

MAINE STATE LEGISLATURE

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BW
ROES

L.D. 986

Date: 6/9/15

(Filing No. H-349)

Minority

VETERANS AND LEGAL AFFAIRS

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
127TH LEGISLATURE
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 681, L.D. 986, Bill, "An Act To Streamline Certain Regulations on Small Distilleries"

Amend the bill by striking out everything after the enacting clause and before the summary and inserting the following:

'Sec. 1. 28-A MRSA §1355-A, sub-§5, ¶D, as enacted by PL 2011, c. 629, §22, is amended to read:

D. Spirits produced by a holder of a distillery or small distillery license must be sold to the State and are subject to the listing, pricing and distribution provisions of this Title and rules established by the bureau in accordance with section 1357.

Sec. 2. 28-A MRSA §1357 is enacted to read:

§1357. Sales of spirits from small distillery manufacturing location

A small distillery licensed under section 1355-A that produces less than 25,000 gallons of spirits per year may, in accordance with rules adopted by the bureau, sell its own spirits on the licensed premises where those spirits are produced without the distillery being required to transport those spirits away from the distillery. Rules initially adopted in accordance with this section are major substantive rules in accordance with Title 5, chapter 375, subchapter 2-A. Subsequent rules adopted in accordance with this section that are nonsubstantive, clarifying amendments to the initially adopted rules are routine technical rules.

Sec. 3. Appropriations and allocations. The following appropriations and allocations are made.

ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF

Alcoholic Beverages - General Operation 0015

Initiative: Provides one-time funds to conduct rulemaking.

ROES

COMMITTEE AMENDMENT "A" to H.P. 681, L.D. 986

1	GENERAL FUND	2015-16	2016-17
2	All Other	\$3,000	\$0
3			
4	GENERAL FUND TOTAL	<u>\$3,000</u>	<u>\$0</u>
5			

6

SUMMARY

7 This amendment replaces the bill. The amendment allows a small distillery that
8 produces less than 25,000 gallons of spirits per year to sell its own spirits at the distillery
9 without these spirits having to be transported away from the distillery, in accordance with
10 rules adopted by the Department of Administrative and Financial Services, Bureau of
11 Alcoholic Beverages and Lottery Operations. The amendment also adds an
12 appropriations and allocations section.

13

FISCAL NOTE REQUIRED

14

(See attached)

COMMITTEE AMENDMENT



127th MAINE LEGISLATURE

LD 986

LR 1775(02)

An Act To Streamline Certain Regulations on Small Distilleries

Fiscal Note for Bill as Amended by Committee Amendment

Committee: Veterans and Legal Affairs

Fiscal Note Required: Yes

A (H-349)

Fiscal Note

	FY 2015-16	FY 2016-17	Projections FY 2017-18	Projections FY 2018-19
Net Cost (Savings)				
General Fund	\$3,000	\$0	\$0	\$0
Appropriations/Allocations				
General Fund	\$3,000	\$0	\$0	\$0

Fiscal Detail and Notes

The bill requires the Bureau of Alcoholic Beverages and Lottery Operations (BABLO) within the Department of Administrative and Financial Services to adopt rules allowing certain small distilleries to sell their own spirits on the licensed premises where those spirits are produced without being required to transport those spirits from the distillery. This bill includes a one-time General Fund appropriation of \$3,000 in fiscal year 2015-16 for costs to conduct rulemaking. Assuming these rules are finally adopted, BABLO will require General Fund appropriations of approximately \$88,000 annually for one new Liquor License Inspector position to validate the quantity of spirits produced and sold by these small distilleries.