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VETERANS AND LEGAL AFFAIRS

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STATE OF MAINE
SENATE
127TH LEGISLATURE
FIRST REGULAR SESSION

COMMITTEE AMENDMENT " " to S.P. 424, L.D. 1197, Bill, "An Act To Allow Certificate of Approval Holders under the Liquor Licensing Laws To Donate Alcohol to Nonprofit Organizations"

Amend the bill by striking out everything after the enacting clause and before the summary and inserting the following:

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 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.

Sec. 2. 28-A MRSA §708-B, as repealed and replaced by PL 2011, c. 629, §11, is repealed.

Sec. 3. 28-A MRSA §708-C is enacted to read:

§708-C. Donations to public broadcasting stations, 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 or a wholesaler may donate a certificate to purchase its product or donate its product to a public broadcasting station, 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 or award in conjunction with efforts to support the purposes of the incorporated civic organization, similarly purposed organization or public broadcasting station. Spirits

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1 donated in accordance with this subsection must have first been sold to the State or the
2 State's contracted wholesaler for listing, pricing and distribution in accordance with this
3 Title. A person authorized to make a donation in accordance with this subsection shall
4 maintain a record of each donation, including the value of the donation and the date on
5 which it was made. A recipient of a donation under this subsection must be 21 years of
6 age or older.

7 **2. Donations for consumption at on-premises events.** A person licensed by the
8 bureau under section 1355-A, a certificate of approval holder or a wholesaler may donate
9 its product or provide malt liquor, wine or fortified wine at a reduced price to a person
10 licensed by the bureau to serve alcoholic beverages for on-premises consumption at an
11 event designed to benefit an incorporated civic organization or a similarly purposed
12 national organization designated by the United States Internal Revenue Service under the
13 United States Internal Revenue Code of 1986, Section 501(c)(3). Spirits donated in
14 accordance with this subsection must have first been sold to the State or the State's
15 contracted wholesaler for listing, pricing and distribution in accordance with this Title. A
16 person authorized to make a donation or offer its product at a reduced price under this
17 subsection shall maintain a record of the products donated or offered, including the value
18 of each, the reduced price when applicable and the date on which the product was
19 provided. All applicable excise taxes on donated malt liquor, wine and fortified wine
20 must be remitted as required by this Title. A licensee provided product in accordance
21 with this subsection:

22 A. Shall maintain a record of each product received and the date on which it was
23 received;

24 B. Shall maintain a record of the name of the incorporated civic organization or
25 similarly purposed national organization the event was designed to benefit and for
26 which the product is provided;

27 C. Shall ensure that the product provided is served only at the event designed to
28 benefit the incorporated civic organization or similarly purposed national
29 organization;

30 D. Shall ensure that excess product that was donated for the event is returned to the
31 donor within a reasonable period after the event; and

32 E. Shall ensure that containers holding donated product are returned to the donor for
33 recycling as appropriate and not presented for redemption under Title 32, chapter 28.

34 **Sec. 4. 28-A MRSA §709, sub-§2, ¶¶J and K,** as enacted by PL 2011, c. 629,
35 §15, are amended to read:

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

37 K. Donations authorized under section ~~708-B~~; 708-C; or

38 **Sec. 5. 28-A MRSA §709, sub-§2, ¶L** is enacted to read:

39 L. Product supplied by licensees authorized under section 1052-D for the purposes of
40 providing taste-testing samples under a taste-testing event license.

41 **Sec. 6. 28-A MRSA §1071, sub-§6,** as amended by PL 2011, c. 629, §19, is
42 further amended to read:

1 **6. Server requirements.** A manufacturer licensed by the bureau under section
2 1355-A, a certificate of approval holder or a wholesaler who provides malt liquor, wine,
3 fortified wine or spirits for the public event or gathering being sponsored may serve its
4 product at the event. An incorporated civic organization issued a license in accordance
5 with this section shall provide the names of ~~those persons not licensed under chapters 51,~~
6 ~~55 or 59~~ who will be serving alcoholic beverages at the ~~public event or gathering being~~
7 ~~sponsored~~. In the event that a server from that list is unavailable, a licensed
8 manufacturer, distributor, wholesaler, small winery or small brewery that has provided
9 alcoholic beverages to be served at the event may provide serving assistance.'

10

SUMMARY

11 This amendment replaces the bill. The amendment provides examples of charitable
12 or civic purposes within the definition of "incorporated civic organization." Like the bill,
13 the amendment provides that manufacturers and wholesalers may donate malt liquor,
14 wine or spirits to be used as prizes or for auctions to public broadcasting stations,
15 incorporated civic organizations and national organizations with similar purposes to an
16 incorporated civic organization that are 501(c)(3) organizations. Unlike the bill, the
17 amendment provides that these donations may be made without having to provide the
18 donation in the form of a gift card good for the purchase of the alcoholic beverage. The
19 amendment also changes current law by stating that donations may be made to a person
20 who is licensed to serve alcohol for on-premises consumption when the alcohol is being
21 served at an event to benefit an incorporated civic organization in the State or a similarly
22 purposed national 501(c)(3) organization. Current law allows for those donations only to
23 a public broadcasting station or an incorporated civic organization in the State.

24 The amendment also provides that a manufacturer or wholesaler licensed by the
25 Department of Administrative and Financial Services, Bureau of Alcoholic Beverages
26 and Lottery Operations to conduct a special taste-testing event may donate its own
27 product to be served at the event.

28 Finally the amendment provides that when a manufacturer or wholesaler licensed by
29 the bureau provides product to be served at an event for a licensed incorporated civic
30 organization where alcohol will be consumed on the premises, the manufacturer or
31 wholesaler may serve the product that the manufacturer or wholesaler provided for the
32 event.