

MAINE STATE LEGISLATURE

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(EMERGENCY)
(New Draft of H.P. 94, L.D. 103)
(New Title)
FIRST REGULAR SESSION

ONE HUNDRED AND THIRTEENTH LEGISLATURE

Legislative Document

NO. 1644

H.P. 1206 House of Representatives, May 20, 1987
Reported by the Majority from the Committee on Legal
Affairs and printed under Joint Rule 2.

EDWIN H. PERT, Clerk

Original bill sponsored by Representative JOSEPH of
Waterville. Cosponsored by Representatives McHENRY of
Madawaska, ROLDE of York and Senator TWITCHELL of Oxford.

STATE OF MAINE

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

1 AN ACT Creating a Study on Uniform
2 Liquor Pricing and Other Factors in the
3 Operation of the State Liquor Commission
4 and the Bureau of Alcoholic Beverages.
5

6 Emergency preamble. Whereas, Acts of the Legis-
7 lature do not become effective until 90 days after
8 adjournment unless enacted as emergencies; and

9 Whereas, the State Liquor Commission sets the
10 prices at its discount liquor store to be competitive
11 with other sellers; and

12 Whereas, the prices in the one discount liquor
13 store are lower than liquor prices elsewhere in the
14 State; and

1 Whereas, fairness dictates that the Legislature
2 consider equalizing prices throughout the State, but
3 information concerning the economic effect of such an
4 action is unknown; and

5 Whereas, the question of pricing raises many oth-
6 er concerns about the efficacy of the operations of
7 the State Liquor Commission and the Bureau of Alco-
8 holic Beverages; and

9 Whereas, the Legislature encourages the use of
10 the in-state resources, especially the University of
11 Maine; and

12 Whereas, in the judgment of the Legislature,
13 these facts create an emergency within the meaning of
14 the Constitution of Maine and require the following
15 legislation as immediately necessary for the preser-
16 vation of the public peace, health and safety; now,
17 therefore,

18 Be it enacted by the People of the State of Maine as
19 follows:

20 **Sec. 1. Study.** The State Liquor Commission and
21 the Bureau of Alcoholic Beverages shall conduct a
22 study of the operations of the commission and the bu-
23 reau. The study shall include the following aspects
24 of the operations:

25 1. Pricing structure. Pricing structure, paying
26 particular attention to the following factors:

- 27 A. Maximizing profits;
- 28 B. Uniform pricing throughout the State;
- 29 C. The effect of the State operating as a monop-
30 oly;
- 31 D. The seasonal fluctuations in liquor sales;
- 32 E. The effect of bordering a state or province
33 which aggressively markets liquor;
- 34 F. The process of pricing liquor to be sold in
35 state and agency liquor stores;

1 G. The anticipated growth, if any, in liquor
2 sales; and

3 H. Any other pricing structure factors the com-
4 mission and the bureau determine may be useful to
5 investigate;

6 2. Informational advertising. The role of infor-
7 mational advertising by the State;

8 3. Location. Location of state liquor stores and
9 agency liquor stores;

10 4. Profitability. The profitability of each
11 state liquor store in the system;

12 5. Adequacy of service. Adequacy of service, in-
13 cluding hours of operation;

14 6. Inventory. Efficiency of inventory mainte-
15 nance and reporting;

16 7. Availability of products. Availability of
17 product, including sizes and categories;

18 8. Procedures. The listing and delisting proce-
19 dures followed by the commission; and

20 9. Other areas. Any other areas the commission
21 and the bureau determine may be useful to study to
22 improve operations; and be it further

23 **Sec. 2. Study in conjunction with the University**
24 **of Maine.** The commission and the bureau shall con-
25 duct the study in conjunction with the University of
26 Maine, using appropriate resources to carry out sur-
27 veys, research, data compilation, reporting and other
28 necessary tasks.

29 **Sec. 3. Reporting date, uniform pricing.** The
30 commission and the bureau shall submit a written re-
31 port of their findings and recommendations concerning
32 the appropriate level, if one exists, for uniform li-
33 quor pricing and the projected fiscal impact of any
34 recommendations, to the Second Regular Session of the
35 113th Legislature, no later than January 15, 1988.

1 The 2nd component consists of all other aspects
2 of the operations of state and agency liquor stores,
3 as well as procedures of the commission. These find-
4 ings and recommendations are due January 15, 1989.

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