

MAINE STATE LEGISLATURE

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**STATE OF MAINE
117TH LEGISLATURE**

SECOND REGULAR SESSION

**BILL SUMMARIES
JOINT STANDING COMMITTEE
ON
LEGAL AND VETERANS AFFAIRS**

JUNE 1996

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Sen. Albert G. Stevens, Jr.

Sen. Michael H. Michaud

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**ONE HUNDRED SEVENTEENTH LEGISLATURE
SECOND REGULAR SESSION**

***Summary Of Legislation Before The Joint Standing Committees
June 1996***

We are pleased to provide this summary of bills that were considered by the 15 Joint Standing Committees of the Maine Legislature staffed by this office. The document is a compilation of bill summaries which describe each bill, committee amendments and other relevant amendments, as well as the final action taken on the bill. Also included are statistical summaries of bill activity this Session for the Legislature and each of its joint standing committees.

The document is organized for convenient reference to information on bills handled by the joint standing committees. It is organized alphabetically by committees and within committees by bill (LD) number. The committee report(s), prime sponsor for each bill and the lead co-sponsor(s), if designated, are listed below each bill title. All adopted amendments are listed by paper number. Two indices, a subject index and a numerical index by LD number are provided for easy reference to bills. They are located at the back of the document. A separate publication, History and Final Disposition of Legislative Documents, may also be helpful in providing information on the disposition of bills.

Final action on each bill is noted to the right of the bill title. The abbreviations used for various categories of final action are as follows:

<i>CARRIED OVER</i>	<i>Bill carried over to Second Session</i>
<i>CON RES XXX</i>	<i>Chapter # of Constitutional Resolution passed by both Houses</i>
<i>CONF CMTE UNABLE TO AGREE</i>	<i>Committee of Conference unable to agree; bill died</i>
<i>DIED BETWEEN BODIES</i>	<i>House & Senate disagree; bill died</i>
<i>DIED ON ADJOURNMENT</i>	<i>Action incomplete when session ended; bill died</i>
<i>EMERGENCY</i>	<i>Enacted law takes effect sooner than 90 days</i>
<i>FAILED EMERGENCY ENACTMENT</i>	<i>Emergency bill failed to get 2/3 vote</i>
<i>FAILED ENACTMENT</i>	<i>Bill failed to get majority vote</i>
<i>FAILED MANDATE ENACTMENT</i>	<i>Bill imposing local mandate failed to get 2/3 vote</i>
<i>INDEF PP</i>	<i>Bill Indefinitely Postponed</i>
<i>ONTP</i>	<i>Ought Not To Pass report accepted</i>
<i>P&S XXX</i>	<i>Chapter # of enacted Private & Special Law</i>
<i>PUBLIC XXX</i>	<i>Chapter # of enacted Public Law</i>
<i>RESOLVE XXX</i>	<i>Chapter # of finally passed Resolve</i>
<i>UNSIGNED</i>	<i>Not signed by Governor within 10 days</i>
<i>VETO SUSTAINED</i>	<i>Legislature failed to override Governor's Veto</i>

Please note the effective date for all non-emergency legislation enacted in the Second Regular Session (unless otherwise specified in a particular law) is July 4, 1996.

records of establishments that sell liquor, with approval from the Bureau of Liquor Enforcement, for the purpose of investigating compliance with licensing requirements. The bill also proposed to allow municipalities to hold hearings for consideration of requests for renewal of liquor licenses and for consideration of the suspension of liquor licenses.

LD 1706

An Act to Implement the Recommendations of the Task Force on Alcoholic Beverage Sales

DIED BETWEEN BODIES

Sponsor(s)

Committee Report

Amendments Adopted

OTP-AM MAJ
OTP-AM MIN

LD 1706 proposed to implement the unanimous recommendations of the Task Force on Alcoholic Beverage Sales.

The bill proposed to require the State to move as expeditiously as possible to close all state liquor stores with the goal of completing that process by August 31, 1996. The bill proposed that before a state store could be closed, there must be at least one reselling agency store within a 10-mile radius of the store closed.

The bill proposed that the transition to full privatization of delivery of wholesale and distribution functions be completed by February 1, 1998 through contracting with a private provider of integrated services. The bill proposed to require the Bureau of Alcoholic Beverages to develop contract performance standards and manage the bidding process. The bill proposed that the State retain control of approving products that are listed for sale in Maine, the determination of the wholesale price, the oversight of contracts with private service providers and the management of revenue collection. The bill proposed to require that the Bureau of Alcoholic Beverages establish a liquor tax that generates the same amount of revenue from the sale of alcoholic beverages as was generated in fiscal year 199-495. Concern was raised that this tax provision of the bill might violate the constitutional prohibition on delegation of taxing authority. Staff provided an oral opinion and the Attorney General provided a written opinion that concluded that the provision would not violate the constitutional prohibition.

The bill proposed to require the State to provide some retraining and outplacement assistance to displaced state employees.

The bill proposed to remove limitations on the number of agency stores beginning April 1, 1996. The bill proposed to eliminate requirements in current law regarding proximity to existing stores but to retain proximity requirements regarding churches and schools.

The bill proposed that any agent that is federally registered as a wholesale dealer be permitted to resell to another agent or to an on-premise licensee. The bill proposed to allow the Bureau of Alcoholic Beverages and Lottery Operations to develop wholesale purchase discounts for reselling agents. The bill proposed to change license fees.

The bill proposed to remove all limitations on product and price advertising.

The bill proposed that during the transition to full privatization, the State could authorize the warehouse to distribute to on-premises licensees on the same basis as to agency stores. The bill proposed to require that transportation costs be charged separately and not be included in the wholesale price.

The bill proposed to provide funds for 4 additional liquor enforcement agents in the Bureau of Liquor Enforcement.

The bill proposed that when privatization is complete, the liquor-related functions of the State Liquor and Lottery Commission be repealed.

A major portion of the text of the bill (all of Part B) proposed technical corrections in the liquor laws in order to update provisions to reflect changes made by Public Law 1993, chapter 410, Parts XX and ZZ regarding the combination of the State Liquor Commission and the State Lottery Commission into the State Liquor and Lottery Commission and the transfer of the licensing and taxation responsibilities to the Department of Public Safety.

Committee Amendment "A" (H-863), which was the Majority Report of the Joint Standing Committee on Legal and Veterans Affairs, proposed to strike and replace the bill. The amendment proposed:

1. To close 5 state liquor stores;
2. To establish a package liquor store license permitting sales of spirits, wine and malt liquor at a fee that is the sum of the individual licenses to sell spirits, wine and malt liquor;
3. To require the Department of Administrative and Financial Services, Bureau of Alcoholic Beverages and Lottery Operations to provide to the joint standing committee of the Legislature having jurisdiction over legal and veterans affairs by January 1, 1997, a report specifying how the bureau is achieving or will achieve a series of specified efficiency goals;
4. To move \$300,000 in fiscal year 1995-96 and \$300,000 in fiscal year 1996-97 from money appropriated in 1995, for technology upgrades to the Bureau of Alcoholic Beverages and Lottery Operations for technology upgrades in state liquor stores;
5. To require the Bureau of Alcoholic Beverages and Lottery Operations, by August 1, 1996, to establish a system of 6 regions for distribution of liquor among state liquor stores. The amendment proposed that in each region, the bureau designate a state liquor store to serve as a regional warehouse for the region. The amendment proposed that under the regional system, the following positions be eliminated: one Store Operations Officer and 2 Retail Store Supervisors; and
6. To add a fiscal note and allocation section, to change the title of the bill and to remove the emergency preamble and emergency clause.

(Not adopted)

Committee Amendment "B" (H-864), which was the Minority Report of the Joint Standing Committee on Legal and Veterans Affairs proposed:

1. To maintain all the current restrictions on liquor advertising. In addition, the amendment proposed to prohibit off-premises advertising of spirits by agency liquor stores;
2. To exempt existing agency liquor stores from the requirement in the bill that agency stores carry at least \$5,000 of merchandise fit for human consumption. The amendment proposed to terminate the exemption when a license is transferred and a new license issued;
3. To provide that liquor rules adopted by the Bureau of Liquor Enforcement are "major substantive" rules for purposes of the Maine Administrative Procedure Act (new rules adopted

by the bureau implementing state liquor laws would be subject to legislative review and approval);

4. To replace the license fee structure proposed in the bill. The amendment proposed that the initial fee for an agency liquor store be \$2,000 and the renewal fee \$300. Under current law, an initial license is issued pursuant to a bidding procedure. Renewals, under current law, are \$300.
5. To remove the provision of the bill that would have permitted the Bureau of Alcoholic Beverages and Lottery Operations to close a state liquor store if the bureau determined that reasonable alternative access was available to persons previously purchasing spirits from the state store. The amendment proposed that no state liquor store be closed unless an agency store is opened within 10 miles of the closed state store.
6. To require that, during the transition to privatization of the wholesale liquor business, billings by the Bureau of Alcoholic Beverages and Lottery Operations for transportation costs associated with the wholesale sale of spirits to on-premise licensees be uniform throughout the State;
7. To remove the provision of the bill that would have allowed the Bureau of Alcoholic Beverages and Lottery Operations to provide price discounts to reselling agency liquor stores;
8. To provide that the license of an on-premise liquor licensee be suspended or revoked if the licensee attempts to purchase liquor from an agency liquor store using a bad check;
9. To permit agency liquor stores to be open on Sunday from 9 a.m. to 1 a.m. the next day, notwithstanding any local option decisions to the contrary;
10. To change the date in the bill by which state stores must be closed. This amendment proposed closure by December 31, 1996; and
11. To make technical changes to the bill, to remove the emergency preamble and emergency clause, to add a fiscal note, an appropriation section and an allocation section to the bill.

(Not adopted)

House Amendment "A" (H-873) proposed to amend the bill to prohibit the sale of liquor for less than 8% above the Bureau of Alcoholic Beverages and Lottery Operations' price, except that a reselling agency liquor store would be permitted to resell liquor for less than 8% to other agents and to on-premise licensees.

(Not adopted)