

# MAINE STATE LEGISLATURE

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# 123rd MAINE LEGISLATURE

## FIRST REGULAR SESSION-2007

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Legislative Document

No. 1577

H.P. 1102

House of Representatives, March 20, 2007

### **An Act To Address the Pervasive Effect of Substance Abuse in Maine**

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

*Millicent M. MacFarland*  
MILLICENT M. MacFARLAND  
Clerk

Presented by Representative WEBSTER of Freeport.  
Cosponsored by Senator MARTIN of Aroostook and  
Representatives: CAIN of Orono, FARRINGTON of Gorham, PATRICK of Rumford, PERRY  
of Calais, PINGREE of North Haven, Senator: MARRACHÉ of Kennebec.

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

2             **Sec. 1. 28-A MRSA §2, sub-§12-B** is enacted to read:

3             **12-B. Importer.** "Importer" means any person other than a licensed manufacturer,  
4             wherever resident or located, importing or causing to be imported for sale or for use in  
5             this State any distilled spirits.

6             **Sec. 2. 28-A MRSA §1012, sub-§5,** as enacted by PL 2005, c. 390, §4, is  
7             amended to read:

8             **5. Small distillery off-premises license.** Notwithstanding chapter 19, a person who  
9             holds a distiller license under section ~~1551, subsection 3, paragraph A~~ 1355-A and is a  
10            small distillery may obtain a small distillery off-premises license to sell spirits for  
11            consumption off the distillery premises, as long as the spirits are manufactured by the  
12            distillery, the distiller obtained the spirits for sale from the State and the spirits are sold  
13            on the premises of the distillery at the retail prices established by the alcohol bureau in  
14            accordance with its rules.

15            A. The small distillery off-premises license fee is \$100 annually.

16            B. A person may not hold more than one small distillery off-premises license.

17            C. A small distillery off-premises licensee shall keep records regarding off-premises  
18            sales separate and apart from records relating to any other transaction in which the  
19            licensee engages.

20            D. The bureau, upon application by the holder of a small distillery off-premises  
21            license whose distillery has produced distilled spirits in an amount that exceeds  
22            50,000 gallons in one year, may renew that holder's small distillery off-premises  
23            license for only one additional year.

24            **Sec. 3. 28-A MRSA §1351-A** is enacted to read:

25            **§1351-A. Disposal of fees**

26            The bureau shall deposit the fees collected under this chapter to the General Fund.  
27            The amount of funds appropriated from the General Fund to the Office of Substance  
28            Abuse, as established in Title 5, chapter 521, may not be less than the dollar amount  
29            collected or received by the bureau under this chapter. Notwithstanding any provision of  
30            law to the contrary, funds appropriated to the Office of Substance Abuse pursuant to this  
31            section must be used for substance abuse prevention, substance abuse case treatment,  
32            including case management and monitoring, substance abuse enforcement programs and  
33            drug courts, as established pursuant to Title 4, section 421.

34            **Sec. 4. 28-A MRSA §1351-B** is enacted to read:

1    **§1351-B. Rules**

2       The bureau may adopt rules under the Maine Administrative Procedure Act to  
3 provide for the administration of this chapter. Rules adopted under this section are  
4 routine technical rules as defined in Title 5, chapter 275, subchapter 2-A.

5       **Sec. 5. 28-A MRSA §1355-A** is enacted to read:

6    **§1355-A. Distillers and importers license**

7       **1. Issuance of licenses.** A person who manufactures distilled spirits that are sold in  
8 the State and person who imports distilled spirits into the State for resale must obtain a  
9 license from the bureau.

10      **2. Fees.** The fees for licenses issued under this section are based on the following  
11 schedule:

12      A. The annual fee for in-state manufacturers of distilled spirits is \$1,000;

13      B. The annual fee for out-of-state manufacturers of distilled spirits is as follows:

14          (1) For out-of-state manufacturers of distilled spirits with annual sales in the  
15          State of 10,000 gallons or greater, the fee is \$50,000;

16          (2) For out-of-state manufacturers of distilled spirits with annual sales in the  
17          State of less than 10,000 gallons but greater than 5,000 gallons, the fee is  
18          \$25,000;

19          (3) For out-of-state manufacturers of distilled spirits with annual sales in the  
20          State of 5,000 gallons or less, but greater than 1,000 gallons, the fee is \$5,000;  
21          and

22          (4) For out-of-state manufacturers of distilled spirits with annual sales in the  
23          State of 1,000 gallons or less, the fee is \$1,000;

24      C. The annual fee for importers of distilled spirits is \$5,000; and

25      D. The initial fee for out-of-state manufacturers of distilled spirits with no prior  
26      Maine sales is \$10,000.

27      For purposes of this subsection, "annual sales" means the annual sales in the immediately  
28      preceding calendar year.

29      **Sec. 6. 28-A MRSA §1361, sub-§2,** as amended by PL 2001, c. 20, §1, is further  
30 amended to read:

31      **2. Fee for certificate of approval.** The fee for a certificate of approval is \$600  
32 \$10,000 per year for malt liquor only and \$600 \$5,000 for wine only, except that the fee  
33 for a manufacturer or foreign wholesaler of wine who ships 120 gallons of wine or less  
34 per year is \$100. Payment of the fee must accompany the application for the certificate.

35      **Sec. 7. 28-A MRSA §1362,** as amended by PL 1997, c. 373, §117, is repealed.

**Sec. 8. 28-A MRSA §1502, sub-§1**, as amended by PL 1991, c. 376, §54, is further amended to read:

**1. Fee.** The annual license fee is ~~\$50~~ \$2,500.

**Sec. 9. 28-A MRSA §1551, sub-§1**, as enacted by PL 1987, c. 342, §114, is amended to read:

**1. Certificate of approval.** The license fees for certificates of approval are:

A. For malt liquor (one year)..... ~~\$600~~ \$10,000; and

B. For wine (one year).....~~\$600~~ \$5,000.

**Sec. 10. 28-A MRSA §1551, sub-§2**, as enacted by PL 1987, c. 342, §114, is further amended to read:

**2. Wholesale licenses.** The license fees for wholesale licenses are:

A. For the sale of malt liquor (one year)..... ~~\$600~~ \$10,000;

B. For the storage of malt liquor (one month).....\$50;

C. For the sale of wine (one year)..... ~~\$600~~ \$10,000; and

D. For the storage of wine (one month)..... \$50.

**Sec. 11. 28-A MRSA §1551, sub-§3, ¶A**, as enacted by PL 1987, c. 342, §114, is repealed.

**Sec. 12. 28-A MRSA §1551, sub-§4, ¶A**, as amended by PL 1991, c. 376, §55, is further amended to read:

A. Sales representative of manufacturer or certificate of approval holder (one year).....	\$50	\$2,500.
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**Sec. 13. Maine Revised Statutes headnote amended; revision clause.** In the Maine Revised Statutes, Title 28-A, chapter 51, subchapter 2, in the subchapter headnote, the word "manufacturers" is amended to read "manufacturers, distillers and importers" and the Revisor of Statutes shall implement this revision when updating, publishing or republishing the statutes.

**Sec. 14. Effective date.** Those sections of this Act that amend the Maine Revised Statutes, Title 28-A, section 1361, subsection 2; section 1502, subsection 1; section 1551, subsection 1; section 1551, subsection 2; section 1551, subsection 3; section 1551, subsection 4; and that section of this Act that enacts Title 28-A, section 1355-A take effect January 1, 2008.

## SUMMARY

The purpose of this bill is to raise and dedicate additional funds to be used through the Office of Substance Abuse for substance abuse prevention, case treatment, case

1 management and monitoring, enforcement programs and drug courts. The increased  
2 funding source is through an increase of existing license and certificate of approval fees  
3 presently paid by those persons and entities that either manufacture or distribute malt  
4 liquor, wine and distilled spirits within the State.