



Maine Grocers &
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IN OPPOSITION - LD 2160 'An Act to Modify Provisions of Law Affecting Small Distilleries'

Dear Senator Hickman - Chair, Representative Supica - Chair, and the Committee on Veterans and Legal Affairs,

My name is Christine Cummings and I am the Executive Director of the Maine Grocers & Food Producers Association (MGFPA). The Maine Grocers & Food Producers Association is a business trade association representing Maine's food community; Main Street businesses, including independently owned and operated grocery stores and supermarkets, food and beverage producers and wholesaler partners.

While we appreciate the intent to support Maine's small distilleries and recognize the financial pressures they face, we must respectfully oppose Section 2 which would allow small distillers to bypass licensed resellers by self-distributing directly to on-premise licensees. Maine's current system relies on a statewide spirits distributor to ensure consistent access, regulatory compliance, and reliable product delivery across all regions of the state. This centralized structure was established to avoid fragmented distribution, protect public safety, and ensure that all licensed retailers and licensees operate on a level playing field.

Statewide distribution is a substantial operational responsibility, as reflected in the state's spirits distribution contract, which requires consistent delivery, inventory management, and equitable access for licensees throughout Maine. Allowing individual producers to self-distribute to on-premise accounts shifts the model without ensuring the same standards of service, reach, or oversight.

We question how this proposal would function in practice, particularly with respect to product listing and category management. If a small distiller elects to distribute outside of the state's spirits distributor, it is unclear whether their entire product line would become unlisted from the state system or whether only select products would be removed. Agency store partners also questioned whether, if this proposal is intended to address small-volume distillers, it could unintentionally open the door to similar treatment for other low-volume or specialty products as well. Serving customers consistently across a large and largely rural state presents logistical and cost challenges that could unintentionally result in reduced availability and uneven access to products for consumers in certain regions.

Feedback from agency store partners who operate as both retailers and restaurants has been clear: they do not support Section 2. Many raised significant concerns about the added reporting and compliance burdens it would create. Maine's three-tier system is built on the principle that manufacturers, wholesalers, and retailers work collectively and in balance. Agency stores have made substantial investments in their businesses based on this long-standing framework, and it is inequitable to incrementally alter the system in ways that benefit only one segment of stakeholders. In addition, both resellers and restaurateurs expressed concern that creating carve-outs for certain producers could be perceived as favoritism, undermining confidence in what is currently viewed as a fair and even-handed distribution system.

We reiterate our opposition to authorizing direct-to-consumer shipments of spirits, a policy change that was thoroughly debated and rejected by this Legislature last session. Maine's existing three-tier system continues to provide important consumer protections, regulatory oversight, and tax accountability, and we do not support reopening that issue at this time. BABLO's testimony noted that Section 7 of this proposal is unnecessary because current law already permits Maine distillers to ship spirits to consumers in states where such shipments are allowed. We would encourage stronger and clearer communication to the distiller community so they can better understand and responsibly capitalize on these existing interstate shipping permissions.

We want to be clear that we sympathize with the challenges facing Maine's small distillers and understand their interest in reducing costs and lowering barriers to market access just like many other businesses. We're supportive of the healthy agency system in which millions of dollars are invested. Our agency store system supports our Maine local distiller; our stores welcome their products and continue to work beside them for mutually beneficial growth.

Thank you for the opportunity to provide testimony.

Christine Cummings

Christine Cummings
Executive Director