

# MAINE STATE LEGISLATURE

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STATE OF MAINE  
129<sup>TH</sup> LEGISLATURE  
FIRST SPECIAL AND SECOND REGULAR SESSIONS



Summaries of bills, adopted amendments and laws enacted or finally passed

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

November 2020

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\*Committee member for a portion of the session

# STATE OF MAINE

129<sup>TH</sup> LEGISLATURE  
FIRST REGULAR SESSION



## LEGISLATIVE DIGEST OF BILL SUMMARIES AND ENACTED LAWS

This *Legislative Digest of Bill Summaries and Enacted Laws* contains summaries of all LDs and adopted amendments and all laws enacted or finally passed during the First Regular Session of the 129<sup>th</sup> Maine Legislature.

The *Digest* is arranged alphabetically by committee and within each committee by Legislative Document (LD) number. The committee report(s), prime sponsor and lead co-sponsor(s), if designated, are listed below each LD title. All adopted amendments are summarized and listed by paper number. A subject index is included with each committee. An appendix provides a summary of relevant session statistics.

Final action on each LD is noted to the right of the LD title. The following describes the various final actions.

*CARRIED OVER*..... carried over to a subsequent session of the Legislature  
*CON RES XXX*..... chapter # of constitutional resolution passed by both houses  
*CONF CMTE UNABLE TO AGREE*..... Committee of Conference unable to agree; legislation died  
*DIED BETWEEN HOUSES*..... House & Senate disagreed; legislation died  
*DIED IN CONCURRENCE*..... defeated in each house, but on different motions; legislation died  
*DIED ON ADJOURNMENT*..... action incomplete when session ended; legislation died  
*EMERGENCY*..... enacted law takes effect sooner than 90 days after session adjournment  
*FAILED, EMERGENCY ENACTMENT or FINAL PASSAGE*..... emergency failed to receive required 2/3 vote  
*FAILED, ENACTMENT or FINAL PASSAGE*..... failed to receive final majority vote  
*FAILED, MANDATE ENACTMENT*..... legislation proposing local mandate failed required 2/3 vote  
*HELD BY GOVERNOR*..... Governor has not signed; final disposition to be determined at subsequent session  
*LEAVE TO WITHDRAW*..... sponsor's request to withdraw legislation granted  
*NOT PROPERLY BEFORE THE BODY*..... ruled out of order by the presiding officer; legislation died  
*INDEF PP*..... indefinitely postponed; legislation died  
*ONTP, ACCEPTED, MAJORITY, MINORITY or REPORT X*... ought-not-to-pass report accepted; legislation died  
*P&S XXX*..... chapter # of enacted private & special law  
*PUBLIC XXX*..... chapter # of enacted public law  
*RESOLVE XXX*..... chapter # of finally passed resolve  
*VETO SUSTAINED*..... Legislature failed to override Governor's veto

The effective date for non-emergency legislation enacted in the First Regular Session of the 129<sup>th</sup> Legislature is Thursday, September 19, 2019. The effective date for legislation enacted as an emergency measure may be found in the enacted law summary for that legislation.

## Joint Standing Committee on Veterans and Legal Affairs

of alcohol distribution.

This amendment, which is the unanimous report of the committee, retains the bill's extension of the financial interest prohibitions of the three-tier system to spirits but restructures the first and second tiers of that system to match the structure of the three-tier system that applies to malt liquor and wine under current practice. Under the amendment, the first tier of alcohol distribution consists of in-state manufacturers of spirits, wine or malt liquor; out-of-state manufacturers of spirits, wine and malt liquor that ship their products to Maine; and out-of-state entities that are not manufacturers but that purchase spirits, wine or malt liquor for shipment to and eventual resale in Maine. The second tier of alcohol distribution includes in-state wholesalers of malt liquor or wine. Because Maine is a control state, private entities are not authorized to act as wholesalers of spirits within the State and there is therefore no need to include such entities in the amendment's second tier of alcohol distribution. As in the bill, licensed retailers comprise the third tier of alcohol distribution.

The amendment also corrects an error in the bill by specifying that the prohibited financial interests between entities in different tiers of the three-tier system do not include a minor investment by an entity within one tier of the three-tier system if that investment amounts to not more than 1% of the securities of a business entity within another tier of the three-tier system.

### Enacted Law Summary

Public Law 2019, chapter 665 consolidates in one statutory section the separate laws prohibiting financial relationships between entities in separate tiers of the three-tier system of alcohol distribution in Maine and clarifies that these so-called three-tier prohibitions apply to entities that sell spirits in addition to entities that sell malt liquor and wine. The first tier of alcohol distribution consists of in-state manufacturers of spirits, wine or malt liquor; out-of-state manufacturers of spirits, wine and malt liquor that ship their products to Maine; and out-of-state entities that are not manufacturers but that purchase spirits, wine or malt liquor for shipment to and eventual resale in Maine. The second tier of alcohol distribution includes in-state wholesalers of malt liquor or wine. Because Maine is a control state, private entities are not authorized to act as wholesalers of spirits within the State and there is therefore no need to include such entities in the statutory second tier of alcohol distribution. Licensed retailers comprise the third tier of alcohol distribution.

**LD 2089**

### An Act To Clarify Certificate of Approval Requirements under the State's Liquor Laws

**PUBLIC 615**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
	OTP-AM ONTP	S-407

This committee bill was reported out by the Joint Standing Committee on Veterans and Legal Affairs pursuant to Resolve 2019, chapter 15. It resolves an inconsistency in the State's liquor laws by clarifying that an out-of-state spirits supplier must obtain a certificate of approval from the Department of Administrative and Financial Services, Bureau of Alcoholic Beverages and Lottery Operations before it may transport spirits into the State for sale to the bureau or cause spirits to be transported into the State for sale to the bureau. The out-of-state spirits suppliers who must obtain a certificate of approval under the bill include both out-of-state spirits manufacturers and persons who engage in the out-of-state purchase of spirits for resale to the bureau.

The bill also clarifies which of the existing laws applicable to certificate of approval holders apply to out-of-state spirits suppliers, who are included in the definition of "certificate of approval holder" under the bill. For example, the bill exempts out-of-state spirits suppliers from the statutory requirement that certificate of approval holders enter into a distribution contract with a wholesaler who is licensed to sell malt liquor or wine within the State. These contracts are unnecessary because, under existing law, all spirits products must be sold to the bureau, which contracts with the entity that provides warehousing and distribution services for spirits products within the State.

*Joint Standing Committee on Veterans and Legal Affairs*

**Committee Amendment "A" (S-407)**

This amendment, which is the majority report of the committee, clarifies that only out-of-state spirits manufacturers and persons that engage in the out-of-state purchase of spirits for resale to the bureau are required to obtain a certificate of approval under the process established in the bill. The amendment further clarifies that, when out-of-state spirits suppliers ship spirits to Maine, the spirits must be delivered to a warehouse designated by the State Liquor and Lottery Commission.

Under the bill, an out-of-state spirits supplier is required to pay a \$1,000 annual fee to obtain a certificate of approval, except that an out-of-state spirits supplier that ships 120 gallons of spirits or less to Maine per year is only required to pay a \$100 annual fee. The amendment converts the total volume amount used to determine whether an out-of-state spirits supplier is eligible to pay the \$100 reduced fee from gallons to liters, which is the unit of measurement typically used in the spirits industry. The amendment also delays the effective date of the bill until September 1, 2020 and provides that an out-of-state spirits supplier that is not eligible to pay the \$100 reduced fee is only required to pay \$500 for a certificate of approval for the first year that the provision is in effect. Beginning September 1, 2021, the annual fee for an out-of-state spirits supplier that is not eligible to pay the \$100 reduced fee returns to the \$1,000 level established by the bill. Finally, the amendment makes technical changes to the bill.

**Enacted Law Summary**

Public Law 2019, chapter 615 resolves an inconsistency in the State's liquor laws by clarifying that, beginning September 1, 2020, an out-of-state spirits supplier must obtain a certificate of approval from the Department of Administrative and Financial Services, Bureau of Alcoholic Beverages and Lottery Operations before it may transport spirits into or cause spirits to be transported into the State for sale to the bureau. The term "out-of-state spirits supplier" is defined to include both an out-of-state spirits manufacturer and a person who engages in the out-of-state purchase of spirits for resale to the bureau. When an out-of-state spirits supplier ships spirits into the State, the spirits must be delivered to a warehouse designated by the State Liquor and Lottery Commission.

For the first year that Public Law 2019, chapter 615 is in effect, an out-of-state spirits supplier is required to pay a \$500 fee to obtain a certificate of approval, except that an out-of-state spirits supplier that ships no more than 450 liters of spirits into the State per year is only required to pay a \$100 fee. Beginning September 1, 2021, the annual fee for an out-of-state spirits supplier who ships more than 450 liters of spirits into the State per year increases to \$1,000, to match the fee required to obtain a certificate of approval to ship malt liquor or wine into the State, while the annual fee for an out-of-state spirits supplier that ships no more than 450 liters of spirits into the State per year remains \$100.

**LD 2091 An Act To Amend the Marijuana Legalization Act and Make Other Implementing Changes**

**CARRIED OVER**

Sponsor(s)

LUCHINIL

Committee Report

Amendments Adopted

This bill, submitted by the Department of Administrative and Financial Services, does the following.

In the Marijuana Legalization Act, it amends the definition of "inherently hazardous substance" to include ethanol and alcohol, amends the definition of "marijuana trim" to exclude from that definition stalks and roots of the marijuana plant, amends the definition of "seedling" to include larger plants and adds definitions of "marijuana establishment support entity" and "sample collector."

In the Marijuana Legalization Act, it changes the requirements of the operating plan for cultivation facilities to require such facilities to obscure from public view by anyone under 21 years of age any marijuana or marijuana