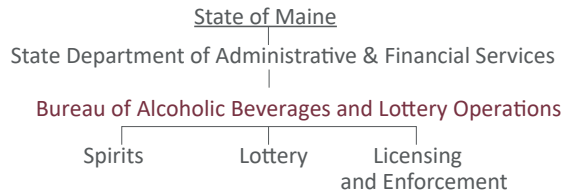


AGENCY

The **Maine Bureau of Alcoholic Beverages and Lottery Operations** is a part of the State Department of Administrative & Financial Services (DAFS). The Bureau effectively regulates the beverage alcohol industry in Maine by ensuring responsible business practices by agency liquor stores, beer and wine wholesalers, and on-premise licensees (bars and restaurants) while creating a favorable business climate.



WET and DRY COUNTIES

Local option votes by municipalities, or if an unorganized township, by the county commissioners, are required to determine whether the sale of alcoholic beverages for on and/or off premises consumption is permitted including whether sales are permitted Monday through Saturday and separately Sunday.

State law allows local jurisdictions to control alcohol availability.

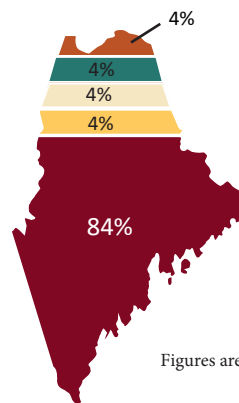
Population 21 and over
(Estimate) (2015)

979,186

REVENUE

In FY18, Maine distributed its spirits business revenue into five avenues:

- Liquor Operations Revenue Bond (84%)
- General Fund (4%)
- Department of Environmental Protection (4%)
- Department of Health and Human Services (4%)
- Department of Transportation (4%)



Figures are from 2018

AGENCY HISTORY

The State's regulation of liquor originated in 1862 with the establishment of a Commission to Regulate Sale of Intoxicating Liquors and to have control of liquors kept and sold for medicinal and manufacturing purposes. In 1992, the Maine State Lottery and the Bureau of Alcoholic Beverages were combined to become the Bureau of Alcoholic Beverages and Lottery Operations. The following year, the Maine State Liquor Commission and State Lottery Commission were merged into a single, combined Commission of five members. The members of the Commission are appointed by the Governor and confirmed by the Legislature and meet monthly to provide public oversight of statutory requirements. The Bureau's day to day operations are overseen by the Director who is appointed by the Commissioner of DAFS.

ENFORCEMENT

Enforcement matters are handled by the Division of Liquor Licensing and Enforcement within the Bureau.

The Bureau can adopt rules consistent with laws of the State for the administration, clarification, execution and enforcement concerning liquor and to prevent violations.

\$51,674,687
FY 2018 Net Revenue



From 2003 through 2018, the Maine Bureau of Alcoholic Beverages has contributed more than \$374 million in profit to the state.

DISTRIBUTION

Spirits are only sold by retail stores licensed by the Bureau. On July 1, 2014, the Bureau entered into a 10 year, fee for services contract with Pine State Trading Company for the warehousing, order management, delivery of spirits to agency liquor stores and inventory management. On-premise licensees must purchase from an agency liquor store that is licensed as a reselling agent by the Bureau. Additionally, in October of 2014, the State entered into a 10 year, fee for services contract with Pine State Trading Company for spirits trade marketing services, which are new activities to the Bureau as the state had not previously branded or marketed spirits to Maine consumers.

Does jurisdiction allow direct shipping of wine?



Tax per standard drink:

SPIRITS: \$0.064

WINE: \$0.023

BEER: \$0.033



OFF- and ON-PREMISE OUTLETS

Licensing matters are also handled by the Division of Liquor Licensing and Enforcement within the Bureau. The responsibility of this Division is to license the manufacture, importation, storage, transportation and sale of all liquor and to administer those laws relating to licensing and the collection of taxes on malt liquor and wine. The Division reviews applications and issues licenses and permits for the sale of liquor licenses.

Maine has control of spirits at wholesale and retail. It has 550 agency liquor stores.

- Maine has policies that regulate the density of off-premise outlets in a neighborhood/precinct/condensed area for agency liquor stores only and that number is determined by population. For other off-premise establishments, there is no policy/law/regulation that regulates the density in any specific area.
- Maine allows the sale of spirituous liquor in convenience stores.
- Servers must be 17 years old and older to serve beer at on-premise outlets, and employees at off-premise outlets can be at least between 15 and 17 to serve beer
- The sale of spirits, beer and wine are permitted in grocery stores.
- Sunday sales are allowed.
- Keg registration is required.
- For every 100,000 residents ages 21 and older, there are 54.1 spirits outlets.
- Beverage service training is voluntary in most of the state, however, it is mandatory in some municipalities.

MAINE BUREAU OF ALCOHOLIC BEVERAGES IN ACTION:



The Bureau takes the responsibility of enforcing Maine's liquor laws seriously. The prohibition of the sales to and the consumption by minors of liquor is a major focus. The Bureau works closely with the Maine Office of Substance Abuse and Mental Health Services to create social responsibility and awareness programs about effects of alcohol on persons under the age of 21.

The Bureau created and maintains a readily available, certified, web-based Seller/Server Training program for sellers and servers of beverage alcohol who are unable to attend traditional classroom-style training. This training is mandatory by ordinance in Portland and Bangor. The Bureau's goal is to ensure all sellers and servers have access to training to reduce the irresponsible sale and use of beverage alcohol.

The Bureau created and began distributing Licensee Tool Kits to off-premise agency stores and on-premise licensees. The tool kits contain valuable information for licensees, such as training information, Administrative Liquor Laws Quick Reference Guide, policy development resources, ID Checking Guide and other tools. The Bureau also conducts compliance checks during high school prom and graduation periods.

DEFINITIONS

Control systems -- jurisdictions that directly control the distribution and sale of beverage alcohol in their borders.

Three-tier system -- the method of alcohol distribution developed after Prohibition in the United States. Producers/manufacturers (first tier) can sell products only to wholesalers/distributors (second tier) who then sell to retailers (third tier).

Revenue Per Capita -- revenue per person.

Wet and dry counties -- Wet jurisdictions are those that permit the sale of spirits, wine, or beer for on-premise and off-premise consumption. Dry jurisdictions prohibit some or all alcohol sales, whether on- or off-premise.

Sources: 2016 NABCA Survey Database, State Alcohol Tax Rates (July 2016), NABCA Educational Awards Program Reports for 2014-2015, Maine Bureau of Alcoholic Beverages, The Beverage Information Group's 2015 Fact Book, Alcohol Policy Information System (APIS)