

MAINE STATE LEGISLATURE

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127th MAINE LEGISLATURE

FIRST REGULAR SESSION-2015

Legislative Document

No. 983

S.P. 345

In Senate, March 18, 2015

An Act To Clarify Wine Auction Licenses

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

A handwritten signature in cursive script, reading "Heather J.R. Priest".

HEATHER J.R. PRIEST
Secretary of the Senate

Presented by Senator PATRICK of Oxford.
Cosponsored by Representative GIDEON of Freeport and
Senators: ALFOND of Cumberland, CYRWAY of Kennebec, DUTREMBLE of York,
GRATWICK of Penobscot, LIBBY of Androscoggin, MILLETT of Cumberland,
Representatives: LUCHINI of Ellsworth, PETERSON of Rumford.

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

2 **Sec. 1. 28-A MRSA §1209** is enacted to read:

3 **§1209. Sale of privately held wine by auction**

4 Notwithstanding any provision to the contrary in section 1201, chapter 55 or chapter
5 57, this section governs wine auctions.

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

8 A. "Auction permittee" means a person licensed under Title 32, section 285 who is
9 issued a permit pursuant to this section.

10 B. "Fine and rare wine" means a wine that is not available for purchase in this State
11 through a licensed retailer or wholesaler.

12 C. "Privately held wine" means fine and rare wine owned for consumption or
13 investment purposes by a person who is not licensed as a liquor manufacturer,
14 retailer, distributor or wholesaler in any state or by the Federal Government.

15 D. "Wine auction" means an event at which an auction permittee auctions privately
16 held wine owned by or consigned to the auction permittee.

17 **2. Wine auctions.** A wine auction may be held by an auction permittee only in
18 accordance with this section. A person legally owning privately held wine may sell or
19 commission for sale the privately held wine to an auction permittee by means of an
20 auction pursuant to this section. Privately held wine may not be auctioned under this
21 section to a person who holds a license under this subpart or subpart 3.

22 **3. Permit; fee.** Subject to the conditions in subsection 4, the bureau may issue a
23 permit to conduct a wine auction to a person licensed under Title 32, section 285 who
24 applies for a wine auction permit. A permit issued pursuant to this subsection is valid for
25 the length of the auction, which may not exceed 2 days. The permit fee for a wine
26 auction is \$250.

27 **4. Conditions.** The following conditions apply to a wine auction and a wine auction
28 permit under this section.

29 A. The auction permittee shall submit to the bureau an inventory of the privately
30 held wine to be sold at the auction on a form determined by the bureau. The inventory
31 form must include the owner of the privately held wine and identifying information
32 as to where the privately held wine was purchased by the owner.

33 B. The auction permittee shall notify the bureau of the address, date and time
34 scheduled for the wine auction.

35 C. The auction permittee shall obtain written verification of the identity of each
36 successful bidder who purchases privately held wine at the wine auction. The
37 information must include, at a minimum, the name and address of the person.

1 D. Privately held wine sold at the wine auction may not be opened or consumed on
2 the premises of the wine auction.

3 E. The auction permittee shall notify the bureau of each sale of privately held wine at
4 the wine auction.

5 F. The privately held wine to be sold at auction may not be stored on the premises
6 where the wine auction is conducted except while the wine auction is being
7 conducted.

8 G. The auction permittee shall ensure that each recipient of privately held wine sold
9 at the wine auction is 21 years of age or older.

10 H. The auction permittee shall ensure that each bottle of privately held wine sold at
11 the wine auction has a permanently affixed label stating that the wine is privately
12 held wine.

13 5. Excise tax; sales tax. An auction permittee shall comply with the provisions of
14 chapter 65 and Title 36, Part 3 including all requirements relating to the collection,
15 reporting and remittance of the excise and sales and use taxes of the State on sales of
16 privately held wine sold at a wine auction. The bureau may refuse to issue a wine auction
17 permit to an auction permittee who has violated this subsection.

18 6. Beverage container deposit. A container of privately held wine auctioned under
19 this section must comply with the provisions of Title 32, chapter 28.

20 7. Rules. The bureau shall adopt rules to implement this section. Rules adopted
21 pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375,
22 subchapter 2-A.

23 **Sec. 2. 32 MRSA §299-A** is enacted to read:

24 **§299-A. Wine auctions**

25 A person licensed under section 285 may not auction privately held wine without a
26 permit issued by the Department of Administrative and Financial Services, Bureau of
27 Alcoholic Beverages and Lottery Operations according to Title 28-A, section 1209.

28 **SUMMARY**

29 This bill allows the Department of Administrative and Financial Services, Bureau of
30 Alcoholic Beverages and Lottery Operations to issue to a holder of an auctioneer license
31 a permit to conduct a wine auction for privately held wine. The bill establishes the fee for
32 and sets specific conditions on the wine auction permit.