

MAINE STATE LEGISLATURE

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122nd MAINE LEGISLATURE

SECOND REGULAR SESSION-2006

Legislative Document

No. 1883

H.P. 1323

House of Representatives, January 3, 2006

An Act To Clarify the Liquor Laws

Submitted by the Department of Administrative and Financial Services pursuant to Joint Rule 204.

Received by the Clerk of the House on December 28, 2005. Referred to the Committee on Legal and Veterans Affairs pursuant to Joint Rule 308.2 and ordered printed pursuant to Joint Rule 401.

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Representative PATRICK of Rumford.

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

2
4 **Sec. 1. 28-A MRSA §2, sub-§1**, as enacted by PL 1987, c. 45,
Pt. A, §4, is amended to read:

6 **1. Agency liquor store.** "Agency liquor store" means a
person who is licensed by the ~~commission~~ bureau to sell spirits
8 to be consumed off the premises.

10 **Sec. 2. 28-A MRSA §2, sub-§15, ¶H**, as amended by PL 1987, c.
342, §5, is further amended to read:

12 **H.** "Hotel" means any reputable place operated by
14 responsible persons of good reputation, where the public
obtains sleeping accommodations for a consideration and
16 where meals may be served, whether or not under one roof.

18 (1) A hotel is considered to be serving meals when it
provides on the premises one or more public dining
20 rooms, open and serving food during the morning,
afternoon and evening, and a separate kitchen in which
22 food is regularly prepared for the public.

24 (2) Nothing in this paragraph may be held to prevent
the ~~commission~~ bureau from issuing part-time licenses
26 to bona fide part-time hotels.

28 (3) "Hotel guest" means a person whose name and
address is registered on the registry maintained by the
30 hotel and who is the bona fide occupant of a room of
the hotel. A person registering solely for the purpose
32 of obtaining liquor is not considered a hotel guest.

34 **Sec. 3. 28-A MRSA §355**, as amended by PL 1997, c. 373, §41,
is further amended to read:

36 **§355. Closed in cases of riots; hurricanes; flood**

38 The Governor or the ~~alcohol~~ bureau may, in cases of riots,
40 hurricanes and floods, order any or all state liquor stores or
agency liquor stores to close.

42 **Sec. 4. 28-A MRSA §453-C, sub-§1**, as enacted by PL 2001, c.
44 711, §6, is amended to read:

46 **1. Agent licensed to resell spirits purchased from the**
alcohol bureau. An agent licensed to resell spirits and
48 fortified wine purchased from the State to a retail licensee
licensed for on-premises consumption must be licensed as a
50 reselling agent. An agent is prohibited from reselling liquor to

2 a retail licensee licensed for on-premises consumption except for
3 spirits and fortified wine purchased from the ~~eommission~~ alcohol
4 bureau or a state liquor store. A reselling agent may not resell
5 fortified wine purchased from wholesalers licensed to sell beer
6 and wine in the State.

7 **Sec. 5. 28-A MRSA §606**, as amended by PL 2003, c. 20, Pt. SS,
8 §§5 and 6 and affected by §8, is further amended to read:

9 **§606. Liquor bought from alcohol bureau; sale to government**
10 **agencies**

11 **1. Purchase of liquor.** Subject to the restrictions
12 provided in subsection 1-A, a person licensed to sell spirits
13 must purchase liquor from the alcohol bureau or a state or agency
14 liquor store. This subsection does not apply to public service
15 corporations operating interstate.

16 **1-A. On-premises licensees; purchase from agency store.** A
17 person licensed to sell spirits for consumption on the premises
18 shall purchase spirits from an agency liquor store only in
19 accordance with this subsection.

20 **A.** The sale price of spirits sold to a licensee under this
21 subsection must equal the price for which a licensee would
22 purchase liquor at a state store. Beginning November 30,
23 2003, the sale price of spirits sold to an establishment
24 licensed for on-premises consumption must equal the price
25 established by the ~~aleehel-~~bureau commission.

26 **B.** Upon completion of a transaction, the agency liquor
27 store and the ~~en-premise~~ on-premises licensee shall each
28 retain a copy of the licensee order form.

29 **1-C. Price of state liquor sales to licensees.** The
30 ~~eommission~~ alcohol bureau may offer discounts below the list
31 price to licensees.

32 **2. On-premises retailers must report purchases.** All
33 persons licensed to sell liquor to be consumed on the premises
34 shall report all liquor purchases to the ~~eommission~~ bureau on
35 forms provided by the ~~eommission~~ bureau.

36 **3. Prospective licensees may order liquor in advance.** Upon
37 approval of the bureau, persons who have been issued a license,
38 effective at a future date, may order liquor in advance of the
39 effective date of the license and may advertise the effective
40 date.

2 **4. Discount for agency liquor stores.** The alcohol bureau
shall sell spirits and fortified wines to agency liquor stores
4 for a price of at least 8% less than the list price established
for the state liquor stores. Beginning November 30, 2003, the
6 alcohol bureau shall set the price of spirits and fortified wine
at a minimum discount of 9% of the list price.

8 **5. Sale to government instrumentalities.** The alcohol
bureau may authorize the sale of spirits to government
10 instrumentalities within the State approved by the bureau. The
alcohol bureau shall set the price.

12 **6. Sale to airlines and ferry services for consumption**
14 **outside the State.** The alcohol bureau may authorize the sale of
spirits not for consumption within the State to airlines and
16 ferry services or their agents as authorized by the bureau. The
alcohol bureau shall set the price.

18 **7. Premium must be collected.** Nothing in this section
20 permits the sale of spirits without collecting the entire premium
assessed under chapter 65.

22 **8. Limits on price.** An agency liquor store shall sell all
24 spirits and fortified wine purchased from the ~~commission~~ alcohol
bureau at the retail price established by the commission.

26 **Sec. 6. 28-A MRSA §1051, sub-§1,** as enacted by PL 1987, c. 45,
28 Pt. A, §4, is amended to read:

30 **1. Licenses for sale of liquor to be consumed on the**
premises where sold. Subject to subsection 2, the ~~commission~~
32 bureau may issue licenses for the sale of spirits, wine and malt
liquor to be consumed on the premises where sold to qualified
34 applicants upon payment of fees provided.

36 **Sec. 7. 28-A MRSA §1052, sub-§4,** as amended by PL 1987, c.
342, §77, is further amended to read:

38 **4. Application.** The licensee must apply for an ~~off-premise~~
40 off-premises catering license by filing a written application
with the ~~commission~~ bureau at least 24 hours before the event or
42 gathering. The application must include the following:

- 44 A. Title and purpose of the event;
- 46 B. Date, time and duration;
- 48 C. Location;
- 50 D. Approximate number of persons to be accommodated;

2 E. Name and address of sponsoring person, organization or
association;

4 F. If food is to be served, the name and address of food
6 caterer, if other than the licensee; and

8 G. Approval by the municipal officers, or a municipal
official designated by the municipal officers, of the
10 municipality in which the proposed additional licensed
premises are located, which, notwithstanding section 653,
12 may be granted without public notice.

14 **Sec. 8. 28-A MRSA §1651, sub-§2**, as amended by PL 1995, c.
181, §§1 and 2, is further amended to read:

16 **2. Special pricing situations.** The ~~commission~~ alcohol
18 bureau may set prices at different levels in the following
special situations.

20 C. Notwithstanding the other provisions of this section,
22 with approval of the Commissioner of Administrative and
Financial Services, the ~~commission~~ alcohol bureau may reduce
24 the price of discontinued items of liquor. The reduced
price may not be less than the actual cost of the
26 discontinued liquor items.

28 E. Notwithstanding the other provisions of this section,
the ~~commission~~ alcohol bureau may establish special prices
30 on certain listed liquor items to be made available to the
consumer at all state and agency stores. These special
32 prices must not be lower than the price established for the
same listed item at the 2 discount state liquor stores
34 authorized under section 403.

36 F. Spirits sold under section 606 may be sold at prices
established under section 606.

38 G. Notwithstanding the other provisions of this section,
40 the ~~commission~~ alcohol bureau may reduce, at the expense of
the broker or supplier, the price of those test-market items
42 that fail to meet set minimum gross profit standards after a
3-month period.

44 **Sec. 9. 28-A MRSA §1651, sub-§4**, as enacted by PL 1987, c. 45,
46 Pt. A, §4, is amended to read:

48 **4. Net revenue deposited to General Fund.** ~~The commission~~
~~shall deposit all~~ All net revenue revenues derived from the tax

2 under this section must be credited to the ~~credit-of-the~~ General
Fund.

4 **Sec. 10. 28-A MRSA §2503, sub-§3**, as enacted by PL 1987, c.
45, Pt. A, §4, is amended to read:

6 **3. Licensee.** Notwithstanding section 2, subsection 14,
8 "licensee" means any person to whom a license of any kind is
issued by the ~~commission~~ bureau and any person who is required to
10 be licensed to serve liquor.

12 **Sec. 11. 28-A MRSA §2519, sub-§2**, as amended by PL 1999, c.
519, §§2 and 3, is further amended to read:

14 **2. Advisory committee; appointment.** The commissioner shall
16 appoint the Server Education Advisory Committee consisting of 7 &
members, to include:

18 A. A representative of the faculty at the Maine Criminal
20 Justice Academy;

22 B. A liquor enforcement officer;

24 C. A representative of the Department of the Attorney
General;

26 D. A representative of the Office of Substance Abuse;

28 E. A representative of the education community;

30 F. A representative of a statewide liquor licensee
32 organization; ~~and~~

34 G. A representative of a statewide trial lawyers
36 organization; and

38 H. A representative of the alcohol bureau.

40 SUMMARY

42 This bill seeks to clarify obsolete language pertaining to
44 the Department of Administrative and Financial Services, Bureau
of Alcoholic Beverages and Lottery Operations and the Department
of Public Safety. It also adds a representative from the bureau
46 to the Server Education Advisory Committee.