

MAINE STATE LEGISLATURE

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126th MAINE LEGISLATURE

SECOND REGULAR SESSION-2014

Legislative Document

No. 1783

H.P. 1276

House of Representatives, February 18, 2014

An Act To Expand Consumer Choice for Wine

(AFTER DEADLINE)

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 205.

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

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Representative GIDEON of Freeport.
Cosponsored by Senator KATZ of Kennebec and
Representatives: BEAULIEU of Auburn, FOWLE of Vassalboro, HAMANN of South
Portland, HERBIG of Belfast, McCABE of Skowhegan, McLEAN of Gorham, SCHNECK of
Bangor, TURNER of Burlington.

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

2 **Sec. 1. 28-A MRSA §1201, sub-§2**, as amended by PL 1997, c. 373, §105, is
3 further amended to read:

4 **2. Ineligible as licensee.** ~~The~~ Except as provided in section 1209, the bureau may
5 not issue a license for the sale of malt liquor or wine to any person who is not engaged in
6 a bona fide retail business other than the sale of malt liquor or wine at retail.

7 **Sec. 2. 28-A MRSA §1209** is enacted to read:

8 **§1209. Sale of wine by auction**

9 Notwithstanding any provision to the contrary in section 1201, chapter 55 or chapter
10 57, this section governs wine auctions.

11 **1. Definitions.** As used in this section, unless the context otherwise indicates, the
12 following terms have the following meanings.

13 A. "Auction licensee" means a wine auction house issued a license pursuant to this
14 section.

15 B. "Fine and rare wine" means a fine and rare wine that is not available for purchase
16 in this State through a retailer or wholesaler.

17 C. "Private collection" means fine and rare wine owned by a person for consumption
18 or investment purposes who is not a retailer or wholesaler.

19 D. "Wine auction" means an event at which a wine auction house sells by auction
20 fine and rare wines from a private collection to private collectors, retailers and
21 wholesalers.

22 E. "Wine auction house" means a person that is not a retailer or wholesaler and that
23 conducts a wine auction of fine and rare wine owned by or consigned to the wine
24 auction house.

25 **2. Prohibition.** A wine auction house may not conduct a wine auction without a
26 license pursuant to this section.

27 **3. License; fee.** Subject to the conditions in this section, the bureau may issue a
28 license to conduct a wine auction to a wine auction house. A license issued pursuant to
29 this subsection is valid for one calendar year. The license fee per calendar year is \$50.

30 **4. Conditions.** The following conditions apply to a wine auction licensed under this
31 section.

32 A. The auction licensee shall notify the bureau of the date and time scheduled for the
33 wine auction and shall submit a list of fine and rare wines to be auctioned. The list of
34 wines to be auctioned must identify the country of origin of each fine and rare wine.

35 B. The auction licensee shall collect registration information as determined by the
36 bureau by rule from each person attending the wine auction, which must include, at a

1 minimum, the name and address of the person, and shall submit the registration
2 information to the bureau.

3 C. The auction licensee shall notify the bureau of each sale of fine and rare wine at
4 the wine auction.

5 D. Fine and rare wine sold at the wine auction may not be opened or consumed at the
6 wine auction.

7 E. The auction licensee shall ensure that the recipient of fine and rare wine sold at
8 the wine auction is 21 years of age or older.

9 F. The wine auction must be held on the premises of an off-premise retail licensee or
10 on-premise retail licensee.

11 G. Each container of fine and rare wine auctioned must have a permanently affixed
12 label indicating that the fine and rare wine was acquired from a private collection.

13 H. A wine auction house may not conduct more than 12 wine auctions per year.

14 I. Fine and rare wine to be sold at auction may not be stored on the premises where
15 the wine auction is conducted.

16 **5. Sales and use tax.** An auction licensee shall comply with the provisions of Title
17 36, Part 3 including all requirements relating to the collection, reporting and remittance of
18 the sales and use taxes of the State on sales of fine and rare wine at a wine auction.

19 **6. Beverage container deposit.** Containers of fine and rare wine that are not labeled
20 in accordance with Title 32, section 1865 and are sold at a wine auction pursuant to this
21 section are not subject to Title 32, chapter 28.

22 **7. Purchase and resale by wholesalers and retailers.** A wholesaler or retailer may
23 purchase fine and rare wine offered at a wine auction conducted pursuant to this section
24 and may resell that fine and rare wine.

25 **8. Rules.** The bureau shall adopt rules to implement this section. Rules adopted
26 pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375,
27 subchapter 2-A.

28 **SUMMARY**

29 This bill allows a person who is not a retailer or wholesaler licensed to sell wine or
30 malt liquor in the State to auction fine and rare wines from a private collection to private
31 collectors, retailers and wholesalers under certain conditions.