

L.D. 257 2 DATE: 5-991 (Filing No. H- 425) 4 LEGAL AND VETERANS AFFAIRS б 8 Reproduced and distributed under the direction of the Clerk of 10 the House. 12 STATE OF MAINE **HOUSE OF REPRESENTATIVES** 14**118TH LEGISLATURE** FIRST SPECIAL SESSION 16 18 COMMITTEE AMENDMENT " 17" to H.P. 204, L.D. 257, Bill, "An Act to Amend the Liquor Laws" 20 Amend the bill by striking out all of section 1 and 22 inserting in its place the following: 24 'Sec. 1. 28-A MRSA §708, as amended by PL 1995, c. 582, §1, is further amended to read: 26 28 §708. Prohibited discounts and rebates 30 1. Certificate of approval holders. A certificate of approval holder may not offer to wholesale licensees any special discounts, volume discounts or other reduced prices or discounts, 32 except bona fide price reductions under section 1408 offered to 34 all wholesale licensees. A certificate of approval holder may offer depletion allowances to wholesale licensees if the depletion allowance is posted in accordance with section 1408. A 36 approval holder may not offer certificate of any free merchandise, rebate or gift contingent-on-the-purchase-of-malt 38 liquer-er-wine to the purchaser of an alcoholic beverage. 40 2. Wholesale licensees. A wholesale licensee may not offer to retail licensees any special discounts, volume discounts, 42 depletion allowances, other reduced prices or discounts, or refunds except bona fide price reductions under section 1408 44 offered to all retail licensees. A wholesale licensee may not 46 offer any free merchandise, rebate, refund or gift contingent-on

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COMMITTEE AMENDMENT

COMMITTEE AMENDMENT "H" to H.P. 204, L.D. 257

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the-purchase-of-malt-liquer,-wine-or-low-alcohol-spirits to the 2 purchaser of an alcoholic beverage.

3. Retail licensees. A retail licensee may not offer any free merchandise, rebate or gift contingent-on-the-purchase-of malt-liquor-or-wine.--A-retail-licensee-may-not-offer-any-free merchandise,--rebate-or-gift--contingent--on-the--purchase-of spirits,--except-for--mail-in--rebate--coupens--redeemed--by--the manufacturer to the purchaser of any alcoholic beverage.

5. Combination packages. Notwithstanding subsection 3, 12 agency liquor store licensees may offer for sale any package or combination of packages of spirits that the commission has 14 approved for sale in state liquor stores.

16 This section does not prohibit a certificate of approval holder from including a mail-in offer, a certificate or 18 merchandise in a package of beer, wine or low-alcohol spirits for sale by an off-premise retailer. The package containing the 20 mail-in offer, certificate or merchandise must be packaged by the certificate of approval holders at the brewery or winery.

This section does not prohibit the unconditional 24 <u>distribution of merchandise to the patrons of an on-premise</u> <u>establishment.</u>'

Further amend the bill by inserting after section 3 the following:

'Sec. 4. 28-A MRSA §1075, sub-§3 is enacted to read:

32 **3.** Class A restaurant and Class A restaurant/lounge auxiliary license. When the bureau determines that a Class A 34 restaurant or Class A restaurant/lounge that is not located on a 36 golf course or at a ski area is operated by the same entity on 36 the same contiguous property, the bureau may issue one auxiliary 37 license.'

Further amend the bill by relettering or renumbering any 40 nonconsecutive Part letter or section number to read consecutively.

Further amend the bill by inserting at the end before the 44 summary the following:

- **FISCAL NOTE**
- **1997-98 1998-99**

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COMMITTEE AMENDMENT

COMMITTEE AMENDMENT "IT to H.P. 204, L.D. 257

REVENUES

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General Fund

(\$2,400) (\$2,400)

Allowing restaurants to obtain an auxiliary license in a separate building will reduce license fee collections by the Department of Public Safety. The estimated reduction of General Fund revenue will be \$2,400 annually beginning in fiscal year 1997-98.

This bill may increase prosecutions for Class E crimes. If a jail sentence is imposed, the additional costs to the counties are estimated to be \$83.78 per day per prisoner. These costs are not reimbursed by the State. The number of prosecutions that may result in a jail sentence and the resulting costs to the county jail system are expected to be insignificant.

18 The additional workload and administrative costs associated with the minimal number of new cases filed in the court system 20 can be absorbed within the budgeted resources of the Judicial Department. The collection of additional fines may increase 22 General Fund revenue by minor amounts.'

SUMMARY

This amendment clarifies how merchandise, certificates or mail-in offers may be distributed and requires that they be packaged at the brewery or winery. The amendment also extends to restaurants the ability to obtain an auxiliary license in a separate building with restrictions. The amendment also adds a fiscal note to the bill.

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COMMITTEE AMENDMENT