



Maine Beverage Distributors Association

March 5, 2025

LD 636 An Act to Remove the Limit on Free Promotional Merchandise Bars and Restaurants
May Accept from Vendors

Good morning, Sen. Hickman, Rep. Supica and members of the VLA committee. I am Cheryl Timberlake, a resident of Mt. Vernon. I serve 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.

We are opposed to LD 636. The bill proposes to remove the limit on all promotional merchandise that may be given to retailers by other licensees- Manufacturers and Distributors.

Last week the VLA committee heard testimony on LD 494, BABLO bill to Update and Clarify Provision of the State Liquor Laws. Included in this bill is provision to define a monetary value of \$750 for providing "things of value". MBDA supports a cap in statute. We proposed a \$600.

A defined monetary threshold is important. The alcohol industry licensees have different business models and varying financial capacity to engage in promotional giveaways. There needs to be appropriate limits and a level playing field to ensure there is no unlawful inducement. An open checkbook is in no one's best interest.

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.

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