



## **127th MAINE LEGISLATURE**

## **SECOND REGULAR SESSION-2016**

Legislative Document

No. 1462

S.P. 563

In Senate, December 17, 2015

## An Act Regarding the Sale of Alcohol by a Manufacturer with an On-premises Retail License

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 203.

Received by the Secretary of the Senate on December 17, 2015. Referred to the Committee on Veterans and Legal Affairs pursuant to Joint Rule 308.2 and ordered printed pursuant to Joint Rule 218.

Heath & Print

HEATHER J.R. PRIEST Secretary of the Senate

Presented by Senator SAVIELLO of Franklin.

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

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Sec. 1. 28-A MRSA §1355-A, sub-§2, ¶I, as enacted by PL 2011, c. 629, §22, is
 amended to read:

- I. A <u>Except as otherwise provided in this paragraph, a</u> licensee may be issued one retail license under chapter 43 per licensed location for the sale of liquor to be consumed on the premises at the retail premises.
- 7 (1) The retail license must be held exclusively by the holder of the brewery,
  8 small brewery, winery, small winery, distillery or small distillery license.
- 9 (2) The retail license authorizes the sale of products of the brewery, small 10 brewery, winery, small winery, distillery or small distillery <u>for both on-premises</u> 11 <u>and off-premises consumption</u>, in addition to other liquor permitted to be sold 12 under the retail license, to be consumed on the premises.
- (3) All records related to activities under a manufacturer license issued under
  this section must be kept separate from records related to the retail license <u>The</u>
  licensee shall maintain records that demonstrate the payment of the excise tax
  and sales tax for all products sold or served by the licensee pursuant to this
  subsection.
- 18 (4) A distillery or small distillery must meet the requirements of subsection 5,
  19 paragraph E.
- 20(5) The retail license authorizes the licensee to engage in all the activities21authorized under this subsection without the licensee's premises or inventory22being physically separated for on-premises and off-premises sales.
- 23 (6) The retail license authorizes the holder of a brewery, small brewery, winery, small winery, distillery or small distillery license that is under common 24 25 ownership with another brewery, small brewery, winery, small winery, distillery or small distillery to transfer products between one licensed premises of the 26 license holder and another licensed premises belonging to that license holder and 27 28 to sell or serve the products as permitted under this section. The holder of the 29 license shall maintain records of the transfer authorized pursuant to this 30 subparagraph.

## **SUMMARY**

Current law allows a manufacturer of spirits, wine or malt liquor that obtains a retail license to sell the manufacturer's products as well as other liquor on the premises of that manufacturer.

This bill allows a manufacturer with a retail license to also sell its products for consumption off the premises of that manufacturer without the licensed premises being physically separated for on-premises and off-premises sales and without physically separating the inventory, as long as adequate records are maintained. This bill also allows breweries, small breweries, wineries, small wineries, distilleries or small

- distilleries under common ownership to transfer products from one premises to another and sell or serve those transferred products. 1
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