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130th MAINE SENATE

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**Testimony of Senator Harold “Trey” Stewart
Presenting L.D. 1358, An Act to Provide for the Direct Shipment of Spirits to Consumers
Before the Committee on Veterans and Legal Affairs
April 16, 2021**

Senator Luchini, Representative Caiazzo and members of the Veterans and Legal Affairs Committee: I am State Senator Trey Stewart and I have the distinction of representing 51 communities in Aroostook and Penobscot Counties. I am before you today to present testimony on L.D. 1358, An Act to Provide for the Direct Shipment of Spirits to Consumers.

The COVID-19 pandemic has led to a greater number of people making online and direct to consumer (DTC) purchases as they have tried to avoid store crowds. While many products, including wine, can be shipped directly to Maine consumers, spirits and malt liquor currently cannot. As this committee is well aware, Maine has strict policies in place when it comes to DTC shipping of wine; L.D. 1358 and the provided amendment mirrors current statute so that malt liquor and spirits could also be shipped DTC under the same strict guidelines. Additionally, an out-of-state direct shipper of spirits would be required to pay an excise tax of \$11.96 per gallon.

An amendment to this bill has been run by supporters of this bill which would allow for the inclusion of craft beer to also be shipped DTC. I believe this amendment will be beneficial not just to consumers, but also to the craft beer industry in Maine that has been impacted in the past year from the pandemic and a helpful boost for a new and exciting industry that’s growing in our state.

To be clear, the spirits we are generally talking about are not the spirits you would typically see at an agency store and thus wouldn’t be competing with agency stores as they typically don’t carry unique or hard to find spirits or the thousands of spirits and malt beverage products that are being produced around the country that are not readily available to Maine consumers.

Many states across the country have adopted public policy that allows for DTC shipping of beer, wine, and spirits. The world we live in is quickly evolving and a greater number of consumers are purchasing products online as a matter of convenience in their busy life. I believe this is common sense public policy and will be appreciated by both Maine consumers and those who vacation here that may wish to have their favorite alcoholic beverage, not necessarily available in Maine, shipped directly to them.

Thank you for your time and consideration. I am happy to answer any questions you may have.