



March 5, 2025

Senator Craig Hickman – Chair Veterans and Legal Affairs Committee

Representative Laura Supica – Chair Veterans and Legal Affairs Committee

Members of the Joint Standing Committee of Veterans and Legal Affairs

My name is Carrie Rand-Anastasiades, and I am the Director of Northeast States for Wine Institute. Thank you for allowing me to testify today.

Wine Institute is a public policy association of over 1,000 California wineries and affiliated suppliers dedicated to advocating for the responsible consumption and enjoyment of wine. We would like to support **LD 683 An Act to Clarify the Law Governing the Minimum Indirect Financial Interest Disclosure Requirement for Liquor Licenses**. We support the proposed bill because we feel it will provide clear definition for applicants that are now required to disclose individuals that have **any** indirect financial interest in a license. Applicants, and their attorneys want to fully comply with the law, but because there is no threshold in this section, each and every person must be reported, which is complicated. This is also more information than BABLO is looking for. Setting a 10% threshold for indirect financial interest will capture those that are greatly profiting from the business but will exclude those that have de minimis returns. It should be noted that current law only requires disclosure of **direct interest** over 10% but requires that small indirect interest of any amount be disclosed. LD 683 would set the same standard for both classifications.

Section A-1 is so difficult to comply with as many companies have relationships that involve payment of royalties to independent third parties. This would encompass anyone that may be paid based on commission, including brokers or salespeople. It could also mean the seller of a specific wine brand, who is due to earn payments for a period of time after the closing. It would capture Intellectual Property (IP) licensors who license their brand IP to use on products. An applicant may not know all these individuals, especially if they purchased a brand. Setting a 10% threshold removes the uncertainty from the

intent of the law. It will ensure the utmost compliance and transparency of those that are significantly profiting from the license that regulators should know about. It will also bring Maine more in line with other jurisdictions and how indirect interest is defined. We ask for your support of LD 683 and stand ready to work with you as well as BABLO and DAFS to accomplish this clarification.