

MAINE STATE LEGISLATURE

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132nd MAINE LEGISLATURE

FIRST SPECIAL SESSION-2025

Legislative Document

No. 1456

S.P. 597

In Senate, April 3, 2025

**An Act to Expand the Number of On-premises Retail Liquor
Licenses a Liquor Manufacturer May Be Issued**

Reference to the Committee on Veterans and Legal Affairs suggested and ordered printed.

A handwritten signature in black ink, appearing to read 'D M Grant'.

DAREK M. GRANT
Secretary of the Senate

Presented by President DAUGHTRY of Cumberland.

Cosponsored by Senator: TIMBERLAKE of Androscoggin, Representatives: MALON of Biddeford, RIELLY of Westbrook, SHAGOURY of Hallowell.

1 **Be it enacted by the People of the State of Maine as follows:**

2 **Sec. 1. 28-A MRSA §1355-A, sub-§1**, as amended by PL 2021, c. 658, §226, is
3 further amended to read:

4 **1. Issuance of licenses.** The bureau may issue licenses under this section to breweries,
5 small breweries, tenant breweries, wineries, small wineries, tenant wineries, distilleries,
6 small distilleries, bottlers and rectifiers in the State that operate under federal law and
7 federal supervision.

8 **Sec. 2. 28-A MRSA §1355-A, sub-§1-A**, as enacted by PL 2021, c. 658, §226, is
9 amended to read:

10 **1-A. Definition.** For purposes of this section, "manufacturing facility" means the
11 premises of a brewery, small brewery, tenant brewery, winery, small winery, tenant winery,
12 distillery or small distillery licensed under this section where liquor products are produced.

13 **Sec. 3. 28-A MRSA §1355-A, sub-§2**, as amended by PL 2021, c. 658, §226, is
14 further amended to read:

15 **2. Manufacturers other than bottlers and rectifiers.** The following provisions
16 apply to brewery, small brewery, tenant brewery, winery, small winery, tenant winery,
17 distillery and small distillery licensees.

18 A. A licensee governed by this subsection may permit sampling of a liquor product
19 produced by that licensee on the premises where the liquor product is produced:

20 (1) By employees for the purpose of quality control of the product; and

21 (2) By wholesalers for the purpose of determining whether to carry the product as
22 a wholesale product if the licensee pays the excise tax on the product sampled
23 according to section 1652.

24 B. A licensee governed by this subsection may serve to the public samples of liquor
25 produced by the licensee at the manufacturing facility where that liquor is produced by
26 the licensee under the conditions specified in this paragraph.

27 (1) The licensee may sell samples to the public or offer samples to the public at
28 no cost.

29 (2) The licensee shall pay the excise tax, if any, according to section 1652 on all
30 samples served to the public under this paragraph. If a sample is sold by the
31 licensee, it is also subject to the sales tax on liquor under Title 36, section 1811.

32 (3) The licensee shall maintain a record of all samples the licensee sells under this
33 paragraph and shall maintain those records for a period of 2 years.

34 (4) The licensee may serve samples to the public under this paragraph only during
35 the hours of legal sale set forth in section 4.

36 (5) The area of the licensed premises where the licensee serves samples to the
37 public under this paragraph is not required to be separate from and may be accessed
38 by the same entrance as the area licensed for on-premises consumption of liquor
39 under chapter 43 in accordance with paragraph I.

40 (6) Spirits samples served to the public under this paragraph by a distillery must
41 first be sold to the State, subject to the listing, pricing and distribution provisions

1 of this Title. Spirits samples served to the public under this paragraph by a small
2 distillery are subject to the requirements of subsection 5, paragraph H.

3 (7) The licensee may not serve samples to minors or visibly intoxicated persons.

4 D. A licensee governed by this subsection may sell for off-premises consumption
5 liquor produced by the licensee from the manufacturing facility where liquor is
6 produced by the licensee under the conditions specified in this paragraph.

7 (1) Sales made in accordance with this paragraph do not require the licensee to
8 obtain an additional retail license under chapter 45.

9 (2) Liquor sold in accordance with this paragraph may not be consumed anywhere
10 on the licensed premises.

11 (3) The area of the licensed premises where the licensee opts to transact sales for
12 off-premises consumption is not required to be separate from and may be accessed
13 by the same entrance as the area licensed for on-premises consumption of liquor
14 under chapter 43 in accordance with paragraph I.

15 (4) Sales under this paragraph may be made only during the hours of legal sale as
16 provided in section 4.

17 (5) Spirits sold by a distillery must first be sold to the State, subject to the listing,
18 pricing and distribution provisions of this Title. Spirits sold by a small distillery
19 are subject to the requirements of subsection 5, paragraph G.

20 (6) Except as provided in subsection 3, paragraphs C and C-1, sales may be made
21 only by the bottle, by the case or in bulk.

22 I. A licensee governed by this subsection may be issued one or more on-premises retail
23 ~~license licenses~~ under chapter 43 per licensed manufacturing facility under the
24 conditions specified in this paragraph. An on-premises retail license issued under
25 chapter 43 may be for retail activities located at the manufacturing facility or for retail
26 activities at another location if the same person or persons hold a majority ownership
27 interest in both the manufacturing licensee and the on-premises retail licensee licensed
28 under chapter 43.

29 ~~(1-A) The on-premises retail license issued under chapter 43 may be for retail~~
30 ~~activities located at the manufacturing facility or for retail activities at another~~
31 ~~location if the same person or persons hold a majority ownership interest in both~~
32 ~~the manufacturing facility and the premises~~ If a person or persons hold a majority
33 ownership interest in one manufacturing licensee, the person or persons may hold
34 no less than a majority ownership interest in up to 3 retail licensees licensed under
35 chapter 43. If a person or persons hold a majority ownership interest in at least 2
36 manufacturing licensees that, collectively, manufacture at least 1,000 barrels of
37 liquor per year, the person or persons may hold no less than a majority ownership
38 interest in up to 6 on-premises retail licensees licensed under chapter 43. A person
39 or persons with a majority ownership interest in one or more manufacturing
40 licensees may not hold an ownership interest in more than 6 on-premises retail
41 licensees licensed under chapter 43.

1 (2) ~~The~~ A retail license issued under chapter 43 authorizes the sale for on-premises
2 consumption of products produced at the manufacturing facility as well as other
3 liquor permitted to be sold under the applicable class of the retail license.

4 (2-A) Liquor sold under a retail license issued under chapter 43 on the premises
5 of the manufacturing facility may not be consumed on any part of the premises
6 where patrons are not generally permitted.

7 (3) All records related to activities under the authority of the manufacturing
8 facility's license issued under this section must be kept separate from records
9 related to activities under the authority of ~~the~~ a retail license issued under chapter
10 43. Income from the sale of liquor under subparagraph (4-A) or under paragraph
11 B or D by a manufacturing facility that is located on the same premises as ~~the~~ a
12 retail license issued under chapter 43 is not included in calculating whether that
13 retail licensee satisfies any applicable income from the sale of food requirement
14 set forth in chapter 43.

15 (4) Spirits sold under the authority of ~~the~~ a retail license issued under chapter 43
16 to the holder of a distillery license must first be sold to the State, subject to the
17 listing, pricing and distribution provisions of this Title. Spirits sold under the
18 authority of ~~the~~ a retail license issued under chapter 43 to the holder of a small
19 distillery license are subject to the requirements of subsection 5, paragraph H.

20 (4-A) A person issued a retail license under chapter 43 for premises other than the
21 licensed manufacturing facility may sell liquor for off-premises consumption under
22 the conditions stated in paragraph D.

23 (5) The licensee shall ensure that products purchased for off-premises
24 consumption under paragraph D are not consumed on the premises of the
25 manufacturing facility or ~~the~~ a retail license issued under chapter 43, if that retail
26 license authorizes retail activities at another location.

27 J. A licensee governed by this subsection may display up to 25 bottles of liquor
28 produced by the licensee in a window of a location where the licensee is authorized by
29 this section to sell its products for on-premises consumption or for off-premises
30 consumption.

31 K. A licensee governed by this subsection may transport liquor produced at the
32 licensed manufacturing facility in bulk or packaged in kegs, bottles or cans, including
33 by the case, to:

34 (1) Another manufacturing facility licensed under this section if the same person
35 or persons hold a majority ownership interest in both of the licensed manufacturing
36 facilities; and

37 (2) An establishment licensed for retail sales operated by the licensee under
38 paragraph I; subsection 4, paragraph B, subparagraph (2); or subsection 5,
39 paragraph B, subparagraph (3) as long as the same person or persons hold a
40 majority ownership interest in both the licensed manufacturing facility and the
41 licensed retail establishment.

42 **Sec. 4. 36 MRSA §1811, sub-§1, ¶D**, as amended by PL 2023, c. 643, Pt. H, §23
43 and affected by §29 and amended by c. 673, §22 and affected by §28, is further amended
44 by amending subparagraph (2) to read:

1 (2) Eight percent on the value of liquor sold in licensed establishments as defined
2 in Title 28-A, section 2, subsection 15, in accordance with Title 28-A, chapter 43
3 and liquor sold for on-premises consumption by a licensed brewery, small brewery,
4 tenant brewery, winery, small winery, tenant winery, distillery or small distillery
5 pursuant to Title 28-A, section 1355-A, subsection 2, paragraph B;

6 **SUMMARY**

7 This bill expands from one to 3 the number of on-premises retail liquor licensees a
8 person or persons who hold a majority ownership interest in a manufacturing licensee may
9 hold no less than a majority ownership interest in. The on-premises retail locations may be
10 at the manufacturing facility or other locations. If a person or persons hold a majority
11 ownership interest in 2 or more manufacturing licensees that collectively manufacture at
12 least 1,000 barrels per year, the person or persons may hold no less than a majority
13 ownership interest in up to 6 on-premises retail licensees. The bill limits a person or
14 persons who hold a majority ownership interest in one or more manufacturing licensees to
15 holding an ownership interest in no more than 6 on-premises retail licensees. The bill also
16 adds tenant breweries and tenant wineries to the provision of law requiring on-premises
17 liquor sales to be charged sales tax at the rate of 8%.