



Maine Beverage Distributors Association

February 26, 2026

LD 494 An Act to Update and Clarify Certain Provisions of State Liquor and Lottery Laws

Good morning, Sen. Hickman, Rep. Supica and members of the VLA committee. I am Cheryl Timberlake, a resident of Mt. Vernon. Here this morning in my capacity as the Executive Vice President of the Maine Beverage Distributors Association.

The Maine Beverage Distributors Association (MBDA) is a group of Maine family-owned independent distributors who provide beer, wine, and non-alcoholic beverages to retailers from every region of the state with integrity, responsibility, and high quality. For more than 75 years, MBDA has served an important role in Maine's alcohol regulatory system. MBDA distributor members serve as the crucial industry link between beer, wine, and non-alcoholic manufacturers/suppliers and more than 4,500 Maine grocery stores, convenience stores, restaurants, bars, and other retail locations licensed to sell alcohol to Maine consumers. MBDA services the entire state, spanning from the northernmost regions to the southernmost tip of Maine.

MBDA supports several provisions of LD 494; I will focus our comments on the alcohol provisions:

Sec. A-5 amends 28-A MRSA §13 to allow malt liquor licensees to sell low-alcohol spirits products. Currently only retailers with a wine license are permitted to sell these beverages. MBDA agrees with BABLO on this change in both wholesale and retail.

16-A. Low-alcohol spirits product. "Low-alcohol spirits product" means a product containing spirits that has more than 1/2 of 1% of alcohol by volume but no more than 8% of alcohol by volume

Sec. A-6 changes the sales provisions of reselling agents under 28-A MRSA §453 -C "A reselling agent may sell fortified wine to a retail licensee for on-premise consumption."

Currently these products are sold by distributors to retailers, both on and off premises accounts. We understand that BABLO put this provision in at the request of the reselling agents. MBDA requests that the section makes specific recognition of the franchise territories for the distributor footprint. Director Luchini referred to a possible amendment/language consideration for this section.

11-B. Fortified wine. "Fortified wine" means:

A. Any liquor containing more than 15.5% alcohol by volume that is produced by the fermentation of fruit or other agricultural products containing sugar; and [PL 1999, c. 535, §1 (NEW).]

B. Wine to which spirits have been added as long as the resulting liquor does not exceed 24% alcohol by volume.

Sec. A-19 MBDA is supportive of change to taste testing's under 28-A MRSA §1402 as this is the purpose of LD 262. We thank BABLO for including our request in the Department bill and hope the VLA committee will endorse this proposed change.

Part C -the request is to amend the license restriction provisions of 28-A §707.

With enhancements of technology and equipment upgrades, the regulated beverage marketplace has seen increased modernization at all levels. However, the statute and regulations for defining alcohol control policies have not kept pace.

MBDA requested the opportunity to engage with BABLO to review the provisions of Part C to ensure clear direction and guidance in the practices that our members adhere to.

Currently the law is silent on the dollar value for advertising or providing a thing of value between licensees. The bill proposes an annual limit of **\$750**. The existing Chapter 107 rule on advertising and signs, subsection 14 attached below:

14. Advertising specialties such as trays, coasters, menu cards, wine list, meal checks, napkins, bar mats, tap markers, thermometers, clocks may be furnished given or sold as long as the cost of such items does not exceed **\$300 annually**.

MBDA supports the annual limit to change from \$300 per account to \$600 per account.

Referenced in Chapter 107, 14 (above and attached).

MBDA proposes changing the maximum allowable from \$1500 per account to \$3000 per account.

Referenced in Chapter 107, 10 (attached).

After an extensive review of marketplace point of sale materials, MBDA defined by category specific items as either temporary or permanent and then if the item was excluded, limited or prohibited from account values.

Common off premise items to be excluded from the annual and maximum limits include shelf glides and temporary display rack as long as they are for own products only. Permanent shelving and coolers or refrigeration should continue to be prohibited.

Through the rulemaking process MBDA will collaborate with BABLO and other stakeholders to define updates to the code to reflect current marketplace practices and ensure increased transparency, accountability and a level playing field is afforded to all industry members.

Part D repeals the advertising signage section under 28-A MRSA §710. Attached for reference on details for licensees.

MBDA appreciates the opportunity to begin our conversation on these issues. I am happy to answer any questions now or at the work session.

18 **DEPARTMENT OF ADMINISTRATIVE AND FINANCIAL SERVICES**

553 **BUREAU OF ALCOHOLIC BEVERAGES AND LOTTERY OPERATIONS**

Chapter 107: ADVERTISING AND SIGNS APPLICABLE TO ALL LICENSE HOLDERS

(Note: this rule chapter was formerly 16-226 Ch. 7 of the Department of Public Safety, Liquor Licensing and Inspections Unit.)

1. All liquor advertising, or any claims for liquor advertised, shall conform with the standards set forth in regulations under the provisions of the Federal Alcohol Administration Act as well as the Maine State Liquor Laws and the Commission Rules and Regulations.
2. No descriptive matter in liquor advertising shall be inconsistent with the description of the contents as listed on the labels of such liquor.
3. Advertisements of liquor shall not contain any statement, design, device, or representation which is obscene. Obscene means that which:
 - a) To the average individual, applying contemporary community standards, considered as a whole, appeals to the prurient interest;
 - b) Depicts or describes, in a patently offensive manner, ultimate sexual acts, excretory functions, masturbation or lewd exhibition of the genitals; and
 - c) Considered as a whole, lacks serious literary, artistic, political or scientific value.
4. No advertisement of liquor shall contain either subject matter or illustrations inducing minors or immature persons to drink, nor shall depict any person in the act of drinking liquor.
5. No liquor advertising shall suggest any beneficial or tonic effect from drinking thereof.
6. The use of radio or loud speaker equipment in or on any licensed premises for the purpose of attracting attention to the interior of the said premises is forbidden, except radio programs originating from the licensed premise.
7. *Repealed.*
8. *(APA Office Note: information received indicates that the provisions of Section 7.8 have been repealed and replaced by statute, Title 28-A Section 710.)*

9. No advertising of liquor shall contain any subject matter relating to contests or prizes that require the purchase of or the awarding of any alcoholic beverage.
 10. Signs, posters, placards, or other items bearing advertising matter for use inside a retail premise may be furnished, given, rented, loaned or sold to a licensee if they have no value to the licensee except as advertisements, and if the total value of all such materials furnished by any manufacturer or wholesaler and in use at any one time in any licensed premises does not exceed \$1,500.00; provided, that the manufacturer or wholesaler does not directly or indirectly pay a licensee for displaying such materials or for any expense due to their operation. The value of such materials shall include all expenses incurred directly or indirectly by the manufacturer or wholesaler in connection with the purchase, manufacture, transportation, assembly and installation of such materials and all additions thereto, and further provided that any manufacturer or wholesaler may furnish, give, rent, loan, or sell one malt and one vinous inside electric sign to each licensee which shall not be included in the \$1,500.00 maximum for all materials furnished in this rule.
 11. No licensee, except wholesalers, shall have malt or vinous liquor advertisements or signs on or attached to delivery vehicles owned or controlled by them which advertise by brand name.
 12. No licensee, except a wholesale licensee, shall advertise liquor by any lighted sign visible from the exterior of a licensed premise during the hours that liquor is prohibited for sale. All outside and window signs bearing advertising must be approved for use by the bureau. Signs not approved must be removed within 60 days of notification by the bureau.
 13. Consumer specialties such as ash trays and corkscrew and other merchandise bearing advertising may be given or sold as long as a retail licensee is not paid to distribute such material.
 14. Advertising specialties such as trays, coasters, menu cards, wine list, meal checks, napkins, bar mats, tap markers, thermometers, clocks may be furnished given or sold as long as the cost of such items does not exceed \$300 annually.
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§710. Advertising signs

1. Advertising outside of licensed premises. A person, except wholesale licensees and certificate of approval holders, may not advertise or permit to be advertised, by more than 5 signs, on the outside of any licensed premises, or on any building, ground or premises under that person's control and contiguous or adjacent to the licensed premises:

A. The fact that the licensee has liquor or any brand of liquor for sale; [PL 1987, c. 45, Pt. A, §4 (NEW).]

B. The price at which liquor is sold by the licensee; or [PL 1987, c. 45, Pt. A, §4 (NEW).]

C. Any other advertisement that indicates any reference to liquor other than the name of the licensed premises, an image accompanying the name of the licensed premises or a brand name or image appearing on a patio umbrella in an outside seating area of the licensed premises. [PL 2019, c. 404, §15 (AMD).]

For agency liquor stores, 2 of the 5 signs permitted by this subsection are agency liquor store signs as described by rule.

[PL 2019, c. 404, §15 (AMD).]

2. Advertising inside of licensed premises. A licensee may display no more than one sign inside the licensed premises, where it may be seen from the outside, advertising the fact that the licensee has liquor for sale. The sign may not be more than 750 square inches in total area.

[PL 1987, c. 342, §46 (AMD).]

3. Exception. Subsection 1 does not prohibit the display of signs advertising sponsorship of specific sporting events and cultural events or sponsorship of a transportation system for transporting the public as long as the signs are not displayed on a licensed establishment as defined in section 2, subsection 15. Signs on a licensed establishment advertising sponsorship may be displayed with prior bureau approval.

The bureau shall adopt rules implementing this subsection.

[PL 1993, c. 730, §32 (NEW).]