

# MAINE STATE LEGISLATURE

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Date: 2-21-18

(Filing No. H-603)

MINORITY  
HEALTH AND HUMAN SERVICES

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STATE OF MAINE  
HOUSE OF REPRESENTATIVES  
128TH LEGISLATURE  
SECOND REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 923, L.D. 1329, Bill, "An Act To Allow Tobacco Retail Establishments To Serve Alcohol"

Amend the bill by striking out the title and substituting the following:

'An Act To Promote Business Opportunity for Tobacco Specialty Stores'

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

'Sec. 1. 22 MRSA §1542, sub-§2, ¶O is enacted to read:

O. Smoking, other than cigarette smoking, is not prohibited in a cigar lounge licensed under section 1551-A, subsection 1-A as long as:

(1) Cigarettes are not offered for sale or sold in the cigar lounge;

(2) Food is not prepared on the premises; and

(3) Notice is provided to all applicants for employment and employees that work in the cigar lounge that working in the cigar lounge may cause serious negative health effects, including an increased risk of cancer and heart disease, and that no level of exposure to environmental tobacco smoke is safe.

Sec. 2. 22 MRSA §1551-A, sub-§1-A is enacted to read:

1-A. Cigar lounge retail tobacco license. The department may, upon application and payment of the fee in accordance with section 1552, issue a retail tobacco license that allows a retail business to operate as a cigar lounge subject to the provisions of section 1542, subsection 2, paragraph O if the retail business:

A. Occupies a retail business space less than 2,000 square feet in area; and

B. Derived at least 60% of its gross revenue for the last calendar year from the sale of tobacco or tobacco-related products.

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A cigar lounge licensed under this subsection may obtain a retail liquor license issued by the Department of Administrative and Financial Services, Bureau of Alcoholic Beverages and Lottery Operations as a cigar lounge under Title 28-A, Part 3, subpart 2.

**Sec. 3. 22 MRSA §1552, sub-§1**, as amended by PL 2009, c. 199, §1, is further amended to read:

**1. Application process; license fees.** An applicant for an annual retail tobacco license shall file an application in the form required by the department. The department shall make provisions for applications under this section. The department shall determine annually by rulemaking the fee for a retail tobacco license, including the proration of an initial license that is issued for less than one year, except that, in the case of a retail tobacco license that allows the licensee to operate as a cigar lounge, the license fee must be \$100 greater than the otherwise applicable retail tobacco license fee. The applicant shall enclose the fee with the application for the license. Rules adopted pursuant to this section are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

**Sec. 4. 28-A MRSA §2, sub-§15, ¶B-3** is enacted to read:

B-3. "Cigar lounge" means a cigar lounge licensed under Title 22, section 1551-A, subsection 1-A.

**Sec. 5. 28-A MRSA §1001, sub-§3, ¶B-2** is enacted to read:

B-2. Cigar lounges;

**Sec. 6. 28-A MRSA §1003, sub-§3, ¶B-2** is enacted to read:

B-2. Cigar lounges;

**Sec. 7. 28-A MRSA §1004, sub-§3, ¶B-3** is enacted to read:

B-3. Cigar lounges;

**Sec. 8. 28-A MRSA §1005, sub-§3, ¶B-3** is enacted to read:

B-3. Cigar lounges;

**Sec. 9. 28-A MRSA §1080** is enacted to read:

**§1080. Cigar lounge**

**1. Issuance of licenses.** The bureau may issue a license under this section to a cigar lounge for the sale of spirits, wine and malt liquor to be consumed on the premises.

**2. Restrictions.** A person who has not attained 21 years of age may not be permitted on the premises of or employed by a cigar lounge licensed in accordance with this section.'

**SUMMARY**

This amendment is the minority report of the committee. It replaces the bill and changes the title. It requires that a cigar lounge be licensed by the Department of Health and Human Services in order to allow smoking, other than cigarette smoking, and to serve food that has not been prepared on the premises. It also allows cigar lounges to

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COMMITTEE AMENDMENT "A" to H.P. 923, L.D. 1329

- 1 seek a liquor license from the Department of Administrative and Financial Services,
- 2 Bureau of Alcoholic Beverages and Lottery Operations. The amendment provides that
- 3 the cigar lounge license fee of \$100 is in addition to the required license fee for a retail
- 4 tobacco license and the type of liquor license sought.

**FISCAL NOTE REQUIRED**  
(See attached)



# 128th MAINE LEGISLATURE

LD 1329

LR 1716(02)

An Act To Allow Tobacco Retail Establishments To Serve Alcohol

Fiscal Note for Bill as Amended by Committee Amendment *A<sup>n</sup>(H-603)*  
Committee: Health and Human Services

Fiscal Note Required: Yes

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## Fiscal Note

Minor cost increase - General Fund  
Minor revenue increase - General Fund

### Fiscal Detail and Notes

This bill allows a Cigar Lounge to obtain a Class I, Class II, Class III or Class IV Liquor License from the Bureau of Alcoholic Beverages and Lottery Operations (BABLO) if it has received a cigar lounge retail tobacco license from DHHS and does not allow persons under 21 years of age on the premises. Any additional costs to BABLO to implement the provisions of this bill are expected to be minor and can be absorbed within existing budgeted resources. Additional revenue from the issuance of licenses by BABLO is expected to result in a minor increase in General Fund revenue.

Any additional costs to the Department of Health and Human Services (DHHS) to implement the provisions of this bill are expected to be minor and can be absorbed within existing budgeted resources. An operator of a cigar lounge will be required to obtain a license, increasing licensing revenue by a small amount.