

## HOUSE OF REPRESENTATIVES

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April 23, 2025

## Testimony of Rep. Kristen Cloutier presenting LD 1754, An Act to Provide for the Direct Shipment of Spirits to Consumers Before the Joint Standing Committee on Veterans and Legal Affairs

Senator Hickman, Representative Supica and distinguished members of the Joint Standing Committee on Veterans and Legal Affairs, I am Representative Kristen Cloutier, and I proudly represent House District 94, part of my hometown of Lewiston. I am here today to present LD 1754, An Act to Provide for the Direct Shipment of Spirits to Consumers.

LD 1754 would allow the direct shipment of spirits to consumers in Maine, expanding consumer choice and extending the same privileges that our in-state distillers currently offer through their tasting rooms across the entire state.

This bill presents a controlled and responsible pathway to allow both in-state and out-of-state spirits manufacturers to engage in direct-to-consumer (DTC) shipping. It builds on the thoughtful work this Committee has undertaken over the past several years to explore this issue and offers a solution that supports our control state model.

LD 1754 includes the following key provisions to ensure it is implemented responsibly:

- Requires DTC sellers to remit appropriate taxes and revenues to the State;
- Limits out-of-state distillers to 60 cases annually, and only for unlisted products;
- Caps consumer purchases to four cases per year;
- Requires common carriers to verify that recipients are of legal drinking age; and
- Ensures participation in Maine's bottle redemption program, just like in-state distilleries.

Maine already allows the direct shipment of wine – a policy adopted by 47 states. Eleven states and Washington, D.C. now permit the direct shipment of spirits (New Hampshire, Washington, Oregon, Alaska, Arizona, Wyoming, Nebraska, North Dakota, Kentucky, Pennsylvania and Rhode Island). This is a growing trend, and LD 1754 provides a chance for Maine to lead in modernizing our approach.

You will hear from the distilling industry following my testimony. They have worked diligently on this legislation and are eager to see it over the finish line. They may propose a few friendly

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amendments, and we remain fully committed to working collaboratively with the Bureau of Alcoholic Beverages and Lottery Operations and this committee to find a workable path forward.

For nearly two decades, Maine consumers have been able to purchase wine directly from producers. LD 1754 would extend this privilege fairly, boost state revenues and open new doors for Maine's small distilleries. Now is the time to take this proactive step forward, supporting our small businesses and giving consumers the freedom to responsibly access the products they want.

Thank you for your time and thoughtful consideration. I respectfully urge your support of LD 1754.