

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

## **An Act To Clarify the Use of Instant Redeemable Coupons with Alcoholic Beverages**

**Be it enacted by the People of the State of Maine as follows:**

**Sec. 1. 28-A MRSA §708**, as amended by PL 2005, c. 503, §§ 1 and 2, is further amended to read:

### **§ 708. Prohibited discounts and rebates**

**1. Certificate of approval holders.** A certificate of approval holder may not offer to wholesale licensees any special discounts, volume discounts or other reduced prices or discounts, except bona fide price reductions under section 1408 offered to all wholesale licensees. A certificate of approval holder may offer depletion allowances to wholesale licensees if the depletion allowance is posted in accordance with section 1408. A certificate of approval holder may not offer any free merchandise, rebate or gift to the purchaser of an alcoholic beverage.

**2. Wholesale licensees.** A wholesale licensee may not offer to retail licensees any special discounts, volume discounts, depletion allowances, other reduced prices or discounts, or refunds except bona fide price reductions under section 1408 offered to all retail licensees. A wholesale licensee may not offer any free merchandise, rebate, refund or gift to the purchaser of an alcoholic beverage.

**3. Retail licensees.** A retail licensee may not offer any free merchandise, rebate or gift to the purchaser of any alcoholic beverage.

**5. Combination packages.** Notwithstanding subsection 3, agency liquor store licensees may offer for sale any package or combination of packages of spirits that the commission has approved for sale in this State.

**6. Marketing and mail-in promotions.** Upon approval by the commission, promotional materials, including mail-in rebates, designed to encourage a consumer to purchase a spirits product to be attached to or displayed near the spirits product where it is offered for sale for off-premises consumption may be offered by those whose spirits products are listed by the commission. Mail-in rebates approved by the commission must be redeemed by the manufacturer and not by the retail licensee and may not exceed the purchase price of the spirits product. Mail-in rebates, certificates or merchandise included with a spirits product must be inserted in the package or attached to the package by the manufacturer.

**7. Instant marketing promotions.** A manufacturer of spirits listed for sale by the commission may offer monetary rebates in the form of instant redeemable coupons attached to the spirits product in accordance with conditions or rules established by the commission. Agency store licensees may redeem the coupons only upon proof of purchase and in accordance with the terms listed on the coupon. Instant redeemable coupons included with a spirits product must be inserted in the package or attached to the package by the manufacturer.

This section does not prohibit a certificate of approval holder from including a mail-in offer, a certificate, instant redeemable coupon or merchandise in a package of beer, wine or low-alcohol spirits for sale by an off-premise retailer. The package containing the mail-in offer, certificate, instant redeemable coupon or merchandise must be packaged by the certificate of approval holders at the brewery or winery.

This section does not prohibit the unconditional distribution of merchandise to the patrons of an on-premise establishment.

## **SUMMARY**

This bill allows for spirits manufacturers to include instant redeemable coupons with spirits products listed for sale by the State Liquor and Lottery Commission. It also specifies that instant redeemable coupons and other promotions attached to or included in spirits products packages be attached or inserted by the manufacturer.