

130th MAINE LEGISLATURE

FIRST SPECIAL SESSION-2021

| Legislative Document | No. 1492 |
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S.P. 479

In Senate, April 14, 2021

An Act To Provide More Choice for Maine Consumers in the Purchase of Spirits

Received by the Secretary of the Senate on April 12, 2021. Referred to the Committee on Veterans and Legal Affairs pursuant to Joint Rule 308.2 and ordered printed.

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DAREK M. GRANT Secretary of the Senate

Presented by Senator FARRIN of Somerset. Cosponsored by Representative: ANDREWS of Paris.

| 1 | Be it enacted by the People of the State of Maine as follows: |
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| 2 3 | Sec. 1. 28-A MRSA §2, sub-§16-A, as amended by PL 2017, c. 301, §1, is further amended to read: |
| 4 5 6 7 | 16-A. Low-alcohol spirits product. "Low-alcohol spirits product" means a product containing spirits that has an alcohol content of 8% 15% or less 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: |
| 8 | A. May or may not contain alcohol; |
| 9 10 | 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 |
| 11 12 | C. Is not, prior to being added to a malt beverage or wine, subject to excise tax under chapter 65. |
| 13 | Sec. 2. 28-A MRSA §16 is enacted to read: |
| 14 | <u>§16. Distribution of low-alcohol spirits product</u> |
| 15 | A low-alcohol spirits product is distributed pursuant to the provisions of this section. |
| 16 17 18 19 | 1. Low-alcohol spirits product produced or imported by malt liquor or wine certificate of approval holder. A low-alcohol spirits product manufactured or imported by a certificate of approval holder that is licensed under section 1361 must be distributed by a wholesaler. |
| 20 21 22 23 24 25 26 27 | 2. Low-alcohol spirits product produced or imported by spirits certificate of approval holder. A low-alcohol spirits product manufactured or imported by a certificate of approval holder that is licensed under section 1381 that is first distributed in the State after the effective date of this section must be distributed by a wholesaler or a reseller agent under section 453-C as determined by the bureau. A low-alcohol spirits product distributed on or before the effective date of this section must be distributed in the same manner as the low-alcohol spirits product is distributed on or was distributed before the effective date of this section. |
| 28 29 30 | 3. Rules. The bureau shall adopt rules to carry out the purposes of this section. Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter <u>375</u> , subchapter 2-A. |
| 31 | Sec. 3. 28-A MRSA §1352 is enacted to read: |
| 32 | §1352. Low-alcohol spirits product |
| 33 34 35 36 | A manufacturer in the State or outside of the State may produce a low-alcohol spirits product. A certificate of approval holder under section 1361 or 1381 may hold for sale, sell or offer for sale in intrastate commerce, or transport or cause to be transported into the State for resale, a low-alcohol spirits product. |
| 37 | SUMMARY |
| 38 39 40 | This bill amends the definition of "low-alcohol spirits product" by raising the maximum alcohol level of a low-alcohol spirits product from 8% to 15%. This bill provides that a low-alcohol spirits product manufactured or imported by a malt liquor or wine |

certificate holder be distributed by a wholesaler and a low-alcohol spirits product 1 manufactured or imported by a spirits certificate of approval holder be distributed by a 2 wholesaler or agency liquor store licensed as a reseller agent as determined by the 3 Department of Administrative and Financial Services, Bureau of Alcoholic Beverages and 4 Lottery Operations, except for a low-alcohol spirits product manufactured or imported by 5 a spirits certificate of approval holder distributed in the State on or before the effective date 6 of this legislation, which must be distributed in the manner it is distributed on or was 7 distributed prior to the effective date of this legislation. 8

9 This bill also allows manufacturers to produce low-alcohol spirits products and 10 certificate of approval holders to hold for sale, sell or offer for sale in intrastate commerce, 11 or transport or cause to be transported into the State for resale, low-alcohol spirits products.