

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

## **An Act To Allow Certificate of Approval Holders under the Liquor Licensing Laws To Donate Alcohol to Nonprofit Organizations**

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

**Sec. 1. 28-A MRSA §2, sub-§15, ¶I**, as amended by PL 2011, c. 629, §2, is further amended to read:

I. "Incorporated civic organization" means any charitable or civic organization incorporated as a corporation without stock under Title 13, chapter 81 or Title 13-B or an organization designated by the Internal Revenue Service under the United States Internal Revenue Code, Section 501(c).

**Sec. 2. 28-A MRSA §708-B**, as repealed and replaced by PL 2011, c. 629, §11, is amended to read:

### **§ 708-B. Donations to public broadcasting stations and incorporated civic organizations**

**1. Donations for auctions, prizes, gifts or awards.** Notwithstanding any other provisions of law, a person licensed in the State as a brewery, small brewery, winery, small winery, distillery, small distillery, certificate of approval holder or wholesaler may donate a gift certificate to purchase its product or donate its product to a public broadcasting station or an incorporated civic organization ~~licensed under section 1071~~ for the purpose of an auction or for use by the organization as a prize, gift or award. ~~A certificate of approval holder may donate a gift certificate to purchase its product or donate its product to a public broadcasting station or an incorporated civic organization licensed under section 1071 for the purpose of an auction as long as the product donated is provided by a wholesaler who is reimbursed for the product by the certificate of approval holder for the cost of the donated product. Spirits donated by a distiller~~distillery or small distillery under this subsection must have been sold to the State for listing, pricing and distribution as required by this Title. Any donation is subject to the following.

A. A brewery, small brewery, winery, small winery, distillery, small distillery, certificate of approval holder or wholesaler shall maintain a record of each donation, including the value of each donation and the date on which each donation was made.

B. A public broadcasting station or ~~licensed~~ incorporated civic organization shall ensure that the recipient of the donated item is 21 years of age or older.

**2. Donations for on-premises events.** Notwithstanding any other provisions of law, a person licensed in the State as a brewery, small brewery, winery, small winery, distillery, small distillery, certificate of approval holder or wholesaler may ~~donate~~provide its product, free of charge or at a reduced price, to a licensee to be served at a licensed on-premises event for the benefit of an incorporated civic organization that has been issued a license for an on-premises event open to the public. ~~A certificate of approval holder may donate its product to an incorporated civic organization that has been issued a license~~

~~for an on-premises event open to the public as long as the product donated is provided by a wholesaler who is reimbursed for the product by the certificate of approval holder for the cost of the donated product. Spirits donated by a distiller distillery or small distillery under this subsection must have been sold to the State for listing, pricing and distribution as required by this Title. A brewery, small brewery, winery, small winery, distillery, small distillery, certificate of approval holder or wholesaler shall maintain a record of each donation its products provided under this subsection, including the value of each donation the products provided and the date on which each donation was made the products were provided. The licensee to whom the product is provided shall maintain a record of each product provided, the date on which each product was provided and the name of the incorporated civic organization benefited. The licensee may not serve the donated or reduced-price product at any event other than an event benefiting the designated incorporated civic organization and shall ensure that the benefit of the free or reduced-price product inures to the benefit of the designated incorporated civic organization. Excess donations must be returned to the donor within a reasonable period following the licensed on-premises event. The donor shall ensure that excise tax is paid on all donated wine and malt liquor. Any donated containers must be recycled or returned to the donor for refilling, as appropriate, and may not be presented for redemption under Title 32, chapter 28.~~

## SUMMARY

This bill allows certificate of approval holders under the liquor licensing laws to donate a gift certificate to purchase their products or donate their products to an incorporated civic organization for use by the organization as a prize, gift or award. It also allows alcohol producers and wholesalers to provide their products, free of charge or at a reduced price, to a licensee to be served at a licensed on-premises event for the benefit of an incorporated civic organization.