

MAINE STATE LEGISLATURE

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STATE OF MAINE
SENATE
115TH LEGISLATURE
SECOND SPECIAL SESSION

SENATE AMENDMENT "N" to H.P. 1402, L.D. 1985, Bill, "An Act to Make Supplemental Appropriations and Allocations for the Expenditures of State Government for the Fiscal Years Ending June 30, 1992 and June 30, 1993 and to Change Certain Provisions of Law"

Amend the bill in Part A by striking out all of sections 6 and 7 and inserting in their place the following:

Sec. A-6. Allocation; State Liquor Commission. In order to provide for the necessary expenses of operation and administration of the Department of Finance, Bureau of Alcoholic Beverages and the State Liquor Commission, the following amounts, or as much as may be necessary, are allocated from the revenues derived from operations of the State Alcoholic Beverages Fund.

1991-92

FINANCE, DEPARTMENT OF

**Alcoholic Beverages - General
Operation**

All Other (115,821)

Provides for the deallocation of funds through the closing of state liquor stores and reduced data processing costs. Approximately 21 state liquor stores will be closed on or before May 1, 1992.

**DEPARTMENT OF FINANCE
TOTAL**

(115,821)

2

TOTAL ALLOCATIONS

4

SECTION A-6

(115,821)

6

Sec. A-7. Allocation; State Lottery Fund. In order to provide for the necessary expenses of operation and administration of the Department of Finance, Bureau of Lottery, the following amounts, or as much as may be necessary, are allocated from the revenues derived from operations of the State Lottery Fund.

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10

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1991-92

14

FINANCE, DEPARTMENT OF

16

Lottery Operations

18

Positions - Legislative Count

(-1.0)

20

Personal Services

(40,475)

22

Provides for the deallocation of funds through the elimination of one Marketing Manager position.

24

26

Lottery Operations

28

All Other

(250,000)

30

Provides for the deallocation of funds through the reduction of nonstate professional services and advertising expenses. This will result in an increase of General Fund undedicated revenue of \$250,000 in fiscal year 1991-92.

32

34

36

38

- DEPARTMENT OF FINANCE

40

TOTAL

(290,475)

42

TOTAL ALLOCATIONS

44

SECTION A-7

(290,475)

46

Further amend the bill in Part K by striking out all of section 3 and inserting in its place the following:

48

2 'Sec. K-3. 28-A MRSA §453, sub-§2-A is enacted to read:

4 2-A. Replacement of state liquor stores closed in fiscal
6 year 1991-92. The commission may replace a state liquor store
8 closed after July 1, 1990 with 3 agency liquor stores if:

10 A. The agency stores are within a 10-mile radius of the
12 location of the closed state liquor store; and

14 B. The commission does not issue to a person or corporation
16 more than 2 of the 3 licenses issued to replace a state
18 liquor store. For purposes of this restriction, each
20 partner of a partnership, each corporation that owns an
22 interest in another corporation and each person who owns 20%
24 or more of the shares or other interest in a corporation is
26 deemed to own a license granted to the partnership or
28 corporation.

30 Sec. K-4. 28-A MRSA §453, sub-§4, as amended by PL 1989, c.
32 502, Pt. B, §§26 to 28, is repealed.

34 Sec. K-5. 28-A MRSA §453, sub-§5, as enacted by PL 1987, c.
36 45, Pt. A, §4, is repealed.

38 Sec. K-6. 28-A MRSA §§453-A and 453-B are enacted to read:

40 §453-A. Issuance of agency liquor store license

42 The commission shall issue a license for an agency liquor
44 store within a municipality or unincorporated place by the
46 following procedure.

48 1. Bidding. The commission shall solicit bids from the
50 general public for each agency liquor store license to be
 issued. For licenses to replace an existing store, the
 commission may not accept a bid lower than 1% of the taxable
 retail sales of the store being replaced, determined for the
 fiscal year that ended immediately before the closure of the
 store.

2. Public notice and solicitation of bids. The commission
 shall, in accordance with the Maine Administrative Procedure Act,
 give public notice that an agency liquor store may be established
 in a particular municipality or unincorporated place. The
 commission shall summarize in the public notice the bidding
 requirements for the agency store license, including the minimum
 bid required. The commission shall request all parties in the
 municipality or unincorporated place interested in bidding on a
 license to establish an agency liquor store there to submit bids
 and applications to the commission.

2 3. Information to applicants. The commission shall provide
4 all applicants with the necessary information for the
establishment of an agency liquor store.

6 4. Notice to municipality. Upon receipt of all
8 applications for an agency liquor store license in a municipality
and at least 15 days before the final selection of an applicant
10 or applicants by the commission, the commission shall notify the
municipal officers of that municipality of the proposed location
12 of each applicant.

14 5. Licensing decisions. The commission shall conduct an
investigation to determine the feasibility of the location and
16 type of facility for the agency liquor store and shall issue the
license to one or more of the applicants, taking into
18 consideration the bid offered and any other factors the
commission considers appropriate.

20 6. Denial of application. The commission shall notify any
22 applicant denied a license of the reasons for the denial by
certified mail to the mailing address given by the applicant in
24 the application for an agency liquor store license.

26 7. Aggrieved applicants. Any applicant aggrieved by a
decision made by the commission may appeal the decision by filing
28 a complaint with the Administrative Court and serving a copy of
the complaint upon the commission. The complaint must be filed
30 and served within 15 days of the mailing of the commission's
decision.

32 §453-B. Annual license fee

34 1. Agency liquor store. The annual license fee for an
36 agency liquor store is \$300. The fee must be paid on renewal of
the license.

38 2. Seasonal agency liquor stores. The license fee for a
40 seasonal agency liquor store licensed under section 456 is \$150
for each 6-month seasonal license.'

42 Further amend the bill in Part K by inserting after section
44 4 the following:

46 'Sec. K-5. 28-A MRSA §606, sub-§1-B is enacted to read:

48 1-B. Price of sales to agency liquor stores. The
commission shall sell spirits to agency liquor stores for 92% of
50 the retail sales price set in accordance with chapters 65 and 67.'

Further amend the bill in Part K by striking out all of sections 8 to 10 and inserting in their place the following:

Sec. K-8. State liquor store closure; agency liquor store replacements. Notwithstanding the Maine Revised Statutes, Title 28-A, section 401-A, the State Liquor Commission shall close 16 state liquor stores by April 30, 1992. The 16 stores must be among those whose operating costs as a percentage of sales for fiscal year 1990-91 exceeded 13%. The State Liquor Commission may close an additional 5 state liquor stores by April 30, 1992, determined at the discretion of the commission. The State Liquor Commission shall solicit bids for agency liquor stores to replace all state liquor stores closed after July 1, 1990 in accordance with Title 28-A, sections 453 and 453-A.

Sec. K-9. State Liquor Commission recommendations. The State Liquor Commission shall submit recommendations regarding operation of the state and agency liquor store system to the Joint Standing Committee on Legal Affairs by February 15, 1992.'

Further amend the bill in Part K by renumbering the sections to read consecutively.

FISCAL NOTE

This amendment has no net fiscal impact on undedicated General Fund Revenue in fiscal year 1991-92.

STATEMENT OF FACT

The amendment replaces the provisions of the budget bill related to the closure of state liquor stores and the merger of the Bureau of Alcoholic Beverages and the Bureau of the Lottery in the Department of Finance.

The amendment requires the State Liquor Commission to close up to 21 state liquor stores by April 30, 1992, instead of the 35 slated for closure in the bill. Sixteen of the stores must be among the stores with high operating costs as a percentage of sales based on the 1990-91 fiscal year. The amendment also permits the commission to replace each state liquor store closed after July 1, 1990 with 3 agency liquor stores and establishes a bidding process for persons who wish to have those agency store licenses. No corporation or person would be permitted to have more than 2 of the 3 licenses issued to replace each state liquor store. The amendment also establishes an annual license fee of \$300 for agency liquor stores, payable on renewal of the license, and a fee of \$150 for a seasonal agency store license.

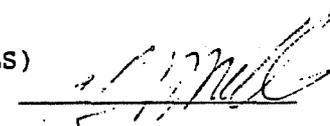
SENATE AMENDMENT "N" to H.P. 1402, L.D. 1985

2 The amendment requires the commission to increase the price
4 of spirits sold through the state and agency liquor stores and
6 codifies the current commission practice of selling spirits to
8 agency liquor stores at a price 8% below the retail sales price
10 in state liquor stores. Finally, the amendment deletes the
12 provisions of the bill merging the Bureau of the Lottery and the
14 Bureau of Alcoholic Beverages and requires the State Liquor
16 Commission to report recommendations regarding the retail liquor
18 sales system to the Joint Standing Committee on Legal Affairs by
20 February 15, 1992.

12

14

(Senator MILLS)

16 SPONSORED BY: 

18 COUNTY: Oxford

20

Reproduced and Distributed Pursuant to Senate Rule 12.
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