

§707. Licensee not to be indebted, obligated or involved

1. Licensee not indebted. Except as provided in subsection 7, the bureau may not issue any license to or renew the license of a person who is indebted in any manner, directly or indirectly:

A. To any other person for liquor; [PL 1987, c. 45, Pt. A, §4 (NEW).]

B. To the State for any tax, other than property tax, assessed and considered final under Title 36 that the State Tax Assessor certifies, in accordance with Title 36, section 172, as remaining unpaid in an amount exceeding \$1,000 for a period greater than 15 days after the applicant or licensee has received notice of the finality of that tax; or [PL 2019, c. 659, Pt. F, §1 (AMD).]

C. For any contributions assessed and considered final under Title 26, section 1225, when the Director of Unemployment Compensation certifies that the amount remains unpaid for a period greater than 60 days, after the applicant or licensee has received notice of the finality of that tax. [PL 1987, c. 45, Pt. A, §4 (NEW).]

[PL 2019, c. 659, Pt. F, §1 (AMD); PL 2019, c. 665, §1 (AMD).]

2. Licensee must not receive anything of value. No licensee or applicant for a license may receive, directly or indirectly, any money, credit, thing of value, indorsement of commercial paper, guarantee of credit or financial assistance of any sort from any person within or without the State, if the person is:

A. Engaged, directly or indirectly, in the manufacture, distribution, wholesale sale, storage or transportation of liquor; or [PL 1987, c. 342, §40 (AMD).]

B. Engaged in the manufacture, distribution, sale or transportation of any commodity, equipment, material or advertisement used in connection with the manufacture, distribution, wholesale sale, storage or transportation of liquor. [PL 1987, c. 342, §40 (AMD).]

Nothing in this subsection prevents an affiliate of a licensee from receiving money for sponsorship of a transportation system for transporting the public or for sponsorship of specific sporting events and cultural events as long as the licensee does not receive any payment or thing of value from the public transportation system or the sporting and cultural events and as long as such an affiliate does not derive any portions of its revenues from the licensee. All sponsorships must have prior written approval of the bureau. The bureau shall adopt rules implementing this paragraph.

[PL 1993, c. 730, §30 (AMD).]

3. Retail licensee; interest in wholesaler or certificate of approval.

[PL 2019, c. 665, §2 (RP).]

3-A. Manufacturer or importer; prohibited financial interests. Except as authorized in subsection 7 and sections 707-A and 1355-A, a licensed in-state manufacturer, an out-of-state spirits supplier, an out-of-state manufacturer of malt liquor or wine that has been issued a certificate of approval or an out-of-state wholesaler of malt liquor or wine that has been issued a certificate of approval may not have any financial interest, direct or indirect, in any:

A. Wholesale licensee; or [PL 2019, c. 665, §3 (NEW).]

B. Retail licensee. [PL 2019, c. 665, §3 (NEW).]

[PL 2019, c. 665, §3 (NEW).]

4. Certificate of approval holder or Maine manufacturer; interest in wholesaler or retail license.

[PL 2019, c. 665, §4 (RP).]

4-A. Wholesale licensee; prohibited financial interests. Except as authorized in subsection 7, a wholesale licensee may not have any financial interest, direct or indirect, in any:

A. Licensed in-state manufacturer, out-of-state spirits supplier, out-of-state manufacturer of malt liquor or wine that has been issued a certificate of approval or out-of-state wholesaler of malt liquor or wine that has been issued a certificate of approval; or [PL 2019, c. 665, §5 (NEW).]

B. Retail licensee. [PL 2019, c. 665, §5 (NEW).]
[PL 2019, c. 665, §5 (NEW).]

5. Wholesale licensee; interest in certificate of approval holder, Maine manufacturer or retail license.

[PL 2019, c. 665, §6 (RP).]

5-A. Retail licensee; prohibited financial interests. Except as authorized in sections 707-A and 1355-A, a retail licensee may not have any financial interest, direct or indirect, in any:

A. Licensed in-state manufacturer, out-of-state spirits supplier, out-of-state manufacturer of malt liquor or wine that has been issued a certificate of approval or out-of-state wholesaler of malt liquor or wine that has been issued a certificate of approval; or [PL 2019, c. 665, §7 (NEW).]

B. Wholesale licensee. [PL 2019, c. 665, §7 (NEW).]
[PL 2019, c. 665, §7 (NEW).]

6. Directors, officers, members and securities. The financial interests prohibited in subsections 3-A, 4-A and 5-A include, but are not limited to, circumstances in which an officer, director, member or holder of the securities of a business entity is also a director, officer, member or holder of the securities of another business entity, except that a minor investment in not more than 1% of the securities of a business entity does not constitute a financial interest prohibited by subsections 3-A, 4-A and 5-A.

[PL 2019, c. 665, §8 (AMD).]

7. Exceptions. This section does not prohibit:

A. A manufacturer or out-of-state wholesaler from extending the usual and customary credit to a wholesale licensee for the purchase of malt liquor or wine; [PL 2021, c. 8, §1 (AMD).]

B. A manufacturer or out-of-state wholesaler from furnishing materials and equipment for the use of a wholesale licensee or the wholesale licensee's employees, including:

(1) Painting the wholesale licensee's vehicles;

(2) Supplying legal advertising signs used by the wholesale licensee in the course of the wholesale licensee's business; and

(3) Supplying uniforms for the employees of the wholesale licensee; or [PL 2021, c. 8, §1 (AMD).]

C. A manufacturer licensed under section 1355-A from selling and shipping its products to an individual in another state for personal use and not for resale, as long as the sale and shipment are authorized by and conducted in accordance with the requirements of the law of the state where the shipment is delivered. [PL 2021, c. 8, §1 (NEW).]

[PL 2021, c. 8, §1 (AMD).]

8. Definitions. For purposes of this section, the following terms have the following meanings.

A. [PL 2021, c. 658, §97 (RP).]

B. "Out-of-state spirits supplier" means an out-of-state spirits manufacturer that has been issued a certificate of approval under section 1381 or a person that engages in the out-of-state purchase of spirits for resale to the bureau that has been issued a certificate of approval under section 1381.

[PL 2021, c. 658, §98 (RPR).]

[PL 2021, c. 658, §§97, 98 (AMD).]

SECTION HISTORY

PL 1987, c. 45, §A4 (NEW). PL 1987, c. 342, §§40-43 (AMD). PL 1993, c. 730, §30 (AMD). PL 1997, c. 373, §68 (AMD). PL 2005, c. 390, §§2,3 (AMD). PL 2011, c. 629, §§9, 10 (AMD). PL 2019, c. 659, Pt. F, §1 (AMD). PL 2019, c. 665, §§1-10 (AMD). PL 2021, c. 8, §1 (AMD). PL 2021, c. 658, §§97, 98 (AMD).

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