

MAINE STATE LEGISLATURE

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118th MAINE LEGISLATURE

FIRST REGULAR SESSION-1997

Legislative Document

No. 824

S.P. 255

In Senate, February 6, 1997

An Act to Allow Limited Partnerships between Brewers and Wholesalers.

Reference to the Committee on Legal and Veterans Affairs suggested and ordered printed.

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator FERGUSON of Oxford.
Cosponsored by Representative: TRUE of Fryeburg.

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

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3 **Sec. 1. 28-A MRSA §707, sub-§4**, as repealed and replaced by PL
4 1987, c. 342, §42, is amended to read:

6 **4. Certificate of approval holder or Maine manufacturer;**
7 **interest in wholesaler or retail license. No Except as provided**
8 **in section 1363, subsection 3, a certificate of approval holder**
9 **or in-state manufacturer may not have any financial interest,**
10 **direct or indirect, in any:**

12 A. Maine wholesale license; or

14 B. Maine retail license.

16 **Sec. 2. 28-A MRSA §1363**, as enacted by PL 1987, c. 45, Pt. A,
17 **§4**, is amended to read:

18 **§1363. Manufacture of malt liquor or table wine; credit;**
19 **furnishing materials and equipment; limited partnership**

22 **1. Certificate of approval holder not interested in**
23 **wholesale license. No Except as provided in subsection 3, an**
24 **officer, director or stockholder of a corporation which that is**
25 **the holder of a manufacturer's certificate of approval may not be**
26 **interested, either directly or indirectly, as a director, officer**
27 **or stockholder in any other corporation which that holds a**
28 **wholesale license.**

30 **2. Loans by certificate of approval holder. Except as**
31 **provided in paragraphs A and B and subsection 3, no a**
32 **manufacturer or certificate of approval holder may not, either**
33 **directly or indirectly, loan any money, credit or their**
34 **equivalent to any wholesale licensee for equipping, fitting out,**
35 **maintaining or conducting, either in whole or in part, a business**
36 **establishment where malt liquor or wine is sold.**

38 A. A certificate of approval holder may extend the usual
39 and customary commercial credit for malt liquor or table
40 wine sold and delivered.

42 B. A manufacturer or holder of a certificate of approval
43 may furnish a wholesale licensee materials and equipment for
44 the use of the wholesale licensee or his the wholesale
45 licensee's employees, such as:

46 (1) Painting the wholesale licensee's vehicles;

48 (2) Supplying legal advertising signs used by the
49 wholesale licensee in the course of his the wholesale
50 licensee's business; and

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(3) Supplying uniforms for the employees of the wholesale licensee.

3. Limited partnership between certificate of approval holder and wholesale licensee. Notwithstanding any provision of this Title, a certificate of approval holder may participate as a limited partner in a limited partnership as defined in Title 31, section 402, in which the wholesale licensee is the general partner, and may lend money to the partnership and to the general partner.

A. A certificate of approval holder that participates in a limited partnership pursuant to this subsection may not participate in the control of the partnership's business pursuant to Title 31, section 433.

B. Notwithstanding the provisions of Title 31, chapter 11, a limited partnership established pursuant to this subsection terminates within 10 years of the date of filing the certificate of limited partnership pursuant to Title 31, section 421.

SUMMARY

This bill allows brewers and wholesalers to form limited partnerships in order for the brewer to be the limited partner and the wholesaler to be the general partner. Consistent with the Maine Revised Uniform Limited Partnership Act, only the general partner would be involved in day-to-day management. The bill also provides a 10-year maximum term for any limited partnership established pursuant to this bill.