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Date: (Filing No. H-)

VETERANS AND LEGAL AFFAIRS

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**STATE OF MAINE
HOUSE OF REPRESENTATIVES
131ST LEGISLATURE
SECOND REGULAR SESSION**

COMMITTEE AMENDMENT “ ” to H.P. 1372, L.D. 2148, “An Act to Establish Common Carrier Reporting for the Direct Shipment of Wine”

Amend the bill by striking out the title and substituting the following:

'An Act to Expand Direct Shipment Reporting and to Allow for the Use of Fulfillment Providers for the Direct Shipment of Wine'

Amend the bill by inserting after section 1 the following:

'Sec. 2. 28-A MRSA §1403-A, sub-§1, ¶D is enacted to read:

D. "Fulfillment provider" means a bonded logistics agent of a direct shipper that provides fulfillment services, including warehousing, packaging, distributing and order processing for the shipment of wine to a consumer and arranges for transport of wine to a consumer by a common carrier and that has obtained a fulfillment provider registration under subsection 5-A.

Sec. 3. 28-A MRSA §1403-A, sub-§4, as enacted by PL 2009, c. 373, §1, is amended to read:

4. Direct shipment requirements. A direct shipper or a direct shipper's fulfillment provider may only ship wine that was produced by or for the direct shipper, owned by the direct shipper or sold under the winery name of the direct shipper in accordance with the direct shipper's federal basic wine manufacturing permit to a recipient who is at least 21 years of age and that is intended for personal use and not for resale. A direct shipper or a direct shipper's fulfillment provider may not ship wine products commonly known as "wine coolers." A direct shipper or a direct shipper's fulfillment provider shall label each package to be shipped in accordance with this section so that it conspicuously reads "CONTAINS ALCOHOL: SIGNATURE OF A PERSON 21 YEARS OF AGE OR OLDER IS REQUIRED FOR DELIVERY." '

Amend the bill by inserting after section 2 the following:

'Sec. 3. 28-A MRSA §1403-A, sub-§5-A is enacted to read:

COMMITTEE AMENDMENT

1 **5-A. Fulfillment provider registration.** A direct shipper may use a fulfillment
2 provider that is registered under this section.

3 A. A fulfillment provider that is not a common carrier, does not hold a direct shipper,
4 manufacturer, wholesale or retail license issued by the bureau and is not a certificate
5 of approval holder and that is not owned or controlled by a common carrier, direct
6 shipper, manufacturer, wholesale or retail licensee or certificate of approval holder may
7 register with the bureau in a manner prescribed by the bureau. A registration must
8 include the information required in paragraph B and a registration fee of not more than
9 \$50 per physical premises. A fulfillment provider registering pursuant to this
10 subsection shall register with the bureau for each physical premises from which the
11 fulfillment provider will ship wine under this section. A fulfillment provider may only
12 ship wine to a recipient in the State if the fulfillment provider maintains a current
13 registration, as applicable, under this subsection and only if the wine shipped is
14 provided by a direct shipper licensed under this section.

15 B. A fulfillment provider registration must include the following:

16 (1) The address of each physical premises from which the fulfillment provider will
17 ship wine to recipients in the State;

18 (2) The name, address and license number of each direct shipper on whose behalf
19 the fulfillment provider will ship wine to recipients in the State; and

20 (3) Any other information as determined by the bureau.

21 C. A fulfillment provider registration must be renewed every 2 years. If there is a
22 material change in the information provided to the bureau related to the initial
23 registration or renewal, the fulfillment provider shall provide updated information to
24 the bureau not later than 14 days after the change.

25 D. A fulfillment provider shall make all commercially reasonable efforts to verify the
26 validity of each direct shipper license prior to making any shipments under this section.
27 Continuous failure to verify the validity of licenses may result in the suspension of the
28 fulfillment provider's registration and imposition of a fine.'

29 Amend the bill by striking out all of sections 3 and 4 and inserting the following:

30 **'Sec. 3. 28-A MRS §1403-A, sub-§11**, as amended by PL 2013, c. 476, Pt. A,
31 §31, is repealed and the following enacted in its place:

32 **11. Reporting.** Reports to the bureau regarding direct shipments of wine are governed
33 by this subsection.

34 A. A direct shipper shall submit a report to the bureau quarterly in a manner and form
35 prescribed by the bureau that includes the following:

36 (1) The total number of cases of wine shipped to recipients in the State and, for a
37 direct shipper located in the State, shipments made outside the State;

38 (2) The name and residence address of shipment recipients in the State;

39 (3) The name and registration of the designated fulfillment providers, if applicable;

40 (4) The common carrier used to deliver each shipment; and

41 (5) The date, quantity and purchase price of each shipment.

1 B. A fulfillment provider shall submit a report to the bureau quarterly in a manner and
2 form prescribed by the bureau that includes the following:

3 (1) The name as it appears on the direct shipper license, physical address and
4 license number of the direct shipper on whose behalf the fulfillment provider
5 shipped wine under this section;

6 (2) The date of each shipment;

7 (3) The name and business address of the common carrier that transported the
8 shipment and the unique tracking number for each shipment;

9 (4) The weight of each package shipped; and

10 (5) The name and residence address of each recipient.

11 C. A common carrier shall submit a report to the bureau quarterly in a manner and
12 form prescribed by the bureau that includes the following:

13 (1) The name of the common carrier;

14 (2) The name and address of the direct shipper and, if applicable, the fulfillment
15 provider that used the common carrier for a shipment of wine;

16 (3) The name and address of each recipient;

17 (4) The weight of each package delivered to each recipient;

18 (5) The unique tracking number for each shipment; and

19 (6) The date of each delivery.

20 A failure by a common carrier to comply with the reporting requirements of this
21 paragraph that continues for more than 30 days after receiving from the bureau a notice
22 of that failure may result in the suspension of the common carrier's license to operate
23 in the State or the imposition of any other penalty the relevant licensing authority in
24 the State is authorized to impose.

25 D. If no wine was shipped to a recipient in this State and, for a direct shipper located
26 in the State, no wine was shipped to a recipient outside the State during the reporting
27 period, a report containing that information must be submitted to the bureau.

28 **Sec. 4. 28-A MRSA §1403-A, sub-§12**, as enacted by PL 2009, c. 373, §1, is
29 amended to read:

30 **12. Audit and records retention.** The bureau may perform an audit of a direct
31 shipper's, fulfillment provider's or common carrier's records relevant to compliance with
32 this section. A direct shipper, fulfillment provider or common carrier shall provide copies
33 of any records requested by the bureau within ~~40~~ 20 business days of that request.

34 A. A direct shipper shall maintain the books, records and documents supporting a
35 report submitted under subsection 11, paragraph A or D for 2 years after the reporting
36 date, unless otherwise directed by the bureau.

37 B. A fulfillment provider shall maintain the books, records and documents supporting
38 a report submitted under subsection 11, paragraph B or D for 2 years after the reporting
39 date, unless otherwise directed by the bureau.

