

OFFICE OF FISCAL ANALYSIS

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sHB-6459

AN ACT CONCERNING THE DEPARTMENT OF CONSUMER PROTECTION AND REVISIONS TO THE LIQUOR CONTROL ACT.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 22 \$	FY 23 \$
Resources of the General Fund	GF - Potential Revenue Gain	See Below	See Below

Note: GF=General Fund

Municipal Impact:

Municipalities	Effect	FY 22 \$	FY 23 \$
Various Municipalities	Potential Savings	Up to \$5,000	Up to \$5,000

Explanation

The bill makes various changes to the Liquor Control Act resulting in a potential revenue gain to the state and a potential savings to municipalities, described below.

- **Section 15** allows certain permittees to hold multiple permits resulting in a potential revenue gain to the extent additional permits are applied for.
- **Section 16** increases the number of package store permits a person may acquire from 5 to 6 resulting in a potential revenue gain to the extent additional permits are applied for. The annual renewal fee for a package store liquor permit is \$535 per year.
- **Section 30-31** allows druggist liquor permit holders to

deliver alcohol and results in a potential revenue gain to the extent additional permits are applied for. The annual renewal fee for a druggist permit is \$535.

- **Section 32** allows caterer liquor permit holders to serve alcohol with or without food resulting in a potential revenue gain to the extent additional permits are applied for. The annual renewal fee for a caterer permit is \$540.
- **Section 34** specifies the up to \$1,000 fine the Department of Consumer Protection can impose on permittees for violations is a per violation fine, resulting in a potential revenue gain if additional fines are levied.
- **Section 44** allows café permits to be issued to higher education institutions and results in a revenue gain to the extent additional permits are applied for. The annual renewal fee for a café permit is \$2,000.
- **Section 48** allows a municipality to vote by legislative body, rather than referendum, to allow the sale of alcohol, or to allow certain alcohol permits. Eliminating the requirement to conduct a referendum results in a savings, of less than \$5,000, to the extent that these votes occur. Savings is associated with reduced costs for printing ballots, paying poll workers, and police overtime to provide security at referenda.
- **Section 50** creates a seasonal outdoor open-air permit with a fee of \$2,000 resulting in a potential revenue gain to the extent this permit is applied for.
- **Section 53** allows mead to be sold in gift baskets and results in a potential revenue gain to the extent additional permits are applied for. The annual renewal fee for a gift basket permit is \$200.
- To the extent the bill's provisions result in an increase (rather

than a shift) in alcohol consumption in the state, there is a minimal revenue gain associated with incremental sales and alcoholic beverage taxes.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to the number of permit applications, fines collected, and sales and alcohol tax collected.