

Testimony of Michael Boland

January 21, 2026

In Support of LD 2155, "An Act to Clarify Certain Laws Governing Licenses for the Sale of Liquor by Manufacturers"

Senator Hickman, Representative Supica, and Members of the Veterans and Legal Affairs Committee, my name is Michael Boland and I am a year-round resident of Bar Harbor. Over the course of more than four decades, I have owned and operated multiple restaurants, including Rupununi, Havana, Choco-Latte Café, Brasserie Le Brun, Porcelli's and The Chart Room in Bar Harbor, the Islesford Dock Restaurant & Gallery on Little Cranberry Island, Copita in Northeast Harbor and others. Several of these operate year-round and greatly add to the vibrancy and economic activity of the communities they are in.

Four years ago, I also acquired and reopened Sunday River Brewing Company in Oxford County, along with an old Victorian, which I renovated and reopened as a Bed & Breakfast and restaurant, The Elizabeth, in downtown Bethel. My businesses employ a mix of year-round and seasonal Maine workers and represent long-term investments made in Maine in reliance on Maine's licensing laws and the consistency of those laws. I appreciate Senator Grohoski bringing forward LD 2155, and I am pleased to testify in support of it.

I am here today for a very simple reason. The law that took effect on May 23, 2025, created immediate and serious harm for operators like me who had already built lawful, successful businesses. Through no action of our own, we were suddenly placed in violation of the law and faced the prospect of having to close operating businesses that employ Maine people and serve Maine communities.

Under the current law, a person who owns a brewery and holds a majority interest in on-premise retail licenses (i.e. restaurants) is limited to three such licenses, including the brewery itself. In my case, that means Sunday River Brewing Company counts as one, leaving room for only two more restaurants. The rest of my restaurants, including some that have been operating for decades, are suddenly at risk. One of those is Havana, which has been part of its community for almost 30 years. We employ several year-round staff and have an annual payroll approaching \$1 million. It is exactly the kind of stable, locally rooted business that Maine regulations should support, yet a consequence of the legislation last session may force liquidation.

LD 2155 fixes this problem in two important ways.

First, it grandfatheres existing licenses that were issued on or before May 23, 2025. The bill makes clear that those licenses are exempt from the ownership cap, so businesses are not punished retroactively for investments they made legally and in good faith. I appreciate the emergency preamble that is included in the bill, which underscores that the current law has already put some operators in violation and may force them to sell or close their businesses if not corrected. The Craft Beer Guild of Maine calls this "Carve-Outs". This isn't a "Carve-Out" but rather an attempt to fix what was clearly a flawed piece of legislation.

Second, and equally crucial, the bill raises the cap on future on-premises retail licenses from three to twelve for people who hold a majority interest in a manufacturing license.

I want to be candid. Any numerical cap on restaurants based solely on the fact that an operator also happens to own a brewery is not how most of us think about business growth or positive regulation. Indeed, find me an example where we, not just as a State, but as a Country, limit the success of a business or group of businesses. Can you imagine having told Howard Schultz he was only allowed to open 3 Starbucks? Or Ray Kroc that he could only open 10 McDonalds? I am constitutionally opposed - with both a small "C" and a large "C" - to any limit whatsoever. Restaurants succeed or fail based on whether customers choose to come through the door, not on how many locations someone is allowed to operate. And certainly not on how many locations a regulatory authority allows you to open. That should very clearly be in the realm of Adam Smith's Invisible Hand, not the hands of the State Legislature.

However, LD 2155 is a compromise. It keeps a ceiling in place going forward, for now, while stopping the law from destroying businesses that already exist.

I also want to briefly address one of the reasons that was used to justify the original restrictions. It was said that allowing brewery-affiliated restaurants to grow would somehow reduce consumer choice or harm Maine's craft beer industry. In practice, the opposite is true. For instance, some of the best-selling beers in my restaurants come from Maine breweries that supported those limits, including Allagash White, Maine Beer Company's Lunch, and Orono Brewing Company's Tubular. Those beers sell well because customers want them and because restaurants like mine provide real tap space and shelf space for Maine brewers across the state. Again, let the Marketplace make these decisions. Restaurants that don't offer some of these beers quickly realize they're not as successful as ones that do. Don't let huge, multi-million dollar breweries use legislation to cudgel competition. That's how we do it in Maine! And make no mistake - one of the talking points of the Craft Beer Guild in opposition to this legislation is that "well-capitalized operators will dominate retail, by expanding the number of on-premise liquor licenses they can control to 12, giving restaurant-manufacturers an unfair competitive advantage over independent breweries." Let me tell you - I'm not nearly as well capitalized as these opponents, sadly! According to some rough figures available publicly, Allagash at this point is at least a \$100mm company and one of the largest craft brewers in the country. Maine Beer Company - same thing. Close to \$100mm in revenue this past year. These are no longer small, scrappy brewers - they're big businesses and they should be ashamed of themselves trying to use legislation to squash little ones. It's painful for me, as I'm proud as a Mainer to have seen them grow and be so successful - I was buying beer from Allagash in 1994 or '95, the very first few months of their existence, with the owner Rob Tod driving it up himself to Bar Harbor on occasion. Same thing with Lunch back in 2008 and 2009.

Finally, you may hear from opponents that this proposed legislation undermines the long-standing "three-tier" system that protects small producers, independent retailers, and consumer choice. Well, nothing in the proposed legislation before the committee changes or negatively affects the three-tier system - which btw is often found to be the culprit in higher prices for the average consumer anyway. But I digress.

Ultimately, this bill does not give anyone a special advantage. It restores stability and predictability to a licensing system that was changed in a way that swept in existing businesses that were operating for decades within all existing regulations. It allows us to keep our doors open, keep our people employed, and keep serving our communities.

For those reasons, I urge you to support LD 2155. Thank you for your time and consideration. I would be happy to answer any questions you may have.