



**Testimony of Newell Augur
On behalf of RSVP Discount Beverage, Portland**

**Before the Joint Standing Committee on Veterans and Legal Affairs
In Opposition to LD 1093, An Act to Expand the Options for Shipping
Wine Directly to Consumers, and LD 1358, An Act to Provide Direct
Shipment of Spirits to Consumers**

Sponsored by Senators Miramant and Stewart

April 16, 2021

Senator Luchini, Representative Caiazzo, and members of the Joint Standing Committee of Veterans and Legal Affairs, my name is Newell Augur. I am a resident of Yarmouth, a native of Portland, and a lawyer with Pierce Atwood. On behalf of RSVP Discount Beverages, located at 887 Forest Avenue in Portland, I am here to testify against LD 1093, An Act to Expand the Options for Shipping Wine Directly to Consumers; and LD 1358, An Act to Provide Direct Shipment of Spirits to Consumers.

Our opposition to these bills is based upon the same principle that we cited in response to a bill earlier this session regarding the granting of an additional liquor license in Portland. As a control state, we have adopted a model for the sale of alcoholic beverages that directs the government to determine who gets a license, where the stores are located, what the stores sell, what they have to keep for inventory, what price they charge, and so on. It's the state's responsibility, therefore, to make sure those liquor licensees have sufficient sales volume in order to make a reasonable return such that they can pay their employees and operate successfully. Moving sales out of agency stores that have made capital investments in their property and toward direct shipping carriers jeopardizes the state's ability to do that. The amount of lost sales may seem small at first, but it is very difficult to predict what that amount might look like in the future.

If we want to scrap that control model and pursue a different one, we should have that discussion. But it is inconsistent for Maine to be a control state, and at the same time cleave to the notion that we should be guided by the principles of free enterprise, namely that the consumer can get what they want when they want it.

As a practical matter, RSVP stocks approximately 80% of all the spirits products listed by BABLO. If a customer requests a product that we do not carry but that is listed, we order it. This happens on a regular basis and we can usually have the rare bottle of scotch, bourbon or gin delivered to our store - and if necessary to an off premise account - in less than 48 hours. Our fellow independent agency stores provide this same level of service. Further, BABLO is constantly updating the list of products that can be sold in Maine and, in turn, at agency stores. Just this week, BABLO added 114 new spirits products to that list.

With respect to wine purchases, a number of years ago the State set up a mechanism that allows Maine residents to purchase wine directly from a vineyard located out of state. The proposal before you would dramatically expand that to include all retailers and wholesalers. As with the direct shipping of spirits, this proposal advances the interests of business located outside of Maine at the expense of business located - and invested - in Maine.

We must also be mindful of the nature of the product being shipped. While alcohol is not regulated as a controlled substance, it is a drug and as such is carefully regulated so that persons aged 21 and younger do not have access to it. Anyone making a purchase at an agency liquor store or beer and wine shop in Maine is required to show proof of age before purchase. Purchases made online should have a similar method to verify that the customer is legally allowed to make the purchase.

We understand that the supporters of these bills (or at least those supporting the direct shipment of spirits) are seeking to keep the total amount very small relative to current sales. We would be happy to represent other agency stores, who are similarly concerned, should there be a stakeholder group assembled to consider ways to improve these bills or alternatives to direct shipping.

Thank you for the opportunity to provide this testimony. I will be present at your work session.