

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

(EMERGENCY)
(New Draft of H.P. 277, L.D. 347)
(New Title)
FIRST REGULAR SESSION

ONE HUNDRED AND TWELFTH LEGISLATURE

Legislative Document

No. 1593

H.P. 1104

House of Representatives, May 28, 1985

Reported by the Majority from the Committee on Legal Affairs and printed under Joint Rule 2. Original bill presented by Representative Rolde of York. Cosponsored by Representative Joseph of Waterville, Representative Handy of Lewiston and Representative Murphy of Kennebunk.

EDWIN H. PERT, Clerk

STATE OF MAINE

IN THE YEAR OF OUR LORD
NINETEEN HUNDRED AND EIGHTY-FIVE

AN ACT Concerning the Sale of Alcoholic
Beverages to Certain Licensees.

Emergency preamble. Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, the 111th Legislature removed the discount on liquor prices enjoyed by all liquor licensees in July of 1984; and

Whereas, the State is not experiencing the expected increase in revenue from the elimination of the discount to licensees partly because agency stores are passing along their discount to licensees and are delivering the liquor sold to the licensees; and

1 Whereas, potential state revenue is lost everyday
2 that licensees buy liquor from the agency stores at a
3 discount; and

4 Whereas, in the judgment of the Legislature,
5 these facts create an emergency within the meaning of
6 the Constitution of Maine and require the following
7 legislation as immediately necessary for the preser-
8 vation of the public peace, health and safety; now,
9 therefore,

10 Be it enacted by the People of the State of Maine as
11 follows:

12 28 MRSA §204, as repealed and replaced by PL
13 1983, c. 824, Pt. W, is amended to read:

14 §204. Liquor bought from commission; sale to govern-
15 ment agencies; sale to restaurants

16 All persons, except public service corporations
17 operating interstate, licensed to sell spirituous or
18 vinous liquor, except table wine, shall purchase all
19 such liquor from the commission or from special agen-
20 cy stores. All licensees for on-premise consumption
21 shall report all purchases of that liquor to the com-
22 mission on forms provided by the commission.

23 The commission shall sell to agency stores spiri-
24 tuous and vinous liquor, except table wine, for a
25 price of 10% less than the retail price established
26 for the state retail stores, provided that the dis-
27 count shall not apply to federal taxes levied on or
28 after November 1, 1941.

29 The commission may sell spirituous or vinous li-
30 quor, except table wine, to approved government in-
31 strumentalities within the State at a price to be set
32 by the commission, which shall be approved by the
33 Governor. The commission may sell spirituous and vi-
34 nous liquor not for consumption within the State to
35 airlines and ferry services or their agents, as au-
36 thorized by the State Liquor Commission, at a price
37 to be set by the commission, which shall be approved
38 by the Governor.

The commission shall evaluate the effect the elimination of the discount formerly extended to licensees has on the purchase of liquor from the commission and from special agency stores. The commission shall report its conclusions to the joint standing committee of the Legislature having jurisdiction over legal affairs by January 31, 1986.

Nothing in this section may be construed to permit the commission to sell spirituous and vinous liquor without collecting the entire premium assessed under chapter 12.

The State Liquor Commission may adopt such rules as it deems necessary or advisable to effectuate the purpose of this section.

Emergency clause. In view of the emergency cited in the preamble, this Act shall take effect when approved.

STATEMENT OF FACT

This new draft requires all licensees to report to the State Liquor Commission their purchases of alcoholic beverages. The commission will supply the forms for these reports. The commission will review the reports and the purchasing patterns at the agency stores and from the commission. The commission will report its conclusions to the Joint Standing Committee on Legal Affairs by January 31, 1986.

This new draft evaluates the effect of the elimination of the 8% discount to hotel and restaurant licensees. The 111th Legislature removed the discount in 1984.

The commission will determine if the loss of the discount is encouraging licensees to purchase their liquor, often at a discount, from the agency stores rather than from the commission, resulting in a loss of revenue to the State. The Joint Standing Committee on Legal Affairs will then have the opportunity to take whatever action is warranted.

The longer licensees purchase their liquor from agency stores, the more revenue that the State expected will be lost. Because of the direct effect of state revenue, this new draft is an emergency.

3689051685