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STATE OF MAINE DEPARTMENT OF ADMINISTRATIVE AND FINANCIAL SERVICES BUREAU OF ALCOHOLIC BEVERAGES AND LOTTERY OPERATIONS 8 STATE HOUSE STATION

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Testimony of

Gregory R. Mineo
Director, Bureau of Alcoholic Beverages and Lottery Operations

Before the Joint Standing Committee on Veterans and Legal Affairs

LD 378 – An Act to Temporarily Waive Renewal Fees for On-premises Retail Liquor Licenses

February 22, 2021

Senator Luchini, Representative Caiazzo and members of the Joint Standing Committee on Veterans and Legal Affairs, my name is Gregg Mineo and I am the Director of the Bureau of Alcoholic Beverages and Lottery Operations. I am providing the following written testimony neither for nor against LD 378.

This bill directs the Bureau not to require the payment of licensing fees for license renewals for on-premises licensees in 2021. Through, last Friday, the Bureau has renewed 327 various on-premises liquor licenses to date. Until this bill becomes law, the number of renewals in this category will continue to increase in volume. The state's process for issuing refunds is a cumbersome process; there are various steps both at the Bureau and at the State's financial service center that supports the Bureau. Based on the number of refunds that will likely need to be completed, it will take a significant amount of time for staff, who are already stretched to the maximum, to process these refunds.

The Bureau recommends amending the bill to set a date certain for when the waiver of fees will start and end. In this way, those licensees who have renewed prior to the effective date will have a fee waiver afforded to them in 2022. For example, an on-premises licensee renewed its license on January 31, 2021 and paid the required fee. Upon renewal in January 2022, the licensing fee will be waived.

For the Committee's information, and to add some perspective on this, below you will see the revenue collected on fees for on-premises licenses:

FY21 to date: \$ 1,747,961.00 FY20 total: \$ 1,508,555.00

Thank you for allowing me to testify before the Committee today. I am happy to respond to any questions, and of course will be available for the work session.