

MAINE STATE LEGISLATURE

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SENATE REPORTS - from the Committee on **LEGAL AND VETERANS AFFAIRS** on Bill "An Act To Allow the Use of Credit Cards To Purchase Wine, Beer and Spirits from Distributors" S.P. 595 L.D. 1688

Majority - **Ought Not to Pass** (7 members)

Minority - **Ought to Pass as Amended by Committee Amendment "A" (S-185)** (6 members)

Tabled - June 1, 2007, by Senator **MARRACHÉ** of Kennebec

Pending - motion by same Senator to **ACCEPT** the Majority **OUGHT NOT TO PASS** Report

(In Senate, June 1, 2007, Reports **READ**.)

THE PRESIDENT: The Chair recognizes the Senator from Penobscot, Senator Plowman.

Senator **PLOWMAN:** Thank you Madame President, men and women of the Senate. This bill came before the Committee on Legal and Veterans Affairs and was amended. It comes out amending a 65-year-old law that says, 'when buying alcohol from a distributor, you pay in cash or check at the time of delivery.' As restaurants, inns, and small stores try to deal with deliveries that come in, they have found that they do not want to handle the large amounts of money or checks to an employee as they bring the deliveries. So some years ago there was a compromise made which said, 'give us a bunch of money and we'll hold it on your account, and we'll just deduct what you buy from this account that's your money, or let us into your checking account and we'll just take out what we like.' So I was asked to bring the bill which actually said, 'let us charge by credit cards.' I was turned down. With the small margins in alcohol that we just discussed, no one really wanted to assume a two to three percent cost for a credit card. So this bill added the words that 'a distributor may extend their own credit terms to the purchaser for a maximum of 14 days.' It takes the hammer that's being used in other states that says, 'if you don't pay, you will be subject to losing your license.' Now, you've got people saying what a bad idea this is, and I am absolutely impressed with the boogie men that came out of the closet on this one. Can you believe it? Retailers are going to go to New Hampshire to buy their alcohol in an illegal way and sell it in their establishments if we pass this law. This bill says, 'a distributor may extend credit terms - their own.' That means you limit it, you charge the amount you want, you set the rate the day that you extend credit for, and you can determine who is credit-worthy. There's no 'shall' anywhere in the bill. This bill brings us into the 21st Century and it says that you may, it changes just a few words, if someone should want to accommodate a very good credit-worthy client, that they are not prohibited by law. That's all it says. You don't have to do it. We can't make you do it. It just adds the provision. You might have a client that you'd like to accommodate and you may not do that now. You probably read the letter that says, 'restaurants go bankrupt overnight and so do small businesses.' Well I say they're probably not credit-worthy. Are you going to care that innkeepers who'd like to have this ask for a credit card up front? Well guess what, they don't know whose checking in. They have no prior contract with them. They have no business relationship with them. But I guarantee you that if it's a long-term client or

someone who uses their facility every month, they have a house account. It's a good business practice to take care of your client. It is an inconvenience sometimes to have to take care of your clients, and if you have cash and check upfront, you don't have to. And if the law backs you up, it's golden. So they don't care because they don't have to. I suggest to you that it's only a 'may.' And I will have no problem with changing a law to help keep the economy of good customers. No one can be forced. I would ask that you turn down the Majority Ought Not To Pass, and just put the 'may' in place so this might go forward. It's simple. I don't know what the hullabaloo is about. I absolutely was amazed. And I ask you to please vote to make this happen for some of the small businesses in Maine who'd like to not open their checking account and give big companies the right to hold hundreds of accounts worth of money to be swept every night into an interest-bearing account where they make money on the small guy who has to extend it out there to make sure that they can get a delivery. It doesn't quite seem right, does it? Let me in your checking account or give me the money ahead of time. I think it's just a small request and I would ask you to support the bill. Thank you.

THE PRESIDENT: The Chair recognizes the Senator from Kennebec, Senator Marraché.

Senator **MARRACHÉ:** Thank you Madame President, men and women of the Senate. This bill came out with a majority vote of Ought Not To Pass for a particular reason. For the last 65 years Maine has had on the records 'cash only' to pay for liquor. And there's a reason for that. We regulate liquor in this state, and we regulate it for a reason. We don't want people to have the ability to buy way more than they can potentially. And we are trying to make sure that you buy only what you can use and sell, and that is not something that can be abused in any way. We should not be changing this law at all. We should leave it as is. It has not been a problem, so I would ask you to vote for the motion as it stands. Thank you.

At the request of Senator **ROSEN** of Hancock a Division was had. 18 Senators having voted in the affirmative and 14 Senators having voted in the negative, the motion by Senator **MARRACHÉ** of Kennebec to **ACCEPT** the Majority **OUGHT NOT TO PASS**, **PREVAILED**.

Sent down for concurrence.

The Chair laid before the Senate the following Tabled and Later (6/1/07) Assigned matter:

An Act Regarding the Long-term Contracting Authority of the Public Utilities Commission

H.P. 224 L.D. 268
(C "A" H-220)

Tabled - June 1, 2007, by Senator **MARTIN** of Aroostook

Pending - motion by Senator **SMITH** of Piscataquis to **INDEFINITELY POSTPONE** the Bill and accompanying papers, in **NON-CONCURRENCE**

(In Senate, May 29, 2007, **PASSED TO BE ENGROSSED AS AMENDED BY COMMITTEE AMENDMENT "A" (H-220)**, in concurrence.)

(In House, May 31, 2007, **PASSED TO BE ENACTED**.)

THE PRESIDENT: The Chair recognizes the Senator from Cumberland, Senator Bartlett.

Senator **BARTLETT:** Madame President, I rise in opposition to the pending motion. We previously debated this bill, this is a bill that simply makes some changes to the long-term contracting authority we gave the PUC last session in order to make it work better. There are only a couple of points of potential disagreement and it would be unfortunate to leave in place a statute that cannot work effectively on the basis of a couple items of disagreement. I oppose the pending motion and request a roll call.

On motion by Senator **BARTLETT** of Cumberland, supported by a Division of one-fifth of the members present and voting, a Roll Call was ordered.

The Doorkeepers secured the Chamber.

The Secretary opened the vote.

ROLL CALL (#115)

YEAS: Senators: BENOIT, COURTNEY, DOW, GOOLEY, HASTINGS, MCCORMICK, MILLS, NASS, PLOWMAN, RAYE, ROSEN, SAVAGE, SHERMAN, SMITH, SNOWE-MELLO, TURNER, WESTON

NAYS: Senators: BARTLETT, BOWMAN, BRANNIGAN, BROMLEY, BRYANT, DAMON, DIAMOND, HOBBS, MARRACHE, MARTIN, MITCHELL, NUTTING, PERRY, ROTUNDO, SCHNEIDER, STRIMLING, SULLIVAN, THE PRESIDENT - BETH G. EDMONDS

17 Senators having voted in the affirmative and 18 Senators having voted in the negative, the motion by Senator **SMITH** of Piscataquis to **INDEFINITELY POSTPONE** the Bill and accompanying papers, in **NON-CONCURRENCE, FAILED**.

PASSED TO BE ENACTED and having been signed by the President, was presented by the Secretary to the Governor for his approval.

Senate at Ease.

Senate called to order by the President.

The Chair laid before the Senate the following Tabled and Later Today Assigned matter:

Bill "An Act To Amend the Tax Credit for Biofuel Production"
S.P. 320 L.D. 1003
(C "A" S-182)

Tabled - June 5, 2007, by Senator **MITCHELL** of Kennebec

Pending - **PASSAGE TO BE ENGROSSED AS AMENDED** (Roll Call Ordered)

(In Senate, June 5, 2007, **READ A SECOND TIME**.)

The Doorkeepers secured the Chamber.

The Secretary opened the vote.

ROLL CALL (#116)

YEAS: Senators: BARTLETT, BENOIT, BOWMAN, BRANNIGAN, BROMLEY, BRYANT, COURTNEY, DAMON, DIAMOND, DOW, GOOLEY, HASTINGS, HOBBS, MARRACHE, MARTIN, MCCORMICK, MILLS, MITCHELL, NASS, NUTTING, PERRY, PLOWMAN, RAYE, ROSEN, ROTUNDO, SAVAGE, SCHNEIDER, SHERMAN, SMITH, SNOWE-MELLO, STRIMLING, SULLIVAN, TURNER, WESTON, THE PRESIDENT - BETH G. EDMONDS

NAYS: Senators: None

35 Senators having voted in the affirmative and no Senators having voted in the negative, was **PASSED TO BE ENGROSSED AS AMENDED**.

Sent down for concurrence.

The Chair laid before the Senate the following Tabled and Later Today Assigned matter:

The Committee on **NATURAL RESOURCES** on Bill "An Act To Continue To Ensure the Long-term Capacity of Municipal Landfills"

H.P. 710 L.D. 935

Tabled - June 5, 2007, by Senator **MARTIN** of Aroostook

Pending - **ADOPTION OF COMMITTEE AMENDMENT "A" (H-411)**, in concurrence

(In House, June 5, 2007, **PASSED TO BE ENGROSSED AS AMENDED BY COMMITTEE AMENDMENT "A" (H-411)**.)

(In Senate, June 5, 2007, Committee Amendment "A" (H-411) **READ**.)

Committee Amendment "A" (H-411) **ADOPTED**, in concurrence.

ASSIGNED FOR SECOND READING NEXT LEGISLATIVE DAY.