



General Assembly

Amendment

January Session, 2021

LCO No. 6772



Offered by:
SEN. KELLY, 21st Dist.

To: Senate Bill No. 263

File No. 6

Cal. No. 22

"AN ACT CONCERNING CLUB PERMIT AND NONPROFIT CLUB PERMIT FEES."

1 Strike everything after the enacting clause and substitute the
2 following in lieu thereof:

3 "Section 1. (NEW) (*Effective July 1, 2021*) (a) As used in this section,
4 "club" means an association of persons, whether incorporated or
5 unincorporated, (1) (A) that has been in existence as a bona fide
6 organization for at least three years prior to applying for a permit issued
7 as provided in chapter 545 of the general statutes, or (B) that has been a
8 bona fide national or international fraternal or social organization or
9 affiliation thereof which has been in existence in this state for one year,
10 (2) for the promotion of some common object, not including associations
11 organized for any commercial or business purpose the object of which
12 is money profit, owning, hiring or leasing a building, or space in a
13 building, or having substantial control of a building or space therein, of
14 such extent and character as, in the judgment of the Department of
15 Consumer Protection, may be suitable and adequate for the reasonable

16 and comfortable use and accommodation of its members and their
17 guests. A club permit shall allow the retail sale of alcoholic liquor to be
18 consumed on the premises of a club but only by members or their
19 guests. The annual fee for a club permit shall be three hundred dollars.

20 (b) The department shall determine which clubs it finds to be bona
21 fide and for such clubs as the department finds to be bona fide and
22 which offer facilities and privileges in addition to the privileges of the
23 club building, such as golf, tennis, bathing or beach facilities, hunting or
24 riding, the three-year requirement of subdivision (1) of subsection (a) of
25 this section shall not apply. Any such club shall be required to (1) file
26 with the department, upon request, within ten days of February first in
27 each year, a list of the names and residences of its members, and shall
28 similarly file, within ten days of the election of any additional member,
29 the member's name and address, (2) have aggregate annual membership
30 fees or dues and other income, exclusive of any proceeds of the sale of
31 alcoholic liquor, that is sufficient to defray the annual rental of its leased
32 or rented premises, or, if such premises are owned by the club, sufficient
33 to meet the taxes, insurance and repairs and the interest on any
34 mortgage thereof, and (3) have its affairs and management be conducted
35 by a board of directors, executive committee or similar body chosen by
36 the members at their annual meeting. No member or any officer, agent
37 or employee of the club shall be paid or, directly or indirectly, shall
38 receive in the form of salary or other compensation any profits from the
39 disposition or sale of alcoholic liquor to the club or to the members of
40 the club or its guests introduced by members, beyond the amount of
41 such salary as may be fixed and voted at annual meetings by the
42 members or by its directors or other governing body and as reported by
43 the club to the department, within three months after such annual
44 meeting, and as, in the judgment of the department, is reasonable and
45 proper compensation for the services of such member, officer, agent or
46 employee.

47 (c) As used in this subsection, "nonprofit club" means a club that is
48 exempt from federal income tax under Section 501(a) of the Internal
49 Revenue Code and is described in Section 501(c) of the code. A nonprofit

50 club permit shall allow the retail sale of alcoholic liquor to be consumed
51 on the premises of a nonprofit club by members or their guests and by
52 persons other than members or their guests, provided the total receipts
53 of such club in any year, including receipts from the sale of alcoholic
54 liquor, derived from making its facilities and services available to such
55 persons in furtherance of such club's recreational or other nonprofit
56 purpose, shall not exceed fifteen per cent of such club's gross receipts
57 for such year. The annual fee for a nonprofit club permit shall be eight
58 hundred fifteen dollars.

59 Sec. 2. Subsections (g) to (m), inclusive, of section 30-22a of the
60 general statutes are repealed and the following is substituted in lieu
61 thereof (*Effective July 1, 2021*):

62 (g) For purposes of compliance with this section, "cafe" shall include
63 the premises and grounds of a golf country club, defined as (1) an
64 association of persons, whether incorporated or unincorporated, that
65 has been in existence as a bona fide organization for at least one year
66 prior to applying for a permit issued as provided by this chapter, or that
67 at the time of applying for the permit is in existence as a bona fide
68 organization and has not less than twenty members who have paid
69 annual membership fees or dues and have signed affidavits of their
70 intention to remain members of the association for not less than one year
71 after that time, not including associations organized for any commercial
72 or business purpose the object of which is money profit, which
73 maintains a golf course of not less than eighteen holes and a course
74 length of at least fifty-five hundred yards and a club house with facilities
75 that include locker rooms, a dining room and a lounge; provided the
76 club shall file with the department, upon request, within ten days of
77 February first in each year, a list of the names and residences of its
78 members, and shall similarly file, within ten days of the election of any
79 additional member, his name and address, and provided its aggregate
80 annual membership fees or dues and other income, exclusive of any
81 proceeds of the sale of alcoholic liquor, shall be sufficient to defray the
82 annual rental of its leased or rented premises, or, if the premises are
83 owned by the club, shall be sufficient to meet the taxes, insurance and

84 repairs and the interest on any mortgage thereof; and provided, further,
85 its affairs and management shall be conducted by a board of directors,
86 executive committee or similar body chosen by the members at their
87 annual meeting, and no member or any officer, agent or employee of the
88 club shall be paid or, directly or indirectly, shall receive in the form of
89 salary or other compensation any profits from the disposition or sale of
90 alcoholic liquor to the club or to the members of the club or its guests
91 introduced by members, beyond the amount of such salary as may be
92 fixed and voted at annual meetings by the members or by its directors
93 or other governing body and as reported by the club to the department,
94 within three months after the annual meeting, and as is, in the judgment
95 of the department, reasonable and proper compensation for the services
96 of such member, officer, agent or employee; or (2) an association of
97 persons, whether incorporated or unincorporated, which has been in
98 existence as a bona fide organization for at least one year prior to
99 applying for a permit issued as provided by this chapter, or which at the
100 time of applying for the permit is in existence as a bona fide organization
101 and has not less than twenty members who have paid annual
102 membership fees or dues and is directly or indirectly wholly owned by
103 a corporation which is and continues to be nonprofit and to which the
104 Internal Revenue Service has issued a ruling classifying it as an exempt
105 organization under Section 501(c) of the Internal Revenue Code of 1986,
106 or any subsequent corresponding internal revenue code of the United
107 States, as amended from time to time, which maintains a golf course of
108 not less than eighteen holes and a course length of at least fifty-five
109 hundred yards and a club house with facilities which include locker
110 rooms, a dining room and a lounge; provided the club shall file with the
111 department, upon request, within ten days of February first in each year,
112 a list of the names and residences of its members, and shall similarly file,
113 within ten days of the admission of any additional member, his name
114 and address. The nonprofit corporation shall demonstrate to the
115 commission an ability to pay any operating deficit of the golf country
116 club, exclusive of any proceeds of the sale of alcoholic liquor; and
117 provided, further, the affairs and the management of the nonprofit
118 corporation are conducted by a board of directors, executive committee

119 or similar body at least forty per cent of the members of which are
120 chosen by the members of the nonprofit corporation at their annual
121 meeting and the balance of the members of the board of directors are
122 professionals chosen for their knowledge of the business of the
123 nonprofit corporation, and all moneys earned by the golf country club
124 shall be used to defray its expenses of operation or for charitable
125 purposes, and any balance shall be directly or indirectly remitted to the
126 nonprofit corporation.

127 [(h) For purposes of compliance with this section, "cafe" shall include
128 the premises of a club but only by members or their guests, a club being
129 defined as an association of persons, whether incorporated or
130 unincorporated, which has been in existence as a bona fide organization
131 for at least three years prior to applying for a permit issued as provided
132 by this chapter, or has been a bona fide national or international
133 fraternal or social organization or affiliation thereof which has been in
134 existence in this state for one year, for the promotion of some common
135 object, not including associations organized for any commercial or
136 business purpose the object of which is money profit, owning, hiring or
137 leasing a building, or space in a building, or having substantial control
138 of a building or space therein, of such extent and character as, in the
139 judgment of the department, may be suitable and adequate for the
140 reasonable and comfortable use and accommodation of its members and
141 their guests; provided, as to such clubs as the department finds to be
142 bona fide and which offer facilities and privileges in addition to the
143 privileges of the club building, such as golf, tennis, bathing or beach
144 facilities, hunting or riding, the three-year requirement shall not apply;
145 and provided such club shall file with the department, upon request,
146 within ten days of February first in each year, a list of the names and
147 residences of its members, and shall similarly file, within ten days of the
148 election of any additional member, his name and address, and provided
149 its aggregate annual membership fees or dues and other income,
150 exclusive of any proceeds of the sale of alcoholic liquor, shall be
151 sufficient to defray the annual rental of its leased or rented premises, or,
152 if such premises are owned by the club, shall be sufficient to meet the

153 taxes, insurance and repairs and the interest on any mortgage thereof;
154 and provided, further, its affairs and management shall be conducted
155 by a board of directors, executive committee or similar body chosen by
156 the members at their annual meeting, and no member or any officer,
157 agent or employee of the club shall be paid or, directly or indirectly,
158 shall receive in the form of salary or other compensation any profits
159 from the disposition or sale of alcoholic liquor to the club or to the
160 members of the club or its guests introduced by members, beyond the
161 amount of such salary as may be fixed and voted at annual meetings by
162 the members or by its directors or other governing body and as reported
163 by the club to the department, within three months after such annual
164 meeting, and as, in the judgment of the department, is reasonable and
165 proper compensation for the services of such member, officer, agent or
166 employee.

167 (i) For purposes of compliance with this section, "cafe" shall include
168 the retail sale of alcoholic liquor to be consumed on the premises of a
169 nonprofit club by members or their guests and by persons other than
170 members or their guests, provided the total receipts of such club in any
171 year, including receipts from the sale of alcoholic liquor, derived from
172 making its facilities and services available to such persons in furtherance
173 of such club's recreational or other nonprofit purpose shall not exceed
174 fifteen per cent of such club's gross receipts for such year. "Nonprofit
175 club" means a club that is exempt from federal income tax under Section
176 501(a) of the Internal Revenue Code of 1986, or any subsequent
177 corresponding internal revenue code of the United States, as amended
178 from time to time, and is described in said Section 501(c).]

179 [(j)] (h) For purposes of compliance with this section, "cafe" shall
180 include the sale and public consumption of alcoholic liquor by
181 passengers with or without meals upon any one designated boat
182 engaged in the transportation of passengers for hire to or from any port
183 in this state.

184 [(k)] (i) For purposes of compliance with this section, "cafe" shall
185 include any corporation that operates a railway in this state or that

186 operates club, parlor, dining, buffet or lounge cars upon the lines of any
187 such railway in this state. It shall allow the sale and public consumption
188 of alcoholic liquor in any club, parlor, dining, buffet or lounge car of a
189 passenger train operated in this state. It shall be subject to all the
190 privileges, obligations and penalties provided for in this chapter except
191 that it shall be issued to a corporation instead of to a person and if it is
192 revoked, another application may be made by the corporation for the
193 issuance of another railroad permit at any time after the expiration of
194 one year after such revocation.

195 [(l)] (j) For purposes of compliance with this section, "cafe" shall
196 include a facility designed, constructed and used for corporate and
197 private parties, sporting events, concerts, exhibitions, trade shows,
198 entertainment presentations, conventions, banquets, meetings, dances,
199 fund-raising events and similar functions, located on a tract of land of
200 not less than twenty acres containing an enclosed roofed pavilion
201 constructed to seat not less than two hundred fifty people, where hot
202 meals are regularly served in an adequate and sanitary dining area, such
203 meals having been prepared in an adequate and sanitary kitchen on the
204 premises, and employing an adequate number of employees who shall
205 serve only persons who are at such outing facility to attend an event,
206 function, private party or banquet.

207 [(m)] (k) For purposes of compliance with this section, "cafe" shall
208 include a room or building that is subject to the care, custody and control
209 of The University of Connecticut Board of Trustees, or (2) on land or in
210 a building situated on or abutting a golf course which is subject to the
211 care, custody and control of an institution offering a program of higher
212 learning, as defined in section 10a-34, which has been accredited by the
213 Board of Regents for Higher Education or Office of Higher Education or
214 otherwise is authorized to award a degree pursuant to section 10a-34.

215 Sec. 3. (NEW) (*Effective July 1, 2021*) The holder of a cafe permit issued
216 for a club or nonprofit club prior to July 1, 2021, pursuant to section 30-
217 22a of the general statutes, as amended by this act, may continue to hold
218 such permit until such permit becomes due for renewal or until such

219 time as a replacement permit becomes available for such permit holder
220 to obtain under section 1 of this act.

221 Sec. 4. (*Effective from passage*) Notwithstanding the provisions of
222 subsection (f) of section 21a-4 of the general statutes, the Commissioner
223 of Consumer Protection shall refund to any prior holder of (1) a club
224 permit issued pursuant to section 30-23 of the general statutes, the
225 portion of the annual fee paid by such permittee in excess of three
226 hundred dollars to obtain a cafe permit under section 30-22a of the
227 general statutes, as amended by this act, and (2) a nonprofit club permit
228 issued pursuant to section 30-23 of the general statutes, the portion of
229 the annual fee paid by such permittee in excess of eight hundred fifteen
230 dollars to obtain a cafe permit under section 30-22a of the general
231 statutes, as amended by this act, if such excess amount was paid by such
232 permittee on or after July 1, 2020, until July 1, 2021.

233 Sec. 5. Section 30-23a of the general statutes is repealed and the
234 following is substituted in lieu thereof (*Effective July 1, 2021*):

235 No person shall be construed to be a guest of a member of a club
236 within the intent of section [30-23] 1 of this act or of a golf country club
237 within the intent of section 30-24a until such person's name and address
238 has been entered in the guest book maintained for such purposes on the
239 club or golf country club premises, together with the signature of the
240 member and the date of introduction, provided neither the permittee
241 nor any person employed to dispense alcoholic beverages on such
242 premises, during his working hours on such premises, shall enter such
243 person's name in such book. The requirement of this section (1) shall not
244 apply to a member of any nationally chartered veterans' service
245 organization when such member enters a club run by such organization
246 that is not such member's home club, but is affiliated with the same
247 organization, provided such member shall show a membership, travel
248 card or similar identification as a member of such organization upon
249 entry to such club, and (2) may be waived by the Department of
250 Consumer Protection on special occasions upon written application.

251 Sec. 6. Section 30-1 of the general statutes is repealed and the
252 following is substituted in lieu thereof (*Effective July 1, 2021*):

253 For the interpretation of this chapter and section 1 of this act, unless
254 the context indicates a different meaning:

255 (1) "Airline" means any United States airline carrier, holding a
256 certificate of public convenience and necessity from the Civil
257 Aeronautics Board under Section 401 of the Federal Aviation Act of
258 1958, as amended, or any foreign flag carrier, holding a permit under
259 Section 402 of such act.

260 (2) "Alcohol" means the product of distillation of any fermented
261 liquid, rectified either once or more often, whatever may be the origin
262 thereof, and includes synthetic ethyl alcohol which is considered
263 nonpotable.

264 (3) "Alcoholic liquor" or "alcoholic beverage" includes the four
265 varieties of liquor defined in subdivisions (2), (5), ~~[(16)]~~ (18) and ~~[(17)]~~
266 (19) of this section (alcohol, beer, spirits and wine) and every liquid or
267 solid, patented or not, containing alcohol, spirits, wine or beer and
268 capable of being consumed by a human being for beverage purposes.
269 Any liquid or solid containing more than one of the four varieties so
270 defined is considered as belonging to that variety which has the higher
271 percentage of alcohol, according to the following order: Alcohol, spirits,
272 wine and beer, except as provided in subdivision ~~[(20)]~~ (19) of this
273 section. The provisions of this chapter shall not apply to any liquid or
274 solid containing less than one-half of one per cent of alcohol by volume.

275 (4) "Backer" means, except in cases where the permittee is himself the
276 proprietor, the proprietor of any business or club, incorporated or
277 unincorporated, engaged in the manufacture or sale of alcoholic liquor,
278 in which business a permittee is associated, whether as employee, agent
279 or part owner.

280 (5) "Beer" means any beverage obtained by the alcoholic fermentation
281 of an infusion or decoction of barley, malt and hops in drinking water.

282 (6) (A) "Case price" means the price of a container of cardboard, wood
283 or other material, containing units of the same size and class of alcoholic
284 liquor, and (B) a case of alcoholic liquor, other than beer, cordials,
285 cocktails, wines and prepared mixed drinks, shall be in the number and
286 quantity, or fewer, with the permission of the Commissioner of
287 Consumer Protection, of units or bottles as follows: (i) Six one thousand
288 seven hundred fifty milliliter bottles; (ii) twelve one liter bottles; (iii)
289 twelve seven hundred fifty milliliter bottles; (iv) twenty-four three
290 hundred seventy-five milliliter bottles; (v) forty-eight two hundred
291 milliliter bottles; (vi) sixty one hundred milliliter bottles; or (vii) one
292 hundred twenty fifty milliliter bottles, except a case of fifty milliliter
293 bottles may be in a number and quantity as originally configured,
294 packaged and sold by the manufacturer or out-of-state shipper prior to
295 shipment, provided such number of bottles does not exceed two
296 hundred. The commissioner shall not authorize fewer numbers or
297 quantities of units or bottles as specified in this subdivision for any one
298 person or entity more than eight times in any calendar year. For the
299 purposes of this subdivision, "class" has the same meaning as defined in
300 27 CFR 5.22 for spirits, as defined in 27 CFR 4.21 for wine, and as defined
301 in 27 CFR 7.24 for beer.

302 (7) "Charitable organization" means any nonprofit organization
303 organized for charitable purposes to which has been issued a ruling by
304 the Internal Revenue Service classifying it as an exempt organization
305 under Section 501(c)(3) of the Internal Revenue Code.

306 (8) "Club" has the same meaning as provided in section 1 of this act.

307 ~~[(8)]~~ (9) "Coliseum" means a coliseum, as defined in section 30-33a.

308 ~~[(9)]~~ (10) "Commission" means the Liquor Control Commission. [and
309 "department" means the Department of Consumer Protection.]

310 (11) "Department" means the Department of Consumer Protection.

311 ~~[(10)]~~ (12) "Mead" means fermented honey, with or without adjunct
312 ingredients or additions, regardless of alcohol content, regardless of

313 process, and regardless of being sparkling, carbonated or still.

314 [(11)] (13) "Minor" means any person under twenty-one years of age.

315 [(12)] (14) "Person" means natural person including partners but shall
316 not include corporations, limited liability companies, joint stock
317 companies or other associations of natural persons.

318 [(13)] (15) "Proprietor" [shall include] includes all owners of
319 businesses or clubs, included in subdivision (4) of this section, whether
320 such owners are individuals, partners, joint stock companies,
321 fiduciaries, stockholders of corporations or otherwise, but [shall] does
322 not include persons or corporations who are merely creditors of such
323 businesses or clubs, whether as note holders, bond holders, landlords or
324 franchisors.

325 [(14)] (16) "Dining room" means a room or rooms in premises
326 operating under a hotel permit, hotel beer permit, restaurant permit,
327 restaurant permit for beer, where meals are customarily served, within
328 the room or rooms, to any member of the public who has means of
329 payment and proper demeanor.

330 [(15)] (17) "Restaurant" means a restaurant, as defined in section 30-
331 22.

332 [(16)] (18) "Spirits" means any beverage that contains alcohol
333 obtained by distillation mixed with drinkable water and other
334 substances in solution, including brandy, rum, whiskey and gin.

335 [(17)] (19) "Wine" means any alcoholic beverage obtained by the
336 fermentation of the natural sugar content of fruits, such as grapes or
337 apples or other agricultural products, containing sugar, including
338 fortified wines such as port, sherry and champagne.

339 [(18)] (20) "Nonprofit public television corporation" means a
340 nonprofit public television corporation, as defined in section 30-37d.

341 Sec. 7. Subsection (b) of section 30-37f of the general statutes is

342 repealed and the following is substituted in lieu thereof (*Effective July 1,*
343 *2021*):

344 (b) Sections 30-9 to 30-13a, inclusive, section [30-23] 1 of this act,
345 subdivision (2) of subsection (b) of section 30-39, subsection (c) of section
346 30-39 and sections 30-44, 30-46, 30-48a and 30-91a shall not apply to any
347 class of airport permit.

348 Sec. 8. Section 30-38 of the general statutes is repealed and the
349 following is substituted in lieu thereof (*Effective July 1, 2021*):

350 Each permit granted under the provisions of section 30-16, 30-17, 30-
351 20, 30-20a, 30-21, 30-21b, 30-22, 30-22a, as amended by this act, [30-23] 1
352 of this act, 30-24a, 30-26, 30-28, 30-28a, 30-29, 30-33a, 30-33b, 30-36, 30-
353 37c or 30-37e, shall also, under the regulations of the Department of
354 Consumer Protection, allow the storage, on the premises and at one
355 other secure location registered with and approved by the department,
356 of sufficient quantities of alcoholic liquor respectively allowed to be sold
357 under such permits as may be necessary for the business conducted by
358 the respective permittees or their backers; but no such permit shall be
359 granted under the provisions of section 30-16 or 30-17 unless such
360 storage facilities are provided and the place of storage receives the
361 approval of the department as to suitability, and thereafter no place of
362 storage shall be changed nor any new place of storage utilized without
363 the approval of the department."

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2021</i>	New section
Sec. 2	<i>July 1, 2021</i>	30-22a(g) to (m)
Sec. 3	<i>July 1, 2021</i>	New section
Sec. 4	<i>from passage</i>	New section
Sec. 5	<i>July 1, 2021</i>	30-23a
Sec. 6	<i>July 1, 2021</i>	30-1
Sec. 7	<i>July 1, 2021</i>	30-37f(b)
Sec. 8	<i>July 1, 2021</i>	30-38