

L.D. 1319

(Filing No. H-38)

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STATE OF MAINE HOUSE OF REPRESENTATIVES 121ST LEGISLATURE FIRST REGULAR SESSION

HOUSE AMENDMENT "" to COMMITTEE AMENDMENT "A" to H.P. 973,
L.D. 1319, Bill, "An Act Making Unified Appropriations and Allocations for the Expenditures of State Government, General
Fund and Other Funds, and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the
Fiscal Years Ending June 30, 2004 and June 30, 2005"

Amend the amendment in Part LLL in section 2 in that part designated "§88." in subsection 1 by striking out all of the last sentence (page 460, lines 1 to 5 in amendment) and inserting in its place the following: 'Privatization may include the grant of
20 or more exclusive service territories. In each exclusive service territory a private sector entity has the exclusive right to distribute certain spirits subject to price regulation by the alcohol bureau.'

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DATE: 3-26-03

Further amend the amendment in Part LLL in section 2 in that 32 part designated "**§88.**" by striking out all of subsection 2 and inserting in its place the following:

'2. Authority. The Commissioner of Administrative and
36 Financial Services may enter into 2 or more contracts with unaffiliated private sector entities for the sale, franchise,
38 license or lease of and may sell, franchise, license or lease the State's wholesale liquor activities associated with distributing
40 and selling spirits and fortified wines sold by the State on January 1, 2003. Each buyer, franchisee, licensee or lessee may
42 sell and distribute to licensed agency liquor stores in an exclusive service territory all spirits and fortified wines sold
44 by the State on January 1, 2003.'

46 Further amend the amendment in Part LLL in section 2 in that part designated "§88." in subsection 3 in the last line (page 48 460, line 24 in amendment) by striking out the following: "contract." and inserting in its place the following:

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HOUSE AMENDMENT

HOUSE AMENDMENT "" to COMMITTEE AMENDMENT "A" to H.P. 973, L.D. 1319

'<u>contracts. The award of contracts under this section must take</u> into consideration geographic distribution.'

Further amend the amendment in Part LLL in section 2 in that part designated "§88." in subsection 4 in the 3rd line (page 460,
line 28 in amendment) by striking out the following: "a private entity." and inserting in its place the following: '2 or more private entities.'

10 Further amend the amendment in Part LLL in section 2 in that part designated "§88." in subsection 4 by inserting after 12 paragraph D the following:

14 'E. A process whereby the in-state bidder is given a preference when an out-of-state bidder and the in-state
 16 bidder are equally gualified;'

18 Further amend the amendment in Part LLL in section 2 in that part designated "<u>\$88.</u>" in subsection 4 by relettering the 20 paragraphs to read consecutively.

22 Further amend the amendment in Part LLL in section 3 in the 2nd line (page 461, line 35 in amendment) by striking out the 24 following: "a contract" and inserting in its place the following: 'contracts'

Further amend the amendment in Part LLL in section 3 in the 28 10th line (page 461, line 43 in amendment) by striking out the following: "contract is" and inserting in its place the 30 following: 'contracts are'

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4.0 (1)

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SUMMARY

This amendment makes the following changes to that part of the committee amendment that requires privatizing the State's wholesale liquor business.

 It requires that 2 or more unaffiliated private sector
 entities be awarded contracts and that at least 2 exclusive service territories be established.

2. It requires that geographic distribution be considered 44 in awarding the contracts.

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HOUSE AMENDMENT

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3. It establishes a preference for in-state bidders who qualify equally with out-of-state bidders.

FISCAL NOTE REQUIRED (See attached)
SPONSORED BY:
(Representative G. MOORE)
TOWN: Standish

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R&S.

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121st Maine Legislature Office of Fiscal and Program Review

LD 1319

An Act Making Unified Appropriations and Allocations for the Expenditures of State Government, General Fund and Other Funds, and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2004 and June 30, 2005

LR 2000(17)

Fiscal Note for House Amendment " " to Committee Amendment "A" Sponsor: Rep. Moore Fiscal Note Required: Yes

Fiscal Note

The impact of this amendment on the amount of General Fund revenue to be generated from the privatization of the state's wholesale liquor business can not be determined at this time. This amendment will increase the risk that the amount of revenue estimated to result from the privatization of the wholesale liquor business will not be achieved.