

MAINE STATE LEGISLATURE

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1 (New Draft of H.P. 19, L.D. 17)
2 (New Title)
3 FIRST REGULAR SESSION
4

5 ONE HUNDRED AND TWELFTH LEGISLATURE
6

7 Legislative Document

No. 1615

9 H.P. 1119

House of Representatives, May 29, 1985

10 Reported by Representative Perry from the Committee on Legal Affairs
11 and printed under Joint Rule 2. Original bill sponsored by Representative
12 Rolde of York.

EDWIN H. PERT, Clerk

13
14 STATE OF MAINE
15

16 IN THE YEAR OF OUR LORD
17 NINETEEN HUNDRED AND EIGHTY-FIVE
18

19 AN ACT to Further Competition in the Liquor
20 Trade.
21

22 Be it enacted by the People of the State of Maine as
23 follows:

24 28 MRSA §451, first ¶, as amended by PL 1979, c.
25 161, is further amended to read:

26 All spirits and wines, except table wines, shall
27 be sold by the commission at a price to be determined
28 by the commission which will produce a state liquor
29 tax of not less than 75% based on the less carload
30 cost F.O.B., State Liquor Commission warehouse, and
31 in addition thereto there shall be levied and imposed
32 an excise tax of 75¢ per gallon, or its metric equiv-
33 alent, on wines containing more ~~then~~ than 14% alcohol
34 by volume; except that spirits and wines sold at
35 wholesale under section 204 may be sold at wholesale
36 prices established pursuant to the provisions there-

1 of. Prices for sale of spirits and wines bought by
2 the commission from Maine licensees to manufacture
3 liquor under section 501 shall be based on minimum
4 truck load delivery prices F.O.B. warehouse as the
5 same are filed with the Public Utilities Commission.
6 Special orders by the commission for unstocked mer-
7 chandise shall be priced at not less than 75% over
8 actual cost delivered F.O.B. warehouse. In all
9 cases, the commission is authorized to round off
10 costs to the next highest 5 ~~cents~~ 5¢. Any increased
11 federal taxes levied on or after November 1, 1941,
12 shall be added to the established price without mark-
13 up. All net revenue derived from such tax shall be
14 deposited to the credit of the General Fund of the
15 State. Notwithstanding the other provisions of this
16 section, the commission, with approval of the Commis-
17 sioner of Finance and Administration, may reduce the
18 price of discontinued items of liquor. The reduced
19 price shall not be less than the actual cost of the
20 discontinued liquor items and no item ~~shall~~ may be
21 discontinued by the commission for a period of at
22 least 6 months after such item has been listed and on
23 sale in state stores. Notwithstanding the other pro-
24 visions of this section, the commission, with the ap-
25 proval of the Commissioner of Finance and Administra-
26 tion, may reduce the price of liquor in ~~one store~~ up
27 to 6 stores, and licensees permitted to purchase li-
28 quor at a discount under section 204 may purchase li-
29 quor for resale from ~~that store~~ those stores at the
30 same price they are permitted to purchase liquor for
31 resale from any state store which does not offer a
32 retail discount. The commission shall not reduce the
33 price of liquor in any store after the effective date
34 of this act unless, no fewer than 60 days before the
35 effective date of the price reduction, it notifies
36 the joint standing committee of the Legislature hav-
37 ing jurisdiction over legal affairs, which may hold a
38 public hearing on the proposed price reduction and
39 advise the commission of its findings.

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STATEMENT OF FACT

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The purpose of this new draft is to authorize the State Liquor Commission to reduce the price of liquor in up to 6 state retail stores. The commission will determine which locations are the most feasible. This will allow Maine to compete effectively in the liquor trade.

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Before any price reductions are made, the commission must present its proposals to the Joint Standing Committee on Legal Affairs, which may hold a public hearing. The committee will then advise the commission, but the commission is not statutorily bound by the committee's findings.

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