

# MAINE STATE LEGISLATURE

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# 131st MAINE LEGISLATURE

## SECOND REGULAR SESSION-2024

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Legislative Document

No. 2069

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S.P. 870

In Senate, December 22, 2023

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**An Act to Amend the Ownership Disclosure Requirements for  
Applicants for Liquor Licenses and Certificates of Approval**

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Submitted by the Department of Administrative and Financial Services pursuant to Joint Rule 203.

Received by the Secretary of the Senate on December 20, 2023. Referred to the Committee on Veterans and Legal Affairs pursuant to Joint Rule 308.2 and ordered printed.

A handwritten signature in black ink, appearing to read 'D M Grant'.

DAREK M. GRANT  
Secretary of the Senate

Presented by Senator HICKMAN of Kennebec.

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

2 **Sec. 1. 28-A MRSA §651, sub-§2, ¶A**, as amended by PL 2021, c. 658, §92, is  
3 repealed and the following enacted in its place:

4 A. An applicant shall disclose all ownership interests by a person other than the  
5 applicant equal to or greater than 5% or any direct or indirect interest in the person for  
6 which a license or certificate of approval is sought. If the applicant is a purchaser by  
7 contract, the applicant shall also disclose the terms of the contract.

8 (1) A business entity that has an ownership interest of 5% or greater in the person  
9 for which a license or certificate of approval is sought shall disclose all subsidiary  
10 business entities and all individuals that have an ownership interest in that business  
11 entity.

12 (2) A business entity that has an ownership interest of 5% or greater in the person  
13 for which a license or certificate of approval is sought may attest to the bureau via  
14 affidavit that no subsidiary business entity or individual with an ownership interest  
15 in the business entity has an ownership interest of 5% or greater in the person for  
16 which a license or certificate of approval is sought.

17 For purposes of this paragraph, "interest" means full or partial equity ownership interest  
18 or any other type of financial interest or involvement including, but not limited to,  
19 being an investor or serving in a management position.

20 **Sec. 2. 28-A MRSA §651, sub-§3**, as amended by PL 2021, c. 658, §92, is further  
21 amended to read:

22 **3. False answer given intentionally.** An applicant may not attempt to conceal or  
23 disguise ownership interest or direct or indirect interest in the person for which a license or  
24 certificate of approval is sought. A person who intentionally gives an untruthful answer in  
25 an application for a license or certificate of approval under this Title violates Title 17-A,  
26 section 453. As used in this subsection, "interest" has the same meaning as in subsection 2,  
27 paragraph A.

28 **Sec. 3. 28-A MRSA §651, sub-§4** is enacted to read:

29 **4. Rulemaking.** The bureau may adopt routine technical rules pursuant to Title 5,  
30 chapter 375, subchapter 2-A to administer this section.

31 **SUMMARY**

32 This bill amends the ownership disclosure requirements for applicants for liquor  
33 licenses and certificates of approval to:

34 1. Only require disclosure of ownership interest of 5% or greater in the person for  
35 which a license or certificate of approval is sought;

36 2. Require a business entity that has an ownership interest of 5% or greater in a person  
37 for which a license or certificate of approval is sought to disclose all subsidiary business  
38 entities within that business entity and individuals with an ownership interest in the  
39 business entity; and

40 3. Allow business entities with an ownership interest of 5% or greater in the person  
41 for which a license or certificate of approval is sought to attest via affidavit that no

1 subsidiary business entity or individual with ownership interest in the business entity has  
2 an ownership interest of 5% or greater in the person for which a license or certificate of  
3 approval is sought.

4 The bill also permits the Department of Administrative and Financial Services, Bureau  
5 of Alcoholic Beverages and Lottery Operations to adopt routine technical rules if needed  
6 to administer the application procedure for a license or certificate of approval.