

“An Act to Correct Errors, Inconsistencies and Conflicts in and to Revise the State’s Liquor Laws”

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

Sec. ? 17 MRSA §2003-A headnote is amended to read:

§2003-A. Definitions Public drinking

Sec. ? 28-A MRSA §1 is amended to read:

§1. Compliance required; penalty

Except as otherwise provided by law, Any a person who purchases, imports, causes to be imported, transports, causes to be transported, manufactures, possesses, or sells or offers for sale alcohol in violation of law commits a Class E crime.

Sec. ? 28-A MRSA §2, sub-§2-C is enacted to read:

2-C. Bed and breakfast guest. "Bed and breakfast guest" means a person whose name and address are registered on the registry maintained by the bed and breakfast and who is the bona fide occupant of a room of the bed and breakfast. "Bed and breakfast guest" does not include a person whose name and address are registered on the bed and breakfast registry solely for the purpose of obtaining liquor.

Sec. ? 28-A MRSA §2, sub-§§4, 5 and 7 are amended to read:

4. Bottler. "Bottler" means a person who packages spirits, wine or ~~beer~~ malt liquor for sale in containers, and is not engaged in distilling, brewing, fermenting or rectifying liquor.

5. Brewer. ~~"Brewer"~~ **Brewery.** "Brewery" means a person who engages in one or both of the following activities: produces malt liquor by fermentation of malt, wholly or partially, or from any substitute for malt.

A. Brewing, lagering and kegging, bottling or packaging the person’s own malt liquor; or

B. Producing or bottling low-alcohol spirits products comprised of malt liquor to which spirits have been added.

7. Catering. "Catering" means service of liquor with or without food by a person to groups at a prearranged function.

A. ~~"Off-premise Off-premises catering"~~ means service of liquor with or without food by a licensee to groups at prearranged functions located at a place other than the licensee's premises.

B. ~~"On-premise On-premises catering"~~ means service of liquor with or without food by a licensed club having the catering privilege to groups of nonmembers at prearranged functions.

Sec. ? 28-A MRSA §2, sub-§8 is repealed and the following enacted in its place:

8. Certificate of approval holder. "Certificate of approval holder" means:

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A. An in-state manufacturer of malt liquor, wine or spirits licensed under section 1355-A; or

B. An out-of-state manufacturer of or out-of-state wholesaler of malt liquor or wine who has been issued a certificate of approval under section 1361.

Sec. ? 28-A MRSA §2, sub-§9-A is enacted to read:

9-A. Club member. "Club member" means a person who, whether as a charter member or admitted in accordance with the bylaws of the club, has become a bona fide member of that club and who maintains membership in good standing by payment of dues in a bona fide manner in accordance with bylaws and whose name and address is entered on the list of members. A person who does not have full club privileges may not be considered a bona fide member.

Sec. ? 28-A MRSA §2, sub-§11 is amended to read:

11. Distiller. "Distiller" Distillery. "Distillery" means a person who engages in one or both of the following activities:

A. Producing the person's own produces spirits by the process of distillation; or

B. Producing low-alcohol spirits products.

Sec. ? 28-A MRSA §2, sub-§11-E is enacted to read:

11-E. Full meal. "Full meal" means a meal consisting of a diversified selection of food that ordinarily cannot be consumed without the use of tableware and that cannot be conveniently consumed while standing or walking.

Sec. ? 28-A MRSA §2, sub-§§12-B, 12-C and 12-D are enacted to read:

12-B. Hotel guest. "Hotel guest" means a person whose name and address are registered on the registry maintained by the hotel and who is the bona fide occupant of a room of the hotel. "Hotel guest" does not include a person whose name and address are registered on the hotel registry solely for the purpose of obtaining liquor.

12-C. International air terminal. "International air terminal" means an airport served by one or more bona fide international air carriers.

12-D. International passenger in transit. "International passenger in transit" means an airline passenger who is in transit and whose point of origin or point of destination is a foreign country.

Sec. ? 28-A MRSA §2, sub-§15 is amended to read:

15. Licensed establishment. "Licensed establishment" means premises to which a license for the sale of spirits, wine or malt liquor to be consumed on or off the licensed premises applies, and any person or organization which is licensed to sell spirits, wine or malt liquor in the times, places and manners as specified in the license. The following may be licensed establishments.

A. "Airline corporation" means any person operating regularly scheduled intrastate or interstate passenger air transportation.

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B. "Auditorium" means any commercially operated indoor or outdoor facility designed or used for the gathering of an audience for speeches and live performances of theater, music, dance or other performing arts that charges a fee and has adequate facilities for the sale and consumption of liquor.

B-1. "Bowling center" means an any indoor facility operating that operates at least 8 regulation lanes for the purpose of conducting the game of bowling which that is open to the general public and which that has suitable adequate facilities for the sale and consumption of liquor.

B-2. "Bed and breakfast" means a place that advertises itself as a bed and breakfast where the public for a fee may obtain overnight accommodations that include a sleeping room or rooms and at least one meal per day.

C. "Civic auditorium" means a municipal, county or state or a quasi-municipal, quasi-county or quasi-state owned or operated auditorium or civic center.

D. "Club" means any reputable group of individuals incorporated and operating in a bona fide manner solely for purposes of recreational, social, patriotic or fraternal nature and not for pecuniary gain.

~~(1) "Club member" means a person who, whether as a charter member or admitted in accordance with the bylaws of the club, has become a bona fide member of that club and who maintains membership in good standing by payment of dues in a bona fide manner in accordance with bylaws and whose name and address is entered on the list of members. No person who does not have full club privileges may be considered a bona fide member.~~

D-1. "Curling ~~club center~~" means any facility offering that offers curling facilities to the public for a fee, that offers food for sale to the public and that has adequate facilities for the sale and consumption of liquor.

D-2. "Common consumption area" means an area designated as a common area within an entertainment district in which customers of more than one common consumption area licensee are permitted to consume spirits, wine and malt liquor sold by the common consumption area licensees.

E. "Dining car" and "passenger car" mean railroad cars in which food and liquor are served.

F-1. "Disc golf course" means any commercially operated facility offering that offers disc golfing to the general public for a fee, that offers food for sale to the public and that has adequate facilities for the sale and consumption of liquor. A disc golf course ~~consists of~~ must offer no less than 18 disc golfing holes with a total distance of no less than 5,000 feet per 18 disc golfing holes and has must have a value of not less than \$50,000.

G. "Golf course" means a commercially operated facility, whether publicly or privately owned, offering that offers golfing facilities to the general public for a fee, including a regulation size golf course of not less than 9 holes and an average total of not less than 1,200 yards per 9 holes, that has a value of not less than \$100,000, that offers food for sale to the public and that has adequate facilities for the sale and consumption of liquor.

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H. "Hotel" means any reputable place operated by responsible persons of good reputation, where the public obtains sleeping accommodations for a consideration and where meals may be served food is offered for sale to the public, whether or not under one roof. Nothing in this paragraph may be held to prevent the bureau from issuing part-time licenses to bona fide part-time hotels.

~~(1) A hotel is considered to be serving meals when it provides on the premises one or more public dining rooms, open and serving food during the morning, afternoon and evening, and a separate kitchen in which food is regularly prepared for the public.~~

~~(2) Nothing in this paragraph may be held to prevent the bureau from issuing part-time licenses to bona fide part-time hotels.~~

~~(3) "Hotel guest" means a person whose name and address is registered on the registry maintained by the hotel and who is the bona fide occupant of a room of the hotel. A person registering solely for the purpose of obtaining liquor is not considered a hotel guest.~~

I. "Incorporated civic organization" means any organization incorporated as a corporation without stock under Title 13, chapter 81 or Title 13-B with a civic or charitable purpose, including but not limited to relief of poverty, advancement of education and the arts, promotion of social health, safety and welfare, fostering community and economic development, protection against animal cruelty, combating community deterioration, lessening the burdens of government and providing assistance to the underprivileged and distressed.

J. "Indoor ice skating ~~club center~~" means any commercially operated indoor facility offering that offers ice skating facilities to the general public, which charges for a fee, that offers food for sale to the public and which that has adequate facilities for the sale and consumption of liquor.

K. "Indoor racquet ~~club center~~" means any commercially operated indoor facility with 4 or more courts or areas designed or used for the playing of any racquet sport, which that is open to the general public, which charges for a fee, that offers food for sale to the public and which that has adequate facilities for the sale and consumption of liquor. Racquet sports include tennis, squash, handball, paddleball and badminton.

~~K-1. "International air terminal" means an airport served by one or more bona fide international air carriers.~~

L. "Class A lounge" means a reputable place operated by responsible persons of good reputation, where food and liquor are sold at tables, booths and counters.

L-1. "Minibar" means a self-contained, locking cabinet, refrigerated or unrefrigerated, designed for storing, dispensing and selling liquor and related merchandise.

M. "Outdoor stadium" means any commercially operated outdoor facility with 3,000 or more fixed seats designed or used for the playing of any sport or event that is open to the general public, charges a fee and has adequate facilities for the sale and consumption of wine and malt liquor

N. "Performing arts center" means any charitable or nonprofit corporation incorporated as a corporation without capital stock under Title 13, chapter 81, and which has as its primary purpose the encouragement, promotion and presentation of the arts for the benefit of the general public.

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N-1. "Pool hall" means a pool hall or billiard room that contains at least 6 regulation pool tables and generates at least 50% of its gross annual income from the sale of games of pool or the rental of pool tables.

O. "Public service corporation" means an airline corporation, railroad corporation or vessel corporation operating in the State.

P. "Qualified catering service" means a catering establishment as defined in Title 22, chapter 562, and licensed by the Department of Health and Human Services.

P-1. "Railroad corporation" means a corporation operating one or more dining cars or passenger cars within the State.

Q. "Restaurant" means a reputable place operated by responsible persons of good reputation, which that is regularly used for the purpose of providing food for the public, and which that has adequate and sanitary kitchen and dining room equipment and capacity for preparing and serving suitable food for the public.

R. "Class A restaurant" means a reputable place operated by responsible persons of good reputation that is regularly used for the purpose of providing full course meals for the public on the premises, that is equipped with a separate and complete kitchen, and that maintains adequate dining room equipment and capacity for preparing and serving full course meals upon the premises. A Class A restaurant/lounge is not a Class A restaurant.

(1) A full course meal consists of a diversified selection of food that ordinarily cannot be consumed without the use of tableware and that cannot be conveniently consumed while standing or walking.

R-1. "Class A restaurant/lounge" means a reputable place operated by responsible persons of good reputation that is regularly used for the purpose of providing full course meals for the public on the premises, that is equipped with a separate and complete kitchen, and that maintains adequate dining room equipment and capacity for preparing and serving full course meals upon the premises but that:

(1) After 9 p.m., serves liquor and does not serve full course meals; or

(2) Maintains a room or rooms, separate from the main restaurant space, in which full course meals are not regularly served and where liquor is sold at tables, booths and counters.

For purposes of this paragraph, the term "full course meals" means meals consisting of a diversified selection of food that ordinarily can not be consumed without the use of tableware and that can not be conveniently consumed while standing or walking.

S. "Ship chandler" means a retail establishment supplying provisions, including malt liquor and wine, to ships of foreign registry.

T-1. "Tavern" means a reputable place operated by responsible persons where food may be sold and malt liquor may be sold at tables, booths and counters.

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V. "Vessel" means any ship, vessel or boat of any kind used for navigation of the coastal water or for commercial navigation of inland waters and licensed for carrying not less than 25 passengers under the requirements of the Public Utilities Commission or the United States Coast Guard.

W. "Vessel corporation" means a corporation operating one or more vessels within the State.

Sec. ? 28-A MRSA §16-A is amended to read:

16-A. Low-alcohol spirits product. "Low-alcohol spirits product" means a product containing spirits that has an alcohol content of more than 1/2 of 1% of alcohol by volume but no more than 8% or less of alcohol by volume. Beginning July 1, 2019, "low-alcohol spirits product" does not mean a flavoring, such as an extract or concentrate, added to a malt beverage or wine that:

- A. May or may not contain alcohol;
- B. Is not intended to be consumed alone as a beverage or a food product but serves as a flavor enhancement to a beverage or a food product; and
- C. Is not, prior to being added to a malt beverage or wine, subject to excise tax under chapter 65.

Sec. ? 28-A MRSA §2, sub-§§19-A and 23 are repealed.

~~19-A. Minibar.~~ "Minibar" means a self contained, locking cabinet, refrigerated or unrefrigerated, designed for the storage, dispensation and sale of alcoholic beverages and related merchandise.

~~23-A. Pool hall.~~ "Pool hall" means a pool hall or billiard room that contains at least 6 regulation pool tables and generates at least 50% of its gross annual income from the sale of games of pool or the rental of pool tables.

Sec. ? 28-A MRSA §2, sub-§§25, 27, 29, 29-A, 29-B, 31-A and 31-B are amended to read:

25. Rectifier. "Rectifier" means a person who produces spirits or low-alcohol spirits products by combining spirits with other products.

27. Retailer or retail licensee. "Retailer" or "retail licensee" means any person licensed by the bureau to engage in the purchase and resale of liquor in the original container or by the drink, for consumption on or off the premises where sold. "Retailer" and "retail licensee" do does not include wholesalers as defined in subsection 35.

- A. "~~Off-premise~~ Off-premises retail licensee" means a person licensed to sell liquor in sealed bottles, containers or original packages to be consumed off the premises where sold.
- B. "~~On-premise~~ On-premises retail licensee" means a person licensed to sell liquor to be consumed on the premises where sold.

29. Small brewery. "Small brewery" means a facility that brews, lagers and kegs, bottles or packages its own malt liquor, not to exceed 30,000 barrels per year person who engages in one or both of the following activities:

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A. Brewing, lagering and keggling, bottling or packaging the person's own malt liquor; or

B. Producing or bottling low-alcohol spirits products comprised of malt liquor to which spirits have been added.

"Small brewery" does not include a person who engages in the activities described in paragraph A or B but who produces in total more than 30,000 barrels per year of malt liquor and low-alcohol spirits products comprised of malt liquor to which spirits have been added.

29-A. Small distillery. "Small distillery" means a distiller that produces spirits in an amount that does not exceed 50,000 gallons per year person who engages in one or both of the following activities:

A. Producing the person's own spirits by the process of distillation; or

B. Producing low-alcohol spirits products.

"Small distillery" does not include a person who engages in the activities described in paragraph A or B but who produces in total more than 50,000 gallons per year of spirits and low-alcohol spirits products.

29-B. Small winery. "Small winery" means a facility that person who ferments, ages and or bottles:

A. Up to 50,000 gallons per year of ~~its~~ the person's own wine that is not hard cider; and

B. Up to 3,000 barrels per year of ~~its~~ the person's own wine that is hard cider.

31-A. Spirits administration. "Spirits administration" or "administration" means the management of spirits activities involving the distribution and sale of spirits by the bureau or ~~any person awarded a contract under section 90~~ a wholesale spirits provider. "Spirits administration" includes, but is not limited to, financial and performance management; profitable and responsible growth management; management of contracts; management of agency liquor store matters and orders; personnel management; monitoring and reporting of spirits inventory; management of bailment records and billing; management of accounts receivable, accounts payable and tax collection and reporting; and sales and profit reporting. "Spirits administration" does not include warehousing and distribution of spirits by the bureau.

31-B. Spirits trade marketing. "Spirits trade marketing" or "trade marketing" means oversight and management by the bureau or any person awarded a spirits trade marketing contract under section 90. "Spirits trade marketing" includes, but is not limited to, agency liquor store category management, analysis and recommendations; agency liquor store shelf reset recommendations; agency liquor store displays, advertising, point-of-sale material and event marketing recommendations; development, production and distribution of sales, marketing and informational publications; consultation and coordination with spirits suppliers and brokers on matters affecting their brands; and development, production and distribution of any social responsibility initiatives and compliance related to those initiatives.

Sec. ? 28-A MRSA §2, sub-§31-C is enacted to read:

31-C. Spirits supplier. "Spirits supplier" means a person who delivers spirits to a wholesale spirits provider for sale in the State, including an in-state or out-of-state spirits manufacturer, a person who engages in the out-of-state purchase of spirits for resale to the bureau or an agent or representative of

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a spirits manufacturer or of a person who engages in the out-of-state purchase of spirits for resale to the bureau.

Sec. ? 28-A MRSA §2, sub-§§32-A and 34 are amended to read:

32-A. Tenant brewer brewery. "Tenant brewer brewery" means a person who has submitted a brewer's notice to and received approval from the United States Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau authorizing the brewer person to engage in an alternating proprietorship as defined by federal regulation and is licensed by the bureau to produce malt liquor at a manufacturing facility of another brewer who brewery who is licensed by the bureau.

34. Wholesale licensee. "Wholesale licensee" means a person licensed by the bureau under section 1401 as a an in-state wholesaler.

Sec. ? 28-A MRSA §2, sub-§34-A is enacted to read:

34-A. Wholesale spirits provider. "Wholesale spirits provider" means a person or persons who has a contract under section 90 to serve as an agent of the State for the purpose of providing wholesale spirits to establishments licensed by the State to sell spirits for off-premises consumption.

Sec. ? 28-A MRSA §2, sub-§§35, 36 and 37 are amended to read:

35. Wholesaler. "Wholesaler" means a person who engages in the purchase and resale of ~~malt or brewed beverages or wines~~ malt liquor or wine, or both, in sealed bottles, containers or original packages, as prepared for the market by the manufacturer at the place of manufacture, but not for consumption, except during a taste-testing event conducted in accordance with the requirements of this Title when taste testing, on the premises of that wholesaler.

36. Wine. "Wine" means any liquor containing not more than 24% alcohol by volume that is produced by the fermentation of fruit or other agricultural products containing sugar or wine to which spirits have been added not to exceed 24% alcohol by volume. "Wine" includes, but is not limited to, hard cider, wine coolers, table wine, still wine, sparkling wine, champagne and fortified wine, provided that the alcohol content is not above 24% by volume.

37. Winery. "Winery" means a ~~facility that person who~~ person who ferments, ages and or bottles the person's own wine and hard cider.

Sec. ? 28-A MRSA §3-B, sub-§1, ¶A is amended to read:

A. Purchase of spirits ~~and, until June 30, 2014, fortified wine;~~

Sec. ? 28-A MRSA §3-B, sub-§§2 and 3 are amended to read:

2. Timing of payment from agency liquor store. An agency liquor store, when approved by the bureau, may pay for spirits purchased from the bureau by mailing a check for payment to the bureau ~~or an entity awarded a contract under section 90~~ a wholesale spirits provider when notified of the amount due or upon receiving a delivery of spirits. Payments remitted by check must be received or postmarked within 3 days of receipt of a delivery of spirits or notification of the amount due. Payments remitted using electronic funds transfer must be debited within 3 days of receipt of a delivery of spirits or notification of the amount due.

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3. Payments returned for insufficient funds or not honored; suspension. If a payment made to the bureau is returned for insufficient funds or is not honored, the bureau shall immediately notify the licensee. If the bureau does not receive payment in full, in a manner prescribed by the bureau, by 5:00 p.m. on the 2nd business day after notifying the licensee, the bureau, notwithstanding chapter 33 and Title 5, chapter 375, subchapter 5, may immediately suspend the licensee's license. The director of the bureau or the director's designee shall notify the licensee of the suspension and shall demand that the licensee provide proof of payment within 30 days of the date of suspension. If the licensee fails to show proof that the payment returned for insufficient funds or not honored was subsequently paid in full, the suspension remains in effect until payment is made or until the license is subject to renewal as provided in section 458. A licensee aggrieved by a decision of the director or the director's designee may request in writing and must be granted a hearing before the District Court, which shall consider the matter in the same manner as is provided in section 803. The bureau may require a licensee whose payment is returned for insufficient funds or not honored to make all payments to the bureau by cash, certified check or money order only for a period not to exceed one year for each instance of payments returned for insufficient funds or not honored. For the purposes of this subsection, payments made to the bureau include payments to the entity contracted by the State under section 90 a wholesale spirits provider.

Sec. ? 28-A MRSA §4, sub-§1 is amended to read:

1. Hours for sale of liquor. Except as provided in ~~paragraphs B and D~~ this subsection, licensees may sell or deliver liquor from 5 a.m. on any day until 1 a.m. of the following day.

B. Licensees may sell liquor on January 1st of any year from 12 midnight to 2 a.m.

(1) In areas in which liquor may be sold except on Sundays, if January 1st falls on a Monday, licensees may sell or deliver liquor between 9 p.m. Sunday, December 31st and 2 a.m. January 1st, notwithstanding any local option decisions to the contrary.

D. Wholesale licensees may sell or deliver liquor to licensed establishments from 4 a.m. on any day until 1 a.m. the following day.

E. An on-premises retail licensee located in an international air terminal may sell liquor to international passengers in transit at any time of day.

Sec. ? 28-A MRSA §10, headnote and sub-§1 are amended to read:

§10. Class A restaurant and ~~off-premise~~ off-premises retail licensee on same premises

1. Class A restaurant or restaurant and ~~off-premise~~ off-premises retail licensee on same premises not prohibited. If a portion of premises is licensed as an ~~off-premise~~ off-premises retail licensee, no provision within this Title may be construed to prohibit issuance of a Class III or Class IV license to the same licensee for a restaurant or Class A restaurant for the remaining portion of the premises, as long as necessary qualifications are maintained for each separately licensed area.

Sec. ? 28-A MRSA §10, sub-§2-B, ~~¶¶~~ B and C are amended to read:

B. When access between the 2 licensed areas exists for patrons of either establishment, all malt liquor and wine sold for on-premises consumption must be served by an employee of the licensed on-premises establishment and ~~and may be served only when accompanying food or a full-course meal prepared in a separate and complete kitchen on the premises. A restaurant under this paragraph must serve food. For the purposes of this paragraph, "food" includes cold or hot meals,~~

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~~including sandwiches and salads, but is not limited to hamburgers, cheeseburgers, hot dogs, pizzas and other food items that customarily appear on a restaurant menu. "Food" does not include prepackaged snack foods such as popcorn, chips or pretzels. A Class A restaurant under this paragraph must serve a full course meal.~~

~~(1) Must be accompanied by a full meal prepared in a separate and complete kitchen on the premises of the on-premises establishment if the on-premises establishment is a Class A restaurant; or~~

~~(2) Must be accompanied by a full meal or a hot or cold meal prepared in a separate and complete kitchen on the premises of the on-premises establishment if the on-premises establishment is a restaurant. For purposes of this subparagraph, a "hot or cold meal" means a meal consisting of food items that customarily appear on a restaurant menu including, but not limited to, sandwiches, salads, hamburgers, cheeseburgers, hot dogs and pizza. A meal consisting solely of prepackaged snack foods such as popcorn, chips or pretzels is not a "hot or cold meal" within the meaning of this subparagraph.~~

C. Malt liquor or wine sold or served on the premises may not be transported by a patron or employee of either establishment from one licensed area to another. The licensee shall ensure that easily readable signs are conspicuously posted to inform the public that transfer of alcoholic beverages liquor from one licensed area to another is strictly prohibited.

Sec. ? 28-A MRSA §11, sub-§§1 and 2 are amended to read:

1. Connection with other licensed premises. Notwithstanding any other law or rule of the bureau, any retailer's licensed ~~premise premises~~ may be connected with any other retailer's licensed ~~premise premises~~ by a doorway or other apertures that are not securely and permanently sealed.

2. Violation of public drinking law. ~~Any persons~~ A person taking a drink of liquor to another, offering a drink of liquor to another or consuming liquor within the licensed premises of an ~~off-premise~~ off-premises retail licensee under the common roof shall be considered in violation of and subject to punishment under Title 17, section 2003-A and shall be punished accordingly. ~~This subsection does not prohibit product sampling and taste testing authorized by and conducted in accordance with the requirements of this Title.~~

Sec. ? 28-A MRSA §13 is amended to read:

§13. Low-alcohol spirits ~~product~~ products sold by wine licensees

1. Retail sales. Notwithstanding any provision of this Title ~~to the contrary~~, a person licensed to sell wine for consumption on or off the premises may also sell low-alcohol spirits products. All provisions of this Title applicable to wine, except chapters 65 and 67, apply to low-alcohol spirits products when sold by persons licensed to sell wine for consumption on or off the premises.

2. Wholesale sales. ~~Notwithstanding any provision of this Title to the contrary, a person licensed under section 1401 as an in-State wholesaler of wine may also sell and distribute low-alcohol spirits products.~~

Sec. ? 28-A MRSA §14 is amended to read:

§14. Hard cider sold by wine or malt liquor licensees

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1. Retail sales. Notwithstanding any other provision of this Title, a person licensed to sell malt liquor for consumption on or off ~~the~~ premises may also sell hard cider. All provisions of this Title applicable to malt liquor, ~~except chapter 65,~~ apply to hard cider when hard cider is sold by persons licensed to sell malt liquor for consumption on or off premises. Nothing in this subsection prohibits a person licensed to sell wine for consumption on or off the premises from selling hard cider.

2. Wholesale sales. Notwithstanding any provision of this Title to the contrary, a person licensed under section 1401 as an in-State wholesaler of malt liquor may also sell and distribute hard cider. Nothing in this subsection prohibits a person licensed under section 1401 as an in-State wholesaler of wine from selling and distributing hard cider.

Sec. ? 28-A MRSA §81, sub-§§3 and 4 are amended to read:

3. Listing of items. The commission shall determine which spirits items may be listed for sale in the State. Products listed must be made available by the spirits supplier at a warehouse designated by the commission.

4. Notice to delist or stop purchases. Before any spirits item listed by the commission is discontinued or delisted or before the commission issues any order to stop purchases of any listed spirits item listed, the commission shall give the vendor of the items reasonable written notice of its intention to delist or stop purchase of the items.

Sec. ? 28-A MRSA §83-B, sub-§8 is amended to read:

8. Rules for food service organizations. Adopt rules permitting food service organizations to purchase malt liquor, ~~wine and fortified~~ and wine from a wholesale licensee, notwithstanding section 1401, subsection 9. For the purposes of this subsection, "food service organization" means a business entity that provides catering services to passengers on international flights and cruises. The rules must provide that a food service organization is not required to have a license in order to purchase malt liquor, ~~wine and fortified~~ and wine from a wholesale licensee for consumption by passengers on international flights and cruises after leaving port;

Sec. ? 28-A MRSA §83-C, sub-§§2, 2-A, 3, 5 and 9 are amended to read:

2. Price regulation. Establish the wholesale ~~and retail~~ prices of spirits sold in this State and make recommendations to the commission regarding the retail prices of spirits sold in the State. The bureau shall adopt rules regarding the wholesale pricing of spirits ~~and the retail pricing of spirits~~ sold by agency liquor stores. ~~An entity awarded a contract under section 90~~ A wholesale spirits provider is granted the privilege to distribute spirits under this Title and is immune from antitrust action so long as the entity wholesale spirits provider is in compliance with the bureau's rules and all other applicable laws and regulations;

2-A. Special pricing situations. Notwithstanding section 1651, the bureau may, by rule, set retail prices on spirits at different levels than those established by the commission in the following circumstances.

A. The bureau may establish special retail prices on certain listed spirits items to be made available to the consumer at all agency liquor stores.

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B. The bureau may reduce the retail price of a listed spirits item that is unlikely to be sold for the retail price set by the commission.

C. The bureau may reduce, at the expense of the manufacturer or the spirits supplier, the retail price of those test-market spirits items that fail to meet set minimum gross profit standards after a 3-month period-;

3. Purchase. Oversee the wholesale purchase and storage of spirits for sale in the State. ~~If the bureau awards a contract under section 90, spirits~~ Spirits delivered to a wholesale spirits provider and stored at a warehouse designated by the commission under section 81 approved by the bureau are the property of the spirits supplier. Spirits become the property of the bureau upon removal from the warehouse for shipment to an agency liquor store. Spirits delivered to an agency liquor store become the property of the licensee upon receipt of delivery. ~~A person awarded a contract under section 90 wholesale spirits provider~~ at no time takes legal title to any spirits delivered to the warehouse. The bureau may buy and have in its possession spirits for sale to the public. The bureau shall buy spirits directly and not through the State Purchasing Agent. All spirits must be free from adulteration and misbranding;

5. Sales incentives to agents; rules. Consider federal regulations that govern sales incentives for alcoholic beverages spirits and the effect of a sales incentive program on General Fund revenue and pending or existing contracts with ~~any person awarded a contract under section 90 wholesale spirits providers~~. The bureau may adopt rules to provide for a sales incentive program for agency liquor stores. Rules adopted in accordance with this subsection are major substantive rules pursuant to as defined in Title 5, chapter 375, subchapter 2-A;

9. Report on expenditures. Report annually on expenditures and investments made by the bureau, including, but not limited to, reductions in the retail price at which spirits are sold and incentives offered to agency liquor stores, to the joint standing committee of the Legislature having jurisdiction over appropriations and financial affairs and the joint standing committee of the Legislature having jurisdiction over alcoholic beverage ~~beverages~~ matters. The report must include the impact of those spending initiatives on the number of cases of spirits sold in the State and on sales of spirits generally.

Sec. ? 28-A MRSA §84, sub-§§2 and 4 are amended to read:

2. Act as chief administrative officer of bureau. Act as chief administrative officer of the bureau, having general charge of the office and records and employ such personnel as necessary to fulfill the purpose of this Title. The personnel must be employed with the approval of the ~~Commissioner of Administrative and Financial Services~~ commissioner and are subject to the Civil Service Law;

4. Confer with commissioner. Confer regularly as necessary or desirable and not less than once a month with the ~~Commissioner of Administrative and Financial Services~~ commissioner on the operation and administration of the bureau and make available for inspection by the ~~Commissioner of Administrative and Financial Services~~ commissioner, upon request, all books, records, files and other information and documents of the bureau;

Sec. ? 28-A MRSA §85, sub-§2 is amended to read:

2. Inventory. The bureau may keep and have on hand a stock of spirits for sale, the value of which when priced for resale must be computed on the delivered case cost F.O.B. liquor warehouse designated by the commission filed by liquor spirits suppliers. The inventory value must be based upon actual cost for which payment may be due. Spirits may not be considered to be in the inventory until payment has been made for them.

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Sec. ? 28-A MRSA §90, headnote and sub-§§2, 3, 4, 6 and 7 are amended to read:

§90. Contract for operations of wholesale liquor spirits activities

2. Contract for operations. ~~The Commissioner of Administrative and Financial Services, referred to in this section as "the commissioner,"~~ commissioner shall enter into a contract for warehousing, distribution and spirits administration and a contract for spirits trade marketing, each for a term of 10 years. Each contract must be awarded pursuant to a competitive bid process in a manner similar to the process described in Title 5, chapter 155, subchapter 1-A. ~~The commissioner is prohibited from contracting with a bidder who also holds or has a direct financial interest in, or who has a principal officer that holds or has a direct financial interest in, a license in this State or another state to distill, bottle or manufacture liquor spirits.~~

3. Development of request for bid proposals; fee. The commissioner shall develop a request for proposals designed to encourage vigorous bidding for the purpose of awarding 2 contracts for the operations of the State's wholesale spirits business. The commissioner shall request bids for the operation of spirits trade marketing separately from bids for the combined operations of warehousing, distribution and spirits administration. In order to be considered for a contract to conduct spirits trade marketing, a bidder must submit a nonrefundable application fee of up to \$5,000. In order to be considered for a contract to conduct warehousing, distribution and spirits administration, a bidder must submit a nonrefundable application fee of up to \$20,000. The application fee must be credited to an Other Special Revenue Funds account within the division of purchases within the Department of Administrative and Financial Services to be used for managing the application process. A request for proposals must inform potential bidders of the State's target gross revenue profit margin over the term of the contract and require the bidder to affirm that the bidder, ~~or any and all of the principal officers of the bidder, does~~ do not hold or have a direct financial interest in a license or permit in this State or ~~any other~~ another state for the ~~distillation, bottling or manufacture of liquor alcoholic beverages.~~ The request for proposals must instruct potential bidders to propose the scope of operations the bidder will provide and the fee for that service expressed as a percentage of revenue generated by the wholesale business. The request for proposals must direct bidders to indicate if the bidder intends to use subcontractors and to identify those subcontractors. The request for proposals must also inform potential bidders that they may propose incentives for the bidder intended to encourage responsible growth of revenue and enhanced efficiencies in services provided.

4. Information provided by bidders. A bidder seeking consideration of the award of a contract for the operations of the State's wholesale spirits business pursuant to this section shall comply with the requirements of this subsection.

A. A bidder on a contract to operate the warehousing, distribution and spirits administration functions of the wholesale spirits business shall identify services or operations for which the bidder may use a subcontractor and shall demonstrate:

- (1) The bidder's financial capacity and access to capital to maintain the operations;
- (2) The bidder's capabilities to provide adequate transportation and distribution of liquor spirits to agency liquor stores;
- (3) The bidder's warehousing capabilities and proposed bailment rates for liquor spirits and related fees to be charged to liquor spirits suppliers;

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- (4) That the bidder, including any principal officer of the bidder and any named subcontractor, is of good moral character and has not been found to have violated any state or federal law or rule governing the manufacture, distribution or sale of ~~alcoholic beverages~~ liquor;
- (5) The bidder's knowledge of the wholesale liquor business, alcoholic beverage industry or a related field;
- (6) The bidder's plan to provide agency liquor stores with a minimum of 2 deliveries per week;
- (7) The bidder's methods for processing orders and invoices, including any minimum ordering requirements, split case restrictions and inventory control plans;
- (8) The bidder's business plan to provide services in a manner that will assist the State in achieving a target growth rate comparable to or exceeding that of other states that control the sale and distribution of ~~alcoholic beverages~~ spirits;
- (9) The bidder's plan for enhancing services to ~~liquor~~ spirits suppliers and agency liquor stores; and
- (10) The positive impact on the economy, employment and state revenues that the bidder's overall proposal will provide.

B. A bidder on a contract to provide spirits trade marketing shall:

- (1) Demonstrate the bidder's business plan and marketing strategies to encourage responsible growth to the wholesale spirits business;
- (2) Demonstrate the bidder's experience or knowledge, if any, of responsible marketing of ~~alcoholic beverages~~ liquor;
- (3) Identify services for which the bidder may use a subcontractor;
- (4) Demonstrate that the bidder, including any principal officer of the bidder and any named subcontractor, is of good moral character and has not been found to have violated any state or federal law or rule governing the manufacture, distribution or sale of ~~alcoholic beverages~~ liquor; and
- (5) Demonstrate the positive impact on the economy, employment and state revenues that the bidder's overall proposal will provide.

In addition to the requirements of paragraphs A and B, the commissioner, in order to ensure that the objective of maximizing growth in the State's wholesale spirits business is achieved, may require bidders to provide additional information, including disclosure of the potential of a bidder's direct and substantial conflict of interest with the State's financial interest.

6. Contract provisions; oversight and performance review. A contract provided to a successful bidder in accordance with this section must require that the person awarded the contract submit to the bureau, in a form determined by the bureau, an annual report audited by an independent 3rd party. The bureau, following receipt of the report, shall provide the report annually to the joint standing

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committees of the Legislature having jurisdiction over appropriations and financial affairs and alcoholic beverages matters. The contract must prohibit the person awarded the contract from engaging in activities reserved for agency liquor stores licensed as reselling agents to provide spirits to establishments licensed for on-premises consumption. The contract must also include provisions that allow for ongoing performance standards review so that deficiencies in such standards may result in amendments to the contract or nullification. Performance standards subject to contract amendments or nullification include:

- A. Working in partnership with the State to achieve the goal of a revenue growth rate comparable to the average growth rate of other states that control the sale and distribution of alcoholic beverages spirits;
- B. Transparency in annual reporting and conformance to the reporting requirements established by the bureau; and
- C. Except for a contract awarded to conduct spirits trade marketing, responsiveness to the service needs of agency liquor stores.

7. Price regulation. The ~~bureau~~ State shall regulate the wholesale and retail prices of all liquor spirits sold by a person awarded a contract in accordance with this section.

Sec. ? 28-A MRSA §123, sub-§§2 and 4 are amended to read:

2. Sale of spirits and fortified wine for consumption off the premises on days other than Sunday. Shall this municipality authorize the State to permit the operation of agency liquor stores sale of spirits for off-premises consumption on days other than Sunday?

4. Sale of spirits and fortified wine for consumption off the premises on Sundays. Shall this municipality authorize the State to permit the operation of agency liquor stores sale of spirits for off-premises consumption on Sundays?

Sec. ? 28-A MRSA §124, sub-§1 is amended to read:

1. Determination vote. If the results of an election held under section 121 ~~or 122~~ show that:

Sec. ? 28-A MRSA §161, sub-§7, first ¶ and ¶A are amended to read:

7. Right of access. Every bottle club shall allow law enforcement officers to enter the bottle club premises at reasonable times for the purpose of investigating compliance with this Title.

A. Entry into the bottle club premises under this subsection must be conducted in a reasonable manner so as not to disrupt the operation of the bottle club.

Sec. ? 28-A MRSA §353 is amended to read:

§353. Business hours

Agency liquor stores may be open for the sale and delivery of spirits ~~and fortified wine between the hours of 5 a.m. and 1 a.m. as provided in section 4, subsection 1~~ in municipalities and unincorporated places that have voted in favor of the operation of agency liquor stores sale of spirits for off-premises consumption under local option provisions. Notwithstanding any local option decisions to the contrary, agency liquor stores may be open from 5 a.m. Sunday to 1 a.m. the next day.

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Sec. ? 28-A MRSA §353-A is repealed:

~~§353-A. Business hours~~

~~Agency liquor stores may be open for the sale and delivery of spirits as provided in section 4, subsection 1 in municipalities and unincorporated places that have voted in favor of the operation of agency liquor stores under local option provisions. Notwithstanding any local option decisions to the contrary, agency liquor stores may be open from 5 a.m. Sunday to 1 a.m. the following day.~~

Sec. ? 28-A MRSA §451 is amended to read:

§451. Agency liquor stores

This chapter governs the issuance of an agency liquor store license and the operation of agency liquor stores licensed pursuant to this Part. The bureau may license and regulate persons as agency liquor stores on an annual or temporary basis for the purposes of selling liquor in sealed bottles, containers or original packages to be consumed off the premises.

Sec. ? 28-A MRSA §453, sub-§1, ¶A is amended to read:

A. The proposed agency liquor store is located in a municipality or unincorporated place that has voted in favor of the operation of state liquor stores under local option provisions that authorize the sale of spirits, wine and malt liquor to be consumed off of the premises where sold or the proposed agency liquor store is located in an unincorporated place where the county commissioners have authorized the sale of spirits, wine and malt liquor to be consumed off of the premises where sold.

Sec. ? 28-A MRSA §453-B is repealed.

~~§453-B. License fees~~

~~1. Agency liquor store.~~

~~2. Seasonal agency liquor stores.~~

~~The initial license fee for an agency liquor store and the fee for a transferee of a license for an agency liquor store under section 457 is \$2,000. The renewal fee for an annual license is \$300.~~

Sec. ? 28-A MRSA §453-C, sub-§1 is amended to read:

1. Agent licensed License to resell spirits purchased from the bureau. An agent agency liquor store licensed to may not resell spirits purchased from the bureau or through an entity awarded a contract under section 90 to a retail licensee licensed for on-premises consumption must be unless the agency liquor store is licensed as a reselling agent under this section. A reselling agent is prohibited from reselling spirits to a retail licensee licensed for on-premises consumption unless the spirits are purchased from the bureau or through an entity awarded a contract under section 90.

Sec. ? 28-A MRSA §455 is amended to read:

§455. Liquor for agency liquor stores Purchase of spirits

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1. Agency liquor store purchases. Agency liquor stores shall buy their ~~liquor spirits~~ from the bureau under section 606.

2. Monthly specials. The bureau may establish monthly specials for all agency liquor stores. ~~The issuance of an agency liquor store license and the operation of agency liquor stores licensed pursuant to this Part are governed by this chapter.~~

Sec. ? 28-A MRSA §457 is amended to read:

§457. Transfer of agency liquor store license

Upon application of a licensee under this chapter, an agency liquor store license must be transferred to a new owner upon the sale of the licensed establishment and payment of the transfer fee required in section 453-B ~~1010-A~~, subsection 2 if the new owner is eligible under section 601 and the physical premises of the establishment remain unchanged.

Sec. ? 28-A MRSA §458, sub-§§2 and 2-A are amended to read:

2. Review by bureau. In reviewing applications for renewal submitted under subsection 1, the bureau shall consider the following criteria:

- A. The applicant's sales and inventory of ~~liquor spirits~~;
- B. The applicant's sales and inventory of groceries and related items;
- C. Any changes in the interior selling location of the premises or renovations to the applicant's licensed premises;
- D. Any customer complaints of poor service against the applicant's store;
- E. Any violations of liquor laws by the applicant; and
- F. Records of any bad checks rendered to the commission or bureau.

2-A. Review exemptions. Notwithstanding subsection 2, paragraph C, when considering an application for the renewal of an agency license, the bureau may not consider minor changes to the placement of ~~liquor spirits~~ inventory if the changes are not for the purposes of marketing beyond those provided in law or agency rule or for increasing access by minors but are to address some other ~~liquor spirits~~ placement issue that is within the scope of the person's license.

Sec. ? 28-A MRSA §459 is amended to read:

§459. Delivery of ~~liquor spirits~~ by agency liquor stores reselling agents

Agency liquor stores ~~Reselling agents~~ may deliver ~~liquor spirits~~ to establishments that are licensed to ~~serve liquor~~ sell spirits on premises for on-premises consumption.

Sec. ? 28-A MRSA §460, sub-§1 is amended to read:

§460. Agency liquor store taste testing of spirits

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1. Taste testing on agency liquor store premises. Subject to the conditions in subsections 2 and 2-A, the bureau may authorize an agency liquor store stocking at least 100 different codes of spirits products to conduct taste testing of spirits on that licensee's premises. ~~Any~~ An agency liquor store may not allow any other consumption of liquor on an the agency liquor store's premises is prohibited, except as permitted under section ~~1206 1205, 1207, 1208, 1402-A or 1504.~~

Sec. ? 28-A MRS §460, sub-§2, ¶p is enacted to read:

P. Spirits may be poured for the taste-testing event only by the owner or an employee of the agency liquor store, by a sales representative licensed under section 1502 whose name is listed on the request to conduct the taste-testing event as required by subsection 2-A, paragraph D or, if the manufacturer of the spirits being poured is licensed under section 1355-A, by the manufacturer or an employee of the manufacturer.

Sec. ? Title 28-A, ch. 21, headnote is amended to read:

CHAPTER 21

WHOLESALE LIQUOR SPIRITS PROVIDER

Sec. ? 28-A MRS §501 is repealed.

§501. Wholesale liquor provider; definition

As used in this chapter, unless the context otherwise indicates, "wholesale liquor provider" means an entity or entities contracted by the State as an agent of the State for the purpose of providing wholesale spirits to establishments licensed by the State to sell spirits for off-premises consumption.

Sec. ? 28-A MRS §502 is repealed and replaced as follows:

§502. Wholesale spirits provider; prohibited financial interests

A wholesale spirits provider and each of the principal officers of the wholesale spirits provider may not hold or possess:

1. License to sell spirits for off-premises consumption. An agency liquor store license;
2. License to manufacture spirits, wine or malt liquor. A license in this State or another state to manufacture liquor; or
3. Direct financial interest in prohibited license. A direct financial interest in a license described in subsections 1 or 2.

Sec. ? 28-A MRS §503 is repealed and the following enacted in its place:

§503. Delivery of spirits by wholesale spirits provider

1. Authorized delivery to agency liquor stores. A wholesale spirits provider may deliver to an agency liquor store spirits that the agency liquor store purchased from the bureau.

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2. Delivery to on-premises retail licensees prohibited. A wholesale spirits provider may not deliver spirits to establishments licensed by the State to sell spirits for on-premises consumption

Sec. ? 28-A MRSA §601 is amended as follows:

§601. Eligibility

1. Eligibility qualifications. The bureau may not issue a license or certificate of approval to an applicant unless that applicant meets the following qualifications.

A. If the applicant is an individual, the applicant must be:

- (1) At least 21 years of age; and
- (2) A citizen of the United States.

B. If the applicant is a partnership or association, each person having an interest in the partnership or association must be:

- (1) At least 21 years of age; and
- (2) A citizen of the United States.

C. If the applicant is a corporation, it must be incorporated under the laws of the State or authorized to transact business in the State.

D. The applicant is currently in compliance with all license, permit and approval requirements under Title 22 and under any rules adopted pursuant to Title 22 that apply to the applicant's existing business.

2. Disqualifications. The bureau may not issue a license or certificate of approval to an applicant if:

A. Any of the principal officers of the corporation is not personally eligible because that officer has had a license or certificate of approval for sale of liquor revoked under chapter 33, if the applicant is a corporation;

B. The applicant held a license or certificate of approval that was revoked for a specific period under chapter 33 and the applicant is applying for a license or certificate of approval within that period since revocation;

C. The applicant, who was not at the time of the offense the holder of a liquor license or certificate of approval, was convicted of violating any laws of the State or the United States with respect to manufacture, transportation, importation, possession or sale of liquor within 5 years of applying for the license or certificate of approval. For the purposes of this paragraph, any person who sells liquor of a greater alcohol content than authorized by that person's license or certificate of approval is not considered the holder of a license or certificate of approval;

D. The applicant was convicted of selling liquor illegally on Sunday while an employee or agent of a licensee within 5 years of applying for the license;

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E. The applicant's license or certificate of approval expired pending an appeal from conviction of illegally selling liquor on Sunday within 5 years of applying for the license or certificate of approval;

F. The applicant is a law enforcement officer or if a law enforcement officer benefits directly from the issuance of the license or certificate of approval;

G. The applicant was denied a license or certificate of approval within the 6 months before the application was filed, unless the bureau's denial of the license or certificate of approval is overruled by the court under an appeal provided by section 805;

H. The applicant is the ~~husband, wife, father, mother~~ spouse, parent, child or other close relation of a person whose license or certificate of approval or application for a license or certificate of approval for the same premises was revoked by the District Court Judge or denied by the bureau within the 6 months before the application was filed;

I. The bureau determines that the purpose of the application is to circumvent the provisions of this section; or

J. The applicant is a golf course or a restaurant located on the property of a golf course and the Maine Human Rights Commission has found reasonable grounds to believe that the golf course has denied membership to a person in violation of Title 5, chapter 337, subchapter 5, and has determined that conciliation efforts under Title 5, section 4612, subsection 3 have not succeeded. The Maine Human Rights Commission shall notify the bureau when the golf course has corrected its discriminatory membership practices, after which the applicant ceases to be disqualified under this paragraph.

Sec. ? 28-A MRSA §602 is amended to read:

§602. Notification of license or certificate of approval expiration

1. Seven-day grace period upon license or certificate of approval expiration. Except as provided in subsection 3, a ~~license holder~~ licensee who unintentionally fails to renew any license or certificate of approval upon its expiration date and continues to make sales of liquor is not chargeable with illegal sales under section 2078 for a period of 7 days following the expiration date.

2. Bureau must notify licensee of expiration. The bureau shall notify the licensee by the most expedient means available that the license or certificate of approval has expired and all sales of liquor must be suspended immediately and remain suspended until the license or certificate of approval is properly renewed.

3. Illegal sales after expiration of grace period or after notice. A licensee that continues to make sales of liquor after having been properly notified of the expired license or certificate of approval shall be charged with illegal sales under section 2078.

Sec. ? 28-A MRSA §604 is amended to read:

§604. Production of licenses or certificates of approval

All licensees shall make available for inspection their licenses or certificates of approval at the any premises in the State to which those licenses or certificates of approval apply.

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Sec. ? 28-A MRSA §605, first ¶ is amended to read:

Except as otherwise provided in this section and section 608, a license or any interest in a license may not be sold, transferred, assigned or otherwise subject to control by any person other than the licensee. If the business, or any interest in the business, in connection with which a licensed activity is conducted is sold, transferred or assigned, the license holder shall immediately send to the bureau the license and a sworn statement showing the name and address of the purchaser. The bureau is not required to refund any portion of the license fee if the license is surrendered before it expires. For the purposes of this section, neither a tenant brewer brewery who is licensed in accordance with section 1355-A, subsection 6 nor a tenant winery who is licensed in accordance with section 1355-A, subsection 7 is considered to be subject to the control of the host brewer brewery or host winery, as the case may be, as described in those subsections, or considered to have been transferred or assigned the license or interest in the license of the host brewer brewery or host winery.

Sec. ? 28-A MRSA §605, sub-§2, ¶A, sub-¶(3) is amended to read:

(3) Any suspension or revocation of the license by the District Court Judge for any violation applies against both the manager and the personal representative, receiver or trustee.

Sec. ? 28-A MRSA §605, sub-§3, ¶A is amended to read:

A. Guardians and conservators, except in the case of ~~off-premise~~ off-premises retail licensees approved by the municipal officers in their municipality, may not transfer their wards' licenses and must renew licenses each year.

Sec. ? 28-A MRSA §606 is amended to read:

§606. ~~Liquor bought~~ Spirits purchased from bureau; sale to government agencies

1. Purchase of ~~liquor~~ spirits. Subject to the restrictions provided in subsection 1-A, a person licensed to sell spirits for on-premises consumption must purchase spirits from an agency liquor store licensed as a reselling agent ~~under section 453-C~~. This subsection does not apply to public service corporations operating interstate.

1-A. ~~On-premises licensees; purchase from agency store~~ reselling agent. ~~Except for a public service corporation that operates interstate, A~~ a person licensed to sell spirits for consumption on the premises shall purchase spirits only from an agency liquor store a reselling agent ~~only~~ in accordance with this subsection. A licensee who violates this subsection is subject to the administrative penalties provided in section 2074-A.

A. The sale price of spirits sold by a reselling agent to an establishment licensed for on-premises consumption must be the retail price established by the commission or the discounted retail price established by the bureau in accordance with subsection 1-C.

B. Upon completion of a transaction, the ~~agency liquor store~~ reselling agent and the on-premises licensee shall each retain a copy of the licensee order form.

1-C. Price of state spirits sales to agency liquor stores. The bureau may offer discounts below the retail price set by the commission on spirits sold to agency liquor stores.

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~~1-D. Purchase of spirits.~~ Subject to the restrictions provided in subsection 1-A, a person licensed to sell spirits for on-premises consumption must purchase spirits from a reselling agent. This subsection does not apply to public service corporations operating interstate.

3. Prospective licensees may order liquor spirits in advance. Upon approval of the bureau, persons who have been issued a license to sell spirits for on-premises or off-premises consumption, effective at a future date, may order liquor spirits in advance of the effective date of the license and may advertise the effective date.

4-A. Discount rates for agency liquor stores; rulemaking. Beginning July 1, 2014, the bureau shall set the wholesale price of spirits, which is the price an agency liquor store pays to purchase spirits, at a minimum discount of 12% off of the retail price. The bureau may establish discount rates greater than 12%, including graduated discount rates, but those discount rates must be established by rules that ensure that any graduated discount rate is structured in a way that does not adversely affect agency liquor stores that stock a low level of inventory. Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

4-B. Discount rate for small distilleries. Beginning July 1, 2019, the bureau shall set the price of spirits produced by a small distillery licensed under section 1355-A, subsection 5, paragraph B and retained by that small distillery for sale under section 1355-A, subsection 5, paragraph G or H at a discount of 22.75% off of the retail price.

5. Sale to government instrumentalities. The bureau may authorize the sale of spirits to government instrumentalities within the State approved by the bureau. The bureau shall set the price.

6. Sale to airlines and ferry services for consumption outside the State. The bureau may authorize the sale of spirits not for consumption within the State to airlines and ferry services or their agents as authorized by the bureau. The bureau shall set the price.

6-A. Sale to hospitals and state institutions. The bureau may authorize hospitals and state institutions within the State to purchase spirits for medicinal purposes only. The bureau shall set the price.

7. Premium must be collected. Nothing in this section permits the sale of spirits without collecting the entire premium assessed under chapter 65.

8. Limits on price. An agency liquor store shall sell all spirits purchased from the bureau or through an entity awarded a contract under section 90 at the retail price established by the commission.

Sec. ? 28-A MRSA §651 is amended to read:

§651. Applications

1. File application with bureau. An applicant for a liquor license or certificate of approval under this Title shall file an application in the form required by the bureau.

2. Contents of application. The application must contain the following.

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A. Each applicant shall disclose the entire ownership or any interest in the person or establishment for which a license or certificate of approval is sought. If the applicant is a purchaser by contract, the applicant shall also disclose the terms of the contract.

B. Every applicant for a license for sale of liquor to be consumed on the premises where sold shall include in the application a description of the premises to be licensed and provide any other material information, description or plan of that part of the premises where the applicant proposes to keep or sell liquor as the bureau requires.

C. The owner or the bona fide prospective purchaser must sign the application. If the owner or bona fide prospective purchaser is:

- (1) A natural person, then that person must sign;
- (2) A partnership, then the partners of the partnership must sign; or
- (3) A corporation, then a principal officer of the corporation or any person specifically authorized by the corporation must sign.

3. False answer given intentionally. Any person who intentionally gives an untruthful answer in an application for a liquor license or certificate of approval under this Title violates Title 17-A, section 453.

Sec. ? 28-A MRSA §652 is amended to read:

§652. Application procedure

1. License or certificate of approval fee. The applicant must enclose the fee for the license or certificate of approval prescribed by this Title chapter 41 with the application for the license or certificate of approval.

2. Effective date and term of license or certificate of approval. All full-year licenses and certificates of approval are effective for one year from the date of issuance. All part-time licenses and certificates of approval are effective for the term of the license or certificate of approval from the date of issuance.

3. Renewal. Licenses and certificates of approval may be renewed upon application for renewal and payment of the annual fee, subject to bureau rules.

4. Multiple licenses. Any licensee applying for a license to operate more than one premise premises shall pay the fee prescribed for the type of license to be exercised at each premise premises.

5. Filing fee. Except as provided in paragraph A, every applicant for an original or renewal license or certificate of approval shall pay a filing fee of \$10 when filing the application.

A. In unincorporated places, the applicant shall pay the filing fee of \$10 to the county treasurer of the county in which the unincorporated place is located. All applications for a license in unincorporated places must be accompanied by evidence of payment of the filing fee to the county treasurer.

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~~6. Public service license. One public service license is sufficient to cover all steamboats, cars, railroads and aircraft operated by any one public service corporation.~~

Sec. ? 28-A MRSA §653, sub-§2, ¶G is amended to read:

G. After September 1, 2010, server training, in a program certified by the bureau and required by local ordinance, has not been completed by individuals who serve alcoholic beverages liquor.

Sec. ? 28-A MRSA §705, sub-§1-A, ¶A, sub-¶(1) is amended to read:

(1) Any agreement to engage in electronic funds transfer for payment for ~~beer~~ malt liquor or wine between manufacturers, wholesale licensees or retail licensees must be voluntary and in writing. A manufacturer, wholesale licensee or retail licensee may not refuse to do business with or otherwise limit business with another manufacturer, wholesale licensee or retail licensee for declining to pay for ~~beer~~ malt liquor or wine by electronic funds transfer;

Sec. ? 28-A MRSA §705, sub-§1-B, ¶A is amended to read:

A. By a hotel or club to bona fide registered hotel guests or club members;

Sec. ? 28-A MRSA §707, sub-§3, ¶B is amended to read:

B. Certificate of approval issued to an out-of-state manufacturer or ~~foreign~~ out-of-state wholesaler of malt liquor or wine.

Sec. ? 28-A MRSA §707, sub-§5, ¶A is amended to read:

A. Certificate of approval issued to an out-of-state manufacturer or ~~foreign~~ out-of-state wholesaler of malt liquor;

Sec. ? 28-A MRSA §707-A, sub-§2 is amended to read:

2. Requirements. The exceptions to section 707 set out in subsection 1 apply only if each of the following requirements is met.

A. The hotel must have at least 100 adequate sleeping rooms and the relationship between the occupants of those rooms and the owner or operator of the establishment is that of hotel guest and innkeeper.

B. The hotel may not purchase any malt liquor and wine products sold by the certificate of compliance approval holder to ~~Maine~~ wholesale licensees, ~~nor may~~ and the certificate of compliance approval holder may not require any brand of liquor product to be purchased or sold by the hotel.

C. ~~Neither the~~ The certificate of approval holder ~~nor~~ and the retail licensee may not directly or indirectly own or have any interest in a ~~Maine~~ wholesale licensee.

D. The certificate of compliance approval holder and the retail licensees must be separate entities and may not have any common directors.

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Sec. ? 28-A MRSA §§708, 708-A and 708-C are amended to read:

§708. Prohibited discounts and rebates

~~1. Certificate of approval holders. A certificate of approval holder may not offer to wholesale licensees any special discounts, volume discounts or other reduced prices or discounts, except bona fide price reductions under section 1408 offered to all wholesale licensees. A certificate of approval holder may offer depletion allowances to wholesale licensees if the depletion allowance is posted in accordance with section 1408. Except as provided by this section, a certificate of approval holder may not offer any free merchandise, rebate or gift to the purchaser of an alcoholic beverage.~~

1-A. Manufacturers and wholesalers of malt liquor or wine. A licensed Maine manufacturer of malt liquor or wine and an out-of-state manufacturer of or out-of-state wholesaler of malt liquor or wine who has been issued a certificate of approval may not:

A. Offer any special discounts, volume discounts or other reduced prices or discounts on malt liquor or wine to a wholesale licensee, except bona fide price reductions under section 1408 offered to all wholesale licensees; or

B. Offer depletion allowances to wholesale licensees unless the depletion allowance is posted in accordance with section 1408.

1-B. Certificate of approval holders. Except as provided in this section, a certificate of approval holder may not offer any free merchandise, rebate or gift to a purchaser of spirits, wine or malt liquor.

2. Wholesale licensees. A wholesale licensee may not offer to retail licensees any special discounts, volume discounts, depletion allowances, other reduced prices or discounts, or refunds except bona fide price reductions under section 1408 offered to all retail licensees. A wholesale licensee may not offer any free merchandise, rebate, refund or gift to the a purchaser of an alcoholic beverage liquor.

3. Retail licensees. A retail licensee may not offer any free merchandise, rebate or gift to the a purchaser of any alcoholic beverage liquor.

5. Combination packages. Notwithstanding subsection 3, agency liquor store licensees may offer for sale any package or combination of packages of spirits that the commission has approved for sale in this the State.

6. Marketing and mail-in promotions. Upon approval by the commission, promotional materials designed to encourage a consumer to purchase a spirits product to be attached to or displayed near the spirits product where it is offered for sale for off-premises consumption may be offered by those whose spirits products are listed by the commission. Upon approval by the commission, a mail-in rebate may be provided to consumers through print or electronic media, attached to the spirits product or displayed near the spirits product where the spirits product is offered for sale for off-premises consumption. Mail-in rebates approved by the commission must be redeemed by the manufacturer and not by the retail licensee and may not exceed the purchase price of the spirits product. Mail-in rebates authorized by this subsection must require the inclusion of the original dated sales receipt for the spirits product to which the rebate is applied. The commission may approve mail-in rebates that offer an incrementally greater discount based upon increased volume of purchased product. Mail-in rebates, certificates or merchandise included with a spirits product must be inserted in the package or attached to the package by the manufacturer.

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7. Instant marketing promotions. The bureau, a manufacturer or a spirits supplier of ~~spirits listed for sale by the commission~~ may offer monetary rebates in the form of instant redeemable coupons as approved by the commission in accordance with conditions established by the commission or rules established by the bureau. Agency liquor store licensees may redeem the coupons only upon proof of purchase and in accordance with the terms listed on the coupon. Instant redeemable coupons provided by the manufacturer's agent or manufacturer's sales representative must be made available to all agency liquor store licensees electing to offer the coupon in an amount equal to the agency liquor store's inventory of spirits products that are subject to the coupon promotion. The bureau, the manufacturer or the spirits supplier of ~~spirits~~ may offer instant redeemable coupons to consumers through the bureau's, the manufacturer's or the spirits supplier's publicly accessible website, other digital media platforms or print media. An instant redeemable coupon used in a manner provided in this subsection for a spirits product sold by an agency liquor store licensee to a consumer is for the benefit of the consumer who purchases the spirits product.

This section does not prohibit a certificate of approval holder from including a certificate, instant redeemable coupon or merchandise in or on a package of beer malt liquor, wine or low-alcohol spirits for sale by an ~~off-premise~~ off-premises retailer. The package containing the certificate, instant redeemable coupon or merchandise must be packaged by the certificate of approval holders at the brewery or winery. Upon approval of the bureau, a certificate of approval holder may offer a mail-in rebate for a malt liquor, wine or low-alcohol spirits product for consumers through print or electronic media, attached to the package of malt liquor, wine or low-alcohol spirits product or displayed near where the malt liquor, wine or low-alcohol spirits product is offered for sale for off-premises consumption. Mail-in rebates authorized by this paragraph must require the inclusion of the original dated sales receipt for the product to which the rebate is applied. ~~Mail-in rebates~~, must be redeemed by the certificate of approval holder and may not exceed the purchase price of the malt liquor, wine or low-alcohol spirits product to which the rebate is applied. The commission may approve mail-in rebates that offer an incrementally greater discount based upon increased volume of purchased product.

This section does not prohibit the unconditional distribution of merchandise to the patrons of an ~~on-premise~~ on-premises establishment.

§708-A. In-pack sweepstakes, contests and games

Notwithstanding any provision of law to the contrary, a certificate of approval holder, spirits supplier, wholesale licensee or retail licensee may offer sweepstakes, games and contests inside packages of alcoholic beverages liquor, if that offer is not contingent on the purchase of an alcoholic beverage liquor. ~~A~~ The certificate of approval holder, spirits supplier, wholesale licensee or retail licensee shall provide information about access to participate in a sweepstakes, game or contest by providing either a sign in the retail outlet or a notice on the primary or secondary packaging of the brand offering the sweepstakes, game or contest.

§708-C. Donations to public broadcasting stations, municipal entities, incorporated civic organizations and national organizations

1. Donations for an auction or award. A person licensed by the bureau under section 1355-A, a certificate of approval holder, ~~a manufacturer or supplier of spirits or, a spirits supplier or a wholesaler~~ wholesale licensee may donate a certificate to purchase its product or donate its product to a public broadcasting station, a municipal entity, an incorporated civic organization or a similarly purposed national organization designated by the United States Internal Revenue Service under the United States Internal Revenue Code of 1986, Section 501(c)(3) for the purpose of an auction or to offer as a prize, gift

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or award in conjunction with efforts to support the purposes of the incorporated civic organization, similarly purposed organization, municipal entity or public broadcasting station. Spirits donated in accordance with this subsection must be listed by the commission for sale in this State, clearly labeled as a donation and purchased from the State's wholesale liquor spirits provider at the wholesale price. A person authorized to make a donation in accordance with this subsection shall maintain a record of each donation, including the value of the donation and the date on which it was made. A recipient of a donation under this subsection must be 21 years of age or older.

2. Donations for consumption at on-premises events. ~~A person licensed by the bureau under section 1355-A, a certificate of approval holder, a manufacturer or supplier of spirits a spirits supplier or a wholesaler wholesale licensee~~ may donate its product or provide malt liquor, wine, ~~or spirits or fortified wine~~ at a reduced price to a person licensed by the bureau to serve liquor for on-premises consumption at an event designed to benefit a municipal entity, an incorporated civic organization or a similarly purposed national organization designated by the United States Internal Revenue Service under the United States Internal Revenue Code of 1986, Section 501(c)(3). Spirits donated in accordance with this subsection must be listed by the commission for sale in this State, clearly labeled as a donation and purchased from the State's wholesale liquor spirits provider at the wholesale price. A person authorized to make a donation or offer its product at a reduced price under this subsection shall maintain a record of the products donated or offered, including the value of each, the reduced price when applicable and the date on which the product was provided. All applicable excise taxes on donated malt liquor, wine, ~~or spirits and fortified wine~~ must be remitted as required by this Title. A licensee provided product in accordance with this subsection:

- A. Shall maintain a record of each product received and the date on which it was received;
- B. Shall maintain a record of the name of the municipal entity, incorporated civic organization or similarly purposed national organization the event was designed to benefit and for which the product is provided;
- C. Shall ensure that the product provided is served only at the event designed to benefit the municipal entity, incorporated civic organization or similarly purposed national organization;
- D. Shall ensure that excess product that was donated for the event is returned to the donor within a reasonable period after the event; and
- E. Shall ensure that containers holding donated product are returned to the donor for recycling as appropriate and not presented for redemption under ~~Title 32, chapter 28~~ Title 38, chapter 33.

For purposes of this section, "municipal entity" means a county, city, town or municipal agency or department.

Sec. ? 28-A MRSA §709, sub-§2, ¶¶F, I, J, K and L are amended to read:

~~F. Those licensed as bona fide Licensed hotels or bed and breakfasts offering room service services to registered hotel guests or to bed and breakfast guests, respectively;~~

I. Conducting taste testing under section 460, 1051, 1205, 1207, 1368 or 1402 ~~1355-A~~;

J. Providing samples authorized under section 1055, 1355-A, ~~1402~~, 1402-A or 1504;

K. Donations authorized under section 708-C; or

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~~L. Licensees offering complimentary samples of wine under section 1055; or~~

Sec. ? 28-A MRSA §712, headnote is amended to read:

§712. Advertising or sale of ~~malt liquor or wine~~ by trade name

QUESTION: at the last meeting, the Subcommittee recommended that the conflict between the section headnote for §712 (only pertaining to malt liquor or wine) and the contents of §712(2) (pertaining to all types of liquor) could be remedied by limiting the scope of §712(2) to only malt liquor or wine. But, a search of the legislative history of §712(2) (which requires the trade name of the liquor to appear on a tap or spigot) suggests it was purposely amended in 2017 to apply to all types of liquor. Thus, the headnote for §712 should probably change, rather than the text of §712(2). Is this acceptable?

Sec. ? 28-A MRSA §713, sub-§3 is amended to read:

3. Sale from truck by wholesale licensee. A wholesale licensee, ~~his and~~ the agent or employee of a wholesale licensee, may travel from town to town or from place to place in the same town selling, or carrying for sale or exposing for sale, malt liquor or wine from its vehicle only if the wholesale licensee, ~~his agent or employee has in his possession~~ possesses on the vehicle a manifest bearing a detailed description of the total amount of malt liquor or wine on the vehicle and invoices, as required, as well as invoices drawn up at the time of delivery.

Sec. ? 28-A MRSA §714, sub-§3 is amended to read:

3. Tagging requirement. The sale of malt liquor in kegs is subject to the following.

A. Every keg of malt liquor offered for sale by an off-premises retail licensee must be tagged in a manner approved by the commissioner identifying the keg and be labeled in accordance with the requirements of section 6-A. The tag must be supplied for each keg, without fee, by the wholesaler ~~of the keg or small brewer of~~ brewery who produced the keg.

B. The retail seller of the keg shall complete a form designed and approved by the commissioner and affix the tag to each keg supplied to the retail seller by the distributor of the keg. The form must be printed and distributed, without fee, by the wholesaler ~~of the keg or small brewer of~~ brewery who produced the keg. The form must include the name, address and date of birth of the purchaser and the identification number of the keg. The form must summarize the requirements of this section, the penalties for violating any provision of this section and the penalties for providing alcohol to a minor. The seller shall retain the form as a record subject to chapter 31.

C. The seller of the keg shall require positive identification of the purchaser.

D. The seller of the keg may require a deposit of up to \$50 from the purchaser of the keg, regardless of the size of the keg. The seller shall refund the deposit to a person who returns a properly tagged keg purchased from that seller.

E. The seller shall inform the purchaser that if the tag is defaced or missing when the keg is returned ~~without the original numbered band intact~~, the deposit is forfeited.

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F. The seller may retain any deposit forfeited and use the funds forfeited for local school-based alcohol education programs or for any other purpose.

Sec. ? 28-A MRSA §751, sub-§1, ¶E is amended to read:

E. In the case of an ~~on-premise~~ on-premises licensee, records of food purchases.

Sec. ? 28-A MRSA §751, sub-§3 is amended to read:

3. ~~On-premise~~ On-premises retail licensee to keep records of sales separate. An ~~on-premise~~ on-premises retail licensee shall separate liquor sales from food sales by the licensee in the licensee's records.

Sec. ? 28-A MRSA §752, sub-§2, ¶B is amended to read:

B. Including detailed accounts of all its transactions with ~~brewers~~ breweries, wineries, other wholesalers and retailers.

Sec. ? 28-A MRSA §§801, 802, 803, 804 and 805 are amended to read:

§801. Jurisdiction of District Court Judge

1. Jurisdiction. The District Court Judge, as designated in Title 5, chapter 375, shall conduct hearings on all matters concerning violations by licensees and their agents or employees of any federal or state law or regulation relating to liquor or violations of any rule adopted by the bureau. Notwithstanding Title 5, chapter 375, subchapter VI, the District Court Judge has exclusive jurisdiction over all violations of this Title by licensees and their agents or employees when no criminal penalty is provided.

2. Powers. The District Court Judge may suspend or revoke licenses and certificates of approval of licensees and levy fines or civil forfeitures against licensees and their agents or employees.

§802. Causes for revocation and suspension of licenses

The District Court Judge may revoke or suspend licenses and certificates of approval for the following causes:

1. Violation of law or infraction of rule. Violation of any federal or state law, rule or regulation relating to liquor or substantial infraction of any rule adopted by the bureau.

A. This subsection does not require the District Court Judge to hold licensees who sold liquor to minors who furnished fraudulent proof of age liable administratively;

2. False material statement. Knowingly making a false material statement of fact in the application for the license or certificate of approval; and

3. Failure to maintain requirements. Failure to have and maintain throughout the entire license or certificate-of-approval period all of the requirements of definitions, laws and rules necessary to qualify for a license or certificate of approval.

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A. For this offense the District Court Judge may suspend licenses or certificates of approval for an indefinite period of time until the District Court Judge is satisfied that the licensee has conformed to all applicable qualifications required for licensing.

§803. Revocation or suspension procedure

1. Violation of law or rule. Upon discovering a violation of federal or state law, rule or regulation relating to liquor, or an infraction of a rule adopted by the bureau, the director of the bureau, or the director's designee, shall:

- A. Report the violation to the District Court Judge in a signed complaint; or
- B. Issue warnings to the licensees involved.

2. Notice and hearing. Except as provided under subsection 6, upon receipt of a signed complaint prepared under subsection 1, paragraph A, notice must be provided and a hearing must be held according to the following procedures.

A. The director of the bureau or the director's designee shall notify the licensee or the licensee's agent or employee by serving on the licensee or the licensee's agent or employee a copy of the complaint and a notice stating the time and place of the hearing and that the licensee or the licensee's agent or employee may appear in person or by counsel at the hearing. Service of the complaint and hearing notice upon the licensee is sufficient when served in hand by the director's designee or when sent by registered or certified mail at least 7 days before the date of the hearing to the address given by the licensee at the time of the licensee's application for a license or certificate of approval. Service of the complaint and hearing notice upon a licensee's agent or employee is sufficient when served in hand by the director's designee or when sent by registered or certified mail at least 7 days before the date of the hearing to the address given by the agent or employee at the time the agent or employee was initially notified by the bureau of the violation. The director or the director's designee shall file proof of service with the District Court.

B. The District Court shall conduct a hearing limited to the facts, the law and rules of the bureau, as specified in the complaint.

C. The District Court shall conduct the hearing in the following manner.

(1) The District Court may administer oaths to witnesses and issue subpoenas at the request of any party, including subpoenas to compel the attendance of parents and legal guardians of unemancipated minors.

(a) The bureau shall pay to the witnesses the legal fees for travel and attendance, except that, notwithstanding Title 16, section 253, the bureau is not required to pay the fees before the travel and attendance occur.

(2) Hearsay testimony is not admissible during the hearing. The licensees, agents or employees named in the complaint have the right to have all witnesses testify in person at the hearing.

(3) The District Court shall conduct hearings in one or more designated places that are the most convenient and economical for all parties concerned in the hearing.

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D. The District Court shall render a decision in each case, based upon the facts, the law and the rules of the bureau. The findings must specify the facts found and the law or rules found to be violated.

3. Suspension of penalty; place case on file. After hearing, the District Court Judge may:

- A. Suspend a penalty; or
- B. Place a case on file instead of imposing any penalty.

4. Application of suspension or revocation. A suspension or revocation applies to premises and persons in the following manner.

- A. If a licensee is directly or indirectly interested in more than one license or certificate of approval, suspensions apply only to the premise premises where the violation occurs.
- B. If a licensee is interested directly or indirectly in more than one license or certificate of approval, the District Court Judge may order that a revocation apply to any of those premises.
- C. If the licensee is a corporation, the District Court Judge shall treat the officers, directors and substantial stockholders as individuals.

5. Term of suspension or revocation. Except as provided by section 802, subsection 3, suspensions must be for a definite period of time. If the District Court Judge revokes a license or certificate of approval, the District Court Judge shall specify that the bureau may not issue a license or certificate of approval to the person whose license or certificate of approval is revoked for a period of not less than one nor more than 5 years from the date of revocation.

6. Warnings. Upon the written recommendation of the director of the bureau, or the director's designee, the District Court Judge, instead of notifying a licensee against whom a complaint is pending to appear for hearing, may send the licensee a warning. Warnings must be sent by registered or certified mail and contain a copy of the complaint. A licensee to whom a warning is sent may demand a hearing by notifying the District Court Judge by registered or certified mail within 10 days from the date the warning was mailed.

7. License or certificate of approval subsequent to violation. If a violation or violations by licensees occur in one year's license period and a licensee remain undiscovered during the one-year period of the license or certificate of approval or carry over into the next license year continue after the licensee's license or certificate of approval has been renewed, pending investigation or final disposition either in criminal courts or before the District Court Judge, any the license or certificate of approval issued for a new license year subsequent to the violation may be suspended or revoked by the District Court Judge.

8. Fines. Notwithstanding any other provisions of this Title, the District Court Judge may impose a fine of a specific sum on a licensee or the licensee's agent or employee, of not less than \$50 nor more than \$1,500, for any one offense. Such a fine may be imposed instead of or in addition to any suspension or revocation of a license or certificate of approval by the court.

- A. The District Court Judge shall maintain a record of all fines received by the court and shall pay the fines into the General Fund by the 15th day of each month.

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9. Offer in compromise. Notwithstanding any other provisions of this Title, the District Court Judge may accept from any wholesale licensee or certificate of approval holder under this Title an offer in compromise in lieu of suspension of any wholesale license or certificate of approval suspended by the District Court Judge.

A. A wholesale licensee or certificate of approval holder may petition the District Court Judge to accept an offer in compromise within 10 days following receipt of notice of the suspension.

B. The fine in lieu of suspension, when an offer in compromise is accepted by the District Court Judge, shall must be fifty percent of the daily gross profit multiplied by the number of days of license suspension calculated in accordance with the following formula, except that the fine may not be less than \$75 for each day of license suspension or more than \$1,500 for any one offense. For purposes of this subparagraph, "daily gross profit" means 1/30 of the total gross receipts from the sale of liquor during the 30 business days immediately before the date of receipt of the notice of the license suspension, less the invoice cost of the liquor sold by the wholesale licensee or certificate of approval holder during those 30 business days.

~~(1) Fifty percent of the daily gross profit multiplied by the number of license suspension days. Daily gross profit shall be determined to be 1/30 of the total gross receipts from the sale of liquor during the 30 business days immediately before the date of receipt of the notice of the license suspension, less the invoice cost of the liquor which was sold by the wholesale licensee or certificate of approval holder during those 30 business days;~~

~~(2) No such fine, in any event, shall be less than \$75 for each day of license suspension; and~~

~~(3) The fine must not exceed \$1,500 for any one offense.~~

C. The wholesale licensee or certificate of approval holder shall pay the fine to the District Court within 5 days from the date of the acceptance of the offer in compromise. The District Court Judge shall then pay the fine into the General Fund.

D. If a wholesale licensee or certificate of approval holder fails to pay the fine in full within the time period allowed in this subsection, the suspension of license or certificate of approval begins on the following day.

§804. Record of proceedings and transcript

The District Court Judge shall keep a full and complete record of all proceedings on the revocation and suspension of any license or certificate of approval issued by the bureau. The District Court Judge is not required to have a transcript of the testimony prepared unless required for rehearing or appeal.

§805. Appeal from decision of District Court Judge or bureau

1. Aggrieved person may appeal within 30 days. Any person aggrieved by the decision of the District Court Judge in revoking or suspending any license or certificate of approval issued by the bureau or by refusal of the bureau to issue any license applied for or certificate of approval may, within 30 days of the decision or refusal, appeal to the Superior Court by filing a complaint.

A. The 30-day period for appeal begins on:

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(1) In the case of ~~license~~ a revocation or suspension, the effective date of the suspension or revocation; or

(2) In the case of refusal by the bureau to issue a license or certificate of approval, on the day when the bureau sends by registered or certified mail notice to the applicant at the address of the applicant's business given in the applicant's application for a license or certificate of approval.

B. Filing the complaint in the Superior Court stops the running of the limitation period.

2. Suspension or revocation suspended pending appeal. The operation of a suspension or revocation of a license or certificate of approval imposed by the District Court shall be suspended, pending judgment of the Superior Court, if the licensee files an appeal in the Superior Court and notifies the District Court that the appeal has been filed, within 7 days of the mailing of the decision of the District Court by certified mail to the address given by the licensee at the time of the application for a the license or certificate of approval.

4. Superior Court decision. After the hearing, the Superior Court may affirm, modify or reverse the decision of the District Court Judge.

5. Further appeal. An ~~aggrieved~~ aggrieved person may appeal the Superior Court decision to the Supreme Judicial Court. Upon appeal, the Supreme Judicial Court may, after consideration, reverse or modify any decree made by the Superior Court based upon an erroneous ruling or finding of law.

Sec. ? 28-A MRSA §1001, sub-§3, ¶A is amended to read:

A. ~~Airlines~~ Airline corporations;

Sec. ? 28-A MRSA §1001, sub-§3, ¶E-1 is enacted to read:

E-1. Curling centers;

Sec. ? 28-A MRSA §1001, sub-§3, ¶¶F, I, J and M are amended to read:

F. ~~Dining cars and passenger cars~~ Railroad corporations;

I. ~~Indoor ice skating elubs~~ centers;

J. ~~Indoor racquet elubs~~ centers;

M. ~~Vessels~~ Vessel corporations.

Sec. ? 28-A MRSA §1003, sub-§3, ¶A is amended to read:

A. ~~Airlines~~ Airline corporations;

Sec. ? 28-A MRSA §1003, sub-§3, ¶E-1 is enacted to read:

E-1. Curling centers;

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Sec. ? 28-A MRSA §1003, sub-§3, ¶¶F, I, J and M are amended to read:

F. ~~Dining cars and passenger cars~~ Railroad corporations;

I. Indoor ice skating ~~clubs~~ centers;

J. Indoor racquet ~~clubs~~ centers;

M. ~~Vessels~~ Vessel corporations.

Sec. ? 28-A MRSA §1004, sub-§3, ¶¶A, E-1, F, I, J and O are amended to read:

A. ~~Airlines~~ Airline corporations;

E-1. Curling ~~clubs~~ centers;

F. ~~Dining cars and passenger cars~~ Railroad corporations;

I. Indoor ice skating ~~clubs~~ centers;

J. Indoor racquet ~~clubs~~ centers;

O. ~~Vessels~~ Vessel corporations.

Sec. ? 28-A MRSA §1005, sub-§3, ¶A is amended to read:

A. ~~Airlines~~ Airline corporations;

Sec. ? 28-A MRSA §1005, sub-§3, ¶E-1 is enacted to read:

E-1. Curling centers;

Sec. ? 28-A MRSA §1005, sub-§3, ¶¶F, I, J and Q are amended to read:

F. ~~Dining cars and passenger cars~~ Railroad corporations;

I. Indoor ice skating ~~clubs~~ centers;

J. Indoor racquet ~~clubs~~ centers;

Q. ~~Vessels~~ Vessel corporations.

Sec. ? 28-A MRSA §1005, sub-§3, ¶E-1 is enacted to read:

E-1. Curling centers;

Sec. ? 28-A MRSA §1007, sub-§3, ¶A is amended to read:

A. ~~Off-premise~~ Off-premises retailers with a qualifying stock of groceries, compatible merchandise or combination of both, as described in section 1201, subsections 6 and 7.

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Sec. ? 28-A MRSA §1009, sub-§3, ¶A is amended to read:

A. ~~Off-premise~~ Off-premises retailers with a qualifying stock of groceries, compatible merchandise or combination of both, as described in section 1201, subsections 6 and 7.

Sec. ? 28-A MRSA §1010-A is amended to read:

§1010-A. Class VIII licenses

1. Types of liquor that may be sold. A Class VIII licensee may sell malt liquor, wine and spirits to be consumed off the premises where sold.

2. Fees. The fees for a Class VIII license are as follows:

A. ~~Full-time, one year, after payment of the initial agency liquor store license fee under section 453-B, \$700. The license may be prorated; and~~ The initial fee for a Class VIII license is \$2,000;

B. ~~A Class VIII license is not subject to the renewal fee under section 453-B. The annual renewal fee for a Class VIII license is \$700; and~~

C. The fee to transfer a Class VIII license to the new owner of an agency liquor store in accordance with section 457 is \$2,000.

3. Eligible premises. The following premises are eligible to obtain a Class VIII license:

A. Agency liquor store licensees with a qualifying stock of groceries, compatible merchandise or a combination of both, as described in section 1201, subsections 6 and 7.

Sec. ? 28-A MRSA §1011-A, sub-§1 is amended to read:

1. Types of liquor that may be sold. A Class XI licensee may sell spirits, wine and malt liquor to be consumed on the premises where sold.

Sec. ? 28-A MRSA §1012, sub-§1 is amended to read:

1. Incorporated civic organizations. An incorporated civic organization may obtain up to 5 licenses per year to sell spirits, wine and malt liquor to be consumed on the premises as provided in section 1071. The fee for each license is \$50.

A. ~~The license fee for each license is~~ \$50.

Sec. ? 28-A MRSA §1012, sub-§§2, 3 and 4 are repealed and the following enacted in their place:

2. Auxiliary license. The following licensed entities may obtain an auxiliary license to sell spirits, wine or malt liquor for on-premises consumption at one additional premises as provided in section 1075:

A. A Class A restaurant located at, a Class A restaurant/lounge located at, a Class A lounge located at or a hotel with a class I license located at a ski area, golf course or disc golf course; or

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B. A golf club with a class I license or a club with a class I or Class V license located at a golf course or disc golf course.

The fee for an auxiliary license is \$100.

3. Off-premises catering license. A club licensed to sell spirits, wine and malt liquor or a licensed Class A restaurant, licensed Class A restaurant/lounge, licensed Class A lounge, licensed hotel or licensed bed and breakfast may obtain a license to conduct off-premises catering of the same type or types of liquor that the entity may sell pursuant to the entity's underlying club, Class A restaurant, Class A restaurant/lounge, Class A lounge, hotel or bed and breakfast license as provided in section 1052. The fee for an off-premises catering license is \$10 per calendar day of the event or gathering.

4. Golf course or disc golf course mobile service bar. A licensee who is the owner of a golf course or disc golf course and a licensee who is a Class A restaurant located at a Class A restaurant/lounge located at or a hotel with a Class I license located at a golf course or disc golf course may apply for a license to sell liquor from a mobile service bar as provided in section 1075-A. The license fee per calendar year is \$100.

Sec. ? 28-A MRSA §1012, sub-§6, ¶¶C and D are amended to read:

C. A minibar may be stocked with ~~beer~~ malt liquor, wine and spirits as well as other complementary merchandise;

D. Supplies of ~~beer~~ malt liquor and wine for a hotel minibar must be purchased from a wholesale licensee;

Sec. ? 28-A MRSA §1051, sub-§3, ¶¶A and B are amended to read:

A. Subject to law and the rules of the bureau, hotel or bed and breakfast licensees may sell liquor in the original packages or by the drink to ~~bona fide registered room~~ hotel guests or bed and breakfast guests, respectively. Any sale to a hotel guest or bed and breakfast guest may be delivered to the guest's room only by a hotel or bed and breakfast employee.

B. A licensee may serve liquor at locations other than the licensed premises under the ~~off-premise~~ off-premises catering license issued under section 1052.

Sec. ? 28-A MRSA §1051, sub-§§4, 5 and 6 are amended to read:

4. Partially Removal of partially consumed bottles of wine from premises. Notwithstanding subsection 3, any establishment licensed by the State to sell wine on the premises may permit a person who has purchased a full ~~course~~ meal, and purchased and partially consumed a bottle of ~~table~~ wine with the meal, to remove the partially consumed bottle from the premises upon departure, provided that the person is not visibly intoxicated as provided in section 2503, subsection 7, and the bottle of ~~table~~ wine is removed and transported in a manner consistent with subsection 5.

5. Transporting Transportation of partially consumed bottles of wine. A partially consumed bottle of ~~table~~ wine that is removed from the premises under subsection 4 must be transported in compliance with Title 29-A, section 2112-A, if transported by motor vehicle, or securely sealed and bagged if transported on foot or by means other than a motor vehicle.

6. Spirits taste-testing events for retail licensees on on-premises retail licensee's premises. A distiller distillery, licensed spirits sales representative and the State's wholesale liquor spirits provider, with the written permission of the bureau, may rent or lease an area or room from an on-premises retail licensee for the purpose of inviting retail licensees to taste test spirits. Spirits taste-testing events must be conducted during hours that are authorized by the bureau for the sale of the product on the premises. The following conditions apply to all each taste testing event conducted under this subsection.

A. The distiller distillery, licensed spirits sales representative or the State's wholesale liquor spirits provider may provide the products for the taste testing taste-testing event only if the retail price has been paid and a record of the transaction is maintained and made available to the bureau.

B. The taste-testing ~~activity~~ event may be conducted only within a special designated area or room.

C. The taste-testing ~~activity~~ event may be open only to invited retail licensees or their authorized agents and not to family members, guests or the general public.

D. After the taste-testing ~~activity~~ event is concluded, the distiller distillery, licensed spirits sales representative or the State's wholesale liquor spirits provider, as applicable, shall remove all products supplied for the taste-testing ~~activity~~ event from the retail licensee's premises.

E. Spirits may not be served to a person who is a minor or who is visibly intoxicated.

Sec. ? 28-A MRSA §1051, sub-§8, first ¶ is amended to read:

8. Liquor taste-testing events for general public on on-premises retail licensee's premises. The bureau may authorize an ~~on-premise~~ on-premises retail licensee to conduct ~~taste-testings of liquor taste-testing events~~ open to the public on the licensed premises. Taste-testing events under this subsection ~~must be conducted during hours that are authorized by the bureau for the sale of liquor on the licensed premises and may be held in collaboration with a certificate of approval holder, sales representative licensed under section 1502 or wholesale licensee.~~ An ~~on-premise~~ on-premises retail licensee may request authority to conduct a ~~taste-testing~~ taste-testing event using forms prescribed by the bureau. The request must indicate if a sales representative licensed under section 1502 will be pouring samples of liquor for taste testing and verification that the sales representative has successfully completed an alcohol server education course approved by the commissioner. The following conditions apply to all taste-testing events conducted under this subsection.

Sec. ? 28-A MRSA §1051, sub-§8, ¶L is amended to read:

L. Liquor served at a taste-testing event may be provided by the retail licensee purchasing the liquor from a wholesale licensee or ~~agency liquor store~~ a reselling agent. A record of a transaction under this paragraph must be maintained and made available to the bureau.

Sec. ? 28-A MRSA §1051, sub-§8, ¶S is enacted to read:

S. Liquor may be poured for the taste-testing event only by the owner or an employee of the on-premises retail licensee, by a sales representative licensed under section 1502 whose name is listed on the request to conduct the taste-testing event as required by paragraph K or, if the manufacturer of the liquor being poured is licensed under section 1355-A, by the manufacturer or an employee of the manufacturer.

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Sec. ? 28-A MRSA §1052 headnote and sub-§§1, 2 and 3 are amended to read:

§1052. ~~Off-premise~~ Off-premises catering at planned events or gatherings

1. ~~Off-premise~~ Off-premises catering license for sale of liquor ~~off-premise~~. ~~Class A restaurants, Class A lounges, Class A restaurant/lounges, hotels, bed and breakfasts and clubs~~ Clubs licensed to sell spirits, wine and malt liquor, licensed Class A restaurants, licensed Class A restaurant/lounges, licensed Class A lounges, licensed hotels and licensed bed and breakfasts may apply for an additional license to conduct off-premises catering of spirits, wine and malt liquor at planned events or gatherings to be held at locations other than the licensee's premises under this section.

2. ~~Fee.~~ The license fee for the off-premise catering license is \$10 per calendar day of the event ~~or gathering.~~

3. ~~Sponsor.~~ ~~The off-premise sales~~ **Type of event.** An off-premises catering license authorizes the licensee to sell the type of liquor specified in subsection 3-A only at:

- A. Public events or public gatherings sponsored by a charitable, nonprofit organization or civic group; and
- B. Private events or private gatherings sponsored by an individual person, organization or association of persons.

Sec. ? 28-A MRSA §1052, sub-§3-A is enacted to read:

3-A. Type of liquor. An off-premises catering licensee may sell at an event described in subsection 3 only the type or types of liquor that the licensee is authorized to sell pursuant to the licensee's underlying club, Class A restaurant, Class A restaurant/lounge, Class A lounge, hotel or bed and breakfast license.

Sec. ? 28-A MRSA §1052-D, sub-§§1, 2, 4 and 6 are amended to read:

1. Taste-testing event license. ~~A person who has been issued a license under section 1355-A, a wholesaler licensed under section 1401 or, a person who has been granted a certificate of approval from the bureau, a supplier or foreign manufacturer of spirits or a broker~~ One or more certificate of approval holders, wholesale licensees or spirits suppliers may apply jointly in any combination for a license to participate in a taste-testing event subject to the conditions prescribed by this section. ~~For the purposes of this section, "broker" means a person who represents suppliers or manufacturers of spirits and "foreign manufacturer of spirits" means a person who produces spirits outside of the State.~~

2. Sponsored manufacturers. For the purposes of this section, "sponsored manufacturer" means a manufacturer without a license or certificate of approval who is sponsored by a person licensed under subsection 1 certificate of approval holder or a manufacturer licensed under section 1355-A or a manufacturer who may participate in a taste testing event.

A sponsored manufacturer licensed in another state may participate in the taste-testing event in the same manner and subject to the same conditions as a manufacturer licensed under ~~section 1355-A or a person who has been granted a certificate of approval~~ subsection 1 if:

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- A. The sponsored manufacturer provides a copy of state and federal licenses or permits authorizing the manufacture of ~~alcoholic beverages~~ liquor; and
- B. The sponsored manufacturer is included on the application for the taste-testing event license.

Nothing in this section prohibits a ~~person licensed under subsection 1~~ manufacturer licensed under section 1355-A or a ~~manufacturer who has received a certificate of approval~~ from sponsoring more than one sponsored manufacturer.

4. Fee. The licensee fee for a taste-testing event license is \$20 for each ~~manufacturer licensed under section 1355-A, person licensed under subsection 1 or sponsored manufacturer participating in the taste-testing event, wholesaler licensed under section 1401, certificate of approval holder or broker.~~

6. Up to 10 licensed events per year; one event per license. ~~A certificate of approval holder, a manufacturer licensed under section 1355-A, a supplier or foreign manufacturer of spirits, a broker or a wholesaler licensed under section 1401~~ A person eligible for a license under subsection 1 may obtain up to 10 licenses under this section per calendar year. Each license permits a taste-testing event lasting up to 4 consecutive days.

Sec. ? 28-A MRSA §1052-D, sub-§7, ¶¶A, B, C, D, I, K and L are amended to read:

A. A person may not be charged a fee, except the fee for admission, for any malt liquor, wine or spirits that are offered for taste testing at the event. ~~This paragraph does not apply to malt liquor, wine or spirits that are sold for on-premises consumption under a license duly issued by the bureau separate from a taste testing event license.~~

B. The venue for the taste-testing event may not be currently licensed to serve ~~alcoholic beverages~~ any type of liquor for on-premises on-premises consumption. If the venue is currently licensed for ~~on-premises consumption~~, the bureau ~~shall permit~~ must the temporary surrender of temporarily suspend the authority of the on-premises retail licensee to sell liquor for on-premises consumption in the area designated for the taste-testing event the venue's license for the duration of the taste testing event. Notwithstanding paragraph A, the on-premises retail licensee may sell liquor for on-premises consumption outside the area designated for the taste-testing event.

C. A licensee under this section shall limit the size of samples provided for tasting to 4 ounces of malt liquor, 1 1/2 ounces of wine and 1/2 ounce of spirits. A licensee shall limit the total number of samples to 12 per day, per person, except that:

(1) The 12-sample limit does not apply when the licensee provides a variety of substantial food offerings to patrons of the taste-testing event. For the purposes of this subparagraph, "substantial food" does not include offerings such as prepackaged snacks, pretzels, peanuts, popcorn or chips; and

(2) The sample-size and 12-sample limit do not apply when a licensee includes, as part of a taste-testing event, a multicourse sit-down meal designed to pair food with complementing ~~alcoholic beverages~~ liquor. This exception applies only at a taste-testing event that is designed to promote the food and beverage or hospitality industry at which at least 50% of the vendors represent and promote a business other than the manufacture or distribution of liquor.

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D. A licensee under this section shall record of the number of patrons admitted to the taste-testing event by requiring patrons to submit a ticket or sign a register or by employing some similar method of tracking attendance.

~~I. A licensee under this section who is a manufacturer licensed under section 1355-A, is a wholesaler licensed under section 1401 or is a certificate of approval holder~~ A person licensed under subsection 1 may provide for taste testing any malt liquor or wine that the licensee, ~~wholesaler or manufacturer~~ manufactures or distributes that is registered and authorized for distribution and sale under this Title. ~~A licensee under this section who is a manufacturer of spirits licensed under section 1355-A, a supplier or foreign manufacturer of spirits or a broker may provide for taste testing or any spirits that the licensee manufactures or distributes that are listed for sale by the commission. A sponsored manufacturer may provide for taste testing any spirits, wine or malt liquor that the sponsored manufacturer manufactures.~~ Excise taxes for malt liquor and wine under section 1652 must be paid before the scheduled date of the taste-testing event.

~~K. Each manufacturer, sponsored manufacturer, wholesaler, certificate of approval holder or broker licensed to take part in the taste-testing event~~ person licensed under subsection 1 and each sponsored manufacturer licensed under subsection 2 shall make available to the bureau or local law enforcement agency upon request a list of the persons designated by the respective licensee to serve malt liquor, wine or spirits for taste testing at the event. The list must be accompanied by an affidavit attesting that no person designated to serve alcohol for taste testing has been found to have violated any state or federal law prohibiting the sale or furnishing of alcohol to a minor.

~~L. Each manufacturer, sponsored manufacturer, wholesaler, certificate of approval holder or broker~~ person licensed under subsection 1 and each sponsored manufacturer licensed under subsection 2 shall provide to any person designated to serve malt liquor, wine or spirits for taste testing a badge or similar means of identification that clearly identifies the name of the licensee ~~manufacturer, sponsored manufacturer, supplier, wholesaler or certificate of approval holder~~. The badge or similar means of identification must be worn in a manner so that it is conspicuous and clearly visible to a person being served.

Sec. ? 28-A MRSA §1052-D, sub-§9 is enacted to read:

9. Retail sales for off-premises consumption. Notwithstanding any provision of this Title to the contrary, a licensed Maine brewery, small brewery, winery, small winery, distillery or small distillery may sell for off-premises consumption at a taste-testing event under this section any malt liquor, wine or spirits manufactured in the State by the licensee under the following conditions.

A. All wine, spirits and malt liquor for retail sale must be prepackaged and sold by the bottle or case. All sales must be accompanied by a sales receipt.

B. Spirits sold by a distillery are subject to the listing, pricing and distribution provisions of this Title. Spirits sold by a small distillery may be sold in the same manner as permitted under section 1355-A, subsection 5, paragraph G.

Sec. ? 28-A MRSA §1054, sub-§§2, 3, 8, 11 and 12 are amended to read:

2. Permit required Authority to require permit. A municipality or, in the case of an unincorporated place, the county commissioners may require a licensee for sale of liquor to be consumed on the premises to obtain a permit for music, dancing or entertainment from the municipality or, in the

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case of an unincorporated place, the county commissioners of the county in which the licensed premises are located. The permit must specify which activities are prohibited on the licensed premises and may include a list of which activities are authorized, in accordance with local ordinances or regulations adopted by the municipality or unincorporated place.

3. Taxes paid. Taxes must be paid on each item and the distilled spirits must be purchased from the State's wholesale liquor spirits provider.

8. Appeal procedure. ~~Any~~ If the municipality has a board of appeals, as defined in Title 30-A, section 2691, a licensee who has applied for a permit and has been denied, or whose permit has been revoked or suspended, may appeal the decision to the municipal board of appeals, as defined in Title 30-A, section 2691, within 30 days of the denial, suspension or revocation. The municipal board of appeals, if the municipality has such a board, may grant or reinstate the permit if it finds that:

- A. The permitted activities would not constitute a detriment to the public health, safety or welfare, or violate municipal ordinances or regulations; or
- B. The denial, revocation or suspension was arbitrary and capricious.

11. Municipal ordinances or regulations. ~~A~~ If a municipality requires permits under subsection 2, the municipality shall adopt ordinances or authorize the municipal officers to establish written regulations governing the following aspects of the permits.

- A. These ordinances or regulations must govern:
 - (1) The issuance, suspension and revocation of these permits;
 - (2) The classes of permits and fees for the issuance of these permits;
 - (3) The music, dancing or entertainment permitted under each class; and
 - (4) Other limitations on these activities required to protect the public health, safety and welfare.
- B. These ordinances or regulations may specifically determine:
 - (1) The location and size of premises to which the permits may apply;
 - (2) The facilities that may be required for the permitted activities on those premises;
 - (3) The hours during which the permitted activities may take place; and
 - (4) The lighting level required, which may be lowered when the entertainment is provided.

12. Unincorporated place. ~~If licensed premises are located in an unincorporated place in which the county commissioners require permits under subsection 2, the county commissioners of the county in which the unincorporated place is located shall grant, suspend or revoke permits in the same manner and with the same authority as municipal officers. The county commissioners and shall adopt regulations in the same manner as municipal officers.~~

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Sec. ? 28-A MRSA §1055, sub-§1, ¶G is amended to read:

G. Spirits served as a sample must be purchased from the State or the State's ~~contracted wholesaler~~ wholesale spirits provider.

Sec. ? 28-A MRSA §1061, sub-§§2 and 3 are amended to read:

2. Minors not permitted on premises. Except as provided in paragraph B, no hotel licensee may permit any minor in any hotel lounge ~~that serves alcoholic beverages~~ where liquor is served.

B. This subsection does not apply when:

- (1) The minor is accompanied by a parent, legal guardian or custodian, as defined in Title 22, section 4002;
- (2) The minor is employed under section 704; or
- (3) The licensee does not permit consumption of liquor on the licensed premises.

3. Income from sale of food requirement. At least 10% of the gross annual income, ~~not including income from the rental of rooms or from a minibar licensed under section 1012,~~ must be from the sale of food for each licensed hotel. ~~This requirement does not apply to a hotel that has a Class I-A license under section 1002.~~

Sec. ? 28-A MRSA §1061, sub-§§3-A and 3-B are enacted to read:

3-A. Bureau to determine whether new applicant would probably meet food sales requirement. The bureau may not issue an initial license to a hotel unless it determines that the applicant will probably meet the requirements of subsection 3. This requirement does not apply to a hotel that applies for a Class I-A license under section 1002.

3-B. Proof of compliance with food sales requirement for license renewal. The bureau may not renew a hotel's license unless the licensee furnishes the bureau with proof that the previous year's business met the requirements of subsection 3. If the bureau determines that the licensee has not satisfied the requirements of subsection 3, it may renew the license for only one year, during which the licensee must meet the requirements of subsection 3 to be eligible for further license renewal. This subsection does not apply to a hotel that has a Class I-A license under section 1002.

Sec. ? 28-A MRSA §§1062 and 1063 are amended to read:

§1062. Restaurant requirements Restaurants

1. Issuance of licenses. The bureau may issue licenses under this section for the sale of wine and malt liquor to be consumed on the premises to restaurants, as defined in section 2, subsection 15, paragraph Q.

3. Income from sale of food requirement. ~~Except as provided in paragraph B,~~ at At least 10% of the gross annual income must be from the sale of food for both year-round and part-time licensed restaurants.

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A. ~~The bureau may not renew any license for the sale of wine or malt liquor unless the licensee furnishes proof to the bureau that the previous year's business conformed to the income requirement of this subsection.~~

B. ~~Income from the bowling business in bowling alleys must not be included in the income requirement of this section.~~

4. Bureau determines who to determine whether new applicant would probably qualify meet food sales requirement. The bureau may not issue the an initial license to a restaurant unless if it determines that the applicant for a new license would will probably meet the requirements of subsection 3.

5. Proof of compliance with food sales requirement for license renewal. The bureau may not renew a restaurant's license unless the licensee furnishes the bureau with proof that the previous year's business met the requirements of subsection 3. If the bureau determines that the licensee has not satisfied the requirements of subsection 3, it may renew the license for only one year, during which the licensee must meet the requirements of subsection 3 to be eligible for further license renewal.

§1063. Class A restaurants and Class A restaurant/lounges

1. Issuance of license. The bureau may issue licenses under this section for the sale of spirits, wine and malt liquor to be consumed on the premises to Class A restaurants, as defined in section 2, subsection 15, paragraph R and to Class A restaurant/lounges, as defined in section 2, subsection 15, paragraph R-1.

2. Income from sale of food requirement. At least a minimum amount of the gross annual income must be from the sale of food for each Class A restaurant or Class A restaurant/lounge. The income from sale of food requirement is based on the population of the municipality in which the Class A restaurant or Class A restaurant/lounge is located. The bureau shall prorate the income from the sale of food requirement under this subsection for licensees who operate during only part of an annual license period.

A. In municipalities having a population of more than 50,000 persons:

(1) Year-round Class A restaurants or Class A restaurant/lounges must have a minimum gross annual income of \$50,000 per year from the sale of food to the public on their premises.

B. In municipalities having a population of more than 30,000 but not more than 50,000 persons:

(1) Year-round Class A restaurants or Class A restaurant/lounges must have a minimum gross annual income of \$40,000 per year from the sale of food to the public on their premises.

C. In municipalities having a population of more than 20,000 but not more than 30,000 persons:

(1) Year-round Class A restaurants or Class A restaurant/lounges must have a minimum gross annual income of \$30,000 per year from the sale of food to the public on their premises.

D. In municipalities having a population of not more than 20,000 persons:

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(1) Year-round Class A restaurants or Class A restaurant/lounges must have a minimum gross annual income of \$20,000 per year in sale of food to the public on their premises.

3. Bureau determines to determine whether new applicant would probably qualify meet food sales requirement. The bureau may not issue the an initial license to a Class A restaurant or a Class A restaurant/lounge if unless it determines that the applicant would probably qualify meet the requirements of subsection 2.

4. Licensee for renewal must show proof of meeting income requirement Proof of compliance with food sales requirement for license renewal. The bureau may not renew any a Class A restaurant's or a Class A restaurant/lounge's license for the sale of liquor under this subsection unless the licensee furnishes the bureau with proof that the previous year's business conformed to meet the income requirement requirements of this subsection 2. The bureau shall prorate food requirements for licensees who operate during only part of an annual license period. If the bureau determines that the licensee has not satisfied the requirements of subsection 2, it may renew the license for only one year, during which the licensee must meet the requirements of subsection 2 to be eligible for further license renewal.

Sec. ? 28-A MRSA §1063-B, sub-§1 is amended to read:

1. Issuance of licenses. The bureau may issue licenses under this section for the sale of malt liquor and wine to be consumed on the premises to pool halls as defined in section 2, subsection 23-A 15, paragraph N-1.

Sec. ? 28-A MRSA §1065, headnote and sub-§4 are amended to read:

§1065. Licenses for Class A lounges

4. Minors not allowed on premises. Minors are not permitted to remain on the premises of a licensed Class A lounge except when:

A. The minor is accompanied by a parent, legal guardian or custodian as defined in Title 22, section 4002; or

B. The licensee does not permit consumption of liquor on the premises for a specific period of time or event.

Sec. ? 28-A MRSA §1066-A, sub-§2 is amended to read:

2. Minors not permitted on premises. Minors are not permitted to remain on the premises of a licensed tavern unless:

A. Accompanied by a parent, legal guardian or custodian as defined in Title 22, section 4002; or

B. Employed under section 704.

Sec. ? 28-A MRSA §1070, sub-§1 is amended to read:

1. Issuance of licenses. The bureau may issue licenses to civic auditoriums as defined in section 2, subsection 15, paragraph C under this section for the sale of spirits, wine and malt liquor. The license

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may be issued to the owner of the civic auditorium, the operator of the civic auditorium or the entity providing ~~alcoholic beverages~~ spirits, wine and malt liquor to the public in the civic auditorium.

Sec. ? 28-A MRSA §1070, sub-§5 is amended to read:

5. Bottle service of spirits; designated areas. A civic auditorium licensee may sell spirits in original containers for service in a civic auditorium club suite under the following conditions:

- A. Spirits to be consumed in the club suite are provided exclusively by the civic auditorium licensee;
- B. Spirits containers provided for consumption in the club suite must remain in the club suite for the duration of the event for which they were provided;
- C. The number of spirits containers provided for consumption in the club suite may not exceed 6; and
- D. The registered tenant of the club suite or individual specifically granted access to the club suite by the civic auditorium signs a contract with the civic auditorium agreeing that no person under 21 years of age will be provided or served ~~alcoholic beverages~~ liquor in the club suite.

For purposes of this subsection, "club suite" means a designated area within a civic auditorium designed to provide premium viewing of an event in the auditorium and to which access is limited to registered tenants, invited guests and those who have been specifically granted access by the operator of the civic auditorium and is not accessible to the general public or civic auditorium patrons with tickets that provide for general admission to that event at the auditorium. A club suite must have a clearly designated point of access for the registered tenant or person specifically granted access by the operator of the civic auditorium to ensure that persons present in the suite are limited to invited guests and employees providing services to the club suite.

Sec. ? 28-A MRSA §1071, sub-§6 is amended to read:

6. Server requirements. ~~A manufacturer licensed by the bureau under section 1355-A, a certificate of approval holder or a wholesaler~~ wholesale licensee who provides malt liquor, wine, ~~fortified wine~~ or spirits for the public event or gathering being sponsored may serve its product at the event. An incorporated civic organization issued a license in accordance with this section shall provide the names of persons not licensed under chapter 51, 55 or 59 who will be serving ~~alcoholic beverages~~ malt liquor, wine or spirits at the event. In the event that a server from that list is unavailable, a licensed manufacturer, distributor, wholesaler, small winery or small brewery that has provided ~~alcoholic beverages~~ malt liquor, wine or spirits to be served at the event may provide serving assistance.

Sec. ? 28-A MRSA §1072, sub-§§2, 4, 5 and 6 are amended to read:

2. Requirements. Except as provided in subsection 3, for at least one year immediately before filing the application for a license, a club must have:

- A. Been in continuous operation and existence;
- B. Regularly occupied as owner or lessee a suitable clubhouse or quarters for use of club members;

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- C. Held regular meetings;
- D. Conducted its business through officers regularly elected; and
- E. Charged and collected dues from club members.

4. Register of club members. Every club shall keep and maintain a register of the name, identity and address of each ~~member of the club~~ member. The club shall allow any liquor enforcement officer or other authorized agent of the bureau to inspect the register at any reasonable time.

5. Sale of liquor only to club members and guests; exception. Except as provided in paragraph A or B, licensed clubs may not sell liquor to anyone except club members and their guests accompanying them.

A. Licensed veterans' and fraternal organizations and social clubs may sell liquor to members of the same national or affiliated international organization and to members of auxiliaries of the same national or affiliated international organization and their guests accompanying them.

B. At the discretion of and by agreement with the bureau, a licensed veterans' organization may, subject to time-of-day and seasonal limitations defined at the time of license approval, sell liquor to the ~~general~~ public if the organization has a valid license and is located on an island off the coast of the State that is provided with ferry service pursuant to Title 23, Part 6 and Title 35-A, chapter 51. When a licensed veterans' organization sells liquor to the general public pursuant to this paragraph, the premises at which the liquor is sold are deemed a public place for purposes of Title 22, chapter 262 during the time the ~~general~~ public is invited or allowed to be present, and smoking, as defined in Title 22, section 1541, subsection 6, is prohibited during that time.

6. Sales in original containers forbidden. No club may sell spirits in the original container.

Sec. ? 28-A MRSA §1073 is amended to read:

§1073. Indoor racquet clubs centers; ice skating clubs centers; golf courses; curling clubs centers; and bowling centers disc golf courses

1. Issuance of licenses. The bureau may issue licenses under this section for the sale of spirits, wine and malt liquor to be consumed on the premises to ~~bowling centers, curling clubs centers, disc golf courses,~~ golf courses, indoor ice skating clubs centers and indoor racquet clubs centers as defined in section 2, subsection 15, paragraphs ~~B-1, D-1, F-1,~~ G, J and K respectively.

2. Food availability. The licensee shall offer food for sale to the public at all times that liquor is for sale. ~~For bowling centers, at least 10% of the gross annual income, not including income from the bowling business, must be from the sale of food.~~

3. Separate area for sale of food and liquor. The licensee shall set aside a separate area for the sale and consumption of food and liquor in accordance with the rules of the bureau. ~~For bowling centers, that separate area may not include the area in which the game of bowling is conducted.~~

Sec. ? 28-A MRSA §1073-A is enacted to read:

§1073-A. Bowling centers

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1. Issuance of licenses. The bureau may issue licenses under this section for the sale of spirits, wine and malt liquor to be consumed on the premises to bowling centers as defined in section 2, subsection 15, paragraph B-1.

2. Separate area for sale of food and liquor. The licensee shall set aside a separate area for the sale and consumption of food and liquor in accordance with the rules of the bureau. The separate area may not include the area in which the game of bowling is conducted.

3. Income from sale of food requirement. At least 10% of the gross annual income of a bowling center, not including income from the bowling business, must be from the sale of food.

4. Bureau to determine whether new applicant would probably meet food sales requirement. The bureau may not issue an initial license to a bowling center unless it determines that the applicant would probably meet the requirements of subsection 3.

5. Proof of compliance with food sales requirement for license renewal. The bureau may not renew a bowling center's license unless the licensee furnishes the bureau with proof that the previous year's business met the requirements of subsection 3. If the bureau determines that the licensee has not satisfied the requirements of subsection 3, it may renew the license for only one year, during which the licensee must meet the requirements of subsection 3 to be eligible for further license renewal.

Sec. ? 28-A MRSA §1074 is amended to read:

§1074. Outdoor stadiums

1. Issuance of licenses. The bureau may issue licenses under this section for the sale of wine and malt liquor and wine to be consumed on the premises to outdoor stadiums, as defined in section 2, subsection 15, paragraph M. A concessionaire or lessee may be issued a license under this section, regardless of whether it controls the premises, as long as that concessionaire or lessee complies with the notice provisions applicable to qualified catering services in section 1076, subsection 7 prior to exercising the license.

2. No sales at events for children. The A licensee under this section may not sell any malt liquor or wine at an outdoor stadium at any event primarily involving primary or secondary school children.

3. Conditions on sales. The A licensee under this section may not sell malt liquor or wine in the spectator stands at an outdoor stadium. ~~Liquor may be sold~~ A licensee may sell malt liquor or wine only by the glass in plastic or paper cups.

Sec. ? 28-A MRSA §1075 is amended to read:

§1075. Auxiliary licenses at ~~ski areas, golf courses and disc golf courses~~

1. Licenses Issuance of licenses. The bureau may issue one auxiliary license under this section for additional premises to a ~~Class A restaurant or Class A restaurant/lounge, to a Class I hotel located at a ski area, golf course or disc golf course, to a Class I golf club or to a Class I or Class V club located at a golf course or disc golf course,~~ if the following requirements are met any of the following licensed entities that meets the requirements of subsection 1-A:

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A. A Class A restaurant located at, a Class A restaurant/lounge located at, a Class A lounge located at or a hotel with a class I license located at a ski area, golf course or disc golf course
The additional premises are located at the same ski area, golf course or disc golf course where the Class A restaurant, Class A restaurant/lounge, lounge, hotel or qualified club is licensed; or

B. A golf club with a class I license or a club with a class I or Class V license located at a golf course or disc golf course. Food is for sale at the additional premises, although not necessarily prepared there;

C. The additional premises are properly equipped, including tables, chairs and restrooms; and

D. The Department of Health and Human Services licenses the additional premises.

1-A. Qualifications. To qualify for an auxiliary license under this section:

A. The additional premises that will be subject to the auxiliary license must be located at the same ski area, golf course or disc golf course as the licensee's current Class A restaurant, Class A restaurant/lounge, Class A lounge, hotel, golf club or club.

B. The additional premises must offer food for sale to the public, although the food need not be prepared at the additional premises; and

C. The additional premises must be properly equipped, including with tables, chairs and restrooms.

2. Sales for consumption on slopes or courses prohibited. ~~This section does not permit a ski area to~~ A licensee under this section may not sell liquor at a ski area for consumption on the slopes away from the licensed area. Except as provided in section 1075-A, a golf course or disc golf course a licensee under this section may not sell liquor at a golf course or disc golf course for consumption on the course away from the licensed area.

Sec. ? 28-A MRSA §1075-A, sub-§2, first ¶ is amended to read:

2. License. ~~The bureau may issue a license for a mobile service bar to a licensee who owns a golf course or disc golf course or may issue a license for a mobile service bar to a licensee who is a Class A restaurant located at, a Class A restaurant/lounge located at or a Class I hotel with a Class I license located at a golf course or disc golf course. The licensee shall ensure that:~~

Sec. ? 28-A MRSA §1075-A, sub-§§3, 4 and 5 are amended to read:

3. Penalty Bringing liquor to course prohibited; penalty. ~~A person who brings alcoholic beverages liquor onto the premises of a golf course or disc golf course commits a civil violation for which a fine of not less than \$250 nor more than \$1,500 may be adjudged.~~

4. Revocation and suspension of license. ~~A licensee who holds a license issued by the bureau under this section and who commits a violation of law or rule for which that license may be revoked or suspended may also be subject to the revocation or suspension of any other licenses that that licensee holds to sell liquor for on-premises consumption are subject to chapter 33 to the same extent as are other on-premises licensees.~~

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5. Transportation of open containers prohibited. A patron of a golf course or disc golf course licensed under this section who operates a golf cart is prohibited from transporting an open container of liquor across a public way ~~as defined by~~. For the purposes of this subsection, "public way" has the same meaning as in Title 29-A, section 2112-A, subsection 1, paragraph D.

Sec. ? 28-A MRSA §1076, sub-§2, 3, 4, 5 and 6 are amended to read:

2. Compliance with local option decisions. The bureau may license only those qualified catering services whose principal ~~plae~~ places of business ~~is are~~ located in municipalities that have previously voted affirmatively on questions pertaining to ~~on-premise on-premises~~ sales as provided in chapter 5 or whose principal places of business are located in unincorporated places in which on-premises sales are authorized as provided in chapter 5.

A. Every event catered by the qualified catering service must also be located in a municipality that has previously voted affirmatively on questions pertaining to ~~on-premise on-premises~~ sales as provided in chapter 5 or in an unincorporated place in which on-premises sales have been authorized as provided in chapter 5.

3. Income from sale of food requirement. At least a ~~minimum~~ amount of gross annual income of a qualified catering service licensed under this section, not including income from the sale of food placed in vending machines, must be from the sale of food for each qualified catering service. The income from sale of food requirement is based on the population of the municipality in which the qualified catering service is located. For purposes of this section, "year-round" means operated for more than 6 months in a year.

A. In municipalities having a population of over 50,000 persons:

(1) Year-round qualified catering services must have a minimum gross income of \$50,000 a year from the sale of food to the public; and

(2) Part-time qualified catering services must have a minimum gross income of:

(a) Thirty thousand dollars from the sale of food to the public if the catering service operates for more than 3 months but no more than 6 months in a year; and

(b) Twenty thousand dollars from the sale of food to the public if the catering service operates for no more than 3 months in a year.

B. In municipalities having a population of 30,001 to 50,000 persons:

(1) Year-round qualified catering services must have a minimum gross income of \$40,000 a year from the sale of food to the public; and

(2) Part-time qualified catering services must have a minimum gross income of:

(a) Twenty-five thousand dollars from the sale of food to the public if the catering service operates for more than 3 months but no more than 6 months in a year; and

(b) Twenty thousand dollars from the sale of food to the public if the catering service operates for no more than 3 months in a year.

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- C. In municipalities having a population of 20,001 to 30,000 persons:
- (1) Year-round qualified catering services must have a minimum gross income of \$30,000 a year from the sale of food to the public; and
 - (2) ~~Part-time qualified catering services must have a minimum gross income of \$20,000 from the sale of food to the public if the catering service operates for more than 3 months but no more than 6 months in a year.~~
 - (3) Part-time qualified catering services must have a minimum gross income of:
 - (a) Twenty thousand dollars from the sale of food to the public if the catering service operates for more than 3 months but no more than 6 months in a year; and
 - (b) Ten thousand dollars from the sale of food to the public if the catering service operates for no more than 3 months in a year.
- D. In municipalities having a population of 7,501 to 20,000 persons:
- (1) Year-round qualified catering services must have a minimum gross income of \$15,000 a year from the sale of food to the public; and
 - (2) Part-time qualified catering services must have a minimum gross income of \$10,000 from the sale of food to the public if the catering service operates for no more than 6 months in a year.
- E. In unincorporated places and in municipalities having a population of 7,500 persons or less:
- (1) Year-round qualified catering services must have a minimum gross income of \$5,000 a year from the sale of food to the public; and
 - (2) Part-time qualified catering services must have a minimum gross income of \$2,500 from the sale of food to the public if the catering service operates for no more than 6 months in a year.

4. Bureau determines to determine whether new applicant would probably qualify meet food sales requirement. The bureau may ~~not~~ not issue ~~the~~ an initial license to a qualified catering service if unless it determines that the applicant ~~for a new license would probably qualify meet the requirements of subsection 3.~~

5. Licensee for renewal must show proof of meeting income Proof of compliance with food sales requirement for license renewal. The bureau may not renew ~~any a~~ a qualified catering service's license ~~for the sale of liquor under this section~~ unless the licensee furnishes the bureau with proof that the previous year's business ~~conformed to the income met the requirements of this section~~ met the requirements of this section subsection 3. If the bureau determines that the licensee has not satisfied the requirements of subsection 3, it may renew the license for only one year, during which the licensee must meet the requirements of subsection 3 to be eligible for further license renewal.

6. Income from vending machines not included. The income from the sale of food placed in vending machines must not be included in the minimum dollar requirements of this section.

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Sec. ? 28-A MRSA §1076, sub-§10, ¶B is amended to read:

B. The primary business of the licensee does not involve serving ~~alcoholic beverages~~ liquor on a day-to-day basis at self-sponsored events;

Sec. ? 28-A MRSA §1077 is amended to read:

§1077. Public service corporations: ~~Vessel, railroad and airline corporations~~

1. Licenses. The bureau may issue licenses under this section for the sale of spirits, wine and malt liquor by ~~vessel, railroad and airline corporations~~ vessel corporations, railroad corporations and airline corporations in their ~~boats, cars and vessels, passenger cars, dining cars and aircraft.~~

2. ~~Vessels~~ Vessel corporations. The requirements and conditions for licenses for ~~vessels~~ vessel corporations are as follows.

A. The bureau may not require that the ~~vessels~~ operated by vessel corporations be equipped to supply food or provide food service.

B. Except as provided in subparagraph (1), licenses issued under this section to ~~vessel companies~~ corporations operating ~~boats~~ vessels on coastal waters within the State authorize the licensees to sell liquor ~~in the boats on board those vessels after leaving and before reaching ports on coastal waters within the State and licenses.~~ Except as provided in subparagraph (1), licenses issued under this section to ~~commercial vessel companies~~ corporations operating boats vessels on inland waters within the State authorize the licensees to sell liquor on board the boat those vessels after leaving and before reaching docks on inland waters within the State.

(1) A licensee may sell liquor for consumption on board a vessel that is in port or docked, only if prior approval for the sale is obtained from the bureau under the license application procedure in section 653. A separate approval must be obtained for each port or dock location from which on-board sales of liquor are to be made.

C. A ~~vessel~~ corporation licensed to sell liquor under this section may sell liquor on Sundays only between the hours of 5 a.m. and 1 a.m. the following day on board vessels operating on inland waters and when operated or within the 3-mile limit on coastal waters.

D. Notwithstanding the provisions of sections 121 and 122, a ~~vessel~~ corporation licensed under this section on inland waters may sell liquor on board vessels operating on inland waters without approval of the municipal officers or, in the case of unincorporated places, the county commissioners.

E. For purposes of this subsection, "coastal waters" has the same meaning as in Title 12, section 6001, subsection 6.

3. Railroad corporations. The requirements and conditions for licenses for railroad corporations are as follows.

A. The license issued to a railroad corporation operating dining cars or passenger cars within the State authorizes the licensee to sell liquor to be consumed in the those dining cars or passenger cars only after leaving and before reaching the terminal stops.

4. Airlines Airline corporations. The requirements and conditions for licenses for airlines airline corporations are as follows.

A. The license issued to an airline corporation operating aircraft within the State authorizes the licensee to sell liquor in the those aircraft to be consumed in the aircraft only after leaving and before reaching airports within the State.

5. License sufficient throughout the State. One license issued under this section is sufficient to cover all aircraft, passenger cars or vessels, passenger cars, dining cars or aircraft operated by the licensed public service corporation.

Sec. ? 28-A MRSA §1079 is repealed:

~~§1079. International air terminals~~

~~**1. Issuance of license to operators of air terminals.** The bureau may issue licenses under this section for the sale of spirits, wine and malt liquor to be consumed on the premises to operators of international air terminals, as defined in section 2, subsection 15, or their agent or concessionaire.~~

~~**2. Sale of liquor.** An international air terminal licensee may sell liquor during the hours permitted under section 4, subsection 1, to:~~

- ~~A. International passengers in transit; and
B. Other persons.~~

~~**3. Sale of liquor to international passengers in transit.** Notwithstanding section 4, subsection 1, an international air terminal licensee may sell liquor to international passengers in transit during the hours sales are prohibited under section 4, subsection 1.~~

~~**4. International passengers in transit defined.** "International passenger in transit" means an airline passenger who is in transit and whose point of either origin or destination is a foreign country.~~

Sec. ? 28-A MRSA §1201, sub-§1 is amended to read:

1. Licenses for sale of malt liquor and table wine. The bureau may issue licenses under this section for the sale and distribution of malt liquor or wine to ~~off-premise~~ off-premises retail licensees, as defined in section 2, subsection 27, paragraph A.

Sec. ? 28-A MRSA §1201, sub-§6, first ¶ is amended to read:

6. Stock of groceries or compatible merchandise required. All ~~off-premise~~ off-premises retail licensees must have and maintain:

Sec. ? 28-A MRSA §1202 is amended to read:

~~§1202. Payment for sales in off-premise retailers~~ Employment of minors

1. Employees under 17. No employee under 17 years of age may accept payment for the sale of malt liquor or wine at the check-out counter of an ~~off-premise~~ off-premises retail licensee's establishment.

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2. Employees who are 17. An employee who is at least 17 years of age but less than 21 years of age may accept payment only in the presence of an employee who is at least 21 years of age and is in a supervisory capacity.

Sec. ? 28-A MRSA §1204, sub-§§1 and 3 are amended to read:

1. Issuance of licenses. The bureau may issue licenses under this section for the sale of malt liquor and table wine to be consumed off the premises to ship chandlers, as defined in section 2, subsection 15, paragraph S.

3. Exception to off-premise off-premises retail licensee requirements. Notwithstanding section 1201, a licensed ship chandler is not required to have or maintain a stock of groceries, compatible merchandise or combination of both.

Sec. ? 28-A MRSA §1205, sub-§1 is amended to read:

1. Taste testing on off-premise retail licensee's premises. Subject to the conditions in subsections 2 and 2-A, the bureau may authorize an off-premises retail licensee stocking at least 100 different wine labels to conduct taste testing of wine on that licensee's premises. Any Except as provided in section 1206, an off-premises retail licensee may not allow any other consumption of liquor on an the off-premises retail licensee's premises is prohibited, except as permitted under section 460, 1207, 1208, 1402-A or 1504.

Sec. ? 28-A MRSA §1205, sub-§2, ¶N is enacted to read:

N. Wine may be poured for the taste-testing event only by the owner or an employee of the off-premises retail licensee, by a sales representative licensed under section 1502 whose name is listed on the request to conduct the taste-testing event as required by subsection 2-A, paragraph D or, if the manufacturer of the wine being poured is licensed under section 1355-A, by the manufacturer or an employee of the manufacturer.

Sec. ? 28-A MRSA §1206 is amended to read:

§1206. Consumption prohibited on off-premises retail licensee's premises

A person may not consume liquor on the premises of an off premise retail licensee licensed under this chapter except Except as provided in sections 460, 1205, 1207, 1208, 1402-A and 1504, an off-premises retail licensee may not permit any person to consume liquor on the off-premises retail licensee's premises.

Sec. ? 28-A MRSA §1207, sub-§1 is amended to read:

1. Taste testing on off-premises retail licensee's premises. Subject to the conditions in subsections 2 and 2-A, the bureau may authorize an off-premises retail licensee stocking at least 100 different labels of malt liquor to conduct taste testing of malt liquor on that licensee's premises. Any Except as provided in section 1206, an off-premises retail licensee may not allow any other consumption of liquor on an the off-premises retail licensee's premises is prohibited, except as permitted under section 460, 1205, 1208, 1402-A or 1504.

Sec. ? 28-A MRSA §1207, sub-§2, ¶N is enacted to read:

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N. Malt liquor may be poured for the taste-testing event only by the owner or an employee of the off-premises retail licensee, by a sales representative licensed under section 1502 whose name is listed on the request to conduct the taste-testing event as required by subsection 2-A, paragraph D or, if the manufacturer of the malt liquor being poured is licensed under section 1355-A, by the manufacturer or an employee of the manufacturer.

Sec. ? 28-A MRSA §1208, sub-§2, ¶¶C and D are amended to read:

C. Wine may be served only to be consumed on the premises when accompanied by a full meal. For the purposes of this paragraph, "full meal" means a diversified selection of food that cannot ordinarily be consumed without the use of tableware and cannot be conveniently consumed while standing or walking;

D. Patrons A licensee under this section may not permit patrons of the establishment may not to consume any alcoholic beverage liquor on the premises unless it is served in accordance with this section by the licensee or an employee of the licensee other than wine served in accordance with the requirements of this section; and

Sec. ? 28-A MRSA §1209, sub-§6 is amended to read:

6. Beverage container deposit. A container of privately held wine auctioned under this section must comply with the provisions of Title 32, chapter 28 Title 38, chapter 33.

Sec. 1-? 28-A MRSA §1351 is amended to read:

§1351. Certificate of approval

1. Certificate of approval required. All ~~in-state manufacturers~~, out-of-state manufacturers and out-of-state wholesalers must obtain a certificate of approval from the bureau.

Sec. ? 28-A MRSA §1355-A is amended to read:

§1355-A. Manufacturer licenses

1. Issuance of licenses. The bureau may issue licenses under this section to breweries, small breweries, wineries, small wineries, distilleries, ~~and small distilleries~~, bottlers and rectifiers in the State that operate under federal law and federal supervision.

1-A. Definition. For purposes of this section, "manufacturing facility" means the premises of a brewery, small brewery, winery, small winery, distillery or small distillery licensed under this section where liquor products are produced.

1-B. Bottlers and rectifiers. A bottler or rectifier licensed under this section may permit sampling of a liquor product bottled or rectified by that licensee on the premises where it is bottled or rectified:

A. By employees for the purpose of quality control of the product; and

B. By wholesalers for the purpose of determining whether to carry the product as a wholesale product if the holder of the license pays the excise tax on the product sampled according to section 1652.

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2. Manufacturers other than bottlers and rectifiers. The following provisions apply to brewery, small brewery, winery, small winery, distillery and small distillery licensees.

A. A licensee governed by this subsection may permit sampling of the a liquor product produced by that licensee on the premises where the liquor product is produced:

- (1) By employees for the purpose of quality control of the product; and
- (2) By wholesalers for the purpose of determining whether to carry the product as a wholesale product if the holder of the license pays the excise tax on the product sampled according to section 1652; and
- (3) By the public if the holder of the license pays the excise tax on the product sampled according to section 1652.

B. A licensee ~~under this section~~ governed by this subsection may serve to the public ~~complimentary~~ samples of liquor produced by the licensee at the licensed premises where that liquor is produced by the licensee under the conditions specified in this paragraph.

- (1) The licensee may sell samples to the public or offer samples to the public at no cost.
- (2) The licensee shall pay the excise tax, if any, according to section 1652 on all samples sold to the public or offered to the public at no cost. If a sample is sold by the licensee, it is also subject to the sales tax on liquor under Title 36, section 1811.
- (3) The licensee shall maintain a record of all samples the licensee sells under this paragraph and shall maintain those records for a period of 2 years.
- (4) A licensee may sell samples to the public or offer samples to the public at no cost under this paragraph only during the hours of legal sale set forth in section 4.
- (5) The area of the licensed premises where a licensee sells samples to the public or offers samples to the public at no cost is not required to be separate from and may be accessed by the same entrance as the area licensed for on-premises consumption of liquor under chapter 43 in accordance with paragraph I.
- (6) Spirits samples sold to the public or offered to the public at no cost by distilleries must first be sold to the State, subject to the listing, pricing and distribution provisions of this Title. Spirits sold to the public or offered to the public at no cost by small distilleries are subject to the requirements of subsection 5, paragraph H.
- (7) The licensee may not serve samples to minors or visibly intoxicated persons.

C. ~~A licensee under this section may sell to nonlicensees during regular business hours from the licensed premises where liquor is produced by the licensee liquor produced by the bottle, by the case or in bulk for consumption off the licensed premises. Spirits sold by distillers in accordance with this paragraph must be first sold to the State, subject to the listing, pricing and distribution provisions of this Title.~~

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~~D. A licensee under this section governed by this subsection may sell for off-premises consumption liquor produced by the licensee from the licensed premises where liquor is produced by the licensee under the conditions specified in this paragraph liquor produced by the licensee for consumption off the licensed premises.~~

~~(1) Sales made in accordance with this paragraph do not require a licensee under this section governed by this subsection to obtain an additional retail license under chapter 45.~~

~~(2) Liquor sold in accordance with this paragraph may not be consumed anywhere on the licensed premises.~~

~~(3) The area of the licensed premises where a licensee opts to transact sales for off-premises consumption is not required to be separate from and may be accessed by the same entrance as for the area licensed for on-premises consumption of liquor under chapter 43 in accordance with paragraph I.~~

~~(4) Sales under this paragraph may only be made during the hours of legal sale as provided in section 4.~~

~~(5) Spirits sold by distilleries must first be sold to the State, subject to the listing, pricing and distribution provisions of this Title. Spirits sold by small distilleries are subject to the requirements of subsection 5, paragraph G.~~

~~(6) Except as provided in subsection 3, paragraphs C and C-1, sales may only be made by the bottle, by the case or in bulk.~~

~~E. A licensee may serve complimentary samples of liquor on Sunday after the hour of 5 a.m. and may sell liquor on Sunday after the hour of 5 a.m. if the municipality in which the licensed premises is located has authorized the sale of liquor on Sunday for consumption off the premises under chapter 5.~~

~~F. A licensee may charge for samples or shall otherwise comply with the conditions in paragraph E. Each sample poured is subject to a charge in an amount determined by the licensee and is subject to the sales tax on liquor under Title 36, section 1811. A licensee shall maintain a record of liquor samples subject to a charge and maintain those records for a period of 2 years.~~

~~G. A licensee that is a brewery or small brewery may sell on the premises during regular business hours and within the hours of legal sale to nonlicensees liquor produced at the licensed premises. The volume of the package may not exceed 15.5 gallons and must be consumed off the premises. The sale of packages described in this paragraph must comply with keg tagging requirements provided in section 714. Each licensee shall submit a monthly report to its wholesaler detailing sales made directly from the premises. The wholesaler shall calculate the fees for any bottle deposit and submit an invoice to the licensee for expenses associated with the requirements prescribed in Title 38, chapter 33 including the retailer handling fee, state container deposit and a mutually agreed upon pick-up fee.~~

~~H. A small winery or small brewery licensee shall keep and maintain complete records on all sales to a retail licensee.~~

~~I. A licensee governed by this subsection may be issued one on-premises retail license under chapter 43 per licensed location; manufacturing facility under the conditions specified in this~~

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~~paragraph on the premises of the licensed location or at another location, for the sale of liquor to be consumed on the premises at the retail premises if the same person or persons hold a controlling interest in both the licensed manufacturing location and the licensed retail establishment.~~

(1-A) The chapter 43 on-premises retail license may be located on the premises of the licensed manufacturing facility or at another location if the same person or persons hold a majority ownership interest in both the licensed manufacturing facility and the chapter 43 on-premises retail license.

(2) The chapter 43 on-premises retail license authorizes the sale of products of produced at the brewery, small brewery, winery, small winery, distillery or small distillery, in addition manufacturing facility as well as to other liquor permitted to be sold under the applicable class of the chapter 43 on-premises retail license, to be consumed on the premises.

(2-A) Liquor sold under a chapter 43 on-premises retail license located on the same premises as the licensed manufacturing facility operated on the premises of a location licensed under this section may not be consumed on any part of the premises where patrons are not generally permitted.

(3) All records related to activities under a manufacturer the manufacturing facility's license issued under this section must be kept separate from records related to the chapter 43 on-premises retail license. Income from the sale of liquor under paragraph B or paragraph D by a licensed manufacturing facility that is on the same premises as the chapter 43 on-premises retail license is not included in calculating whether the chapter 43 on-premises retail license satisfies any applicable food-sales requirement set forth in section 1061, section 1062 or section 1073-A.

(4) A distillery or small distillery must meet the requirements of subsection 5, paragraphs D and E. Spirits sold under the authority of the chapter 43 on-premises retail license issued to the holder of a distillery license under this paragraph must first be sold to the State, subject to the listing, pricing and distribution provisions of this Title. Spirits sold under the authority of the chapter 43 on-premises retail license under this paragraph issued to the holder of a small distillery license are subject to the requirements of subsection 5, paragraph H.

(4-A) A chapter 43 on-premises retail license issued under this paragraph that is not located on the same premises as the licensed manufacturing facility may sell liquor for off-premises consumption under the conditions stated in paragraph D.

(5) The licensee shall ensure that products purchased for off-premises consumption under paragraph D are not consumed on the licensed premises of the manufacturing facility or the chapter 43 on-premises retail license.

J. A licensee governed by this subsection may display up to 25 bottles of liquor produced by the licensee in a window of the any location where the licensee is authorized by this section to sell its products for on-premises consumption or for off-premises consumption under paragraph D where liquor is sold for consumption off the licensed premises. Locations licensed under subsection 4, paragraph B, subparagraph (2) or subsection 5, paragraph B, subparagraph (3) may also display up to 25 bottles of liquor produced by the licensee.

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K. For the purposes of selling liquor for on-premises and off-premises consumption, a licensee who operates more than one facility licensed for the manufacture of liquor under this section may A licensee governed by this subsection may transport liquor produced at the licensed manufacturing facility in bulk or packaged in kegs, bottles or cans, including by the case, to:

(1) ~~Transfer product produced by the licensee in bulk or packaged in kegs, bottles or cans, including by the case, at one facility licensed for the manufacture of liquor to another~~ Another manufacturing facility licensed under this section if the same person or persons hold a majority ownership interest in both of the licensed manufacturing facilities; at which the licensee is licensed to manufacture liquor or to any location where the licensee:

~~(a) Serves samples of the manufacturer's product in accordance with subsection 2, paragraphs E and F; and~~

~~(b) Is authorized under this section to sell the manufacturer's product to nonlicensees for off-premises consumption; and~~

(2) ~~Transfer product produced by the licensee in bulk or packaged in kegs, bottles or cans, including by the case, from a facility at which the licensee is licensed to manufacture liquor to any~~ Any establishment licensed for on-premises consumption under chapter 43 retail sales operated by the licensee as authorized under paragraph I or subsection 4, paragraph B, subparagraph 2 or subsection 5, paragraph B, subparagraph 3 as long as the same person or persons hold a majority ownership interest in both the licensed manufacturing facility and the licensed retail establishment.

~~If the same person or persons hold a majority ownership interest of greater than 50% in more than one facility licensed for the manufacture of liquor under this section, the person or persons are considered one licensee for the purpose of transferring liquor as authorized by this paragraph.~~

2-B. Grandfathering of certain licenses issued prior to January 1, 2018. The bureau may not suspend, revoke or refuse to renew a license issued under this section or chapter 43 or 45 that was initially issued prior to January 1, 2018 solely on the basis that:

A. The establishment licensed under chapter 43 or 45 was determined by the bureau after the license was issued to not be exclusively held or exclusively owned by a person licensed to manufacture liquor under this section; or

B. The licensee is in violation of section 707, subsection 2, 3 or 4, if the violation existed in the same manner at the time the license was initially issued or at the time the license was renewed.

The prohibition described in this subsection does not apply if the reason for suspension, revocation or refusal to renew is due to the licensee's substantial misrepresentation of or failure to disclose material facts required for the issuance or renewal of the license.

3. Breweries; small breweries. Except as otherwise provided in this section, the following provisions apply to breweries and small breweries.

A. A holder of a brewery license may produce more than 30,000 barrels of malt liquor per year.

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B. A holder of a small brewery license may produce up to 30,000 barrels of malt liquor per year.

(1) Upon application by a holder of a small brewery license that has produced malt liquor in an amount that exceeds 30,000 barrels in one year, the bureau may renew that holder's small brewery license for only one additional year.

(2) A holder of a small brewery license may sell or deliver its products to licensed retailers or wholesalers. The licensee may sell, on the premises for consumption off the premises, malt liquor produced at the licensed premises by the bottle, by the case or in bulk to licensed retailers, including, but not limited to, off-premises retail licensees, restaurants and clubs. Notwithstanding section 1361, the holder of a small brewery license may sell its products directly to a retail licensee under this paragraph without selling to a wholesale licensee. A small brewery licensee shall keep and maintain complete records on all sales to a retail licensee.

C. Notwithstanding any other provision of this Title, a chapter 43 on-premises retail license issued under subsection 2, paragraph 1 to the holder of a brewery or small brewery license licensed in accordance with this section may sell from the establishment at the site of the brewery licensed for the sale of alcoholic beverages to be consumed on the premises authorizes the sale of malt liquor in prefilled, refillable bottles to be consumed off the premises under the conditions specified in this paragraph.

(1) Only malt liquor brewed at the brewery or small brewery where the on-premises establishment is licensed associated with the chapter 43 on-premises retail license may be sold at the on-premises establishment under this paragraph.

(2) Malt liquor must be dispensed in bottles provided by and with labels unique to the brewery or small brewery of 32 to 64 ounces in volume.

(3) No more than 6 bottles may be prefilled at any one time.

(4) A deposit may be charged per bottle. Bottles sold under this paragraph are not subject to Title 38, chapter 33.

(5) The bottle in which the malt liquor is dispensed must be sealed by the licensee with a seal that is tamper-evident.

(6) Malt liquor dispensed in accordance with this paragraph must be consumed off the premises.

(7) All sales of malt liquor under this paragraph ~~from the on-premises establishment for off-premises consumption~~ must be accompanied by a sales receipt with a time stamp that indicates time of purchase.

(8) ~~Sale of malt liquor from the on-premises establishment for off-premises consumption may not be made~~ Malt liquor may not be sold pursuant to this paragraph after 10:00 p.m.

The bureau may adopt rules to enforce this paragraph. Rules adopted in accordance with this paragraph are routine technical rules ~~in accordance with~~ as defined in Title 5, chapter 375, subchapter 2-A.

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C-1. A holder of a brewery or small brewery license may sell for off-premises consumption kegs of malt liquor produced by the licensee under the conditions specified in this paragraph.

(1) Only malt liquor brewed at the brewery or small brewery may be sold by the keg, which may not exceed 15.5 gallons in volume and which must comply with the tagging and labeling requirements set forth in section 714.

(2) Sales under this paragraph may only be made during the hours of legal sale as provided in section 4.

(3) The brewery or small brewery shall submit a monthly report to its wholesale licensee detailing sales made under this paragraph. The wholesale licensee shall calculate the fees for any bottle deposit and submit an invoice to the licensee for expenses associated with the requirements prescribed in Title 38, chapter 33 including the retailer handling fee, state container deposit and a mutually agreed-upon pick-up fee.

~~D. Notwithstanding any provision of this Title to the contrary, a brewery or small brewery licensed in accordance with this section may sell malt liquor to be consumed off the premises under the conditions specified in this paragraph if the brewery or small brewery is participating in a taste-testing event under section 1052-D.~~

~~(1) The brewery or small brewery may sell only malt liquor produced in the State by that brewery or small brewery.~~

~~(2) A sale of malt liquor in accordance with this paragraph must be accompanied by a sales receipt.~~

E. A holder of a brewery or small brewery license may produce low-alcohol spirits products containing malt liquor produced by the brewery or small brewery and may import spirits solely for this purpose.

(1) If a small brewery license holder produces low-alcohol spirits products pursuant to this paragraph, the combined total of malt liquor and low-alcohol spirits products produced at the small brewery may not exceed 30,000 barrels per year.

4. Wineries; small wineries. Except as otherwise provided in this section, the following provisions apply to wineries and small wineries.

A. A holder of a winery license may produce more than 50,000 gallons per year of wine that is not hard cider and may produce more than 3,000 barrels per year of wine that is hard cider.

B. A holder of a small winery license may produce up to 50,000 gallons per year of wine that is not hard cider and may produce up to 3,000 barrels per year of wine that is hard cider.

(1) A holder of a small winery license may sell or deliver its products to licensed retailers or wholesalers. The licensee may sell, on the premises for consumption off the premises, any wine produced at the licensed premises by the bottle, by the case or in bulk to licensed retailers, including, but not limited to, off-premises retail licensees, restaurants and clubs. Notwithstanding section 1361, the licensee may sell its products directly to a retail licensee under this paragraph without selling to a wholesale licensee.

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A small winery licensee shall keep and maintain complete records on all sales to a retail licensee.

(2) A holder of a small winery license, upon application to and approval of the bureau and payment of ~~the a \$50 license fees fee per location~~, may obtain licenses for off-premises consumption for up to 2 additional locations other than the location of the in-state manufacturer licensed under this section. The holder of the licenses is not required to conduct any bottling or production at the additional licensed locations but may conduct all activities permitted by this section at the additional licensed locations.

C. A holder of a winery or small winery license may fortify wine produced by the winery license holder and import spirits solely for this purpose.

(1) If a small winery license holder produces fortified wine pursuant to this paragraph, the combined total of ~~wine, sparkling wine and fortified wine~~ all wine, other than hard cider, produced at the small winery may not exceed 50,000 gallons per year.

~~D. Notwithstanding any provision of this Title to the contrary, a winery or small winery licensed in accordance with this section may sell wine to be consumed off the premises under the conditions specified in this paragraph if the winery or small winery is participating in a taste-testing event under section 1052-D.~~

~~(1) The winery or small winery may sell only wine produced in the State by that winery or small winery.~~

~~(2) A sale of wine in accordance with this paragraph must be accompanied by a sales receipt.~~

For purposes of this subsection, "fortified wine" means wine to which spirits have been added as long as the resulting liquor does not exceed 24% alcohol by volume.

5. Distilleries; small distilleries. Except as otherwise provided in this section, the following provisions apply to distilleries and small distilleries.

A. A holder of a distillery license may distill, rectify, blend and bottle more than 50,000 gallons of spirits per year.

B. A holder of a small distillery license may distill, rectify, blend and bottle not more than 50,000 gallons of spirits per year.

~~(1) The small distillery off-premises license fee is \$100.~~

(2) Upon application by a holder of a small distillery license whose distillery has produced spirits in an amount that exceeds 50,000 gallons in one year, the bureau may renew that holder's small distillery license for only one additional year.

(3) A holder of a small distillery license, upon application to and approval of the bureau and payment of ~~the a \$100 license fees fee per location~~, may obtain licenses for off-premises consumption for up to 2 additional locations other than the location of the in-state manufacturer licensed under this section. The holder of the licenses is not required

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to conduct any bottling or production at the additional licensed locations but may conduct all activities permitted by this section at the additional licensed locations.

C. To be eligible for a distillery or small distillery license, a person must hold a basic permit for distilling, rectifying, blending and bottling spirits from the United States Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau.

D. ~~Except as otherwise provided in this section, Spirits~~ spirits produced by a holder of a distillery or small distillery license must be sold to the State and are subject to the listing, pricing and distribution provisions of this Title.

~~E. A holder of a distillery or small distillery license may be issued one license under chapter 43 per distillery location for a connected establishment for the sale of liquor to be consumed on the premises at the distillery.~~

~~(1) For the purposes of this paragraph, "connected establishment" means a Class A restaurant or a Class A restaurant/lounge that is owned by the holder of the in-state manufacturer license.~~

~~(2) All records of the manufacturer license must be kept separate from the records of the retail licensee.~~

~~F. A distillery or small distillery may provide samples to the public of liquors produced by the distillery that have been sold to the State in accordance with paragraph D and repurchased by the distillery or small distillery.~~

G. Notwithstanding paragraph D, a holder of a small distillery license that sells its products directly to consumers for off-premises consumption under paragraph B, subparagraph (3) or subsection 2, paragraph C, D or E may pay the bureau the difference between the distillery's price charged to the bureau and the discounted retail price charged by the bureau under section 606, subsection 4-B. A small distillery is not required to transport spirits that will be sold for off-premises consumption as described in this paragraph to a warehouse operated by the bureau or by a wholesaler contracted by the bureau under section 90 wholesale spirits provider. A holder of a small distillery license shall record the quantity of spirits sold for off-premises consumption that were not transported to a warehouse as described in this paragraph and submit monthly reports of this information, along with the full amount of state liquor tax due as prescribed by chapter 65, to the bureau in a manner prescribed by the bureau.

H. Notwithstanding paragraph D, a holder of a small distillery license that sells its products or offers complimentary samples of its products directly to consumers for on-premises consumption under ~~paragraph E~~ or subsection 2, paragraph B, ~~E~~ or ~~F~~ may pay the bureau the difference between the distillery's price charged to the bureau and the discounted retail price charged by the bureau under section 606, subsection 4-B. A small distillery is not required to transport spirits that will be sold for on-premises consumption as described in this paragraph to a warehouse operated by the bureau or by a wholesaler contracted by the bureau under section 90 wholesale spirits provider. A holder of a small distillery license shall record the quantity of spirits sold for on-premises consumption that were not transported to a warehouse as described in this paragraph and submit monthly reports of this information, along with the full amount of state liquor tax due as prescribed by chapter 65, to the bureau in a manner prescribed by the bureau.

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~~I. Notwithstanding any provision of this Title to the contrary, a distillery or small distillery licensed in accordance with this section may sell spirits to be consumed off the premises under the conditions specified in this paragraph if the distillery or small distillery is participating in a taste-testing event under section 1052-D.~~

~~(1) The distillery or small distillery may sell only spirits produced in the State by that distillery or small distillery.~~

~~(2) Spirits sold in accordance with this paragraph are subject to the listing, pricing and distribution provisions of this Title.~~

~~(3) A sale of spirits in accordance with this paragraph must be accompanied by a sales receipt.~~

~~J. A holder of a distillery or small distillery license may produce low-alcohol spirits products.~~

~~(1) If a small distillery license holder produces low-alcohol spirits products pursuant to this paragraph, the combined total of spirits and low-alcohol spirits products produced at the small distillery may not exceed 50,000 gallons per year.~~

6. Tenant brewer brewery. Except as otherwise provided, the following provisions apply to a tenant brewer brewery license under which the holder of a tenant brewer brewery license may produce malt liquor at the manufacturing facility of another brewer brewery, referred to in this subsection as "the host brewer" a "host brewery," licensed by the bureau under subsection 3.

A. To be eligible for a tenant brewer brewery license, a person must submit an application to the bureau in a manner prescribed by the bureau and hold a brewer's notice approved by the United States Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, that authorizes a tenant brewer brewery to use the facilities and equipment of a host brewer brewery. If the tenant brewery meets the requirements of subsection 3, paragraph B, the application must be accompanied by the license fee set forth in section 1551 for a small brewery. If the tenant brewery does not meet the requirements of subsection 3, paragraph B, the application must be accompanied by the license fee set forth in section 1551 for a brewery.

B. A tenant brewer brewery is subject to the same requirements regarding production of malt liquor and low-alcohol spirits products containing malt liquor as if the tenant brewer brewery conducted its manufacturing on its own premises independently.

C. A tenant brewer brewery is not eligible for privileges provided in subsection 2 except for sampling described by paragraph A, subparagraphs (1) and (2).

D. A tenant brewer brewery is governed by the provisions of subsection 3 except for the privileges granted under paragraph C.

E. A tenant brewer brewery may not brew or produce malt liquor or low-alcohol spirits products containing malt liquor for another brewer brewery or certificate of approval holder.

F. A tenant brewer brewery shall ensure that the tenant brewer brewery maintains control of the raw ingredients used to manufacture the tenant brewer's brewery's product.

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G-1. Licenses issued under subsection 3 may allow for up to 9 tenant ~~brewers~~ breweries at a time at the manufacturing facility of a host ~~brewer~~ brewery.

H. The bureau may require a tenant ~~brewer~~ brewery to maintain a record or log indicating which equipment is being used at any time by the tenant ~~brewer~~ brewery in the production of malt liquor or low-alcohol spirits products containing malt liquor and which employees are working on production of the tenant ~~brewer's~~ brewery's product.

I. The bureau shall require that reports from a tenant ~~brewer~~ brewery be submitted in a manner similar to the manner in which a ~~brewer~~ brewery licensed under subsection 3 submits reports. The bureau shall also require a tenant ~~brewer~~ brewery to submit copies of reports required of holders of an approved brewer's notice issued by the United States Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau authorizing the tenant ~~brewer~~ brewery to engage in an alternating proprietorship.

7. Tenant winery. Except as otherwise provided, the following provisions apply to a tenant winery license under which the holder of a tenant winery license may produce wine at the manufacturing facility of another winery, referred to in this subsection as "the host winery," licensed by the bureau under subsection 4. This subsection applies to hard cider produced by a manufacturer licensed as a winery or small winery under subsection 4.

A. To be eligible for a tenant winery license, a person must submit an application to the bureau in a manner prescribed by the bureau and hold an approved application for an alternating proprietorship issued by the United States Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau that authorizes a tenant winery to use the facilities and equipment of a host winery. If the tenant winery meets the requirements of subsection 4, paragraph B, the application must be accompanied by the license fee set forth in section 1551 for a small winery. If the tenant winery does not meet the requirements of subsection 4, paragraph B, the application must be accompanied by the license fee set forth in section 1551 for a winery.

B. A tenant winery is subject to the same requirements regarding manufacture of its product as if the tenant winery conducted its manufacturing on its own premises independently.

C. A tenant winery is not eligible for privileges provided in subsection 2 except for sampling described by paragraph A, subparagraphs (1) and (2).

D. A tenant winery may not produce wine or hard cider for another winery or certificate of approval holder.

E. A tenant winery shall ensure that the tenant winery maintains control of the raw ingredients used to manufacture the tenant winery's product.

F. A license issued under subsection 4 may allow for up to 9 tenant wineries at a time at the manufacturing facility of a host winery.

G. The bureau may require a tenant winery to maintain a record or log indicating which equipment is being used at any time by the tenant winery in the production of wine or hard cider and which employees are working on production of the tenant winery's product.

H. The bureau shall require that reports from a tenant winery be submitted in a manner similar to the manner in which a winery licensed under subsection 4 submits reports. The bureau shall also

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require a tenant winery to submit copies of reports required of holders of an approved application issued by the United States Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau authorizing the tenant winery to engage in an alternating proprietorship.

Sec. ? 28-A MRSA §1361 is amended to read:

§1361. Certificate of approval

1. Certificate of approval required. ~~No An out-of-state manufacturer of or foreign out-of-state wholesaler of malt liquor or wine may not hold for sale, sell or offer for sale in intrastate commerce, or transport or cause to be transported into the State for resale, any malt liquor or wine engage in the following activities unless the manufacturer or foreign wholesaler has obtained from the bureau a certificate of approval from the bureau in accordance with this section:~~

A. Offer malt liquor or wine for sale in the State or sell malt liquor or wine in the State; or

B. Transport into or cause to be transported into the State malt liquor or wine for sale or resale in the State.

2. Fee for certificate of approval. The fee for a certificate of approval under this section is \$1,000 per year for malt liquor only and \$1,000 for wine only, except that ~~the fee for a~~ an out-of-state manufacturer or foreign out-of-state wholesaler of wine or malt liquor who ships 120 gallons of wine or malt liquor or less per year is \$100. Payment of the fee must accompany the application for the certificate.

3. Conditions on certificate of approval. ~~The A certificate of approval under this section is subject to the laws of the State and the rules of the bureau.~~

~~A. Any violation of the rules of the bureau is ground for suspension or revocation of the certificate at the discretion of the District Court Judge.~~

4. No sales of malt liquor or wine to person without wholesale license. ~~No certificate of approval holder, except a licensed small brewery or small winery authorized under section 1355-A to sell its own products directly to retailers, may sell or cause to be transported into the State any malt liquor or wine to any person to whom a Maine wholesale license has not been issued by the bureau. Malt liquor or wine must be delivered to the place of business of the wholesaler as shown in the wholesaler's license, must be unloaded and inventoried at the wholesaler's premises upon the wholesaler's receipt of the shipment and must come to rest before delivery is made to any retailer to enable the bureau to inspect and inventory wholesale warehouses for the purpose of verifying taxes that are required to be paid on malt liquor and wine purchased by importers. Except as otherwise authorized in sections 2073-C, 2073-D and 2073-E, a certificate of approval holder may not sell malt liquor or wine to any person who is not a wholesale licensee or cause malt liquor or wine to be transported into the State for sale to any person who is not a wholesale licensee.~~

A. Malt liquor or wine must be delivered to the place of business of the wholesale licensee as shown in the wholesale licensee's license, must be unloaded and inventoried at the wholesale licensee's premises upon the wholesale licensee's receipt of the shipment and must come to rest before delivery is made to any retailer to enable the bureau to inspect and inventory the wholesale licensee's warehouses for the purpose of verifying taxes that are required to be paid on imported malt liquor and wine.

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B. This subsection does not apply to a licensed small brewery or small winery authorized under section 1355-A to sell its own products directly to retailers.

5. No exclusivity agreement. No A certificate of approval holder may not make it a condition in selling malt liquor or wine to any wholesale licensee that the wholesale licensee may not sell malt liquor or wine manufactured or sold by other manufacturers or foreign out-of-state wholesalers.

Sec. ? 28-A MRSA §1362 is repealed.

§1362. Disposal of fees

The bureau shall deposit the fees collected under section 1361 to the credit of the General Fund.

Sec. ? 28-A MRSA §1363 is amended to read:

§1363. Manufacture of malt liquor or ~~table~~ wine; credit; furnishing materials and equipment

1. Certificate of approval holder not interested in wholesale license. No officer, director or stockholder of a corporation which is the holder of a manufacturer's certificate of approval may be interested, either directly or indirectly, as a director, officer or stockholder in any other corporation which that holds a wholesale license.

2. Loans by certificate of approval holder. Except as provided in paragraphs A and B, no ~~manufacturer or~~ certificate of approval holder may, either directly or indirectly, loan any money, credit or their equivalent to any wholesale licensee for equipping, fitting out, maintaining or conducting, either in whole or in part, a business establishment where malt liquor or wine is sold.

A. A certificate of approval holder may extend the usual and customary commercial credit for malt liquor or ~~table~~ wine sold and delivered.

B. A ~~manufacturer or holder of a~~ certificate of approval holder may furnish a wholesale licensee materials and equipment for the use of the wholesale licensee or the wholesale licensee's employees, such as:

- (1) Painting the wholesale licensee's vehicles;
- (2) Supplying legal advertising signs used by the wholesale licensee in the course of the wholesale licensee's business; and
- (3) Supplying uniforms for the employees of the wholesale licensee.

Sec. ? 28 MRSA §1364, sub-§3, ¶B is amended to read:

B. The ~~Maine~~ wholesale licensee, to whom shipment is to be made, has filed a bond to guarantee payment of the excise tax as provided in section 1405.

Sec. ? 28-A MRSA §1364, sub-§4 is amended to read:

4. Reports of low-alcohol spirits products. Each certificate of approval holder that manufactures low-alcohol spirits products shall submit to the bureau, on or before the 15th day of each

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calendar month, a form specifying the number of gallons of low-alcohol spirits product sold to wholesale licensees ~~in the State~~ with a copy of each invoice relating to each such sale.

Sec. ? 28-A MRSA §1364, sub-§5 is enacted to read:

5. Limitation on definition of certificate of approval holder. As used in this section, “certificate of approval holder” has the same meaning as in section 2, subsection 8, except that it does not include an in-state spirits manufacturer licensed under section 1355-A.

Sec. ? 28-A MRSA §1365 is amended to read:

§1365. Low-alcohol spirits product tax

In addition to any tax paid under section 1652, each certificate of approval holder that manufactures low-alcohol spirits products shall pay a tax of 30¢ on each gallon of low-alcohol spirits product sold to a wholesale licensee ~~in the State~~. In addition to the forms filed pursuant to section 1364, a certificate of approval holder that manufactures low-alcohol spirits products shall file with the bureau a monthly report on the number of gallons of low-alcohol spirits product sold to wholesale licensees ~~in the State~~. The certificate of approval holder must enclose payment for the tax due under this section on the reported sales.

Sec. ? 28-A MRSA §1371 is amended to read:

§1371. Special warehouse storage facilities controlled by certificate of approval holder

1. Certificate of approval for Licensing of special warehouse storage facilities.

Notwithstanding the importation restrictions of sections ~~2073 and 2077~~ 1361, subsection 4, 2073-A and 2073-C, the bureau may issue ~~certificates of approval licenses~~ authorizing the direct importation of malt liquor, wine or spirits from suppliers by manufacturers, wholesalers and spirits suppliers located in foreign countries or other states into special warehouse storage facilities located within the State that are under the direct supervision and control of the ~~certificate of approval holder licensee~~ under this section or into a public warehouse with the approval of the bureau.

2. Fee. The fee for a ~~certificate of approval license~~ under this subsection ~~section~~ is \$600 a year for malt liquor only, \$600 a year for wine only and \$600 a year for spirits only.

3. Stored liquor not subject to state liquor tax until withdrawn. Liquor stored in special warehouse storage facilities licensed under this section is not subject to ~~the state liquor taxes~~ spirits tax under section 1651 or to the excise tax under section 1652 until it is withdrawn from the special warehouse storage facilities.

A. Malt liquor and wine withdrawn from the special warehouse storage facilities by Maine wholesale licensees immediately become subject to the same tax as malt liquor and wine imported into the State from out-of-state certificate of approval holders. The wholesale licensee shall withdraw the malt liquor and wine to be distributed in the State by the procedure established in sections 1404 and 1405.

B. The bureau may withdraw spirits from special warehouse storage facilities.

C. Out-of-state purchasers authorized by the bureau may withdraw spirits, wine and malt liquor from special warehouse storage facilities. The authorization allows the out-of-state purchasers to

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directly transport the spirits, wine and malt liquor to the state border for delivery out-of-state. Products withdrawn by authorized out-of-state purchasers for delivery outside of the State are not subject to the state spirits tax under section 1651 or the state excise tax or premium under section 1652.

Sec. ? 28-A MRSA §1401, sub-§§1 and 9 are amended to read:

1. Issuance of licenses. The bureau may issue licenses under this section for the in-state sale and distribution of malt liquor, wine and fortified and wine at wholesale.

9. Sales to licensees only. A licensee under this section may sell or distribute malt liquor, ~~wine and fortified~~ and wine only to persons licensed for the retail sale of malt liquor, ~~wine or fortified~~ and wine for consumption on or off the licensed premises in accordance with this Title.

Sec. ? 28-A MRSA §1401-A is enacted to read:

§1401-A. Limitation on definition of certificate of approval holder

As used in this chapter, unless the context otherwise indicates, "certificate of approval holder" has the same meaning as in section 2, subsection 8, except that it does not include an in-state spirits manufacturer licensed under section 1355-A.

Sec. ? 28-A MRSA §1402, sub-§§2 and 3 are amended to read:

2. Taste testing on retail licensee's premises. With the bureau's written permission, a wholesale licensee may rent or lease an area or room from an ~~on-premise~~ on-premises retail licensee for the purpose of inviting retail licensees to taste test wine or malt liquor products.

3. Conditions on taste-testing activity events. The following conditions apply to all ~~taste~~ taste-testing activity events under this section.

A. The wholesale licensee or a certificate of approval holder may provide the products for ~~taste testing~~ taste-testing events only if all taxes required by this Title have been paid.

B. Taste-testing activity events must be conducted only within the special designated area or room.

C. Taste-testing activity events must be open only to invited retail licensees or their authorized agents and not to their family members, guests or the ~~general~~ public.

D. After the taste-testing activity event is concluded, the wholesale licensee shall remove all products supplied for the taste-testing activity event from the retail licensee's premises.

E. Wine or malt liquor products may not be served to a person who is a minor or who is visibly intoxicated.

Sec. ? 28-A MRSA §1402-A, sub-§3-A is amended to read:

3-A. Partial-bottle wine samples. Bottles of wine designated for partial-bottle sampling must be properly sealed between samplings. Partial-bottle wine samples may only be provided on the premises of a retailer licensed to sell wine for on-premises or off-premises consumption to licensees licensed for on-

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~~premises consumption and off-premises sales if the person receiving a sample is 21 years of age or older and is in a the owner or a supervisory or managerial employee of the retailer position;~~

Sec. ? 28-A MRSA §1402-A, sub-§4-A is enacted to read:

4-A. Prohibited recipients. Malt liquor or wine samples authorized under this section may not be provided to a person who is a minor or who is visibly intoxicated.

Sec. ? 28-A MRSA §1403 is amended to read:

~~§1403. Interstate purchase or transportation~~ Purchase and sale of malt liquor or wine by wholesale licensee

~~1. No purchases other than from certificate of approval holder~~ Purchase of malt liquor or wine by wholesale licensee. No A wholesale licensee may not purchase any malt liquor or wine from any person other than a certificate of approval holder or special warehouse storage facility licensed under section 1371. A wholesale licensee may not cause to be transported into the State any malt liquor or wine from any person other than a person to whom the bureau has not issued a certificate of approval under section 1361.

~~2. Sale of malt liquor or wine by wholesale licensee not purchased from a certificate of approval holder prohibited.~~ No A wholesale licensee may not sell to another wholesale licensee any malt liquor or wine which that has not been purchased from a brewery, winery or foreign wholesaler holding a certificate of approval holder or a special warehouse storage facility licensed under 1371.

~~3. License revoked if it requires wholesale license to not sell other brands.~~ The District Court Judge shall revoke the license of any wholesale licensee, who requires as a condition of selling malt liquor or wine to another wholesale licensee, that the purchasing wholesale licensee may not sell other brand names of malt liquor or wine.

~~4. Monthly report.~~ By the 10th day of each calendar month, each wholesale licensee shall furnish to the bureau, in the form prescribed by the bureau, a monthly report of all malt liquor or wine purchased and sold during the preceding month.

Sec. ? 28-A MRSA §1403-A, sub-§§3, 8 and 9 are amended to read:

~~3. Direct shipper application.~~ Before sending a shipment to a resident of this State, a direct shipper must file an application for a wine direct shipper license under subsection 2 with the bureau on a form issued by the bureau along with a true copy of its current alcoholic beverage winery license issued in this State or another state and a \$100 registration fee.

~~8. License renewal.~~ A direct shipper may annually renew its wine direct shipper license with the bureau by paying a \$50 renewal fee and providing the bureau with a true copy of its current alcoholic beverage winery license issued in this State or another state.

~~9. Sales tax registration and payment required.~~ As a condition of receiving a certificate of approval license, a shipper located outside the State shall comply with the provisions of Title 36, Part 3, including all requirements relating to registration as a seller and the collection, reporting and remittance of the sales and use taxes of the State, and shall agree to be subject to the jurisdiction of the State for purposes of the enforcement of those obligations. The requirements of this subsection apply notwithstanding any other provision of law of the State.

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Sec. ? 28-A MRSA §1404, sub-§1, ¶¶D, E and F are amended to read:

D. The unbonded wholesale licensee may mail the original copy of the order to the ~~brewery or winery or wholesaler~~ certificate of approval holder with whom the licensee wishes to place the order.

E. On receipt of the 3 copies and a check for excise taxes, the bureau shall promptly process the copies and return one copy to the wholesale licensee and send one to ~~the brewery, winery or foreign wholesaler~~ designated to receive certificate of approval holder with whom the wholesale licensee wishes to place the order. The bureau shall keep the 3rd copy on file.

F. ~~No brewery, winery or foreign wholesaler~~ A certificate of approval holder may not ship or release malt liquor or wine for delivery in Maine until notified by the bureau that the excise tax has been paid in accordance with this section.

Sec. ? 28-A MRSA §1405, sub-§1, ¶C is amended to read:

C. The bonded wholesale licensee shall submit the original copy to the brewery, winery or ~~foreign out-of-state wholesaler~~ with whom ~~he~~ the bonded wholesale licensee wishes to place the order.

Sec. ? 28-A MRSA §1405, sub-§3 is amended to read:

3. Payment of excise tax. By filing the bond required in subsection 2, a wholesale licensee may pay monthly the excise tax imposed by section 1652 on all malt liquor or wine shipped into the State as shown by invoice of the shipment by the ~~out-of-state wholesaler or holder of a certificate of approval holder~~ issued under section 1361.

A. The wholesale licensee shall pay the excise tax by the 15th day of the calendar month following the month in which shipment occurs.

B. At the time of payment of the excise tax, each Maine wholesale licensee shall file with the bureau in the form prescribed by the bureau:

- (1) A verified monthly report of all malt liquor or wine purchased or imported based on the date of shipment invoice during the preceding calendar month; and
- (2) Any additional information the bureau requires to compute and ensure the accuracy of the excise tax payment accompanying the report.

Sec. ? 28-A MRSA §1406, sub-§1, ¶B, sub-¶2 is amended to read:

- (2) The territory of its wholesale licensee in the State licensees.

Sec. ? 28-A MRSA §1407, sub-§1 is amended to read:

1. Exclusive distributors. Except as provided in section 1454, the wholesale licensee appointed by the certificate of approval holder to be the exclusive distributor for specific brands of ~~liquor~~ malt liquor and wine cannot be terminated as exclusive distributor of those specific brands upon the voluntary or involuntary termination or transfer of the same brands of ~~liquor~~ malt liquor and wine by the certificate

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of approval holder who registered the specific labels and established prices with the bureau. The certificate of approval holder acquiring these brands shall take the place of the certificate of approval holder who appointed the distributors and shall comply with section 1406.

Sec. ? 28-A MRSA §1408, sub-§4 is amended to read:

4. Price changes. Except as provided in paragraph A, certificate of approval holders ~~and manufacturer's~~ shall give written notice of price changes to the bureau and their respective wholesale licensees at least 30 days before the effective date. Wholesale licensees shall give written notice of their price changes to the bureau at least 15 days before the effective date. All price changes are effective on the first day of the month.

A. The bureau may give written permission to certificate of approval holders, ~~manufacturers~~ or wholesale licensees to reduce the notice period for price changes in specific instances.

Sec. ? 28-A MRSA §1451, sub-§1-A is enacted to read:

1-A. Certificate of approval holder. "Certificate of approval holder" has the same meaning as in section 2, subsection 8, except that it does not include an in-state spirits manufacturer licensed under section 1355-A.

Sec. ? 28-A MRSA §1451, sub-§3 is amended to read:

3. Primary source of supply. "Primary source of supply" means the ~~distiller distillery,~~ the bottler, the ~~brewer brewery,~~ the winery, the brand owner or the designated agent of any ~~distiller distillery,~~ ~~brewer brewery,~~ winery or brand owner.

Sec. ? 28-A MRSA §1452, sub-§1, ¶C is amended to read:

C. Require a wholesale licensee to assent to any condition, stipulation or provision limiting the ~~wholesale licensee in his licensee's~~ right to sell the product of any other certificate of approval holder anywhere in the State if the acquisition of the product of another certificate of approval holder does not materially impair the quality of service or quantity of sales of the existing brand or brands of the certificate of approval holder seeking to impose the condition, stipulation or provision.

Sec. ? 28-A MRSA §1453, sub-§2 is amended to read:

§1453. No ~~dual~~ Dual distributorship prohibited

1. Dual distributorship prohibited. ~~No~~ A certificate of approval holder who designates a sales territory for which a wholesale licensee is primarily responsible may not enter into any agreement with any other wholesale licensee for the purpose of establishing an additional agreement for its brand or label in the same territory.

2. Certificate of approval holder to file list. Each certificate of approval holder shall file with ~~his~~ its application for a certificate of approval or Maine manufacturer license a list giving the name and address of each bottler and wholesale licensee authorized to distribute products of that certificate of approval holder and designating the exclusive territory assigned to each wholesale licensee within the State. Unless authorized by the bureau, wholesale licensees may not sell those products to licensees outside of the exclusive territory allocated and designated.

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A. Sales of wine to retail licensees at the wholesale licensee's warehouse shall be considered a sale within the wholesale licensee's exclusive territory.

3. **Primary source of supply.** No A wholesale licensee may not purchase liquor from anyone other than the primary source of supply within the United States.

Sec. ? 28-A MRSA §1454, sub-§1, ¶D is amended to read:

D. Failure by the wholesale licensee to substantially comply, without reasonable excuse or justification, with any reasonable and material requirement imposed upon ~~him~~ the wholesale licensee by the certificate of approval holder.

Sec. ? 28-A MRSA §1455, sub-§1, first ¶ is amended to read:

1. **Written notices notice.** Before any termination procedure initiated by the certificate of approval holder, the certificate of approval holder shall give the wholesale licensee written notice of any claimed deficiency existing in the wholesale licensee's territory and the certificate of approval holder shall give the wholesale licensee reasonable time or, if the certificate of approval holder is a small beer manufacturer or a small hard cider manufacturer, at least 30 days to correct the claimed deficiency or deficiencies. After this time has elapsed, the certificate of approval holder shall provide the wholesale licensee with written notice of the certificate of approval holder's intent to amend, cancel, terminate, refuse to continue, refuse to renew or cause the wholesale licensee to resign from an agreement at least 90 days prior to the effective date of the intended amendment, cancellation, termination, refusal to continue, refusal to renew or causing of resignation. The written notice must state all of the reasons for the intended amendment, cancellation, termination, refusal to continue, refusal to renew or causing of resignation. The notice provisions of this section do not apply if the reason for the intended amendment, cancellation, termination, refusal to continue, refusal to renew or causing of resignation is:

Sec. ? 28-A MRSA §1457, sub-§1-A, ¶D is amended to read:

D. "Small beer manufacturer" means a small brewery or out-of-state brewer brewery that brews, lagers and kegs, bottles or packages its own malt liquor, not to exceed 30,000 barrels per year.

Sec. ? 28-A MRSA §1504, first ¶ is amended to read:

A person licensed under section 1502 as a sales representative for a spirits manufacturer or spirits supplier may give a retail licensee samples of spirits under the following conditions.

Sec. ? 28-A MRSA §1504, sub-§§3-A to 8 are amended to read:

~~3-A. Partial bottle spirits samples. Samples must be decanted from the spirits product bottle and provided to licensees licensed for on-premises consumption. The sales representative providing the sample shall maintain a log stating the names of the licensees who sampled the product and the amount sampled. Partial bottle samples must be properly sealed between tastings.~~

4. **Sampling record; prohibited recipients.** The sales representative who provides the sample shall maintain a log stating the names of the agency liquor store or on-premises retail licensee licensees to whom a full-bottle sample is given under subsection 5 or the person to whom a partial-bottle sample of who sampled the spirits is given under subsection 6 and the amount of that partial-bottle sample sampled.

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The person to whom the sales representative gives spirits samples under this section may not be a minor or a visibly intoxicated person.

5. Full-bottle samples. The maximum amount of unopened full-bottle samples of spirits given to a retail licensee by a sales representative may not exceed 6 liters per year per ~~distiller~~ distillery represented by that sales representative. Individual samples may not exceed one liter. A full-bottle sample is an unopened bottle of spirits provided to an agency liquor store or an on-premises retail licensee licensed to sell spirits.

6. ~~Retail sampling~~ Partial-bottle samples. Bottles of spirits designated for partial-bottle sampling must be properly sealed between samplings. Samples poured from a bottle of spirits designated for retail partial-bottle sampling may only be provided to an ~~on-premises licensee licensed to serve spirits~~ and to an agency liquor store on the premises of the agency liquor store if the person receiving the sample is 21 years of age or older and is in a supervisory or managerial position with the agency liquor store. Bottles of spirits designated for retail sampling must be properly sealed between samplings.:

A. On the premises of a retailer licensed to sell spirits for on-premises consumption to the owner of or a supervisory or managerial employee of the retailer, or

B. On the premises of an agency liquor store to the owner of or a supervisory or managerial employee of the agency liquor store.

7. Records maintained. Records of samples given or received under this section must be maintained for a 2-year period by the sales representative and the retail licensee who give or receive the giving or receiving samples.

8. Access to samples. A sales representative shall request samples from bailment inventory of a spirits supplier housed at the State's wholesale ~~liquor~~ spirits provider's warehouse for the purposes described under in this section.

Sec. ? 28-A MRSA §1551, sub-§3, ¶¶A and H are amended to read:

A. ~~Distiller~~ Distillery, includes bottling (one year).....\$1,000;

H. Small ~~distiller~~ distillery, includes bottling (one year).....\$100.

Sec. ? 28-A MRSA §1553, sub-§3, ¶B is amended to read:

B. The sampling of liquor authorized under paragraph A must be conducted in accordance with the licensed educational institution's alcohol safety procedures or guidelines and such liquor may not be served to any person who is a minor or who is visibly intoxicated.

Sec. ? 28-A MRSA §1651, sub-§1, first ¶ is amended to read:

1. State spirits tax. Except as provided in section 83-C, subsection 2-A, the commission shall determine and set the retail price at which ~~to sell all spirits to agency liquor stores that will~~ all spirits are sold by agency liquor stores. The retail price established by the commission must produce sufficient revenue to pay all spirits-related expenses of the bureau and to return to the Liquor Operation Revenue Fund established in Title 30-A, section 6054 and the General Fund an amount substantially equal to the amount of state spirits tax collected in the previous fiscal year.

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Sec. ? 28-A MRSA §1652, sub-§§2 and 4 are amended to read:

2. Excise tax on wine; hard cider. An excise tax is imposed on the privilege of manufacturing and selling wine in the State. The Maine manufacturer or importing wholesale licensee shall pay an excise tax of 60¢ per gallon on all wine other than sparkling wine, ~~fortified wine or hard cider~~ manufactured in or imported into the State; \$1.24 per gallon on all sparkling wine manufactured in or imported into the State; and 35¢ per gallon on all hard cider manufactured in or imported into the State.

4. Excise tax accounts and adjustments. The bureau shall open an excise tax account with all ~~manufacturers each wholesale licensees licensee~~ and each certificate of approval ~~holders holder~~ and make the following adjustments when appropriate. As used in this subsection, "certificate of approval holder" means an in-state manufacturer of malt liquor or wine licensed under section 1355-A or an out-of-state manufacturer of or out-of-state wholesaler of malt liquor or wine who has been issued a certificate of approval under section 1361.

A. The bureau may grant credits and make tax adjustments that it determines the wholesale licensee or certificate of approval holder is entitled to upon the filing of affidavits in the form prescribed by the bureau.

B. The bureau shall refund all excise tax paid by the wholesale licensee or certificate of approval holder on all malt liquor or wine ~~caused to be destroyed by a supplier that has been destroyed~~ as long as the quantity and size are verified by the bureau and the destruction is witnessed by an authorized representative of the bureau.

C. If a wholesale licensee's inventories are destroyed by fire, flood or other natural disaster, the bureau may refund the excise tax on the ~~wholesale licensee's inventories~~.

D. Any wholesale licensee selling malt liquor or wine to an instrumentality, a licensee for resale to an airline, a training site or a ship chandler shall present proof of that sale to the bureau. The bureau shall grant to the wholesale licensee a credit of all state excise tax paid in connection with that sale under the following conditions.

(1) The bureau shall grant a credit for the excise tax on malt liquor or wine sold by wholesale licensees to any instrumentality of the United States or any Maine National Guard state training site exempted by the bureau.

(2) The bureau shall grant a credit for the excise tax on malt liquor or wine sold to any ship chandler as long as the malt liquor and wine are resold to vessels of foreign registry for consumption after that vessel has left port or are resold for consumption on board vessels of United States registry that are destined for a foreign port.

(3) The bureau shall grant a credit for the excise tax on malt liquor and ~~table~~ wine sold to a licensee registered with the bureau for resale to licensed airlines or to unlicensed airlines for their international flights.

Sec. ? 28-A MRSA §2051, sub-§1, ¶D, sub-¶(2) is amended to read:

(2) Gaining access to a licensed ~~premise~~ premises when minors are not allowed. The following penalties apply to violations of this subparagraph.

Sec. ? 28-A MRSA §2073 is amended to read:

§2073. Importation and In-state transportation of liquor within the State for illegal sale

1. Illegal In-state transportation of liquor within the State for illegal sale prohibited. No A person may not knowingly transport within the State any liquor:

- A. With intent to sell the liquor in the State in violation of law;
- B. With intent that the liquor be illegally sold by any person; or
- C. With intent to aid any person in illegal sale of liquor.

2. Penalties. A person who knowingly violates this section commits a Class E crime.

3. Legal importation into and transportation of liquor within the State. Liquor may be legally imported into and transported within the State in the following situations:

A. Upon application, the bureau may grant to an individual a permit to transport liquor purchased for that person's own personal use.

B. For hire carriers and contract carriers, authorized by the Department of Public Safety, may transport liquor to liquor warehouses, to licensees, from manufacturers to liquor warehouses and to the state line for transportation outside the State.

C 1. Reselling agents may transport spirits to licensees who are licensed for the sale of spirits for on-premises consumption.

D. Manufacturers may transport liquor within the State to liquor warehouses, to persons authorized under paragraph E and to the state line for transportation outside the State.

E. The bureau may permit in writing the importation of liquor into the State and the transportation of liquor from place to place within the State to the following destinations for the specified purposes:

- (1) To hospitals and state institutions, for medicinal purposes only, liquor made available to them from stocks of liquor seized by the Federal Government;
- (2) To industrial establishments in the State for industrial uses;
- (3) To schools, colleges and state institutions for laboratory use only;
- (4) To any licensed pharmacist in the State for use in the compounding of prescriptions and other medicinal use, but not for sale by pharmacists unless compounded with or mixed with other substances; or
- (5) To any physician, surgeon, osteopath, chiropractor, optometrist, dentist or veterinarian for medicinal use only.

F. The bureau may authorize hospitals and state institutions to purchase spirits, for medicinal purposes only, from agency liquor stores. This authorization must be in writing.

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Sec. ? 28-A MRSAs §§2073-A, 2073-B, 2073-C, 2073-D and 2073-E are enacted to read:

§2073-A. Importation of spirits

1. Prohibition. Except as provided in subsection 2 and section 2073-E, a person other than the bureau may not transport spirits into the State or cause spirits to be transported into the State.

2. Exceptions. Notwithstanding subsection 1, a person may transport spirits into the State or cause spirits to be transported into the State in the following circumstances.

A. An individual may transport into the State up to 4 liters of spirits for the individual's personal use.

B. Upon application, the bureau may grant a permit to an individual authorizing the individual to transport into and within the State more than 4 liters of spirits for the individual's personal use.

C. An out-of-state spirits supplier may transport spirits into the State or may cause spirits to be transported into the State by a common carrier or contract carrier authorized by the Department of Public Safety. Each shipment of spirits transported into the State in accordance with this paragraph must be accompanied by an invoice that includes the purchase number and the names of the sender and intended recipient of the spirits, who must be an authorized to receive spirits imports under section 2073-B, subsection 2, paragraph B.

3. Penalties. The following penalties apply to violations of this section.

A. A person who transports into the State or who causes to be transported into the State a quantity of less than 40 liters of spirits in violation of this section commits a civil violation for which a fine of not more than \$500 may be adjudged.

B. A person who transports into the State or who causes to be transported into the State a quantity of 40 or more liters of spirits in violation of this section commits a Class E crime, which is a strict liability crime as defined in Title 17-A, section 34, subsection 4-A.

4. Evidence. The possession of more than 8 liters of spirits in one or more containers that are not labeled in accordance with Title 38, section 3105 is prima facie evidence of a violation of this section.

5. Forfeiture. Notwithstanding section 2221-A, a court shall order spirits transported or caused to be transported into the State in violation of this section to be forfeited to the State and disposed of as provided in section 2229:

A. If a person fails to appear in court either in person or by counsel on the date and time specified in response to a Uniform Summons and Complaint issued for a violation of this section; or

B. As part of every adjudication and imposition of a fine under subsection 3, paragraph A and every conviction under subsection 3, paragraph B.

§2073-B. In-state transportation of spirits

1. Prohibition. Except as provided in subsection 2, section 1201-A or section 2073-E, a person may not transport more than 4 liters of spirits within the State unless the spirits were legally purchased from:

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A. An agency liquor store; or

B. A Maine manufacturer authorized under section 1355-A to sell spirits for off-premises consumption.

2. Exceptions. Notwithstanding subsection 1, a person may transport spirits within the State in the following circumstances.

A. An individual may transport spirits within the State in accordance with a permit issued under 2073-A, subsection 2, paragraph B.

B. A person may transport spirits the person transported into the State pursuant to section 2073-A, subsection 2, paragraph C to:

(1) A warehouse designated by the commission under section 81; or

(2) A winery, brewery, bottler or rectifier licensed under section 1355-A.

C. A licensed Maine manufacturer of spirits may transport spirits produced by the manufacturer to or may cause a common carrier or contract carrier authorized by the Department of Public Safety to transport spirits produced by the manufacturer to:

(1) A warehouse designated by the commission under section 81;

(2) A winery, brewery, bottler or rectifier licensed under section 1355-A;

(3) Any location to which the licensed Maine manufacturer of spirits is authorized to transport its own products under section 1355-A; or

(4) The state line for transportation outside the State.

D. A wholesale spirits provider may transport spirits between warehouses designated by the commission under section 81 or to agency liquor stores as provided in section 503.

E. A reselling agent may transport spirits to on-premises retail licensees as provided in section 459.

Each shipment of spirits transported within the State in accordance with paragraphs B, C, D or E must be accompanied by an invoice that includes the purchase number and the names of the sender and intended recipient of the spirits.

3. Penalties. The following penalties apply to violations of this section.

A. A person who transports within the State a quantity of less than 40 liters of spirits in violation of this section commits a civil violation for which a fine of not more than \$500 may be adjudged.

B. A person who transports within the State a quantity of 40 or more liters of spirits in violation of this section commits a Class E crime, which is a strict liability crime as defined in Title 17-A, section 34, subsection 4-A.

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4. Evidence. The possession of more than 8 liters of spirits in one or more containers that are not labeled in accordance with Title 38, section 3105 is prima facie evidence of a violation of this section.

5. Forfeiture. Notwithstanding section 2221-A, a court shall order spirits transported within the State in violation of this section to be forfeited to the State and disposed of as provided in section 2229:

A. If a person fails to appear in court either in person or by counsel on the date and time specified in response to a Uniform Summons and Complaint issued for a violation of this section; or

B. As part of every adjudication and imposition of a fine under subsection 3, paragraph A and every conviction under subsection 3, paragraph B.

§2073-C. Importation of malt liquor or wine

1. Prohibition. Except as provided in subsection 2, section 1403-A or section 2073-E, a person may not transport malt liquor or wine into the State or cause malt liquor or wine to be transported into the State.

2. Exceptions. Notwithstanding subsection 1, a person may transport malt liquor or wine into the State or cause malt liquor or wine to be transported into the State in the following circumstances.

A. An individual may transport into the State up to 400 fluid ounces of malt liquor for and up to 4 liters of wine for the individual's personal use.

B. Upon application, the bureau may grant a permit to an individual authorizing the individual to transport into and within the State more than 400 fluid ounces of malt liquor for or more than 4 liters of wine for the individual's personal use.

Question: The subcommittee generally directed the conversion of the limits for malt liquor from gallons in current law to fluid ounces. 3 gallons = 384 fluid ounces or 32 twelve-ounce bottles or 24 sixteen-ounce bottles of malt liquor. Given that these amounts do not appear to correspond to package sizes in which malt liquor is commonly sold, we are suggesting converting the current statutory amounts to fluid ounces and then rounding up to the nearest hundred fluid ounces. Does the subcommittee find this change acceptable?

C. A licensed Maine small brewery, a licensed Maine small winery and a wholesale licensee may transport malt liquor or wine into the State or may cause malt liquor or wine to be transported into the State by an out-of-state manufacturer of malt liquor or wine who has been issued a certificate of approval, an out-of-state wholesaler who has been issued a certificate of approval or a common carrier or contract carrier authorized by the Department of Public Safety. Each shipment of malt liquor or wine transported into the State in accordance with this paragraph must be accompanied by an invoice that includes the purchase number and the names of the sender and the licensed Maine small brewery, licensed Maine small winery or wholesale licensee that is the intended recipient of the malt liquor or wine.

3. Penalties. The following penalties apply to violations of this section.

A. A person who transports into the State or who causes to be transported into the State a quantity of less than 1,300 fluid ounces of malt liquor or less than 40 liters of wine in violation of this section commits a civil violation for which a fine of not more than \$500 may be adjudged.

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B. A person who transports into the State or who causes to be transported into the State a quantity of 1,300 or more fluid ounces of malt liquor or 40 or more liters of wine in violation of this section commits a Class E crime, which is a strict liability crime as defined in Title 17-A, section 34, subsection 4-A.

4. Evidence. The possession of more than 800 fluid ounces of malt liquor in or more than 8 liters of wine in one or more containers that are not labeled in accordance with Title 38, section 3105 is prima facie evidence of a violation of this section.

5. Forfeiture. Notwithstanding section 2221-A, a court shall order malt liquor or wine transported or caused to be transported into the State in violation of this section to be forfeited to the State and disposed of as provided in section 2229:

A. If a person fails to appear in court either in person or by counsel on the date and time specified in response to a Uniform Summons and Complaint issued for a violation of this section; or

B. As part of every adjudication and imposition of a fine under subsection 3, paragraph A and every conviction under subsection 3, paragraph B.

§2073-D. In-state transportation of malt liquor or wine

1. Prohibition. Except as provided in subsection 2 and section 2703-E, a person may not transport within the State more than 400 fluid ounces of malt liquor or more than 4 liters of wine unless the malt liquor or wine was legally purchased from:

A. An off-premises retail licensee;

B. A Maine manufacturer authorized under section 1355-A to sell malt liquor or wine for off-premises consumption; or

C. A direct shipper licensed under section 1403-A.

2. Exceptions. Notwithstanding subsection 1, a person may transport malt liquor or wine within the State in the following circumstances.

A. An individual may transport within the State malt liquor or wine in accordance with a permit issued under section 2073-C, subsection 2, paragraph B.

B. A person may transport malt liquor or wine the person transported into the State pursuant to section 2073-C, subsection 2, paragraph C.

C. A licensed Maine manufacturer of malt liquor or wine may transport malt liquor or wine produced by the manufacturer to or may cause a common carrier or contract carrier authorized by the Department of Public Safety to transport malt liquor or wine produced by the manufacturer to:

(1) A bottler or rectifier licensed under section 1355-A;

(2) A wholesale licensee;

(3) Any location to which the licensed Maine manufacturer is authorized to transport its own products under section 1355-A;

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(4) A warehouse operated by the licensed Maine manufacturer; or

(5) The state line for transportation outside the State.

D. A wholesale licensee may transport malt liquor or wine to an on-premises or off-premises retailer of malt liquor or wine in accordance with section 713 and section 1401.

Each shipment of malt liquor or wine transported within the State in accordance with paragraphs B, C or D must be accompanied by an invoice that includes the purchase number and the names of the sender and intended recipient of the malt liquor or wine.

3. Penalties. The following penalties apply to violations of this section.

A. A person who transports within the State less than 1,300 fluid ounces of malt liquor or less than 40 liters of wine in violation of this section commits a civil violation for which a fine of not more than \$500 may be adjudged.

B. A person who transports within the State or 1,300 or more fluid ounces of malt liquor or 40 or more liters of wine in violation of this section commits a Class E crime, which is a strict liability crime as defined in Title 17-A, section 34, subsection 4-A.

4. Evidence. The possession of more than 800 fluid ounces of malt liquor in or 8 liters of wine in one or more containers that are not labeled in accordance with Title 38, section 3105 is prima facie evidence of a violation of this section.

5. Forfeiture. Notwithstanding section 2221-A, a court shall order malt liquor or wine transported within the State in violation of this section to be forfeited to the State and disposed of as provided in section 2229:

A. If a person fails to appear in court either in person or by counsel on the date and time specified in response to a Uniform Summons and Complaint issued for a violation of this section; or

B. As part of every adjudication and imposition of a fine under subsection 3, paragraph A and every conviction under subsection 3, paragraph B

§2073-E. Importation and in-state transportation of liquor for special purposes

1. Bureau may authorize importation and in-state transportation of liquor for special purposes. Notwithstanding any other provision of law to the contrary, the bureau may grant a permit authorizing the transportation of liquor into and within the State to the following persons for the following specified purposes:

A. To a hospital or state institution located in the State for medicinal purposes only;

B. To a physician, surgeon, osteopath, chiropractor, optometrist, dentist or veterinarian located in the State for medicinal purposes only;

C. To a licensed pharmacist located in the State for use in the compounding of prescriptions and other medicinal use, but not for sale by the pharmacist unless compounded with or mixed with other substances;

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D. To an industrial establishment located in the State only for an industrial use, for use as an ingredient in the manufacture of food products, for use as an ingredient in the manufacture of commodities that by reason of their nature cannot be used for beverage purposes or for use in the manufacture of commodities unfit for beverage purposes;

F. To a school, college or state institution located in the State for laboratory use only; and

G. To a licensed Maine manufacturer of spirits for use as an ingredient in distilling or manufacturing spirits and other spirituous products that are authorized by 27 Code of Federal Regulations. A permit issued under this paragraph only authorizes the transportation of spirits into and within the State and may not authorize the transportation of malt liquor or wine into and within the State.

H. To a church or the pastor of a church located in the State for sacramental purposes or similar religious rites only.

2. Invoice required. Each shipment of liquor transported into the State in accordance with this section must be accompanied by an invoice that includes the purchase number and the names of the sender and intended recipient of the liquor.

Sec. ? 28-A MRSA §2074, sub-§1 is amended to read:

1. Transportation on-premises or off-premises. Except as provided in section 1051, 1075-A, subsection 3 or 1080, any person who transports liquor onto or off of the premises of an on-premise on-premises retail licensee is guilty of a Class E crime.

Sec. ? 28-A MRSA §2074-A, first ¶ is amended to read:

A person licensed for the sale of spirits for consumption on the licensed premises who violates section 606, subsection 1-A or violates state rules or federal regulations governing the storage, purchase and sale of spirits, including but not limited to the prohibition against reusing or refilling liquor spirits bottles, and the disposition of empty liquor spirits bottles, is subject to suspension or revocation of the license under chapter 33 as follows.

Sec. ? 28-B MRSA §2075 is repealed.

§2075. Importation and transportation of spirits

1-A. Only bureau may import spirits. Except as provided in subsection 1-B, a person other than the bureau may not import spirits into the State.

A. A person who illegally imports or causes to be shipped into the State spirits in a quantity of less than 10 gallons commits a civil violation for which a fine of not more than \$500 must be adjudged.

B. A person who illegally imports or causes to be shipped into the State spirits in a quantity of 10 or more gallons commits a Class E crime, which is a strict liability crime as defined in Title 17-A, section 34, subsection 4-A.

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~~1-B. Permitted importation.~~ An individual may transport into the State and may transport from place to place within the State spirits for the individual's personal use in a quantity not greater than 4 quarts.

~~2. Transportation of spirits within State.~~ A person may not transport or cause to be transported any spirits within the State in a quantity greater than 4 quarts unless the spirits were purchased from an agency liquor store.

~~2-A. Evidence.~~ The possession of more than 8 quarts of spirits in one or more containers that are not labeled in accordance with Title 38, section 3105 is prima facie evidence of a violation of this section.

~~3. Importation and transportation of spirits for special purposes.~~ The bureau may, in writing, permit and authorize the importation of spirits into the State and the transportation of spirits from place to place within the State to the following destinations for the specified purposes:

A. To industrial establishments for use as an ingredient in the manufacture of food products, or for use as an ingredient in the manufacture of commodities that by reason of their nature can not be used for beverage purposes, or for use in the manufacture of commodities unfit for beverage purposes;

B. To licensed distillers and manufacturers of spirits in the State for use as an ingredient in distilling or manufacturing spirits and other spirituous products that are authorized by 27 Code of Federal Regulations; and

C. To churches or to the pastor of any church for sacramental purposes or similar religious rites.

~~5. Forfeiture of spirits.~~ Notwithstanding section 2221-A, if a person fails to appear in court on the date and time specified in response to a Uniform Summons and Complaint issued for a violation of this section, either in person or by counsel, the court shall order the spirits imported or transported in excess of that allowed by subsection 1-A or 2 to be forfeited to the State. As part of every adjudication and forfeiture imposed under this section the court shall order the spirits imported or transported in excess of that allowed by subsection 1-A or 2 to be forfeited to the State. Spirits forfeited under this subsection must be disposed of as prescribed in section 2229.

Sec. ? 28-A MRSA §2076 is amended to read:

§2076. Illegal delivery of liquor spirits

1. Delivery of liquor ~~Illegal delivery of spirits prohibited.~~ Except with the bureau's written permission or except as provided in section 503, subsection 1 for wholesale spirits providers or in section 2073, subsection 3, paragraph C-1 459 for reselling agents, a person may not knowingly transport to or cause to be delivered to any person other than the bureau any spirits not purchased from an agency liquor store.

2. Penalties. Any A person who violates this section commits a Class E crime.

Sec. ? 28-A MRSA §2077 is repealed.

~~**§2077. Importation and transportation of malt liquor and wine**~~

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~~1-A. Importation of malt liquor or wine into State.~~ Except as provided in section 1403-A, a person other than a wholesale licensee, small brewery licensee or small winery licensee may not transport or cause to be transported malt liquor or wine into the State in a quantity greater than 3 gallons for malt liquor or 4 quarts for wine, unless it was legally purchased in the State. The following penalties apply to violations of this subsection:

~~A. A person who illegally transports into the State wine or malt liquor in a quantity of less than 10 gallons commits a civil violation for which a fine of not more than \$500 must be adjudged.~~

~~B. A person who illegally transports into the State wine or malt liquor in a quantity of 10 or more gallons commits a Class E crime, which is a strict liability crime as defined in Title 17-A, section 34, subsection 4 A.~~

~~1-B. Invoice required.~~ Each shipment of malt liquor or wine transported or caused to be transported by a wholesale licensee, small brewery licensee or small winery licensee into the State must be accompanied by an invoice that includes the wholesale licensee's, small brewery licensee's or small winery licensee's name and purchase number.

~~2. Transportation of malt liquor and wine within State.~~ Except as provided in section 1403-A, a person other than a licensee may not transport malt liquor, in a quantity greater than 3 gallons, or wine, in a quantity greater than 4 quarts, within the State unless it was purchased from an off premise retail licensee.

~~A. A person who illegally transports within the State wine or malt liquor in a quantity of less than 10 gallons commits a civil violation for which a fine of not more than \$500 must be adjudged.~~

~~B. A person who illegally transports within the State wine or malt liquor in a quantity of 10 or more gallons commits a Class E crime, which is a strict liability crime as defined in Title 17-A, section 34, subsection 4 A.~~

~~2-A. Evidence.~~ The possession of more than 6 gallons of malt liquor or 8 quarts of wine in one or more containers that are not labeled in accordance with Title 38, section 3105 is prima facie evidence of a violation of this section.

~~3. For hire carriers and contract carriers may import and transport within State.~~ For hire carriers and contract carriers, authorized by the Department of Public Safety, may transport malt liquor or wine into and within the State to licensees, to purchasers of malt liquor or wine from licensees and to the state line for transportation outside the State.

~~5. Forfeiture of malt liquor or wine.~~ Notwithstanding section 2221-A, if a person fails to appear in court on the date and time specified in response to a Uniform Summons and Complaint issued for a violation of this section, either in person or by counsel, the court shall order the malt liquor or wine imported or transported in excess of that allowed by subsection 1-A or 2 to be forfeited to the State. As part of every adjudication and fine imposed under this section, the court shall order the malt liquor or wine imported or transported in excess of that allowed by subsection 1-A or 2 to be forfeited to the State. Malt liquor or wine forfeited under this subsection must be disposed of as prescribed in section 2229.

Sec. ? 28-A MRSA §2202 is amended to read:

§2202. Bail after failure to comply with terms of bond

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In any prosecution for violation of the laws relating to manufacture or sale of liquor, a defendant who has failed to comply with the term of any bond entered into by the defendant in that case may not again be admitted to bail in that case or upon arrest on any warrant issued in that case, except by a judge or justice of the court in which that prosecution is pending.

Sec. ? 28-A MRSA §2203 headnote is amended to read:

§2203. Evidence of illegal sale; allegation of prior conviction

Sec. ? 28-A MRSA §2229, sub-§2 is repealed and the following enacted in its place:

2. Sale of forfeited spirits by bureau. The bureau or a wholesale spirits provider may restock and resell forfeited spirits at agency liquor stores throughout the State or may destroy forfeited spirits by pouring the spirits upon the ground or into a public sewer.

Sec. ? 28-A MRSA §2504, sub-§2, ¶A is amended to read:

A. The intoxicated individual if ~~he~~ the intoxicated individual is at least 18 years of age when served by the server

Sec. ? 28-A MRSA §2509, sub-§2 is amended to read:

2. Multiple claimants. When the amount for all losses, except expenses for medical care and treatment, including devices and aids, awarded to or settled for multiple claimants, exceeds the limit imposed by this section, any party may apply to the Superior Court for the county where the server is located to allocate each claimant ~~his~~ an equitable share of the total, limited as required by this section.

A. Any award by the court in excess of the maximum liability limit specified by subsection 1 shall be automatically abated by operation of this section to the maximum limit of liability.

Sec. ? 28-A MRSA §2516, sub-§1, ¶C is amended to read:

C. Is refused service in a good faith effort to prevent ~~him~~ the individual from becoming visibly intoxicated.

Sec. ? 28-A MRSA §2516, sub-§2, ¶B is amended to read:

B. The licensee informs the individual why ~~he~~ the licensee is retaining the identification documents.

SUMMARY

This bill, which is reported out of committee pursuant to Resolve 2019, chapter 15, changes the headnote of section 2003-A of Title 17 of the Maine Revised Statutes to clarify that this section prohibits public drinking.

This bill also makes a number of changes to Title 28-A of the Maine Revised Statutes – the State’s liquor laws – to standardize the language used in those laws, to correct errors, conflicts, ambiguities, omissions and inconsistencies in those laws and to revise those laws, including the by making the following changes.

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1. It makes a number of changes to address ambiguities, inconsistencies and conflicts in the laws governing certificates of approval, including the following.
 - A. It restructures the definition of “certificate of approval holder,” a term that includes persons with certificates of approval as well as persons with in-state manufacturing licenses, to add clarity and ensures the defined term is used correctly throughout the Title.
 - B. It resolves a conflict in the law by removing in-state manufacturers, who receive licenses, from a provision requiring persons engaged in certain activities to obtain certificates of approval.
 - C. It changes from a certificate of approval to a license the type of authority that a person who operates a special warehouse storage facility must obtain because the laws specific to certificate of approval holders generally do not apply to special warehouse storage facilities. It further clarifies which laws are applicable to licensed special warehouse storage facilities.
 - D. It removes ambiguities by clarifying which of the general qualification and application requirements for liquor licenses apply to applicants for a certificate of approval and by specifying that persons who have been issued certificates of approval are subject to administrative discipline for violating liquor laws and rules under Chapter 33 of the Title to the same extent as persons who have been issued licenses.
 - E. It removes a conflict in the law by repealing a provision requiring the Department of Administrative and Financial Services, Bureau of Alcoholic Beverages and Lottery Operations to deposit the yearly fees paid by certificate of approval holders into the General Fund because, under section 83-B, the bureau is directed to deposit its net revenues in the General Fund.
2. It removes ambiguous language from the definitions section stating that only “responsible persons” or “persons of good reputation” may obtain certain types of liquor licenses but retains the general character requirements for licensure set forth in section 654 of the Title.
3. It moves the definitions of “pool hall” and “minibar” into and the definitions of “club member” and “hotel guest” out of the subsection of law that provides definitions for the types of establishments eligible to obtain liquor retail licenses. It also ensures consistent use of these defined terms throughout the Title.
4. It replaces the word “clubs” with the word “centers” in the statutes describing the requirements for licensure of indoor racquet centers, ice skating centers and curling centers to dispel confusion regarding whether the licensure requirements applicable to clubs apply to these centers. It also corrects several errors in the law that, in combination, suggest curling centers may only be licensed to sell wine and not spirits or malt liquor.
5. It makes a number of changes to the laws requiring that certain on-premises retail licensees either offer food to the public or sell a specific amount of food to the public to maintain their eligibility for a liquor license, including:
 - A. Replacing several duplicative definitions of “full course meal” with the substantively identical definition of “full meal” that also appears in current law and ensuring consistent use of this defined term throughout the Title.

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B. Removing language regarding the service of meals from the definition of “hotel,” because hotels are not required to sell meals to the public under existing law.

C. Removing a conflict in current law by specifying that a hotel with a Class I-A license is not required to have 10% of its gross annual income from the sale of food.

C. Clarifying that, to calculate whether a hotel that does not have a Class I-A license has satisfied the requirement that at least 10% of its gross annual income be from the sale of food, the hotel’s income from the rental of rooms or from the sale of liquor in separately licensed minibars is not included. This new provision matches current practice and mirrors an existing provision of law that excludes income from the bowling business to calculate whether a bowling center has satisfied the requirement that at least 10% of its gross annual income be from the sale of food.

D. Clarifying that qualified catering services may be located in unincorporated places and filling an omission in current law by specifying that a licensed part-time qualified catering service that operates for no more than 3 months in a year in a municipality having a population of 20,001 to 30,000 persons must have a minimum annual gross income of \$10,000 from the sale of food to the public.

E. Standardizing language regarding the Department of Administrative and Financial Services, Bureau of Alcoholic Beverages and Lottery Operations’s assessment of whether an applicant for an initial on-premises retail license is likely to meet or an applicant for renewal of an on-premises retail license has met any applicable food-sales requirements.

F. Establishing a new one-year grace period for an on-premises retail establishment that applies for license renewal but did not meet an applicable food-sales requirement during the previous year.

6. It defines “spirits supplier,” a previously undefined term, and standardizes the statutory language used to describe spirits suppliers throughout the State’s liquor laws, including by removing references to spirits “brokers” who are now included in the “spirits supplier” definition. It also newly authorizes spirits suppliers to offer sweepstakes, games and contests inside packages of spirits under the same conditions that licensed Maine manufacturers, wholesale licensees and retail licensees may offer sweepstakes, games and contests inside packages of liquor.

7. It replaces the term “liquor,” which is defined for purposes of the State’s liquor laws to mean malt liquor, wine and spirits, with more specific terms in several statutes when all three types of alcohol are not intended to be included.

8. It removes unnecessary statutory references to fortified wine in statutes that govern wine generally, because “wine” is defined for purposes of the State’s liquor laws to include fortified wine.

9. It resolves an inconsistency by providing that public service corporation licenses are issued to airlines, railroad corporations and vessel corporations and not the individual aircraft, dining cars, passenger cars and vessels that they operate in the State. It also removes a duplicative statute governing public service corporations and standardizes the language used throughout the Title regarding public service corporations.

10. It clarifies an ambiguity in the law by specifying that the term “wholesale licensee” as used in the State’s liquor laws, means only a licensed in-state wholesaler of malt liquor or wine and not an out-of-state wholesaler of malt liquor or wine who has been issued a certificate of approval. It also extends

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the prohibition against a wholesale licensee selling to another wholesale licensee any malt liquor or wine that has not been purchased from a certificate of approval holder or a licensed special warehouse storage facility to a prohibition against a wholesale licensee selling such products to any purchaser, including a retail licensee.

11. It replaces the phrase “wholesale liquor provider” with the phrase “wholesale spirits provider” throughout the State’s liquor laws to more accurately describe the scope of that entity’s authority in the State. It also removes an inconsistency in the law by specifying that the wholesale spirits provider and the principal officers of the wholesale spirits provider may not hold or have a direct financial interest in an agency liquor store license or a license to manufacture any type of liquor in this State or another state.

12. It makes several changes to the laws governing hard cider to address ambiguities and omissions in those laws in a manner that matches current practice, including by making the following changes.

A. Although hard cider technically meets the definition of “wine” under existing law, it adds clarifying language expressly stating that hard cider is considered “wine” for purposes of the Title.

B. It clarifies that hard cider may be sold by retailers licensed to sell either malt liquor or wine for on-premises or off-premises consumption.

C. It provides that hard cider may be sold and distributed within the state by wholesale licensees authorized to sell and distribute either malt liquor or wine within the State.

D. It clarifies that hard cider products are not subject to the general 60¢ per gallon excise tax on wine set forth in section 1652, subsection 2 of Title 28-A. Hard cider products are instead subject only to the 35¢ per gallon excise tax on hard cider set forth in the same subsection.

13. It makes several changes to the laws governing low-alcohol spirits products to address ambiguities, inconsistencies and omissions in those laws, including by making the following changes.

A. It clarifies that products containing less than 1/2 of 1% of alcohol by volume are not considered low-alcohol spirits products, just as all products containing less than 1/2 of 1% of alcohol by volume are not considered liquor and thus not subject to regulation under the Title.

B. It newly specifies that licensed Maine distilleries, small distilleries and rectifiers are authorized to produce low-alcohol spirits products and that licensed Maine breweries, small breweries and tenant breweries are authorized to produce low-alcohol spirits products containing malt liquor. Current law already authorizes licensed Maine wineries to produce low-alcohol spirits products that contain wine, because these products are a type of “fortified wine” as that term is defined for purposes of the Title.

C. It specifies that, as is current practice, low-alcohol spirits products may be sold and distributed within the State by wholesale licensees authorized to sell and distribute wine within the State.

D. It clarifies that, as is current practice, low-alcohol spirits products that qualify as fortified wine are not subject to the general 60¢ per gallon excise tax on wine under section 1652, subsection 2 of Title 28-A. All low-alcohol spirits products are instead subject to a \$1.24 per gallon excise tax

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under section 1652, subsection 1-A and a 30¢ per gallon low-alcohol spirits product tax under section 1365.

14. It replaces the phrase “alcoholic beverages,” which is not defined for the purposes of the State’s liquor laws, with the appropriate defined terms throughout the liquor laws.

15. It combines in a single section of statute the licensing fees for agency liquor stores that are currently listed in separate provisions. It also removes an ambiguity in the law by clarifying that, as is the current practice, agency liquor store licenses grant authority to sell not only spirits but also malt liquor and wine for off-premises consumption.

16. It clarifies that an applicant for a liquor license must possess all licenses, permits or approvals required under Title 22 of the Maine Revised Statutes for the applicant’s underlying business before applying for the liquor license.

17. It removes inconsistencies in several provisions of the liquor laws regarding the types of establishments eligible to obtain auxiliary licenses, off-premises catering licenses and mobile service bar licenses. It also specifies that, as is current practice, when an on-premises retail licensee obtains an off-premises catering license, that license only authorizes the licensee to conduct off-premises catering of the same type or types of liquor that the licensee may sell pursuant to the licensee’s underlying on-premises retail license.

18. It makes a number of changes to the laws governing liquor taste-testing events and product sampling activities to address ambiguities, inconsistencies and omissions in those laws, including the following.

A. It clarifies that the prohibitions against serving liquor to minors or to visibly intoxicated persons apply to all authorized liquor taste-testing and product sampling events.

B. It newly specifies who, other than a licensed sales representative, may pour samples at taste-testing and product sampling events. Under the bill, samples may also be poured by an employee of the off-premises or on-premises retailer where the taste-testing or product sampling event takes place or, where applicable, by the owner or employee of the licensed Maine manufacturer that produced the product being tasted or sampled.

C. It clarifies an ambiguity by specifying that, other than during an authorized taste-testing or product sampling event, an on-premises retail licensee has a duty to prevent the consumption of liquor on the retail licensee’s premises.

D. It resolves a conflict in current law by providing that, when an authorized taste-testing event is held on a portion of the premises of an on-premises retail licensee, the bureau must temporarily suspend the authority of the on-premises retail licensee to sell liquor for on-premises consumption in the area designated for the taste-testing event. The on-premises retail licensee may nevertheless continue to sell liquor for on-premises consumption on the portion of its premises that falls outside the area designated for the taste-testing event.

E. It fills an omission in the law by specifying that an out-of-state manufacturer who is sponsored by a certificate of approval holder, wholesale licensee or spirits supplier to participate in a taste-testing event may provide for taste testing any spirits, wine or malt liquor produced by the sponsored manufacturer, even though those products are not currently listed for sale in the State.

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F. It moves the statutory language granting licensed Maine liquor manufacturers the authority to sell their products at certain taste-testing events from the manufacturer licensing statute to the relevant taste-testing event statute for clarity and grants small distilleries new authority to self-distribute their spirits products for sale at these taste-testing events.

G. It restricts the types of individuals who may receive partial-bottle samples of spirits or wine under statutes authorizing sampling by retail licensees to the owner and supervisory or managerial employees of the retail licensee. This restriction exists in current law only for the receipt of partial-bottle samples of spirits by employees of agency liquor stores.

19. It corrects an error in current law that suggests on-premises retail licenses are issued to international air terminals and instead specifies that on-premises retail licenses may be issued to otherwise-qualified establishments located within international air terminals.

20. It streamlines the process for disposal of spirits subject to court's forfeiture order by newly authorizing the Department of Administrative and Financial Services, Bureau of Alcoholic Beverages and Lottery Operations or a wholesale spirits provider to choose, without obtaining an additional court order, to destroy the forfeited spirits rather than to restock and resell the forfeited spirits in agency liquor stores.

21. It makes a number of changes to the State's laws governing the administration and sale of spirits in the State to address errors and inconsistencies in those laws, including the following.

A. It amends conflicting provisions of law regarding the pricing of spirits to clarify that, as is current practice, the State Liquor and Lottery Commission establishes the retail price of spirits and the Department of Administrative and Financial Services, Bureau of Alcoholic Beverages and Lottery Operations establishes the wholesale price of spirits, which is the price that agency liquor stores pay to purchase spirits from the bureau.

B. It resolves a conflict in the laws governing the purchase of spirits by removing statutory language suggesting that agency liquor stores may purchase spirits from a wholesale spirits provider and retaining provisions of law correctly stating that agency liquor stores purchase spirits only from the bureau.

C. It amends statutory provisions incorrectly suggesting that any agency liquor store may sell or deliver spirits to on-premises retailers and clarifies that only agency liquor stores that are licensed as reselling agents may make these sales and deliveries.

22. It makes a number of additional changes to section 1355-A of the Title, the statute governing the licensure of Maine liquor manufacturers, including the following.

A. It restores the statutory authority of Maine bottlers and rectifiers to obtain licenses, which authority was unintentionally repealed through Public Law 2019, chapter 529. It also newly specifies the types of sampling activities that may occur on the premises of a licensed Maine bottler or rectifier under current practice.

B. It combines in one location several scattered provisions describing the authority of licensed Maine breweries, small breweries, wineries, small wineries, distilleries and small distilleries, at the manufacturing facility where their products are produced, to sell samples of those products to the public or offer samples of those products to the public at no cost. It newly clarifies that samples may not be served to minors or visibly intoxicated persons and that the area of the manufacturing facility where these samples are sold or offered need not be separate from and may

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be accessed by the same entrance as the area of the manufacturing facility that is licensed for on-premises retail sales.

C. It combines in one location several scattered provisions describing the authority of licensed Maine breweries, small breweries, wineries, small wineries, distilleries and small distilleries, at the manufacturing facility where their products are produced, to sell their products for off-premises consumption.

D. It moves the provision authorizing breweries and small breweries to sell malt liquor for off-premises consumption in kegs from a generally applicable subsection of the statute to the subsection of the statute specifically applicable to breweries and small breweries.

E. It moves the provision requiring small breweries and small wineries to keep and maintain records of their sales to retail licensees from a generally applicable subsection of the statute to two subsections of the statute specifically applicable to small breweries and to small wineries.

F. It clarifies, as is current practice, that when calculating whether a licensed Maine manufacturing facility's one statutorily authorized establishment for on-premises sales has satisfied any applicable statutory requirement that 10% of its gross annual income be from the sale of food, income from the Maine manufacturer's sale of liquor samples or sale of liquor for off-premises consumption is not included.

G. It clarifies the language of the provision authorizing each licensed Maine brewery, small brewery, winery, small winery, distillery and small distillery to obtain one license to conduct on-premises retail sales per licensed manufacturing facility. It also relaxes the requirements applicable when a distillery or small distillery obtains this type of on-premises retail license by eliminating the requirements that the on-premises retail establishment be a Class A restaurant or Class A restaurant/lounge owned by the same person who owns the distillery or small distillery. Instead, under the bill a distillery or small distillery may obtain any type of on-premises retail license as long as the same person or persons holds a majority ownership interest in on-premises retail license and the distillery or small distillery. These relaxed requirements match the requirements applicable under current law when a licensed brewery, small brewery, winery or small winery obtains this type of on-premises retail license.

H. It newly authorizes a licensed Maine manufacturing facility that has its one statutorily authorized licensed establishment for on-premises sales at a location separate from its manufacturing facility to conduct sales of its products for off-premises consumption at that separate licensed location. Under current law, a Maine manufacturing facility may conduct sales of its products for off-premises consumption at its one licensed establishment for on-premises sales only if the on-premises establishment is located at the manufacturing facility. Similarly, the bill newly specifies that the products that may be sold for off-premises consumption at the separate licensed location include, when the licensed Maine manufacturer is a brewery or a small brewery, malt liquor packaged in refillable containers, commonly referred to as growlers. Under current law, a brewery or small brewery may sell growlers at its one licensed establishment for on-premises sales only if that on-premises establishment is located at the brewery or small brewery.

I. It resolves a conflict in current law and conforms the law to current practice by specifying that, when a small distillery serves samples of its products at its manufacturing facility, it need not first send those products through the State's spirits warehouse and distribution system.

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J. It clarifies an ambiguity in the law by explicitly stating that a licensed small winery, which may under current law obtain licenses to conduct off-premises retail sales at up to 2 additional locations other than the manufacturing facility, must pay a \$50 license fee for each of those additional locations. It similarly clarifies that a licensed small distillery, which may under current law also obtain licenses to conduct off-premises retail sales at up to 2 additional locations other than the manufacturing facility, must pay a \$100 license fee for each of those additional locations.

K. It fills an omission in the law and matches current practice by specifying that a tenant brewery or tenant winery seeking licensure may pay the reduced license fee for a small brewery or small winery if it qualifies as a small brewery or small winery. Otherwise, the tenant brewery or tenant winery must pay the higher brewery or winery license fee.

23. It reorganizes, clarifies and removes inconsistencies in the laws governing the importation of liquor into and the transportation of liquor within the State. It also changes the units of measurement applicable to spirits and wine in these provisions from quarts and gallons to liters, which is the unit of measurement typically used by the public when referring to spirits and wine products, and it changes the unit of measurement applicable to malt liquor from gallons to fluid ounces, which is the unit of measurement typically used by the public when referring to malt liquor products.

24. It corrects scattered typographical, cross-reference and drafting errors in the Title, including by removing all gendered pronouns as required by Public Law 2019, ch. 479, §52.

