are interested in expanding their business to include gift baskets, I am eager that we afford package stores the opportunity to create gift baskets that include any alcohol beverage that they sell in their store. Quite simply, why should we limit them to just wine?

Thank you for the opportunity to express my support for this legislation and my suggestions to improve upon it to give package stores and consumers more opportunity to sell and purchase creative gift baskets that may include wine, beer and spirits.

### **About Diageo**

*Diageo is the world's leading premium drinks business with an outstanding collection of beverage alcohol brands across spirits, beer and wine. These brands include Johnnie Walker, Crown Royal, J&B, Windsor, Buchanan's and Bushmills whiskies, Smirnoff, Ciroc and Ketel One vodkas, Baileys, Captain Morgan, Tanqueray and Guinness.*

Government Affairs  
 State Public Policy  
 Industry Information



Partnerships  
 Trade Services  
 Retailer Services

**General Law Committee Testimony**  
**By Stan Sorkin, President**  
**Connecticut Food Association**  
**February 18, 2014**

**Testimony in Opposition to SB 82: An Act Allowing Package Store Permit Holders and Backers to Hold Gift Basket Retailer Permits.**

Chairman Doyle, Chairman Baram, and Members of the General Law Committee. My name is Stan Sorkin, President of the Connecticut Food Association. I am testifying on behalf of the members of the Connecticut Food Association in opposition to SB82.

The Connecticut Food Association is the state trade association that conducts programs in public affairs, food safety, research, education and industry relations on behalf of its 240 member companies—food retailers, wholesalers, distributors, and service providers in the state of Connecticut. CFA's members in Connecticut operate approximately 300 retail food stores and 200 pharmacies. Their combined estimated annual sales volume of \$5.7 billion represents 75% of all retail food store sales in Connecticut. CFA's retail membership is composed of multi-store chains, regional firms, and single store independent supermarkets employing over 30,000 associates. The majority of CFA members are family-owned supermarkets. Our goal is to create a growth oriented economic climate that makes Connecticut competitive with surrounding states.

Connecticut's liquor laws are very strict in defining which classes of alcoholic permit holders are permitted to sell food. Currently, package store permit holders are limited in the scope of food products they are authorized to sell. Food stores are currently only able to sell beer and are prohibited from selling wine and even such beer-type items as hard cider. We believe that that creating a "gift basket retailer permit" only for package stores further creates an uneven playing field. It allows package stores to sell a vast variety of food products that the current law prohibits and now gets them into the food business, in violation of the current statute and at the detriment to Connecticut's food retailer.

We believe that Connecticut's liquor laws are antiquated. We believe that reform is required but reform can only be accomplished on a broader scale in which all stakeholders can participate to the betterment of all, not just one class of retailer. Consider extending the concept so that beer can be included as a product in a gift basket created in a food store.

Based on the current scope of the proposed bill, we urge you to vote NO on SB82.

**CONNECTICUT PACKAGE STORES ASSOCIATION**

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*Executive Director*  
Carroll J. Hughes  
*Assistant Executive Director*  
Josh D. Hughes Esq.

February 18, 2014

Good afternoon Senator Doyle, Representative Baram, Senator Witkos and Representative Carter and members of the General Law Committee. The Connecticut Package Stores Association (CPSA) represents Connecticut off-premise package store retailers. We work to promote and protect their integral role as one of the three tiers of the alcohol beverage industry in CT.

**We oppose S.B. No. 82 (RAISED) AN ACT ALLOWING PACKAGE STORE PERMIT HOLDERS AND BACKERS TO HOLD GIFT BASKET RETAILER PERMITS.**

The 2011 law allowing gift basket retailers to also sell gift alcohol products in their gift baskets provided new opportunities for gift basket retailers in CT. Currently package stores can sell gift baskets under 30-20(a) (10) with alcohol products; and those stores that chose to sell some cheese products and other items after the 2012 law change can combine those products in the gift baskets as well. However, this bill is would allow other products not authorized to be sold under the current package store permit thereby further eroding the distinction between food stores and off-premise alcohol beverage retailers. Package stores do not want to be in the food business and would even support a repeal of the 2012 law allowing for some cheese products and other food items to be sold. Allowing additional food items and other food store products to be sold in package stores within the gift baskets is a significant expansion of the permit and one we do not support.

Thank you for allowing us to submit this testimony and for considering our concerns..

Regards

Josh Hughes  
Assistant Executive Director

**STEW LEONARD'S VINEYARDS  
OF  
NORWALK LLC**

100 WESTPORT AVENUE  
NORWALK, CONNECTICUT 06851

**General Law Committee**

**Submission in Support of SB 82: An Act Allowing Package Store  
Permit Holders and Backers To Hold Gift Basket Retailer Permits**

February 21, 2014

Stew Leonard's Vineyards of Norwalk, LLC ("Stew's") is the permit holder, owner and operator of package stores in Norwalk and Danbury.

Stew's supports SB 82 including the amendments requested by Diageo North America as set forth in Dwayne Kratt's testimony of February 18, 2014. We had planned to have a representative present at the Committee's hearing on the 18<sup>th</sup>. We apologize for not attending the meeting; this was due to a communication breakdown.

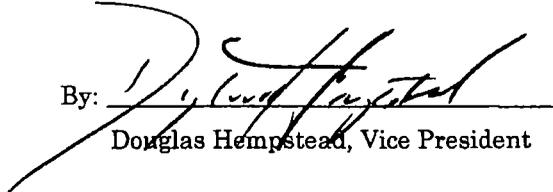
As currently enacted, the Gift Basket Retailer Permit allows the permit holder (who, for the most part, cannot be a holder of any other permits issued by the Department of Liquor Control) to sell wine in a gift basket. Thus, gas stations, florists, neighborhood general stores, etc. can sell wine gift baskets while established package stores cannot do so. This anomaly occurs because, except in very limited circumstances, a holder of a permit in one class (for example, a package store permit) cannot be a holder of a permit in another permit class (for example, a Gift Basket Retailer Permit). Each of the numerous permit types that the Department of Liquor Control can issue is deemed to be a separate class. The problem for Connecticut package stores is exacerbated by the fact that several mail order companies ship wine baskets into Connecticut, while Connecticut package stores cannot sell them.

Many customers, especially during certain holiday periods, have asked us to prepare a traditional gift basket with wine, cheese and crackers and we unfortunately had to decline, resulting either in a lost sale or a lesser sale. Further, the amendments being proposed would appear to be an opportunity for the State to increase its sales tax revenues.

Stew's thanks you for the opportunity to submit this statement in support of SB 82.

Respectfully submitted,

Stew Leonard's Vineyards of Norwalk, LLC

By: 

Douglas Hempstead, Vice President