



132nd MAINE LEGISLATURE

FIRST REGULAR SESSION-2025

Legislative Document

No. 494

H.P. 323

House of Representatives, February 11, 2025

An Act to Update and Clarify Certain Provisions of State Liquor and Lottery Laws

Submitted by the Department of Administrative and Financial Services pursuant to Joint Rule 204.

Received by the Clerk of the House on February 6, 2025. Referred to the Committee on Veterans and Legal Affairs pursuant to Joint Rule 308.2 and ordered printed pursuant to Joint Rule 401.

A handwritten signature in cursive script, reading "R B. Hunt".

ROBERT B. HUNT
Clerk

Presented by Representative SUPICA of Bangor.

Cosponsored by Representatives: DOUDERA of Camden, GUERRETTE of Caribou.

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

PART A

Sec. A-1. 28-A MRSA §2, sub-§15, ¶N-2 is enacted to read:

N-2. "Purveyor of spirits" means an agency liquor store licensed by the bureau under section 462 to conduct unlimited spirits taste-testing events on the agency liquor store's licensed premises.

Sec. A-2. 28-A MRSA §2, sub-§33-A, as enacted by PL 2021, c. 658, §32, is amended to read:

33-A. Vessel. "Vessel" means a ship, vessel or boat of any kind used for navigation of the coastal waters or for commercial navigation of inland waters and licensed for carrying no fewer than 25 12 passengers under the requirements of the Public Utilities Commission or the United States Coast Guard.

Sec. A-3. 28-A MRSA §10, sub-§1, as amended by PL 2021, c. 658, §44, is further amended to read:

1. Class A restaurant or restaurant and off-premises retail licensee on same premises not prohibited. If a portion of the premises is licensed as an off-premises retail licensee, ~~no provision within~~ this Title may **not** 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 and food is available for free or purchase at all times that liquor is sold for on-premises consumption.

Sec. A-4. 28-A MRSA §10, sub-§2-B, as amended by PL 2021, c. 658, §§45 and 46, is further amended to read:

2-B. Access exception. Notwithstanding subsection 2, there may be access between the 2 licensed areas by the public as provided by this subsection.

A. There may be access between the 2 licensed areas when there is a clear delineation of space, by a wall or permanent barrier that separates the 2 licensed areas and allows only one clearly defined and controlled point of access for patrons between the licensed establishments. The controlled point of access is not required to include a door that must be physically opened and closed.

B. When access between the 2 licensed areas exists for patrons of either establishment, all food must be available for free or purchase at all times that malt liquor and wine is sold for on-premises consumption ~~must be served by an employee of the licensed on-premises establishment and:~~

~~(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,

1 cheeseburgers, hot dogs and pizza. A meal consisting solely of prepackaged snack
2 foods such as popcorn, chips or pretzels is not a "hot or cold meal" within the
3 meaning of this subparagraph.

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

9 **Sec. A-5. 28-A MRSA §13**, as repealed and replaced by PL 2021, c. 658, §49, is
10 amended to read:

11 **§13. Low-alcohol spirits products sold by malt liquor or wine licensees**

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

17 **2. Wholesale sales.** Notwithstanding any provision of this Title to the contrary, a
18 person licensed under section 1401 as an in-state wholesaler of malt liquor or wine may
19 also sell and distribute low-alcohol spirits products.

20 **Sec. A-6. 28-A MRSA §453-C, sub-§1**, as amended by PL 2021, c. 658, §70, is
21 further amended to read:

22 **1. License to resell spirits purchased from the bureau; fortified wine sale**
23 **permitted.** An agency liquor store may not resell spirits purchased from the bureau to a
24 retail licensee licensed for on-premises consumption unless the agency liquor store is
25 licensed as a reselling agent under this section. A reselling agent is prohibited from
26 reselling spirits to a retail licensee licensed for on-premises consumption unless the spirits
27 are purchased from the bureau. A reselling agent may sell fortified wine to a retail licensee
28 for on-premises consumption.

29 **Sec. A-7. 28-A MRSA §462** is enacted to read:

30 **§462. Purveyor of spirits**

31 **1. License.** An agency liquor store may obtain a purveyor of spirits license to conduct
32 unlimited taste-testing events as provided in this section.

33 **2. License fee.** The fee for a purveyor of spirits license is \$500.

34 **3. Eligibility.** An agency liquor store is eligible for a purveyor of spirits license if it
35 meets the following criteria:

36 A. The agency liquor store has in stock a minimum of 1,500 different product codes.
37 For the purposes of this paragraph, "product code" has the same meaning as in section
38 461; and

39 B. At least 50% of the agency liquor store sales are from the sale of liquor.

40 **4. Conditions for conducting taste-testing events.** The conditions under this
41 subsection apply to taste-testing events under this section.

1 A. Spirits may not be served to a person who has not yet attained 21 years of age.

2 B. A person who is visibly intoxicated may not be served.

3 C. Spirits served at a taste-testing event under a purveyor of spirits license must be:

4 (1) Provided by the agency liquor store;

5 (2) Purchased at the retail price by a licensed sales representative participating in
6 the taste-testing event from existing stock available for purchase at the agency
7 liquor store; or

8 (3) Provided by a licensed sales representative participating in the taste-testing
9 event or a spirits supplier, including those licensed under section 1355-A,
10 participating in the taste-testing event and purchased in the State at the retail price.
11 The purveyor of spirits shall maintain and make available to the bureau a record of
12 transactions under this subparagraph.

13 D. Spirits may be poured for the taste-testing event only by the owner or an employee
14 of the agency liquor store, by a sales representative licensed under section 1502 or by the
15 spirits supplier.

16 5. Mixed drinks. The purveyor of spirits licensee may provide mixed drinks
17 containing spirits for a taste-testing event.

18 6. Spirits containers used for taste-tasting events. Spirits containers that have been
19 opened for a taste-testing event must be resealed and stored in an area not accessible by the
20 public after the taste-testing event.

21 7. Rules. The bureau may adopt rules to implement this section. Rules adopted
22 pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375,
23 subchapter 2-A.

24 **Sec. A-8. 28-A MRSA §709, sub-§2, ¶I,** as amended by PL 2021, c. 658, §104,
25 is further amended to read:

26 I. Conducting taste testing under section 460, 462, 1051, 1205, 1207, 1368 or 1402;

27 **Sec. A-9. 28-A MRSA §1012, sub-§3,** as amended by PL 2023, c. 285, §1, is
28 further amended to read:

29 **3. Off-premises catering license.** A club licensed to sell spirits, wine and malt liquor
30 or a licensed Class A restaurant, licensed Class A restaurant/lounge, licensed restaurant,
31 licensed Class A lounge, licensed hotel, licensed bed and breakfast, licensed golf course,
32 licensed auditorium, licensed civic auditorium or licensed performing arts center may
33 obtain a license to conduct off-premises catering of the same type or types of liquor that
34 the establishment may sell pursuant to the establishment's underlying club, Class A
35 restaurant, Class A restaurant/lounge, restaurant, Class A lounge, hotel, bed and breakfast,
36 golf course, auditorium, civic auditorium or performing arts center license as provided in
37 section 1052. The fee for an off-premises catering license is \$10 per calendar day of the
38 event or gathering.

39 **Sec. A-10. 28-A MRSA §1052, sub-§1,** as amended by PL 2023, c. 285, §2, is
40 further amended to read:

1 **1. Off-premises catering license for sale of liquor.** A club licensed to sell spirits,
2 wine and malt liquor or a licensed Class A restaurant, licensed Class A restaurant/lounge,
3 licensed restaurant, licensed Class A lounge, licensed hotel, licensed bed and breakfast,
4 licensed golf course, licensed auditorium, licensed civic auditorium or licensed performing
5 arts center may apply for an additional license to conduct off-premises catering at planned
6 events or gatherings to be held at locations other than the licensee's premises under this
7 section.

8 **Sec. A-11. 28-A MRSA §1052, sub-§3-A**, as amended by PL 2023, c. 285, §3, is
9 further amended to read:

10 **3-A. Type of liquor.** An off-premises catering licensee may sell at an event described
11 in subsection 3 only the type or types of liquor that the licensee is authorized to sell pursuant
12 to the licensee's underlying club, Class A restaurant, Class A restaurant/lounge, restaurant,
13 Class A lounge, hotel, bed and breakfast, golf course, auditorium, civic auditorium or
14 performing arts center license.

15 **Sec. A-12. 28-A MRSA §1061, sub-§1**, as amended by PL 1995, c. 270, §1, is
16 further amended to read:

17 **1. Issuance of licenses.** The bureau may issue licenses under this section for the sale
18 of spirits, wine and malt liquor to be consumed on the premises to hotels, ~~as defined in~~
19 ~~section 2, subsection 15, paragraph H~~ as long as the hotel has a minimum of 4 guest rooms
20 and is licensed by the Department of Health and Human Services, as required by rule.

21 **Sec. A-13. 28-A MRSA §1061, sub-§4**, as amended by PL 1995, c. 270, §1, is
22 repealed.

23 **Sec. A-14. 28-A MRSA §1061, sub-§5** is enacted to read:

24 **5. Consumer transport of liquor within hotel.** A licensed hotel may permit
25 consumers to transport spirits, wine or malt liquor purchased in areas designated for the
26 consumption of spirits, wine or malt liquor to individual guest rooms.

27 **Sec. A-15. 28-A MRSA §1068**, as amended by PL 1997, c. 373, §92, is repealed.

28 **Sec. A-16. 28-A MRSA §1069-A**, as amended by PL 1997, c. 373, §93, is repealed.

29 **Sec. A-17. 28-A MRSA §1070**, as amended by PL 2021, c. 658, §§185 and 186, is
30 further amended to read:

31 **§1070. Civic Auditoriums; civic auditoriums; outdoor stadiums; and performing arts**
32 **centers**

33 **1. Issuance of licenses.** The bureau may issue licenses to auditoriums, civic
34 auditoriums ~~as defined in section 2, subsection 15, paragraph C~~, outdoor stadiums and
35 performing arts centers under this section for the sale of spirits, wine and malt liquor. The
36 license may be issued to the owner ~~of the civic auditorium~~, or the operator of the
37 auditorium, civic auditorium, outdoor stadium or performing arts center or to the entity
38 providing spirits, wine and malt liquor to the public in the auditorium, civic auditorium,
39 outdoor stadium or performing arts center.

40 **2. Events on licensed premises only.** ~~Licenses issued to civic auditoriums may be~~
41 ~~used only in conjunction with a function or event held on the licensed premises.~~

3. No sales during events for minors. Licensees may not sell spirits, wine or malt liquor during any school activities or events primarily attended by minors in the rooms where these activities are taking place.

5. Bottle service of spirits; designated areas. A ~~civic auditorium~~ licensee under this section 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 must be 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; and

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~~ licensee must sign a contract with the auditorium, civic auditorium, outdoor stadium or performing arts center agreeing that ~~no~~ any person under who has not attained 21 years of age will not be provided or served liquor in the club suite.

For the purposes of this subsection, "venue" means the licensed premises of an auditorium, civic auditorium, outdoor stadium or performing arts center. For purposes of this subsection, "club suite" means a designated area within a ~~civic auditorium designed~~ venue to provide premium viewing of an event in the ~~auditorium~~ venue 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~~ venue and is not accessible to the public or ~~civic auditorium~~ venue patrons with tickets that provide for general admission to that event at the ~~auditorium~~ venue. 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~~ venue to ensure that persons present in the suite are limited to invited guests and employees providing services to the club suite.

Sec. A-18. 28-A MRSA §1074, as repealed and replaced by PL 2023, c. 405, Pt. A, §103, is repealed.

Sec. A-19. 28-A MRSA §1402, sub-§2, as amended by PL 2021, c. 658, §236, is further amended to read:

2. Taste testing on retail licensee's premises or other locations. With the bureau's written permission, a wholesale licensee may rent or lease an area or room from an on-premises retail licensee or from any unlicensed venue for the purpose of inviting retail licensees to taste test wine or malt liquor products.

PART B

Sec. B-1. 8 MRSA §372, sub-§2, ¶K, as enacted by PL 2019, c. 13, §4, is amended to read:

K. Beginning February 15, 2020, submit a report annually, subject to the approval of the commission, to the Governor and the joint standing committees of the Legislature having jurisdiction over lottery matters and appropriations and financial affairs. The

joint standing committee of the Legislature having jurisdiction over lottery matters may submit to the Legislature legislation based on the report. The report must include:

- (1) A list of the decisions made by the commission and resulting actions for the preceding ~~calendar~~ fiscal year relevant to lottery operations;
- (2) A complete statement of lottery revenues, prize disbursements and expenses and appropriations from the General Fund, if any, for the preceding ~~calendar~~ fiscal year;
- (3) A 5-year history of the account used to manage lottery operations, which must include the amount of revenues deposited into the State Lottery Fund and the amounts transferred to the General Fund;
- (4) A detailed statement of the expenditures made to promote lottery sales through marketing, advertising and recruitment of agents for the preceding ~~calendar~~ fiscal year;
- (5) A description of the lottery marketing and advertising activities for the preceding ~~calendar~~ fiscal year. The description must identify each radio station and television station, if any, that broadcast or distributed the advertising;
- (6) For each radio station and television station identified pursuant to subparagraph (5), the format of advertising activity and amount of the expenditures for the preceding ~~calendar~~ fiscal year associated with each station; and
- (7) Any recommendations for changes to this chapter.

Sec. B-2. 28-A MRSA §84, sub-§7, as enacted by PL 2019, c. 13, §9, is amended to read:

7. Annual report. Beginning February 15, 2020, submit a report annually, subject to the approval of the commission, to the Governor and the joint standing committees of the Legislature having jurisdiction over alcoholic beverage matters and appropriations and financial affairs. The joint standing committee of the Legislature having jurisdiction over alcoholic beverage matters may submit to the Legislature legislation based on the report. The report must include:

- A. A complete statement of the revenues and expenses for the bureau for the preceding ~~calendar~~ fiscal year;
- B. A complete statement of the information required by section 83-B, subsection 11 for the preceding ~~calendar~~ fiscal year;
- C. A complete statement of the information required by section 83-C, subsection 7 for the preceding ~~calendar~~ fiscal year;
- D. The information required by section 83-C, subsection 9; and
- E. Any recommendations for changes to this Title.

PART C

Sec. C-1. 28-A MRSA §707, sub-§2, as amended by PL 1993, c. 730, §30, is further amended to read:

2. Licensee ~~must~~ may not receive or give anything of value. ~~No~~ A licensee or applicant for a license may not receive, directly or indirectly, any money, credit, thing of

1 value, indorsement of commercial paper, guarantee of credit or financial assistance of any
2 sort exceeding \$750 annually from any person within or without the State, if the person is:

3 A. Engaged, directly or indirectly, in the manufacture, distribution, wholesale sale,
4 storage or transportation of liquor; or

5 B. Engaged in the manufacture, distribution, sale or transportation of any commodity,
6 equipment, material or advertisement used in connection with the manufacture,
7 distribution, wholesale sale, storage or transportation of liquor.

8 A licensee may not give a thing of value with the intent to induce a retailer to purchase
9 liquor from the licensee to the exclusion of liquor offered for sale by other persons.

10 Nothing in this subsection prevents an affiliate of a licensee from receiving money for
11 sponsorship of a transportation system for transporting the public or for sponsorship of
12 specific sporting events and cultural events as long as the licensee does not receive any
13 payment or thing of value from the public transportation system or the sporting and cultural
14 events and as long as such an affiliate does not derive any portions of its revenues from the
15 licensee. All sponsorships must have prior written approval of the bureau. ~~The bureau~~
16 ~~shall adopt rules implementing this paragraph.~~

17 **Sec. C-2. 28-A MRSA §707, sub-§7**, as amended by PL 2021, c. 8, §1, is further
18 amended to read:

19 **7. Exceptions.** This section does not prohibit:

20 A. A manufacturer or out-of-state wholesaler from extending the usual and customary
21 credit to a wholesale licensee for the purchase of malt liquor or wine;

22 B. A manufacturer or out-of-state wholesaler from furnishing materials and equipment
23 for the use of a wholesale licensee or the wholesale licensee's employees, including:

24 (1) Painting the wholesale licensee's vehicles;

25 (2) Supplying legal advertising signs used by the wholesale licensee in the course
26 of the wholesale licensee's business; and

27 (3) Supplying uniforms for the employees of the wholesale licensee; ~~or~~

28 C. A manufacturer licensed under section 1355-A from selling and shipping its
29 products to an individual in another state for personal use and not for resale, as long as
30 the sale and shipment are authorized by and conducted in accordance with the
31 requirements of the law of the state where the shipment is delivered; or

32 D. A manufacturer, distributor or out-of-state wholesaler from engaging in the bona
33 fide sale of goods to a licensee or applicant for a license, if the amount paid for those
34 goods by the licensee or applicant for a license is of fair market value.

35 **Sec. C-3. 28-A MRSA §707, sub-§9** is enacted to read:

36 **9. Rules.** The bureau shall adopt rules implementing this section. Rules adopted
37 pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375,
38 subchapter 2-A.

39 **PART D**

40 **Sec. D-1. 28-A MRSA §710**, as amended by PL 2019, c. 404, §15, is repealed.

SUMMARY

This bill makes multiple changes to the laws governing certain requirements and license provisions administered by the Department of Administrative and Financial Services, Bureau of Alcoholic Beverages and Lottery Operations.

Part A of the bill amends areas of statute concerning license types in the following ways.

1. It creates a new license type for agency liquor stores that are purveyors of spirits.

2. It amends the definition of "vessel" by reducing the minimum number of passengers a ship must have to be considered a vessel for liquor licensing purposes.

3. It adds licensed restaurants to the entities eligible for an off-premises catering license.

4. It removes the requirement that premises holding both an on-premises restaurant or Class A restaurant license and an off-premises retail license must sell food with the purchase of an alcoholic beverage. Instead, the bill requires that food be available for free or purchase at all times that liquor is sold for on-premises consumption.

5. It authorizes licensees licensed to sell malt liquor for on-premises or off-premises consumption to also sell low-alcohol spirits products. It also authorizes a licensed in-state wholesaler of malt liquor to sell and distribute low-alcohol spirits products.

6. It authorizes reselling agents to sell fortified wine to retail licensees for on-premises consumption.

7. It creates statutory consistency within license types for auditoriums, civic auditoriums, outdoor stadiums and performing arts centers.

8. It provides that, in order to receive a liquor license, a hotel must have a minimum of 4 guest rooms and be licensed by the Department of Health and Human Services. It authorizes licensed hotels to permit consumers to transport liquor to individual guest rooms.

9. It authorizes the bureau to allow a wholesale licensee to rent or lease an area or room from any unlicensed venue for the purpose of inviting retail licensees to taste test wine or malt liquor products.

Part B of the bill amends the bureau's annual reporting requirements to provide statements regarding lottery operations and liquor licensing operations for the preceding fiscal year rather than the calendar year.

Part C of the bill prohibits a licensee or applicant for a license from receiving, directly or indirectly, anything of monetary value greater than \$750 from a person engaged directly or indirectly in the various facets of manufacturing, distributing, selling, storing and transporting liquor. It specifies that the bona fide sale of goods by a manufacturer, distributor or out-of-state wholesaler does not violate that prohibition if the price of that sale is of fair market value. It also prohibits a licensee from giving a thing of value with the intent to induce a retailer to purchase alcohol from the licensee to the exclusion of alcohol offered for sale by other persons.

Part D of the bill repeals the section of law governing signage restrictions for liquor licensees.