



ALCOHOL COMPLIANCE AND CAPACITY ASSESSMENT: A MAINE SPOTLIGHT

November 2022

*Maine Bureau of Alcoholic
Beverages and Lottery Operations*

Table of Contents

Executive Summary	1
Introduction and Background	3
Methods.....	4
Findings	6
♣ Numbers of Alcohol Licenses and Personnel	6
♣ State Environment and Context: Licensing Authority and Types	15
♣ Criminal/Administrative Authority in States	21
♣ Personnel and Staffing	23
♣ Direct-To-Consumer (DTC) Shipping	28
♣ Compliance and Monitoring of Underage Sales and Overservice	32
♣ Impact of the COVID-19 Pandemic.....	37
Discussion	41
Limitations.....	44
Recommendations for Future Research	45
Conclusion	45
Acknowledgements.....	45

This assessment was prepared for the Maine Bureau of Alcoholic Beverages and Lottery Operations by Linda M. Bosma, PhD, Bosma Consulting, LLC.

Suggested citation: Maine Bureau of Alcoholic Beverages (BABLO) and Lottery Operations. Alcohol Compliance and Capacity Assessment: A Maine Spotlight. November 2022.

FOR MORE INFORMATION, PLEASE CONTACT:

Maine Bureau of Alcoholic Beverages and Lottery Operations
Spirits.Maine@Maine.gov

CASSANDRA TOURRE, MPA
Director, Public Policy
National Alcohol Beverage Control Association
policy@nabca.org

Executive Summary

The goal of state alcohol regulation is to protect public health and safety, establish an efficient mechanism to collect taxes and revenues, eliminate unfair and illegal marketing or trade practices, and balance interests of all stakeholder groups engaged and interested in alcohol regulation. The **Maine** Bureau of Alcoholic Beverages and Lottery Operations (the Bureau) effectively regulates the beverage alcohol industry in **Maine** by ensuring responsible business practices. The Bureau contracted with an alcohol researcher to conduct a systematic assessment of **Maine's** alcohol regulatory and enforcement capacity of the sale of alcoholic beverages, the overall alcohol regulatory and enforcement landscape across states, and how **Maine** compares to other states.

Methods

Representatives of 45 states and the District of Columbia (n=46) participated in a telephone interview and completed a form to provide numbers of licenses and personnel. Data analysis assessed the aggregate alcohol landscape across participating states, ratio of licenses and establishments to personnel, and compared **Maine's** capacity and resources to the aggregate state data. The assessment was supported by an award from the National Alcohol Beverage Control Association (NABCA).

Findings

Maine has lower staffing capacity than most states; **Maine** has fewer enforcement personnel and a higher number of licenses per Full Time Equivalent (FTE) than most other states.

- 📌 **Maine** has fewer enforcement personnel than all but six of the states in the study.
- 📌 **Maine** has 17 FTEs, with seven FTEs in enforcement, to oversee 11,418 licenses and 4,344 unique physical establishments.
 - There are 672 alcohol licenses for every FTE in the Bureau, compared to an aggregate average ratio for all states of 158 licenses per FTE.
 - The number of licenses per FTE is even greater for just enforcement FTEs—there are 1,631 licenses for every one enforcement FTE (compared to an aggregate average ratio for all states of 305 licenses per enforcement FTE).
 - **Maine** enforcement FTEs have the 4th highest ratio of licenses per FTE of states in the study, even though **Maine** has just the 22nd highest number of licenses—only three states in the study have a higher ratio of licenses to enforcement FTEs than **Maine**.

Maine has insufficient capacity to adequately monitor direct-to-consumer (DTC) shipping, like many states. **Maine** allows DTC shipping for wine; expansion of DTC to allow spirits is under consideration. **Maine** is challenged to provide adequate oversight of DTC shipping, as were many states in the study. **Maine** has no dedicated staff assigned specifically to DTC compliance, so this function is absorbed into the overall department workload.

Lack of criminal authority limits the Bureau's enforcement capacity. **Maine's** alcohol enforcement system is decentralized, with administrative authority at the state level and criminal authority vested in state and local law enforcement agencies. Bureau enforcement personnel do not have arrest powers and must rely on local law enforcement agencies, even though these agencies may not have the depth of expertise on alcohol licensing and violations that is optimal.

A combination of state and local efforts to prevent sales to underage and overservice sales are priorities for the Bureau, but not mandated by state law. Training for employees who serve

or sell alcohol is not required by state law, but some local communities have enacted ordinances requiring training within their jurisdiction. Local law enforcement agencies can conduct compliance checks and when they do, they share this information with the Bureau.

Reliance on paper systems limits regulatory capacity. **Maine's** systems are on paper, limiting the ability of staff to quickly access licensee information or use this information for allocated resources to maximize efficiencies. Paper systems pose challenges for adequately monitoring DTC shipping.

The geography of Maine strains limited resources. **Maine** is nearly as large in area as all the other New England states combined. **Maine** has fewer enforcement staff than nearby Vermont, even though **Maine** has more licenses and is three times the size.

Variations among state alcohol regulatory and enforcement systems enable states to adopt processes for their unique situation, although diversity of models can make it challenging to identify best practices across states. There is no singular state model of alcohol regulatory enforcement in the United States. While there may be some similarities in state alcohol regulatory enforcement systems, each state has developed its own unique combination of authority over licensing, enforcement, types of licenses, alcoholic beverage definitions, and operations (manufacturer, wholesale, retail).

The COVID-19 pandemic impacted alcohol regulatory enforcement agencies and licensees. **Maine**, like most states, expanded types of allowed alcohol sales through March 2025 to support businesses and to protect from further spread of COVID-19, without additional staff or resources for oversight.

Conclusion

There is great variety across state alcohol regulatory and enforcement systems, yet their challenges are similar. **Maine** has less staff capacity than most other states and faces some constraints by not having criminal authority, so it must rely heavily on state and local law enforcement agencies. Limited staff capacity impedes adequate oversight of DTC shipping. Finally, a reliance on paper files makes it more difficult to adequately track information essential to its oversight function.

Introduction and Background

In the United States, individual states determine laws and regulations on how alcohol is sold. With the passage of the 21st Amendment repealing Prohibition in 1933, Congress granted states the authority to determine how they regulate the sale of alcohol, creating a variety of alcohol regulatory systems across the country. States could opt to own some part of the alcohol distribution system, known as control states, or allow alcohol sales to be in the hands of private sellers.¹ The goal of state alcohol regulation is to protect public health and safety, establish an efficient mechanism to collect taxes and revenues, eliminate unfair and illegal marketing or trade practices, and balance interests of all stakeholder groups engaged and interested in alcohol regulation.

The **Maine** Bureau of Alcoholic Beverages and Lottery Operations (referred to as the Bureau throughout this report) effectively regulates the beverage alcohol industry in **Maine** by ensuring responsible business practices by agency liquor stores,² off-premises beer and wine retailers, in-state manufacturers of beer, wine and spirits, beer and wine wholesalers, and on-premises licensees (bars and restaurants) while creating a favorable economic climate. In addition to these responsibilities, **Maine** is one of 18 jurisdictions that operates under the control model of alcohol regulation where the state is a market participant and the sole wholesaler of spirits in the state, selling and distributing spirits to agency liquor stores. Revenues from the sale of spirits in the state go back to the state, supporting essential services in the state. This revenue also supports specific infrastructure initiatives, including roads and bridges, drinking water, and water treatment.

Through the assistance of the State Liquor and Lottery Commission, the Bureau has responsibility for the pricing, listing and delisting of spirits products. **Maine's** business model for the sale of spirits includes licensing private businesses as agency liquor stores to sell spirits to consumers and on-premises establishments (bars and restaurants). It also contracts with a third-party contractor for spirits administration and trade marketing, including warehousing, distribution, inventory and financial management, product maintenance, marketing activities, including traditional media and social media, and agency liquor store support through product awareness, planograms, and spirits shelf set developments.

The Bureau has responsibility for the licensing of all liquor licensees (liquor is defined under law as all types of alcoholic beverages) throughout **Maine** and the enforcement of **Maine's** liquor laws codified in Title 28-A of **Maine** law. The Bureau works to foster a balanced and fair alcohol marketplace through compliance monitoring efforts. **Maine** has a decentralized alcohol regulatory structure for enforcement where the Bureau enforces the administrative liquor code and state and local police enforce the criminal code as it relates to alcohol. To coordinate enforcement efforts between agencies, the Bureau has established memorandums of understanding with over a hundred local law enforcement agencies and with the state police. Further, the Bureau works closely with the **Maine** Center for Disease Control and Prevention (**Maine** CDC) to create social responsibility and awareness programs for alcohol to educate licensees and the public.

The Bureau has a statutory obligation to ensure the health and safety of **Maine** residents and visitors for the distribution and responsible sale of alcohol, while supporting the needs of licensees as they seek to understand and comply with laws and regulations. Recent changes, including those made during the COVID-19 pandemic, have placed increased demand on the Bureau's responsibilities without a commensurate increase in capacity to keep pace with the ever-changing alcohol marketplace. These capacity challenges have been documented by other alcohol regulatory and

¹ National Alcohol Beverage Control Association, <https://www.nabca.org/>.

² An agency liquor store in **Maine** is a privately-owned store that is licensed by the state to sell spirits. The Bureau controls the price of the product, but the licensee owns the product on the shelf.

enforcement agencies in states across the country.³

The aim of this study was to conduct a systematic review of state resources and compliance capacity to regulate alcohol sales and service practices across the United States. The purpose was to learn about responsibilities and resources in **Maine** compared to other states to help inform the Bureau's regulatory practices, policies, and operations as it seeks to protect the public from alcohol-related harm and serve the licensee community.

The assessment findings show alcohol regulatory and enforcement (ARE) agencies are responsible for a diverse array of license types and that states administer and enforce their alcoholic beverage code laws with a variety of levels of state, local, or combined authority. The number of staff compared to number of alcohol licenses varies widely across states. **Maine** has among the lower levels of staff capacity compared to its number of licenses.

■ Methods

Advisory Panel and Development of Data Collection Instruments

An Advisory Panel was recruited to provide input into the study design, sample development, and data collection instruments. The Advisory Panel included **Maine** representatives from law enforcement, prevention, and the Bureau; national experts from liquor law enforcement and regulation; and alcohol researchers who specialize in enforcement and alcohol policy research. (List of Advisory Panel members appears at the end of this report.) The Advisory Panel met four times and provided input into data collection items, reviewed drafts of the instruments, and advised on content and information that would be most useful for stakeholders. The Advisory Panel determined seven content areas for the assessment: 1) numbers of licenses and personnel, 2) state alcohol oversight environment, 3) administrative/criminal authority in states, 4) personnel and staffing, 5) direct-to-consumer shipping, 6) compliance and monitoring of underage sales and overservice, and 7) the impact of the COVID-19 pandemic.

Data Collection

Data collection instruments were piloted with two states; data from pilots was used in the study. Data collection took place from June to September 2022. Data collection had two parts: a data collection form and a survey administered by a telephone interview. States were provided a form via email to complete and return requesting numbers of licenses and personnel for their state. The interview was comprised of 67 questions, most of which were quantitative, with a handful of open-ended questions. All participants gave informed consent to participate in the interview. Interviews lasted approximately one hour and, with permission, were recorded and transcribed. Two states were unable to find a time to schedule the interview; for those states, a copy of the interview instrument was provided via email, completed, and returned. For several interviews, the respondent was unable to answer some questions during the telephone call; in these situations, the researcher followed up with an email of the outstanding questions, to allow the respondent to obtain the information and return by email.

To complement data collection from the states, a researcher with legal expertise reviewed state alcohol control statutes and regulations to determine the level of government responsible for alcohol enforcement by examining legislative statutes, state agency annual reports, and telephone interviews with alcohol and regulatory enforcement staff.

³ The National Liquor Law Enforcement Association. (2020). Best Practice Guidance for Alcohol Sales and Deliveries During and After the COVID-19 Pandemic: A National Liquor Law Enforcement Association Guidance Document. Retrieved from <https://files.constantcontact.com/c1247982301/242bf27d-994c-4d0a-92a4-da9298e02b89.pdf>.

Analysis


Data from the interviews and the forms was entered into excel spreadsheets for cleaning and analysis. Interview data was analyzed for frequency or percentage for interview responses and open-ended response questions were reviewed to identify additional information to provide context. The forms of numbers of licenses and personnel were quantified for totals, high and low ranges, and ratios of licenses to personnel were calculated for states in aggregate for comparison to the state of **Maine** and to compare control states and non-control states. For purposes of this report, states are categorized as *control* or *non-control* states. Control states in this report refer to the 17 states that take ownership of alcohol products at some point as identified by the National Alcohol Beverage Control Association (NABCA); the term *non-control* is used to include license states. (It should be noted that four jurisdictions within four states also use a control model, but the focus of this assessment is at the state level.)

The purpose of the study was to examine the environment of alcohol oversight, responsibility, and capacity of the State of **Maine** compared to other states. Thus, findings for the other states are most frequently presented in aggregate, rather than naming specific states. A few items were selected for illustration by state and are shown in select maps.

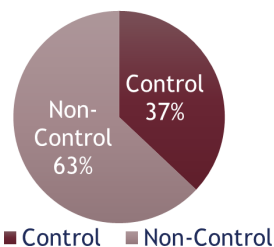
Sample

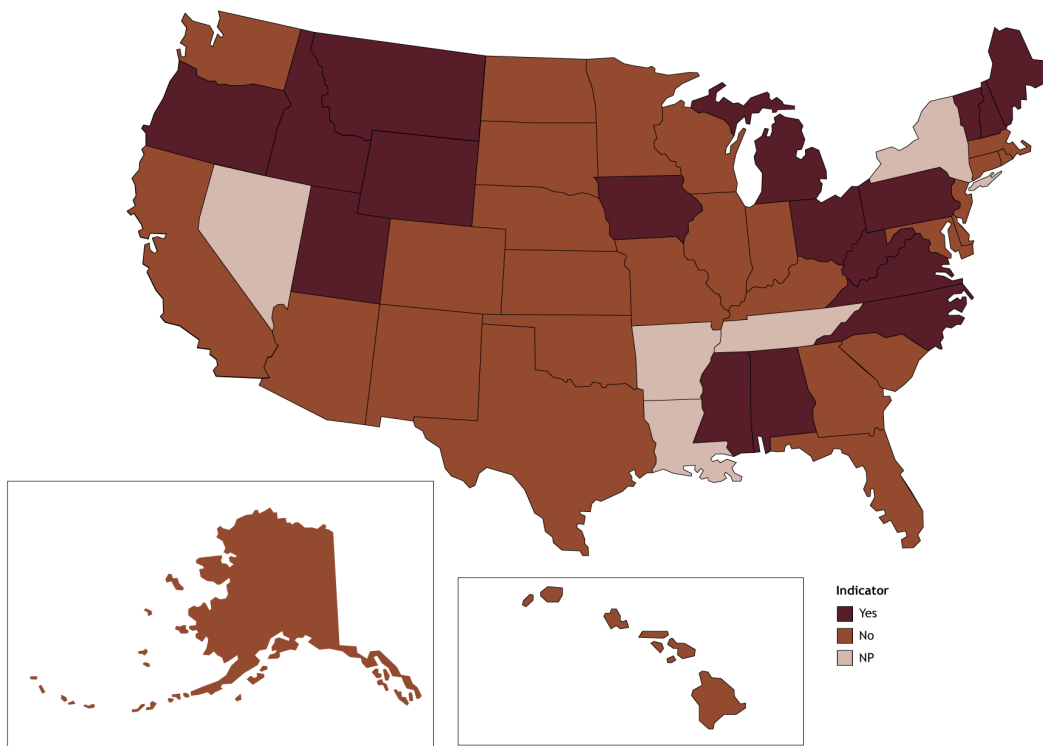
The sample of interviewees was developed through an initial invitation from the Deputy Director of the Bureau. A list of contacts was developed from lists of state-level personnel provided by NABCA, the National Liquor Law Enforcement Association (NLLEA), and researchers from the University of Minnesota Alcohol Epidemiology Program. The Bureau's Deputy Director contacted a representative from each state by email to explain the study parameters, funding, and purpose to request the state's participation. Each state identified the most appropriate contact person(s) to respond. These contacts were then provided to the researcher for scheduling data collection interviews.

The final sample was comprised of 46 jurisdictions, including 45 states and the District of Columbia. The sample includes one state with authority for alcohol at the county level across four jurisdictions; thus, all four counties were interviewed, and the data was aggregated into one state-level response for purposes of analysis. Five states did not participate. Of these, two declined, one was unresponsive, and in two states no contact person could be identified for the study. For purposes of this report, the use of the word "states" will include the 45 states that participated and the District of Columbia. Of the 46 responses, 63% (29) were non-control states and 37% were control states (17) as defined by NABCA. Since the unit of analysis for the study was state level, the State of Maryland is not included in the count of control states for the purposes of this analysis as only Montgomery County is a control jurisdiction in that state. (More information on control states can be found at <https://www.nabca.org/>)

 **Maine** is one of 17 states that operates under the control model of alcohol regulation where the state is a market participant and the sole wholesaler of spirits in the state, selling and distributing spirits to agency liquor stores.

Control States (17 of 46 in Sample)





Map 1: Control States and Non-Control States
(Yes = Control state; No = Non-control state; NP = Not participating)

Findings

Numbers of Alcohol Licenses and Personnel

To examine the alcohol enforcement capacity of states, the study examined numbers and types of licenses states are responsible for and the number of alcohol staff, both total staff and number that are enforcement staff. The number of licenses was divided by the number of Full Time Equivalent (FTE) staff positions to calculate a ratio of how many licenses a state has per one FTE. A higher ratio of licenses to FTE indicates a state’s personnel must oversee a greater number of licenses. Ratios were calculated for total FTEs in the state and for enforcement FTEs.

States in the study have a vast number of alcohol licenses and a variety of license types. States were asked to provide numbers of several types of licenses. While most states distinguish between on-premises (on-sale) and off-premises (off-sale) licenses, a few do not, and some have additional license types that are a combination of types of sales. In several states, one business may have more than one type of license and thus have a different number of establishments (i.e., unique physical locations) than licenses. These differences made it difficult for some states to provide a number of establishments that sell alcoholic beverages.

Licenses

The 46 states in the study have a total of 645,948 licenses, comprised of 338,455 on-premises licenses, 237,559 off-premises licenses, and 69,934 other types of licenses (such as combined on-/off-premises or special types of licenses). This ranges from a low of 95 licenses in one state to a high of 75,928. Non-control states (n=29) have a total of 424,778 licenses and control states (n=17) have a total of 221,170 licenses.

- 📌 **Maine** has 11,418 licenses, more than 24 states in the study, ranking it 22nd highest for number of licenses when compared to all states in the study sample.

Establishments

Three states could not provide the number of individual retail establishments (i.e., unique physical establishments) that sell alcohol in the state. The 43 that provided numbers total 525,201 establishments, ranging from a low of 95 to a high of 75,928 per state. Non-control states have a total of 387,791 establishments and control states have a total of 137,410 establishments.

- 📌 **Maine** has 4,344 unique physical establishments that sell alcohol, more than 14 states in the study, ranking **Maine** the 29th highest of the 43 states providing a number.

	On-Premises	Off-Premises	Other (combined licenses, on/off combined, other)	Total Licenses	Individual Establishments
All States (n=46)	338,455	237,559	69,934	645,948	525,201
Range-Low	95	0	295	95	95
Range-High	47,600	28,328	23,843	75,928	75,928
Maine	7,121	4,297		11,418	4,344
Non-Control States (n=29)	247,001	157,557	20,220	424,778	387,791
Control (n=17)	91,454	80,002	49,714	221,170	137,410

Number of Licenses and Establishments

Manufacturer Licenses and Direct Shipment Licenses

Many states license out-of-state and/or in-state manufacturers. States in the study reported a total of 76,973 manufacturers (49,720 out-of-state and 27,253 in-state manufacturers). This ranges from a low of 14 total manufacturing licenses to a high of 9,381. Non-control states license 51,783 manufacturers (32,929 out-of-state manufacturers and 18,854 in-state manufacturers); Control states license 25,190 manufacturers (16,791 out-of-state and 8,399 in-state manufacturers).

- 📌 **Maine** licenses 932 manufacturers; 688 are out-of-state manufacturers and 244 are in-state manufacturers. **Maine** has more manufacturers than 18 other states in the study. **Maine** has the 28th highest number of manufacturers in the study.

	Out-of-State Manufacturers	In-State Manufacturers	Total Manufacturers Licenses
All States (n=46)	49,720	27,253	76,973
Range-Low	0	14	14
Range-High	5,605	8,245	9,381
Maine	688	244	932
Non-Control States (n=29)	32,929	18,854	51,783
Control (n=17)	16,791	8,399	25,190

Number of Manufacturers

Of the 39 states that authorize direct-to-consumer (DTC) shipping of alcohol, 34 reported they license (or permit) direct shippers, for a total of 42,868. The range is from zero to 5,281. Of these, 34,575 are manufacturers and 8,293 are retailers. Non-control states reported 29,789 direct shippers are licensed/permitted (22,537 manufacturers and 7,252 retailers), and control states reported 13,079 are licensed/permitted (11,389 manufacturers and 1,690 retailers).

Maine has 649 manufacturers licensed as DTC shippers, which must provide license documentation from their home state and from the Alcohol and Tobacco Tax and Trade Bureau (TTB). **Maine** does not authorize direct shipment from retailers. This is 28th highest among the 34 states that report licenses for direct shippers; 6 states have fewer direct shipper licenses/permits.

	<i>Direct Shipment Manufacturers</i>	<i>Direct Shipment Retailers</i>	Total DTC Manufacturing & Retailers
All States (n=46)	34,575	8,293	42,868
Range-Low	0	0	0
Range-High	1,904	3,553	5,281
Maine	649	0	649
Non-Control States (n=29)	22,537	7,252	29,789
Control (n=17)	11,389	1,690	13,079

Number of Direct Shippers

Special Events

Many states issue licenses/permits for one-off or special events, such as community festivals, art fairs, or other one-time events. States in the study licensed/permitted 201,492 special events in a typical year, ranging from a low of zero to a high estimated at 50,000. Non-control states reported 143,383 special events and control states reported 58,109 special events. Not all states could provide the number of special events they license/permit.

Maine issues special event permits, but does not have a mechanism for tracking the number of these events, since their systems for maintaining these special permits are on paper.⁴

	Special Event Licenses/ Permits
All States (n=46)	201,492
Range-Low	0
Range-High	50,000
Maine	Unable to quantify
Non-Control States (n=29)	143,383
Control (n=17)	58,109

Number of Special Event Licenses/Permits

⁴ The Bureau is in the process of awarding a contract to a third-party vendor to modernize all aspects of its licensing, enforcement, and excise tax collection processes. The target date for implementation is sometime in the 4th quarter of 2023.

Violations

Forty (40) states provided the number of violations in their state in a typical year. (Not all states in the study provided a number of violations. In some cases, this information is not tallied or is only maintained on paper forms and would have been too burdensome to attempt to provide.) The reported total of annual violations was 61,241. Many states estimated the number of violations; therefore, these numbers should be viewed as approximate. The range of violations in states was from zero to 21,780.

- 📌 **Maine** estimated an average of 175 annual violations; 29 of the 40 states providing data report more annual violations. Ten states reported fewer annual violations than **Maine**.

	License Violations
All States (n=46)	61,241
Range-Low	0
Range-High	21,780
Maine⁵	175
Non-Control States (n=29)	47,728
Control (n=17)	13,513

Number of Violations

Personnel

For purposes of this study, personnel include staff that oversee licensing, enforcement, adjudication/ hearings/appeal, and other (e.g., auditing, admin clerical) within a state alcohol regulatory and enforcement agency. The number of personnel in states vary greatly.

Each state determines if the authority for alcohol licensing or enforcement is at the state or local level, or a combination. Additional detail on licensing authority is discussed in the next section of this report, but it is important to keep in mind that FTE numbers reported here are for the state level; they do not include local agency staff.

Among the 46 states in the study, there are 4,086 FTE staff members. This ranges from a low of 2 to a high of 640. The total number of FTEs in non-control states is 2,554; in control states the total number of FTEs is 1,532.

The largest number of FTEs are enforcement staff—2,121 of the 4,086 FTEs in the sample are enforcement, ranging from a low of zero to a high of 269. There are 1,277 FTEs in enforcement in non-control states and 844 in control states.

- 📌 **Maine** has 17 FTEs in the Bureau, with seven assigned to enforcement. Only seven states have fewer total FTEs than **Maine**. **Maine** is 39th in number of total FTEs in comparison to the other states in the study. **Maine** ranks even lower for enforcement FTEs— only five states have fewer enforcement staff than **Maine**. **Maine** ranks 41st in number of enforcement FTEs.


⁵ The majority of violations reported come from compliance work conducted by local law enforcement (MOU agencies) Of these violations, the vast majority are from one singular MOU funded by federal dollars provided to this agency through a grant program administered by the Maine CDC.

	Total FTE	Enforcement FTE	Licensing FTE	Adjudication, hearings, appeals	Other (auditing admin clerical etc.)
All States (n=46)	4,086	2,121	972	237	648
Range-Low	2	0	0	0	0
Range-High	640	269	182	38	131
Maine	17	7	2.5	0.5	7
Non-Control States (n=29)	2,554	1,277	584	144	494
Control (n=17)	1,532	844	388	94	154

Number of Full Time Equivalent (FTE) Positions

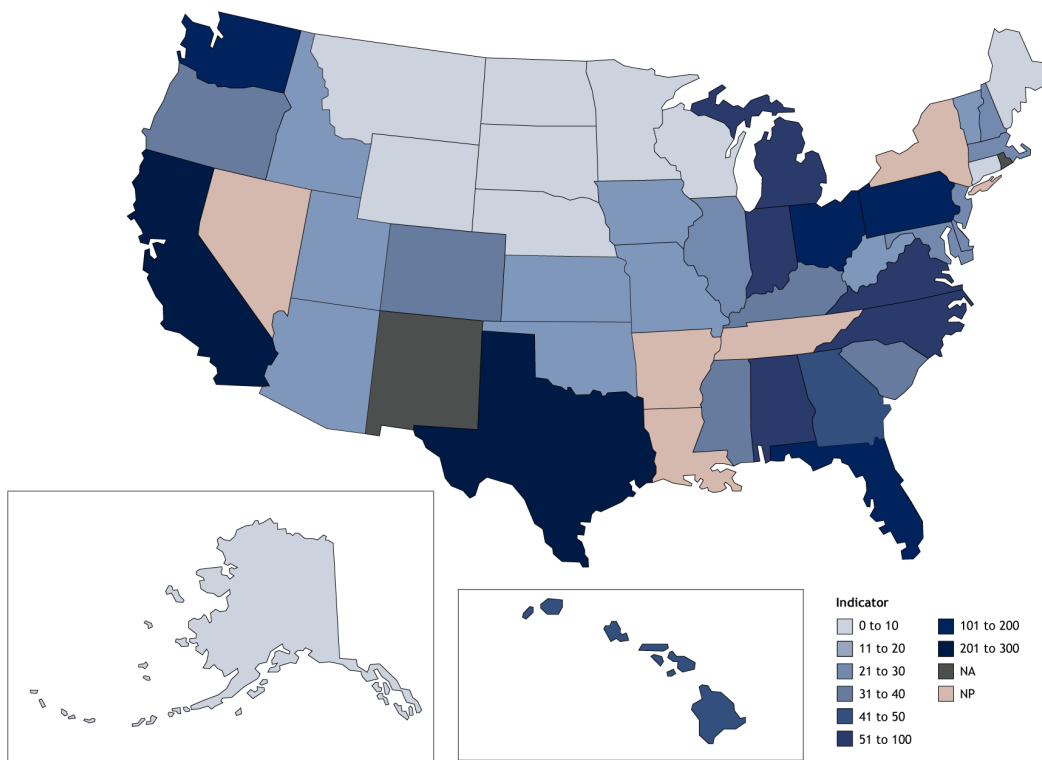
Number of Enforcement FTEs

Three-quarters of states (75%) in the study (33 of the 44 states that provided information on state-level enforcement FTEs) have 50 or fewer enforcement FTEs. Ten states have ten or fewer enforcement FTEs. Just 11 states that provided information have more than 50 enforcement FTEs.

 **Maine** has fewer enforcement FTEs than 37 of 44 states that provided information in the study. **Maine's** number of enforcement FTEs ranks sixth from the bottom. **Maine** and one other state have seven enforcement FTEs; just five states have fewer enforcement FTEs and two of them do enforcement primarily at the local level.

Range of # of Enforcement FTEs	# of States in Range
<i>Maine and one other state have 6th lowest number of enforcement FTEs at 7</i>	
0 to 10	10
11 to 20	8
21 to 30	8
31 to 40	4
41 to 50	3
51 to 100	6
101 to 200	3
201 to 300	2
No info	2
Total States	46

Number of Enforcement FTEs



Map 2: Number of Enforcement FTEs

Ratio of Licenses and Establishments to Personnel

When averaged for all 46 states in the study, the overall ratio for all on-premises, off-premises and other licenses is 158 licenses per one FTE; for FTEs assigned to enforcement the ratio is 305 licenses per one enforcement FTE.

This ranges from a low of 22 licenses to a high of 1,714 licenses per one FTE. For enforcement FTEs, the range is a low of 54 licenses to a high of 10,282 licenses per one enforcement FTE. (Note the state with 10,282 licenses per one enforcement FTE has just 0.5 FTE in enforcement, resulting in such a high ratio.) The ratio for non-control states is 166 licenses per one FTE, and 333 licenses per one enforcement FTE. For control states, the ratio is slightly lower: 144 licenses per one FTE and 262 licenses per one enforcement FTE.

- **Maine** has more licenses per FTE than most other states: **Maine** has more licenses per FTE compared to the average for all states and compared to both non-control and control states. **Maine** has 672 licenses per FTE. **Maine** has the 4th highest number of licenses to FTEs; only 3 states have a higher ratio of licenses to FTEs than **Maine**.
- **Maine** also has more licenses to enforcement FTEs compared to most other states: 1,631 licenses per one enforcement FTE. **Maine** has the 4th highest number of licenses to enforcement FTE: 39 states have fewer licenses per enforcement FTE than **Maine**. (Note that three states were unable to provide a number of enforcement FTEs and are not included in these figures.)

	<i>Total On-, Off-, and Other Licenses</i>	Ratio ALL FTE	Ratio Enforcement FTE
All States (n=46)	645,948	158	305
Range-Low	95	22	54
Range-High	75,928	1,714	10,282
Maine	11,418	672	1,631
Non-Control States (n=29)	424,778	166	333
Control (n=17)	221,170	144	262

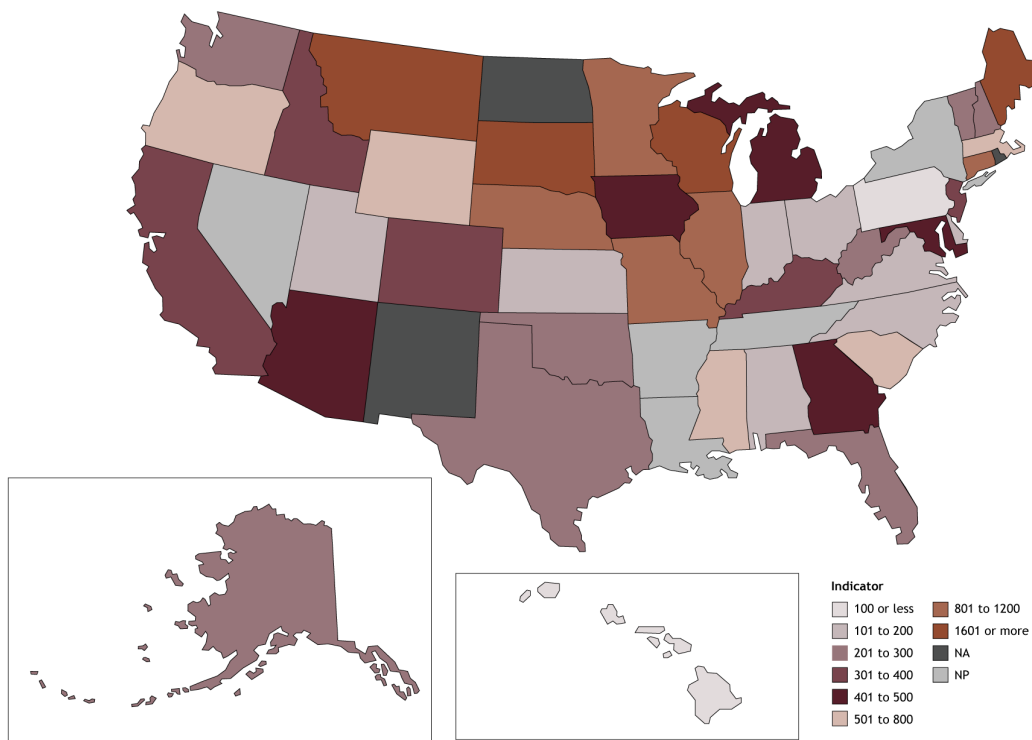
Ratio of All FTE and Enforcement FTEs to Alcohol Licenses

There are 14 states with a ratio of more than 500 licenses per every enforcement FTE; all but 4 states have fewer than 1,200 licenses per every enforcement FTE.

📌 **Maine** has fewer enforcement FTEs compared to licenses than almost all other states. At 1,631 licenses per enforcement FTE, **Maine** has a higher number of licenses per enforcement FTE than all but three states in the study.

# of Licenses for Every Enforcement FTE	# of States with 1 Enforcement FTE in Range
100 or less	3
101 to 200	8
201 to 300	8
301 to 400	5
401 to 500	5
501 to 800	5
801 to 1200	5
1201 to 1600	0
1601 or more	4
Maine ratio 1:1,631 (1 Enforcement FTE in Maine per 1,631 licenses)	
States w/none reported	3
Total	46

**Number of States with One Enforcement FTE
per Range of Numbers of Licenses**



Map 3: Number of States with One Enforcement FTE per Range of Numbers of Licenses

Establishments

Some states may have more than one license per physical establishment; therefore, it is useful to examine the number of FTEs related to the number of establishments. The ratio for individual establishments to total personnel is one FTE per 129 establishments, ranging from a low of 23 to a high of 1,773 establishments per FTE. When looking at only enforcement FTEs, there is one enforcement FTE for every 248 establishments, ranging from a low of 55 establishments to a high of 10,640 establishments per one enforcement FTE. (Note that the state with 10,640 establishments per one enforcement FTE has just 0.5 enforcement FTE.)

The ratio for non-control states is higher, with 152 establishments per one FTE and 304 establishments per one enforcement FTE. The average control state ratio is lower, with a ratio of 90 establishments per one FTE and 163 establishments per one enforcement FTE.

- **Maine** has substantially more establishments per FTE than most states. **Maine** has a ratio of 256 establishments for every one FTE, the 12th highest number of establishments per FTE for the 43 states able to provide information; put another way, 31 of 43 states in the study have fewer establishments for every FTE than **Maine**.
- **Maine's** ratio of establishments to enforcement FTEs is also higher, with 621 establishments per one enforcement FTE. This is the 9th highest number of establishments per one enforcement FTE of 40 states able to provide information. **Maine** has a higher number of establishments per every one enforcement FTE than 31 other states.

	<i>Individual Establishments</i>	Ratio ALL FTE	Ratio Enforcement FTE
All States (n=46)	525,201	129	248
Range-Low	95	23	55
Range-High	75,928	1,773	10,640
Maine	4,344	256	621
Non-Control States (n=29)	387,791	152	304
Control (n=17)	137,410	90	163

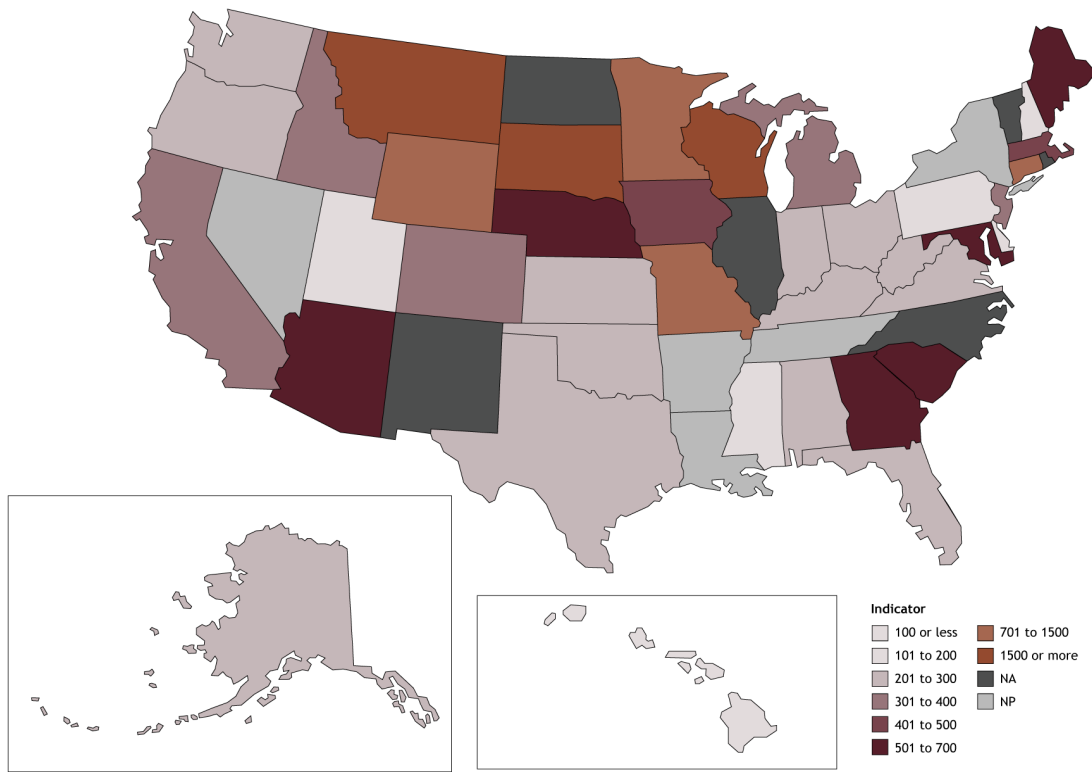
Ratio of FTEs to Establishments

There are nine states with a ratio of more than 500 establishments per every enforcement FTE; 31 states have fewer than 500 establishments per every enforcement FTE. (Six states were unable to provide data needed to calculate a ratio for establishments to enforcement FTEs.)

📌 Only eight other states have a greater number of establishments per enforcement FTE than **Maine**. At 621 establishments per enforcement FTE, **Maine** has a higher number of establishments per enforcement FTE than 31 of the 40 states in the study able to provide sufficient data on establishments.

# of Establishments for Every Enforcement FTE	# of States with 1 Enforcement FTE in Range
100 or less	5
101 to 200	7
201 to 300	9
301 to 400	4
401 to 500	6
501 to 700	2
<i>Maine ratio 1:621</i> <i>(1 Enforcement FTE in Maine per 621 Establishments)</i>	
701 to 1500	4
1501 or more	3
States w/o data	6
Total	46

Number of States with One Enforcement FTE per Range of Numbers of Establishments



Map 4: Number of States with One Enforcement FTE per Range of Numbers of Establishments

State Environment and Context: Licensing Authority and Types

In the United States, each state determines its structure for regulation and enforcement of the sale and distribution of alcoholic beverages. Thus, alcohol regulation and enforcement systems are unique to each state, including where the licensing authority and enforcement powers are housed, and this can vary by type of beverage (beer, wine, spirits) and by operation (manufacture, wholesale, retail).

Enforcement Authority

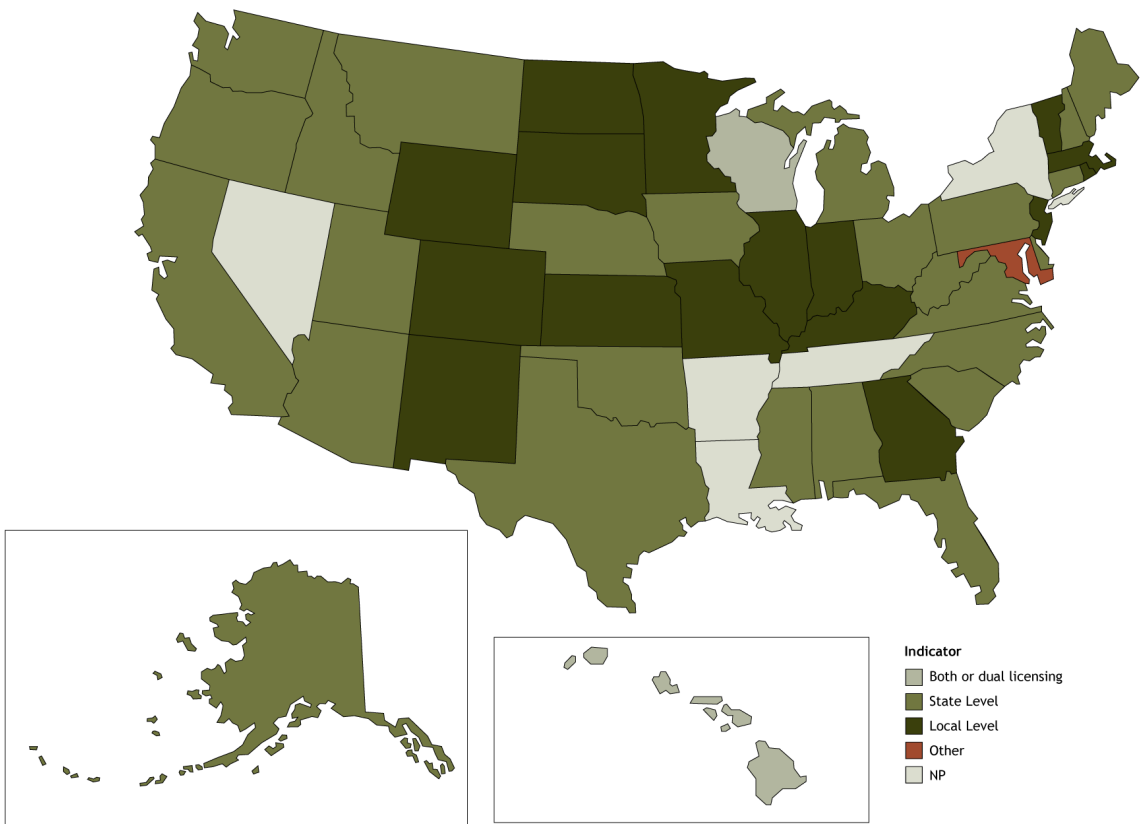
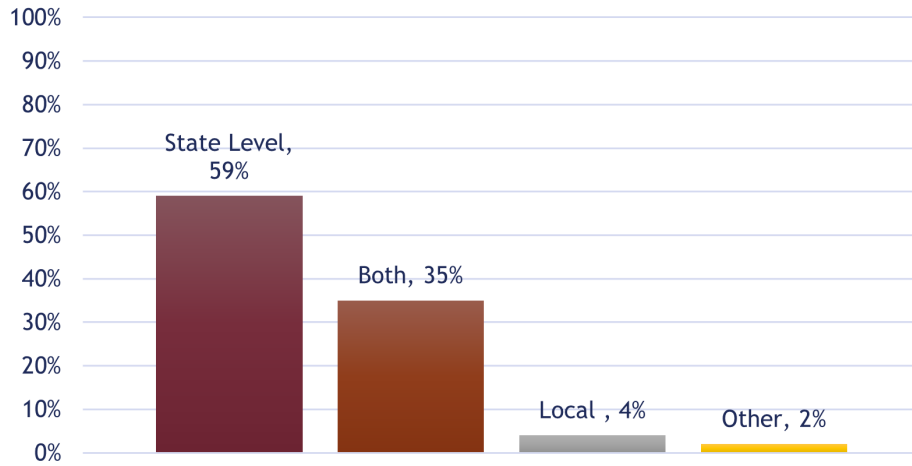
Specific to enforcement powers, some states concentrate administrative and criminal enforcement at the state level in one agency (centralized), while others have administrative enforcement in one agency and criminal enforcement in another (decentralized). Whereas some states have administrative enforcement at the state level and criminal enforcement at the local level (hybrid).

Licensing Authority

Each state determines if the authority for licensing alcohol sales is at the state level, the local level, a combination of both, or something else. Licensing authority is at the state level in 59% of the states in the study, and in 35%, authority is with both state and local. Just 4% of states in the study have authority solely at the local level, and 2% were classified as “other”.

 **Maine's** licensing authority is at the state level.

Licensing Authority (n=46)



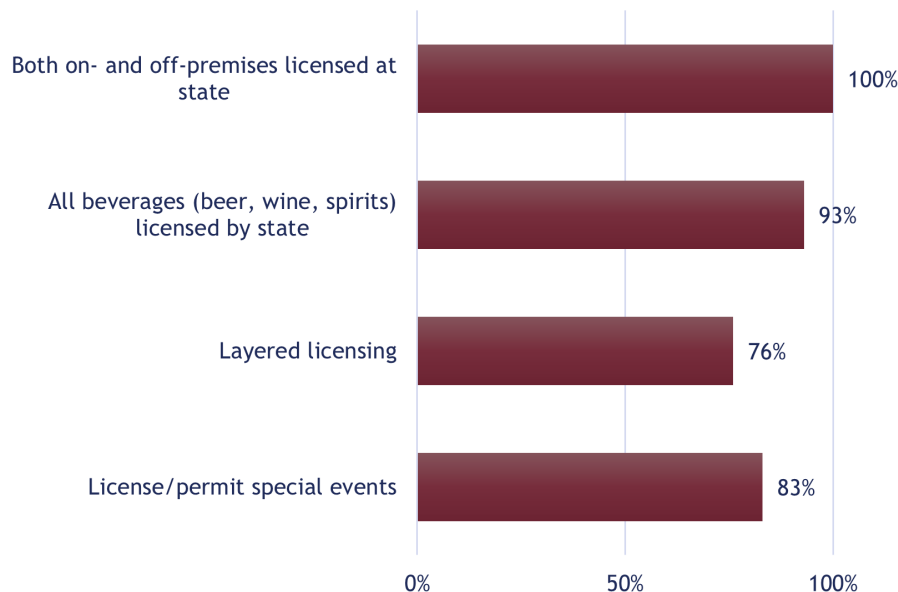
Map 5: Licensing Authority

Types of Licenses at the State Level

States may be responsible for numerous types of licenses. The vast majority of states are responsible for issuing many types of licensing at the state level. All states report they issue both on-premises (on-sale) and off-premises (off-sale) licenses, and 93% license all beverages (beer, wine, and spirits) at the state level. Three-quarters (76%) of states have layered licensing, in which an establishment may have more than one type of license, which could include both on- and off-premises sales, catering, delivery, separate licenses for beer, wine, and spirits, and other combinations. In addition to these types of licenses, 83% of states issue licenses or permits for special events, such as community festivals, art fairs, and one-time events.

Maine licenses all establishments at the state level including on-premises and off-premises for all types of alcohol (beer, wine, spirits) and has layered licensing. The state licenses manufacturers, wholesalers, direct-to-consumer wine shippers, and issues permits for special events and other statutorily permitted activities relating to the purchase or transportation of alcohol.

Licenses at State Level (n=46)

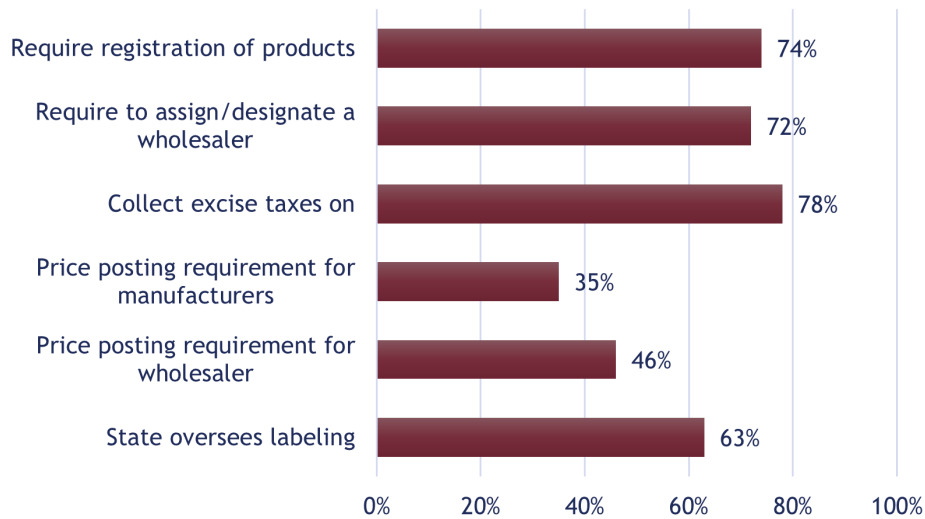


Out-of-State Manufacturers

Many states are responsible for oversight of out-of-state manufacturers that sell alcohol in their state: 74% of states require out-of-state manufacturers to register their products with the state, and 72% require them to designate or assign a wholesaler. At least 78% collect excise taxes from out-of-state manufacturers (Note: Not all states could answer this question). Price posting is required by 35% of states for manufacturers and by 46% of states for wholesalers. At least 63% of states oversee labeling of these products. Several respondents noted that they rely on the TTB for labeling oversight. Over half of states (n=31) report they track this information by computer, with another seven (7) saying their state uses a combination of paper and computerized tracking. The remaining states said the information is not tracked or that it is not clear how it is tracked.

- ▶ **Maine** requires out-of-state manufacturers to register products, to provide a primary source document that declares the origin of the product, to assign territory distribution of these products (i.e., designate a wholesaler in state), to pay excise tax on these products, and to post the price to which it will sell these products to its designated wholesaler(s).
- ▶ After the wholesaler accepts the territory assignment, it must post the price to which it will sell these products to on-premises and off-premises licensees.
- ▶ Bureau staff oversee the filing requirements of these licensees and track this information by computer.

Out-Of-State Manufacturers (n=46)

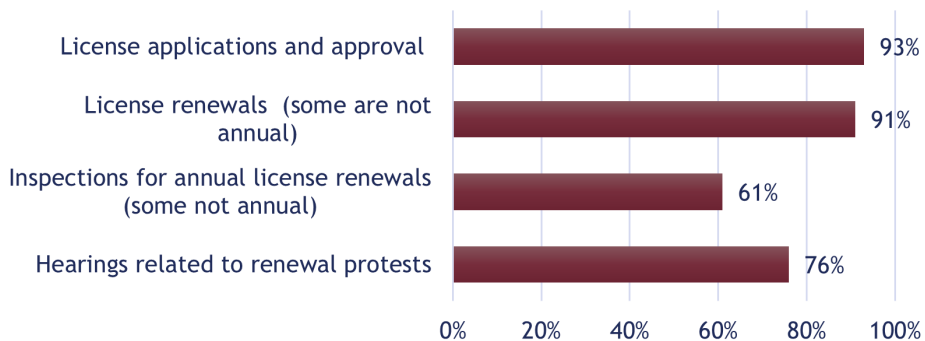


Responsibilities of States for License Applications, Approvals, Renewals, and Protests

The majority of states are responsible for license applications and approvals (93%). License renewals are handled by 91% of states (some annually and some less often) and 61% of states are responsible for inspections for license renewals. Three-quarters (76%) are responsible for hearings related to protests of license renewals.

- ▶ The Bureau is responsible for license applications and approvals, license renewals, inspections for license renewals, and hearings related to renewal protests.

Responsibilities Handled by State Agencies (n=46)

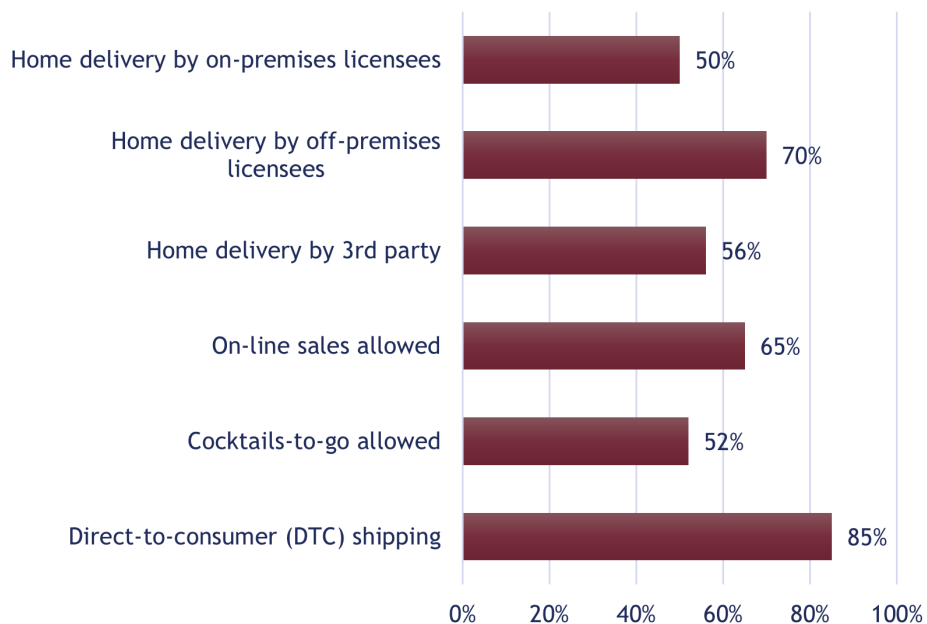


Other Allowed Sales

In addition to the previously listed responsibilities, at least half of states allow additional types of sales. Half of states (50%) allow home delivery by on-premises licensees, 70% allow home delivery from off-premises, and 56% allow home delivery by third parties. Online sales are allowed in 65% of states and cocktails-to-go are allowed in 52% of states. Direct-to-consumer (DTC) shipping is allowed by 85% of states and is discussed in more detail later in this report.

- 📌 **Maine** allows home delivery from on-premises and off-premises licenses by the licensee; home delivery by third party is not allowed.
- 📌 Internet sales are not allowed unless the licensee conducts all the activities of the transaction from purchase to pick-up or delivery by the licensee. The use of a third-party for payment processing and/or product fulfillment is prohibited.
- 📌 **Maine** allows DTC shipping of wine.
- 📌 Cocktails-to-go along with beer and wine in the original manufacturer containers are currently allowed to be sold with a food order by on-premises licensees in response to the COVID-19 pandemic. This statutory privilege is set to expire in March 2025.

Other Allowed Sales (n=46)

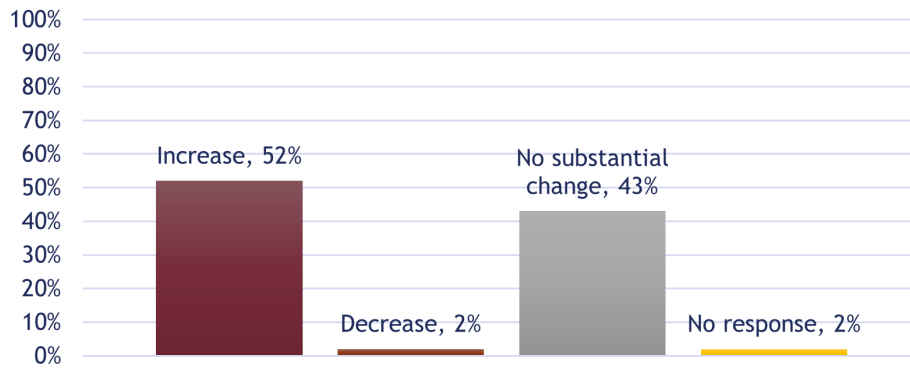


Change in Numbers of Licenses in Past Five Years

Just over half of states (52%) report that there has been an increase in the number of licenses they oversee in the past five years (unrelated to any changes due to COVID-19). Only 2% say there has been a decrease in the licenses their state oversees, and 43% report no substantial change in number of licenses in the past five years. One state was unable to answer this question.

- 📌 **Maine** has not had a substantial change in the number of licenses in the past five years.

Change in Number of Licenses in Past 5 Years (NOT related to COVID) (n=46)

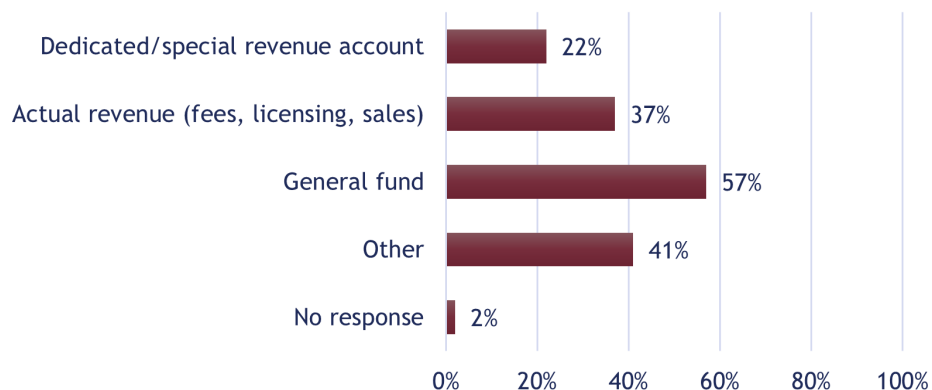


Funding of Alcohol Regulation and Enforcement

States fund alcohol regulation in a variety of ways, often from more than one source. The majority of states (57%) get funding from their state’s general fund, 37% get funding from revenue from fees, licensing, and sales, and 22% have dedicated/special revenue accounts, while 41% say funding comes from other sources. Several states are funded by a combination of sources; thus, responses add up to over 100%. Other sources of funding support mentioned included grant funds, enterprise agency funds, asset forfeiture, and special accounts for certain types of enforcement activity. One state did not respond.

- 📌 The Bureau’s statutory authority is funded through the state’s general fund.
- 📌 Criminal authority through the decentralized system in **Maine** is funded through a variety of ways that are determined by the local authority; the Bureau does not have visibility into that funding mechanism.
- 📌 The **Maine** CDC funds compliance checks from federal grant funds that it awards to local health agencies who contract with local law enforcement agencies that have an MOU with the Bureau.

Funding Sources (n=46)



Computerized or Paper Systems

Of the 46 states in the study, 59% say their license systems are computerized/digital, and 39% say their system is a hybrid of some digital and some paper. Just 2% are still on paper.

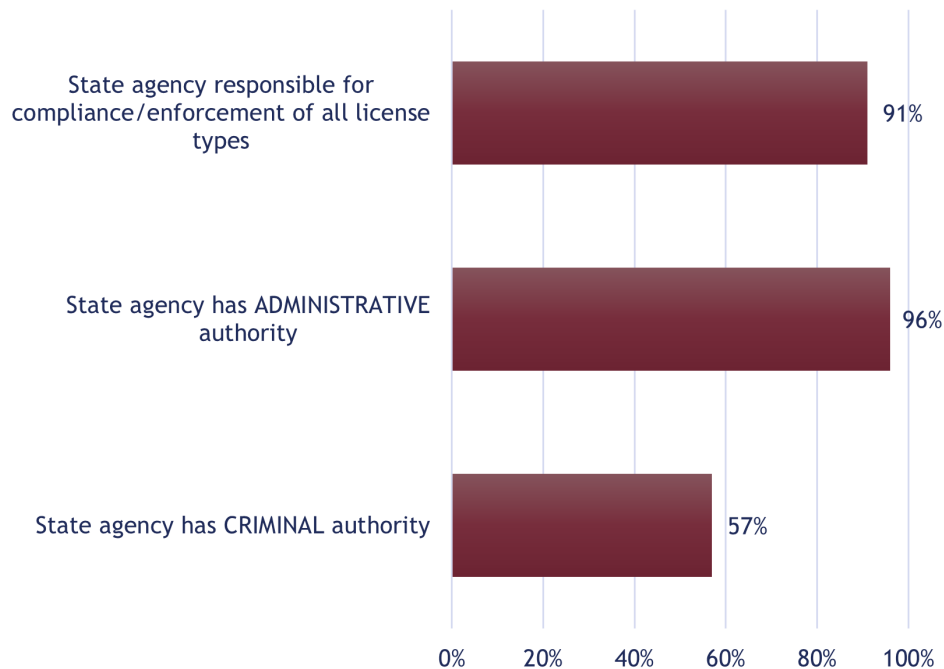
- 📌 The Bureau systems of tracking licenses are primarily on paper. Some records are filed and maintained electronically, but that is limited to out-of-state manufacturers and the ancillary processes that are part of the licensing requirements, including product registration, distribution territory assignments, and primary source documentation. The Bureau system of tracking compliance activities and violations is also primarily on paper. A spreadsheet containing basic information (licensee name, date, and violation) is used to catalog violations.

Criminal/Administrative Authority in States

Most states in the study (91%) are responsible for compliance and enforcement of all license types. Nearly all (96%) have administrative authority, and over half (57%) have criminal authority.

- 📌 The Bureau is responsible for enforcement of all license types. It has administrative authority but does not have criminal authority. The Bureau has more than 100 memorandums of understanding (MOUs) with local law enforcement agencies and the state police to manage the criminal code.

Criminal/Administrative Authority (n=46)

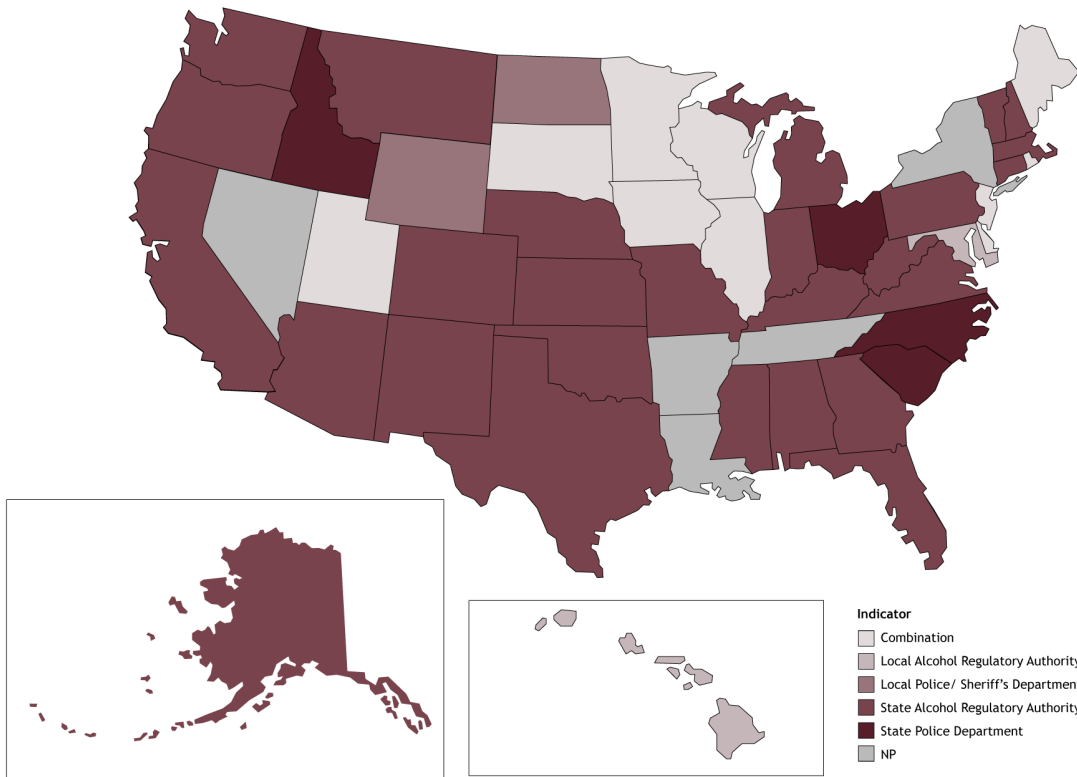
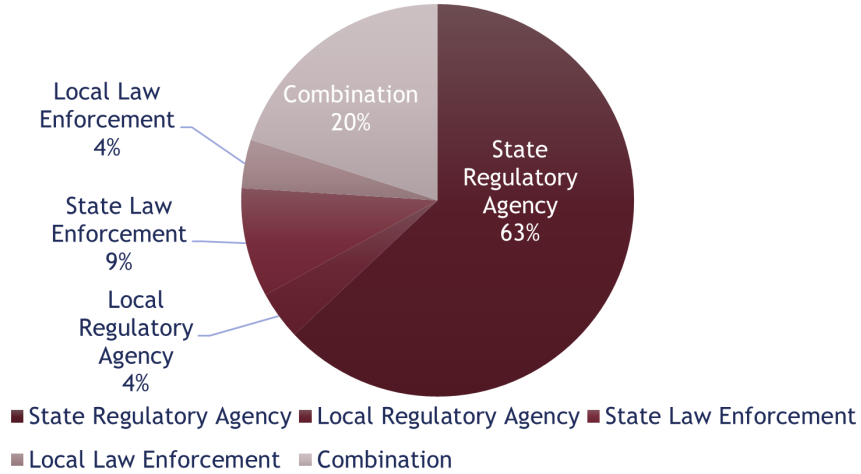


Responsibility/ Authority for Enforcing Administrative State Alcohol Beverage Code

Nearly two-thirds (63%) of states vest responsibility for enforcing the administrative beverage code with a state regulatory agency. State law enforcement has this responsibility in 9% of states, local law enforcement in 4% of states, and local regulatory agencies have it in 4% of states. In the remaining 20% of states, this responsibility is in a combination of these agencies.

📍 **Maine** has a combination—the state handles licensing and administrative code enforcement while criminal code enforcement is at the local level.

Agency Primarily Responsible for Enforcing Administrative Beverage Alcohol Code in State (n=46)



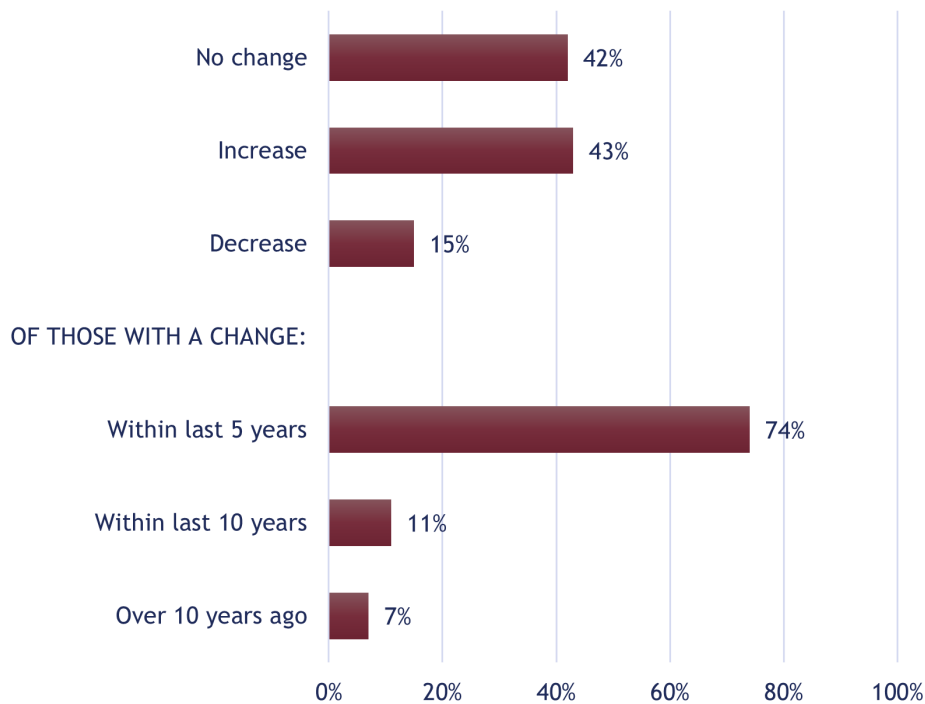
Map 6: Agency Primarily Responsible for Enforcing Administrative Beverage Alcohol Code

Personnel and Staffing

Fewer than half (43%) of states reported an increase in FTE levels in recent years, while 15% reported a decrease and 42% reported no change in staffing levels. Of states reporting a change in staffing levels, three-quarters (74%) were within the last five years, 11% within the last 10 years, and 7% were over 10 years ago.

📌 The Bureau's FTE level decreased over 10 years ago. Prior to 2003, liquor licensing and enforcement was a separate bureau and part of the Department of Public Safety. At that time, the Bureau of Liquor Enforcement, as it was known, had full enforcement authority and enforcement staff had full law enforcement authority. Staff included 17 field officers, and two administrative officers. As part of a gubernatorial budget initiative in late 2003 in the FY2004 budget, that bureau was defunded, and all law enforcement staff left or transferred to other state agencies. The resulting "unit" within the State Police were just five administrative licensing inspectors and one inspector/manager. In 2013, the unit was legislatively moved again to the Bureau, as the Division of Licensing and Enforcement, where it has remained. Until mid-2022, the level of licensing inspectors remained the same when the administration and the legislature approved the funding of two additional licensing inspectors funded from the revenue of the sale of spirits.

Change in approved FTE Levels(n=46)

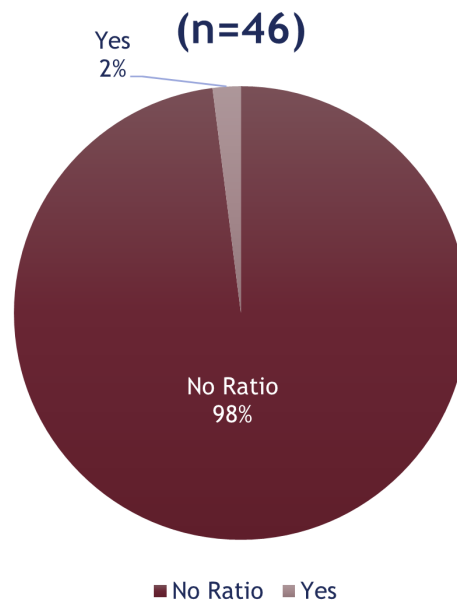


Required Ratio of Staff to Licenses

Almost no states (98%) report that there is a required ratio of staff to the number of licenses the state oversees. Just one state—Utah—has a requirement in state code for a ratio of enforcement personnel to licenses.⁶ No later than July 1st each year, the Department of Alcoholic Beverage Services verifies with personnel in the Department of Public Safety the number of current alcohol-related enforcement officers to ensure there are sufficient officers to be able to grant any additional retail licenses.

📌 **Maine** does not have a required ratio of staff to licenses in state code or regulation.

States that Require a Ratio of Staff to Licenses



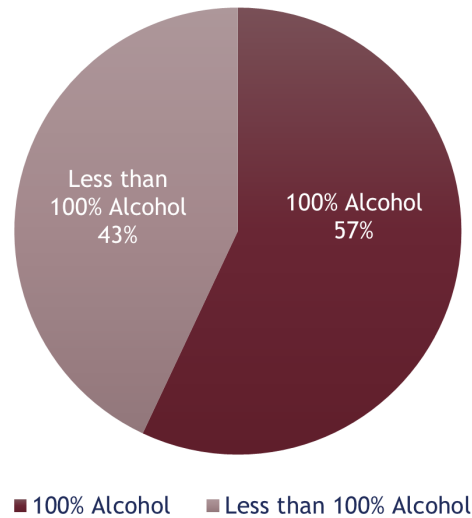
Staff Assigned to Alcohol

Alcohol regulatory and enforcement staff in many states have responsibilities outside alcohol oversight. While 57% of states reported that staff who oversee alcohol are assigned 100% to alcohol, 43% of states reported that staff in their agencies are also responsible for other types of oversight, such as tobacco, cannabis, or gaming.

📌 The Bureau's alcohol staff are assigned 100% time to alcohol. While the Bureau also runs the state lottery, staffing for lottery operations is separate from and funded separately from liquor licensing and enforcement operations. Additionally, authority to enforce the criminal aspects of **Maine** alcohol laws is embedded with local law enforcement agencies or the state police whereby they are responsible with all types of other enforcement duties as outlined in **Maine** law.

⁶ Utah Code, § 32B-1-201, at <https://le.utah.gov/xcode/Title32B/Chapter1/32B-1-S201.html> (2017).

Assigned 100% to Alcohol (n=46)

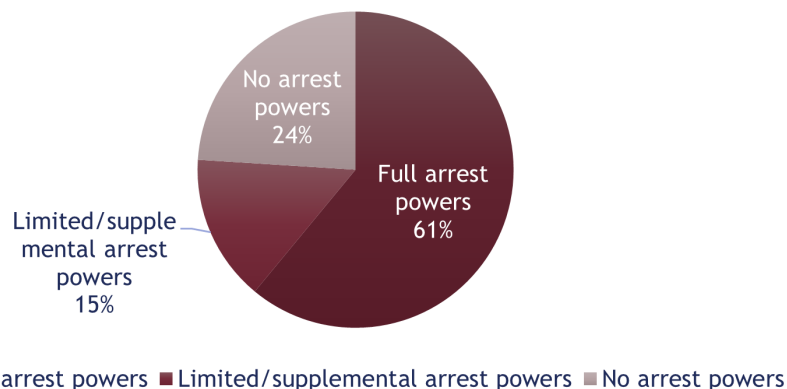


Degree of Arrest Power and Authorization to Carry Firearms

Enforcement agents with arrest powers are able to respond to criminal situations or violence; those without arrest powers or authorization to carry a firearm must rely on law enforcement agencies for this support. In over half of states (61%), staff have full arrest powers or limited/supplemental arrest powers (15%).⁷ A quarter (24%) have no arrest powers.

📌 The Bureau's administrative alcohol enforcement staff do not have arrest powers.

Degree of Arrest Power (n=46)

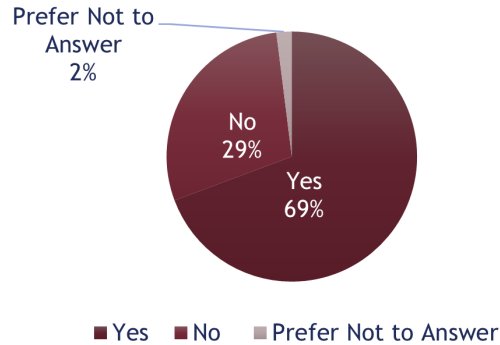


⁷ Limited/supplemental arrest powers specify the laws that agents can enforce. An alcohol enforcement agent's arrest powers might be limited to the alcoholic beverage code laws in a state and require a state or local law enforcement agency to make arrests for other criminal violations such as assaults or violence that might occur in a licensed establishment.

Alcohol agents are authorized to carry a firearm in 69% of states. In 29% of states, they are not. One state preferred not to answer this question.

📌 The Bureau’s administrative alcohol enforcement staff are not authorized to carry firearms.

Agents Authorized to Carry a Firearm (n=46)

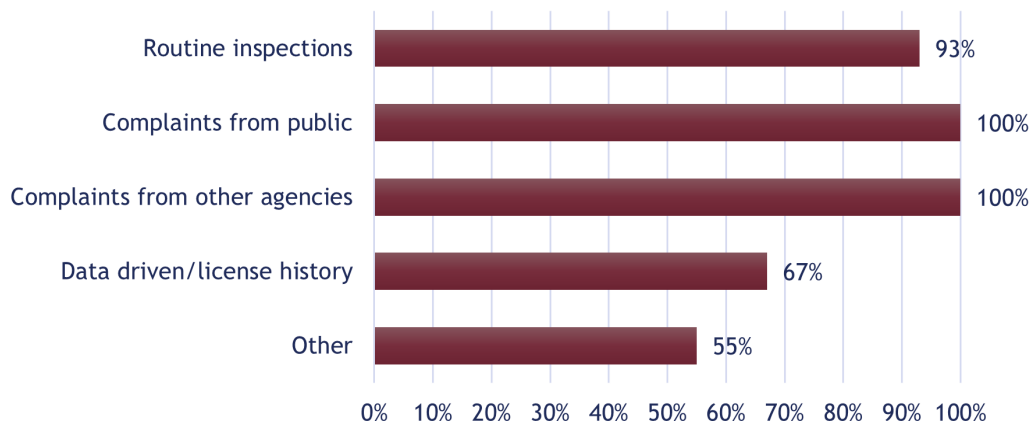


How States Identify/Determine Enforcement is Needed

Staff identify areas of concern where enforcement and/or investigation may be needed in several ways. In all states (100%), complaints from the public and/or complaints from other agencies are a common way issues are brought to the attention of enforcement staff. Issues may be identified during routine inspections (93%), and 67% of issues are identified through data driven analysis or licensee history. Many states (55%) also identify potential problems in numerous other ways, including hotlines, social media, advertising, observations, or areas with high numbers of DUIs (driving under the influence/drunken driving).

📌 The Bureau uses routine inspections, complaints from the public, complaints from other agencies, and data on licensee history to identify enforcement needs.

Used to Identify/Determine Enforcement Needs (n=46)

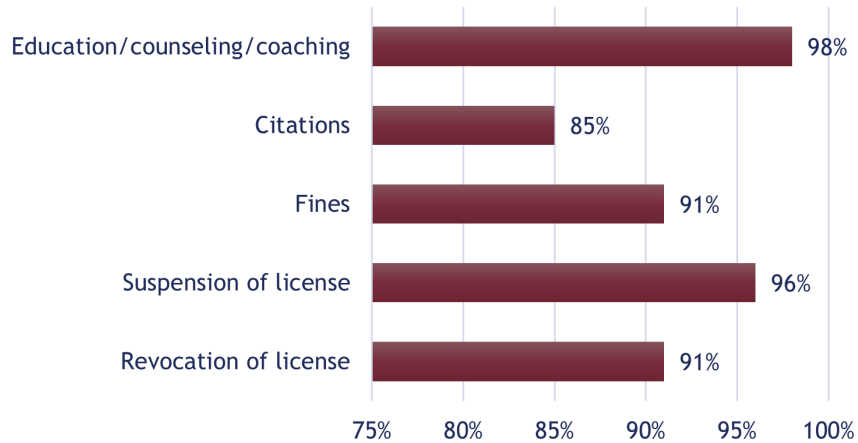


Resolutions to License Violations

Nearly all states have similar tools to address or resolve license violations/issues. Almost all (98%) use education/counseling/coaching with a licensee to address a concern to correct course. Other resolutions to license violations include citations (85% of states), fines (91% of states), suspension of license (96% of states), and revocations of licenses (91% of states). Several states noted that suspension and revocation of licenses are rare and usually a last resort after other efforts have been attempted. In addition to these measures, some states also use mediation services, probation, settlement or consent agreements, written warning notices, apply conditions on a license, require training, or seizure of products. Some states noted they can do an emergency suspension or cease and desist order if there is an imminent danger, such as violence or health conditions.

- 📌 The Bureau resolves violations by education, citation, fine, and/or license suspension or revocation.

Types of Resolutions to License Violations/Issues (n=46)

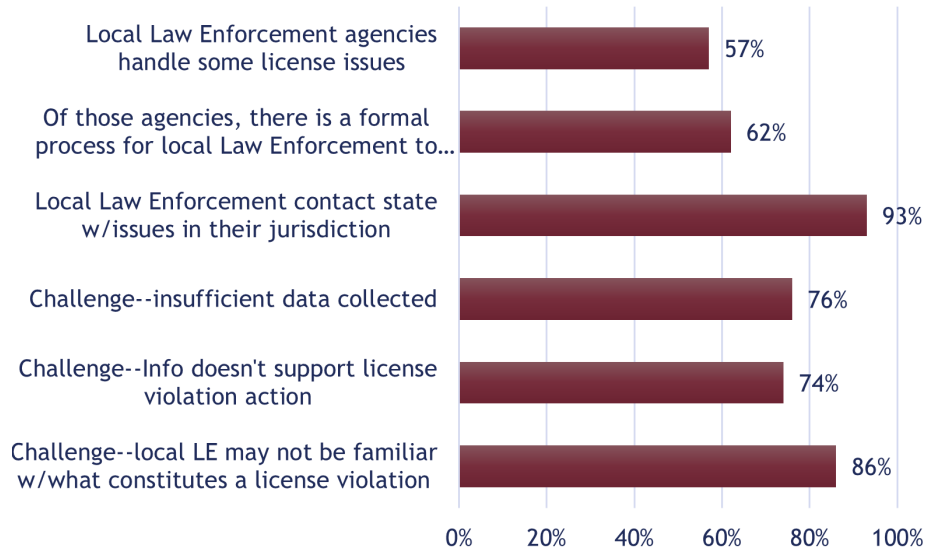


Local Law Enforcement Collaboration

Over half of states (57%) report that local law enforcement agencies handle some licensing issues; of those, 62% have a formal process for local law enforcement to share that information with the state. Almost all states (93%) say that local law enforcement contact the state agency when they have issues with a licensee in their jurisdiction. While this collaboration is important, there can be challenges since local law enforcement are not focused solely on alcohol enforcement. States reported the following challenges: insufficient data collected locally (76%), information collected locally may not be sufficient to support license violation action (74%), and lack of familiarity with what constitutes a license violation (86%).

- 📌 In **Maine**, local law enforcement does not handle alcohol licensing or sales issues. (As noted in this report, the Bureau does have MOUs with some law enforcement agencies, but there is not a formal process for sharing information.) Local agencies often contact the Bureau when there is an issue in their jurisdiction. Sometimes, there are challenges with insufficient information collected, information not being collected that supports action on a license, or that local agencies do not always understand what constitutes a license violation.

Engagement with Local Law Enforcement (n=46)

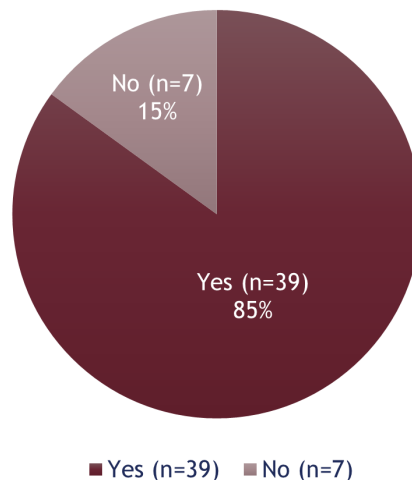


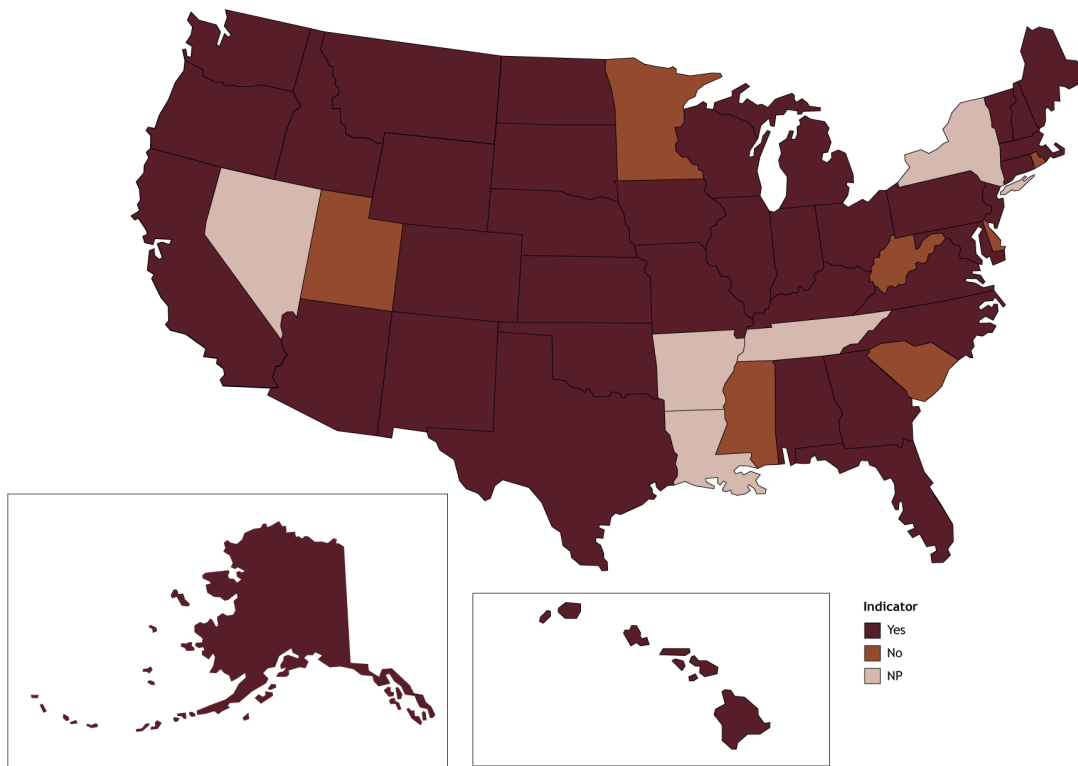
Direct-To-Consumer (DTC) Shipping

Of the states responding to the study, 85% (n=39) allow Direct-To-Consumer (DTC) shipping. Just 15% (n=7) do not allow DTC shipping. The questions in this section were only asked of the 39 states that allow DTC shipping.

 Maine allows DTC shipping of wine.

Direct-To-Consumer Shipping Allowed (n=46)





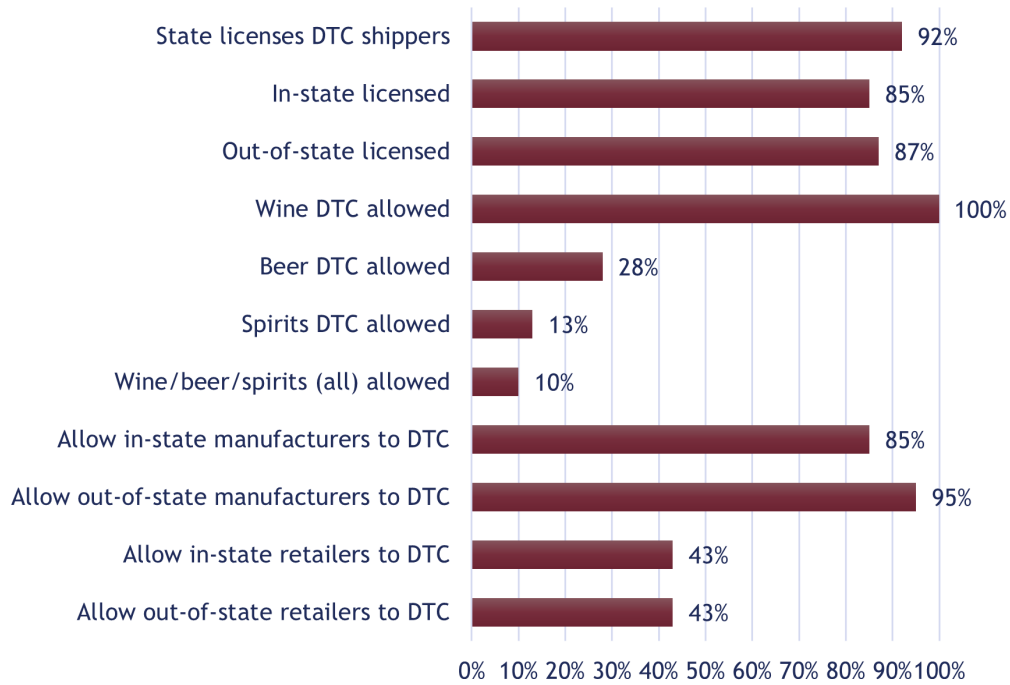
Map 7: Direct-to-Consumer (DTC) Shipping

Licensing DTC Shippers

All states (100%) that allow DTC shipping allow DTC of wine; 28% allow DTC shipping of beer, and 13% allow DTC shipping of spirits. Just 10% of states allow DTC shipping of all beverages (wine, beer, spirits). Of states that allow DTC shipping, 92% license shippers, with 85% licensing in-state shippers and 87% licensing out-of-state shippers. More states allow DTC by manufacturers (85% allow in-state manufacturers and 95% allow out-of-state manufacturers) than retailers (43% allow in-state retailers and 43% allow out-of-state retailers).

- 📌 **Maine** licenses DTC shippers; both in-state and out-of-state shippers are licensed. DTC shipping is only allowed for wine (not spirits or beer). In-state and out-of-state manufacturers of wine may be licensed by the Bureau provided all licensure requirement are met. Neither in-state nor out-of-state retailers are allowed to ship DTC in **Maine**.

Direct-To-Consumer Shipping (n=39)

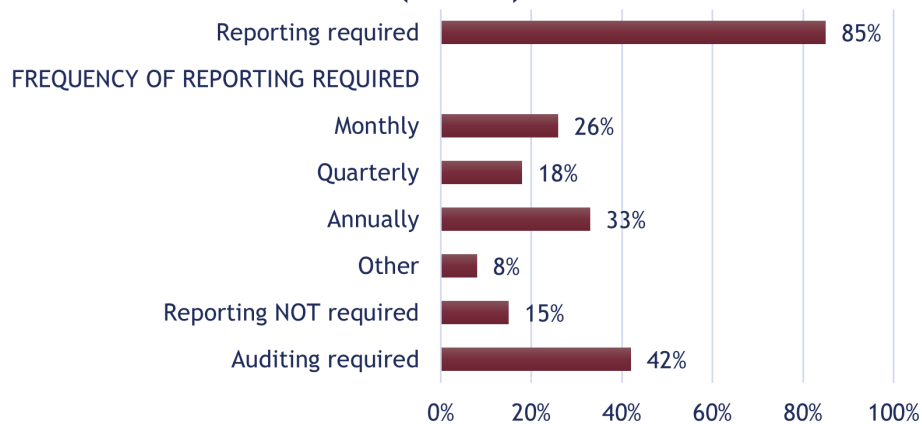


Reporting and Auditing of DTC Shipping

The majority of states (85%) that allow DTC shipping require reporting by DTC entities. Monthly reporting is required by 26% of states, quarterly reporting by 18% of states, and annual reporting by 33% of states, with the other 8% having other frequency. Auditing is required by less than half (42%) of states that allow DTC shipping.

📌 **Maine** requires DTC shippers to report annually. Auditing is required in **Maine** but staffing limits do not permit auditing unless a complaint is received. **Maine** DTC law does not require common carrier reporting; therefore, any auditing is limited to review of annual sales provided by the DTC licensee.

DTC Reporting and Auditing Requirements (n=39)

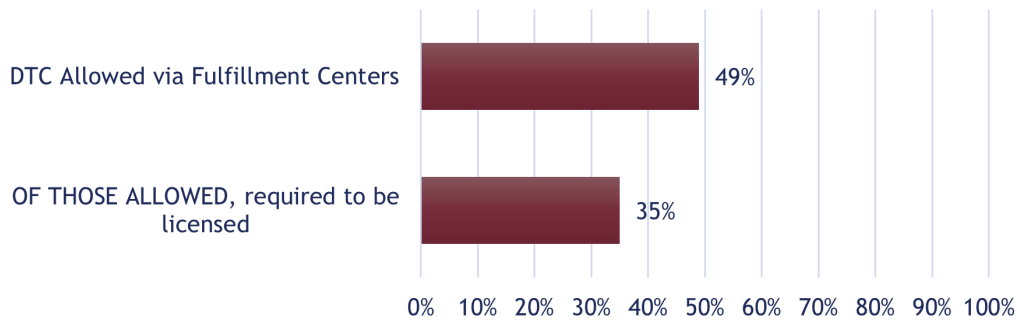


Fulfillment Centers and Direct Shipping

DTC via fulfillment centers is allowed in 49% of states that allow DTC shipping, and of those, 35% require fulfillment centers to be licensed.

📌 **Maine** does not allow DTC shipping via fulfillment centers.

Fulfillment Centers (n=39)

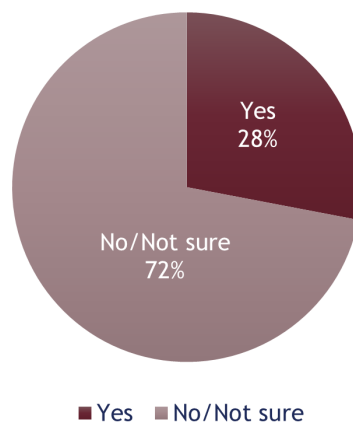


Dedicated Staffing

Oversight of DTC is challenging; it can be time consuming to identify illegal shipments, the source, possible lost tax revenue, and other potential issues. Yet, only 28% of states have staff specifically assigned to DTC oversight, with 72% having no staff or being uncertain if there is assigned staff. For states without staff assigned specifically to DTC, most reported that DTC issues are handled as part of ongoing workflow of the agency.

📌 **Maine** does not have staff assigned specifically to DTC shipping.

Staff Assigned to DTC (n=39)



Lack of Confidence that DTC Shipping Issues are Detected

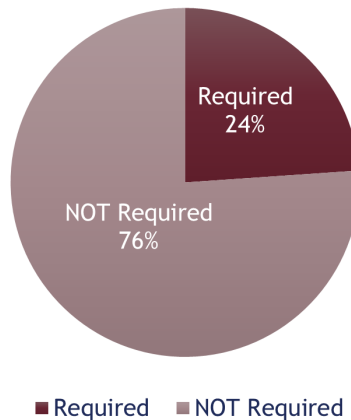
Few states feel confident they can adequately detect violations related to DTC shipping or that they have enough resources. (Several states felt they were unable to answer these questions.) Just 21% of state respondents are confident they are detecting DTC violations and just 18% are confident they have sufficient capacity and resources to monitor compliance. Similarly, less than one-quarter of respondents feel their state is able to adequately monitor underage access, loss of taxation/ uncollected revenue, overconsumption, unlicensed shippers, or illegal shipments related to DTC shipping.

Compliance and Monitoring of Underage Sales and Overservice

Just under one-quarter (24%) of states in the study require a minimum number of contacts with licenses each year. For states that require contacts, some require a contact or inspection up to once a year or every two years. Other states require agents to make a minimum number of in-person contacts per month or per year.

📌 **Maine** alcohol laws do not require a minimum number of contacts at establishments.

States that Required Minimum Number of Contacts w/Licenses Each Year (n=46)

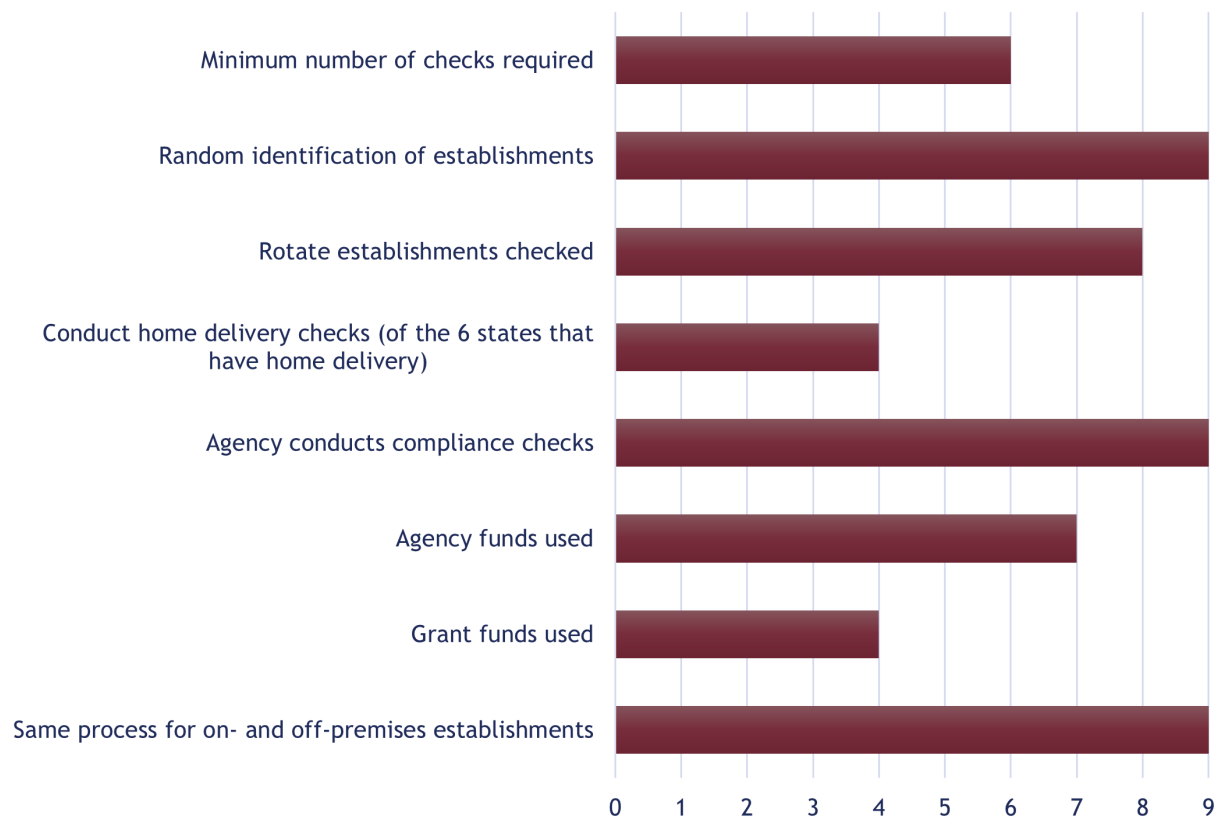


Alcohol Compliance Checks of Underage Sales

Just nine states in the study require alcohol compliance checks of underage sales. During interviews, numerous states volunteered information that while compliance checks are not *required*, they are *authorized*. While not all respondents could be asked this question, 21 of the states interviewed that do not require alcohol compliance checks volunteered that their agency is authorized to conduct them. Of the nine states that require underage alcohol compliance checks, six require a minimum number of checks. Establishments to be checked are identified randomly, on a rotating basis. Just six of the nine states that require alcohol compliance checks have home delivery, and four of them conduct checks on home delivery. The state agency staff conduct checks in all nine states and they use a combination of agency and grant funds to conduct them. The same processes are used for both on-premises and off-premises establishments. (The information in the figure below presents data for only the nine states that require alcohol compliance checks.)

- 📌 **Maine** law does not require alcohol compliance checks be conducted for any type of establishment licensed by the Bureau.

Compliance Checks (n=9 states that require compliance checks)



Overservice Operations

Just five states report that they are *required* to proactively conduct checks for overservice of alcohol at establishments. Respondents generally report that investigations or inspections to detect overservice of alcohol are not required, but this is activity their agency undertakes, frequently in response to a complaint, routine inspections, or observations of suspicious activity. Investigations of overservice are almost always conducted by agency personnel as part of the operational budget. However, a few states mentioned that they have received grants to address overservice related to drinking and driving, such as follow-up investigations of Place of Last Drink (POLD) data, or additional surveillance/investigation in areas with high incidents of DUIs.

- 📌 **Maine**, like other states, does not require proactive inspections for overservice of alcohol, but investigates potential overservice issues using inspections, investigations, checks of establishments, or observations, including responding to complaints or tips.

Alcohol Compliance Checks of Underage Sales at Special Events

Fewer than half of states conduct alcohol compliance checks at special events (such as community festivals, art fairs, etc.): 18 states report that they conduct compliance checks at these events; 26

do not. (One did not know and one said these events are a local responsibility that the state is not involved in.)

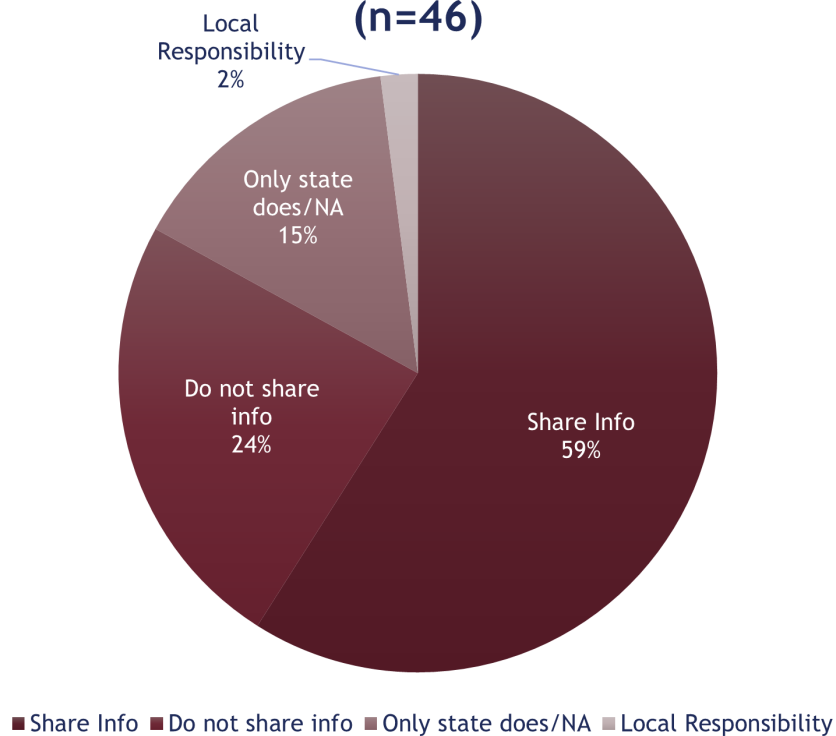
Maine does not conduct routine alcohol compliance checks at special events.

Alcohol Compliance Checks and Coordination with Local Enforcement

Local law enforcement agencies may also conduct alcohol compliance checks in some states. In 15% of states, only the state agency conducts compliance checks; in 2% of states, it is only the local law enforcement responsibility. The majority of states (59%) report that local law enforcement agencies share compliance check information with the state regulatory authority; 24% say this information is not shared.

Local law enforcement agencies share the information with the Bureau if alcohol compliance checks are conducted. Under the MOU agreements with the Bureau, if violations are found, the MOU agencies are required to report violation information to the Bureau. Otherwise, there is no other reporting requirements.

Local Agencies Sharing Information if they Conduct Compliance Checks (n=46)



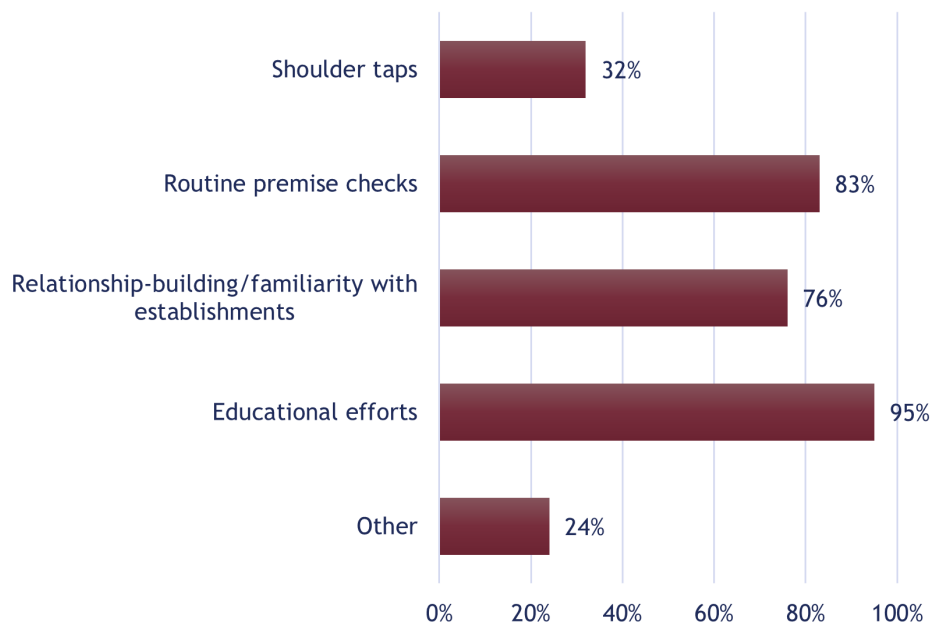
Other Enforcement Efforts

Most states undertake other enforcement efforts to work with licensees on issues related to prevention of sales to underage persons. (Five states did not provide data for this question.) The most frequently identified effort was educational efforts with licensees to improve their understanding of the importance of preventing sales to underage (95%), followed by routine premise checks (83%), relationship-building/familiarity with establishments (76%), and shoulder tap operations (32%). A few respondents said their state did not use shoulder taps over concerns about

accusations of entrapment. Other efforts mentioned were Cops in Shops, special operations around campus, prom, holidays, etc., and public awareness campaigns.

Maine does not require these efforts, but does routine premise checks, education, and relationship-building with licenses. Some local enforcement agencies with MOUs have conducted shoulder taps in the past.

Other Enforcement Efforts (n=46)

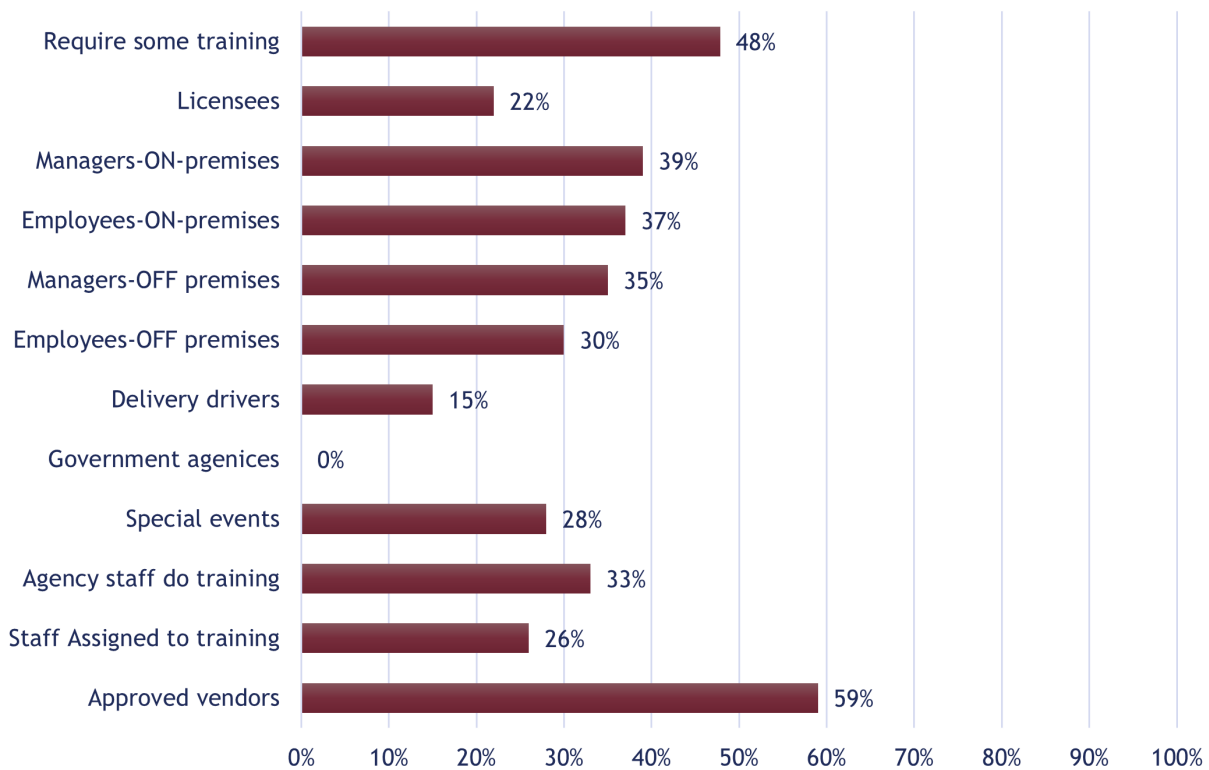


Responsible Beverage Server Training

Nearly half (48%) of states require some kind of alcohol training for servers or sellers of alcohol. There is a wide variety of the requirements for training for the states that do require it. Some require training of all personnel (licensees, managers, employees); some require just managers be trained; some require the licensee be trained. Several states require one person who has been trained be on duty at all times. Just 28% require training for staff at special events. One-third of states have staff assigned to training; 59% of states provide a list of approved vendors who can provide training. In some cases, states provide training or a list of approved vendors even if training is not required. For states that require training, the frequency required to repeat training varies, with some states only requiring a one-time training and others requiring retraining every two to four years, or less frequently.

Maine alcohol law does not require seller/server training. Bureau staff provide training on a voluntary basis and maintain a list of approved vendors that can provide voluntary training. While there is not a state statutory requirement, some **Maine** localities have adopted ordinances to require sellers or servers of alcohol go through an approved seller server training; these individual municipal ordinances require certification of everyone working in that municipality.

Server/Seller Training Required (n=46)

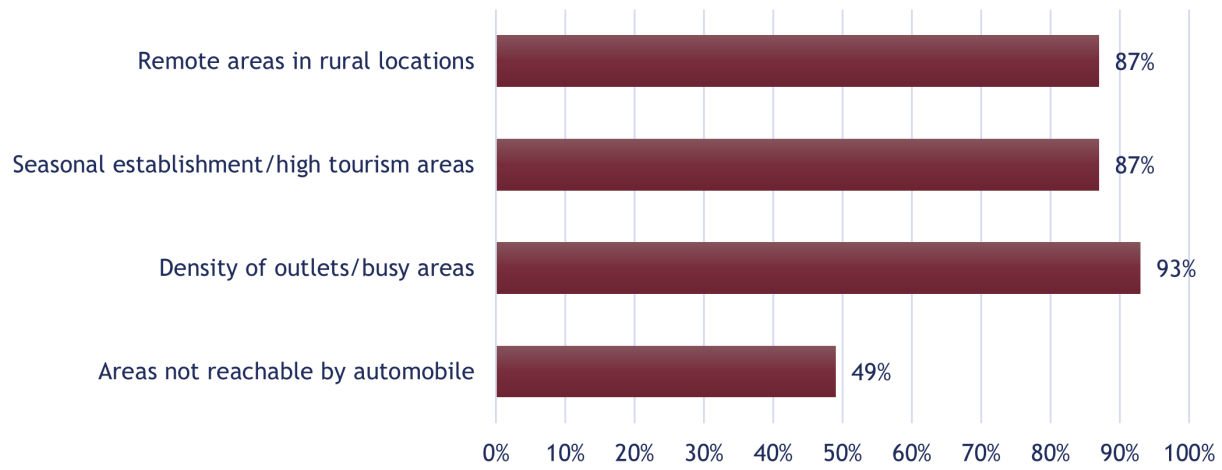


Geography/Location Challenges

The majority of states face challenges due to their state’s geography and the location of outlets. Many states (87%) have remote outlets in rural or distant areas that require substantial “windshield time” to reach. Seasonal establishments in tourism areas are an issue in many states (87%). Conversely, most states (93%) also have areas with a high concentration/density of outlets. Almost half (49%) have some outlets in areas that cannot be reached by automobile, and might require a boat, ATV, snowmobile, or other alternative transportation to reach. All of these can be issues for planning and directing enforcement operations.

📌 **Maine** has all of these challenges. **Maine** is nearly as large as all the other New England states combined and has areas of heavy forests, coastline, and rugged terrain, in addition to sharing a border with Canada, meaning that some licenses are in remote locations that require substantial travel time to reach. There are also seasonal/tourist areas and urban centers with high density of outlets. Some licenses are not reachable by automobile and accessible only by boat or other means of transportation.

Challenges for Enforcement/Geography or Location (n=46)

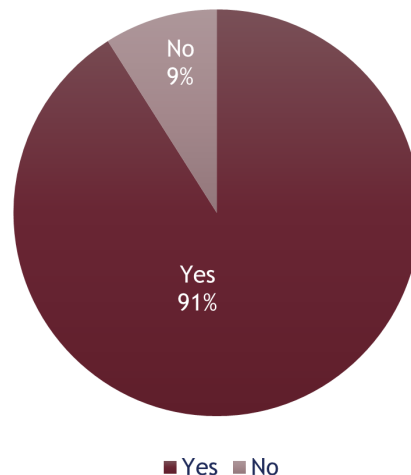


Impact of the COVID-19 Pandemic

The onset of the COVID-19 pandemic in March 2020 impacted businesses that serve or sell alcoholic beverages as well as the agencies responsible for oversight of those businesses. To help businesses that were impacted by COVID-19 public health mitigation restrictions, many states issued emergency orders through executive action and/or enacted other measures to enable businesses to continue operations. Of the states interviewed, 91% reported that their state expanded types of allowed sales in response to the COVID-19 pandemic.

 Maine expanded types of allowed sales in response to COVID.

State Expanded Sales during COVID (n=46)

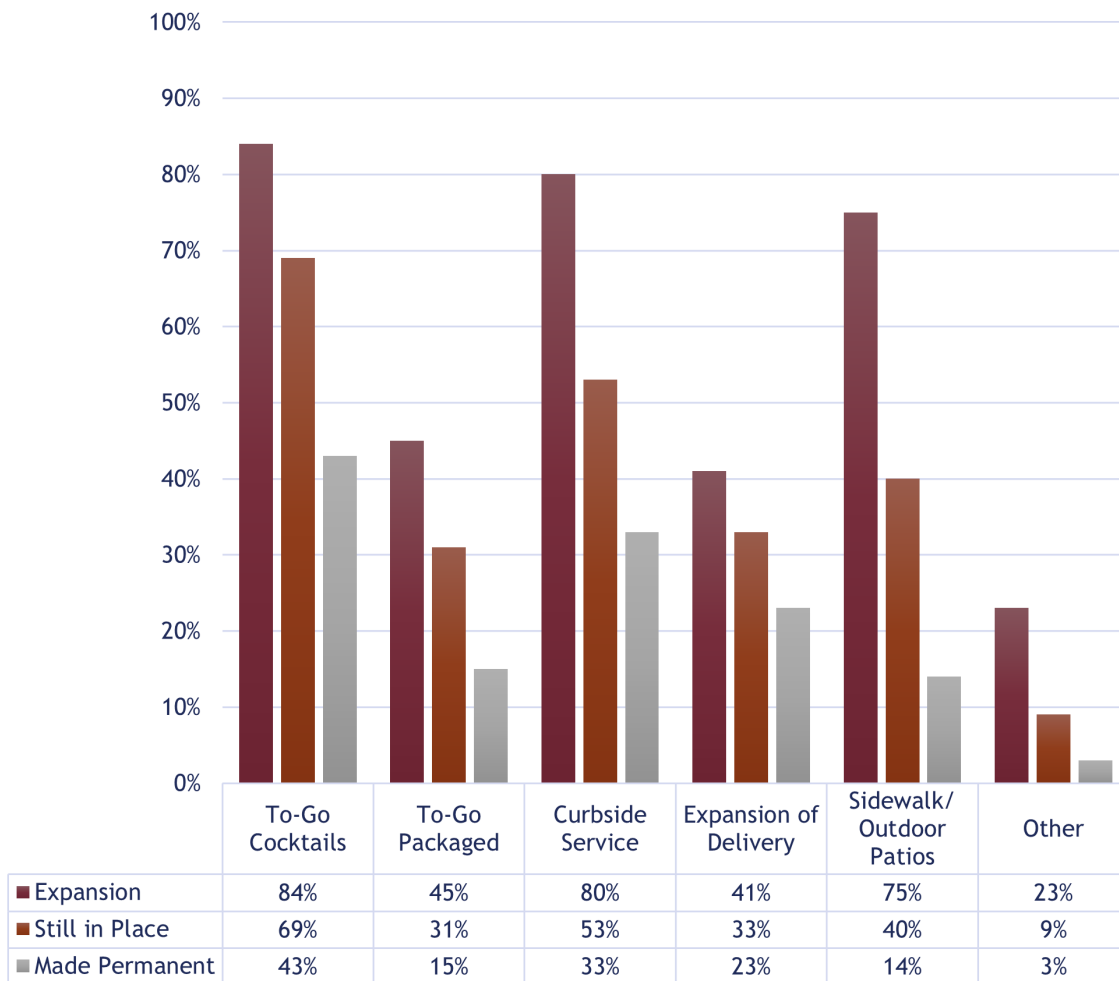


Types of Expanded Sales and Current Status

Many states expanded types of allowed sales; in some cases, these expansions are still in place (as of summer 2022 when data was collected), and some states have made some expansions permanent. These types of sales are described in this section as *expanded* since some states already allowed some of these sales, but expanded availability of alcohol by these means. The majority of states (84%) expanded allowance of cocktails-to-go, with 69% still allowing this and 43% making it permanent. To-go packaged alcohol sales were expanded in 45% of states; these sales are still in place in 31% of states and were made permanent in 15% of states. Curbside service was expanded in 80% of states; 53% still allow curbside and 33% have made curbside expansions permanent. Expansion of delivery options occurred in 41% of states, with 33% still allowing it, and 23% making expanded delivery options permanent. Expansion of outdoor spaces, such as sidewalk or parking lot patios for consumption were expanded in 75% of states, with 40% still allowing them, and 14% making the expansions permanent. Other types of expansions were identified by 23% of states and included waiving or extending deadlines for license renewal fees, allowing manufacture of hand sanitizer, or increasing amounts allowed for delivery; 9% are still in place and 3% became permanent.

📌 **Maine** added or expanded allowed sales of to-go cocktails, to-go packaged alcohol, and curbside purchases. All are still in place and currently scheduled to expire in March 2025.

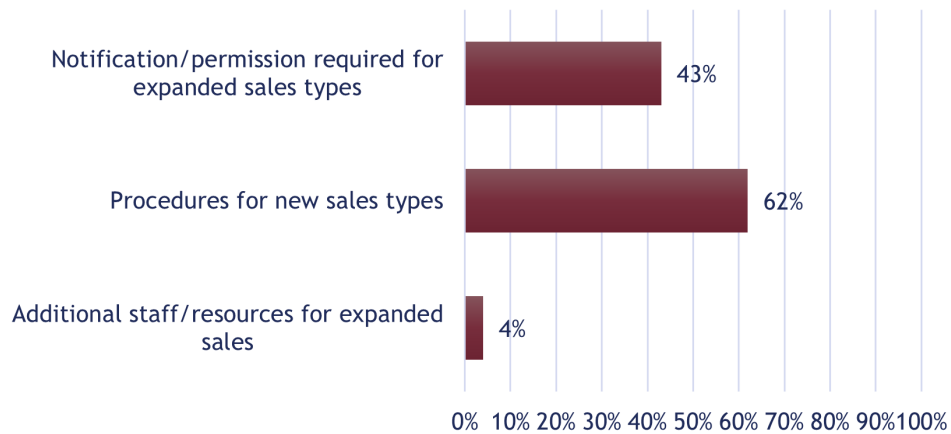
Expanded Sales due to COVID-19 (n=46)



Fewer than half of states (43%) required special notification or permissions for these expanded sales. Even so, 62% of states say they put procedures in place for expanded types of sales. Several respondents commented that expanded types of sales were covered in their regular inspections or processes, and did not necessarily require a new procedure. Only 4% of states reported being provided any additional staff or resources for this addition to their workload.

In Maine, licensees were required to notify the Bureau or obtain permission to add or expand new types of sales or expand the approved selling area (i.e., outside seating); there were no special procedures put in place to monitor and enforce expanded sales, and no additional staff or resources were provided to the agency.

COVID-19 Processes & Resources (n=46)

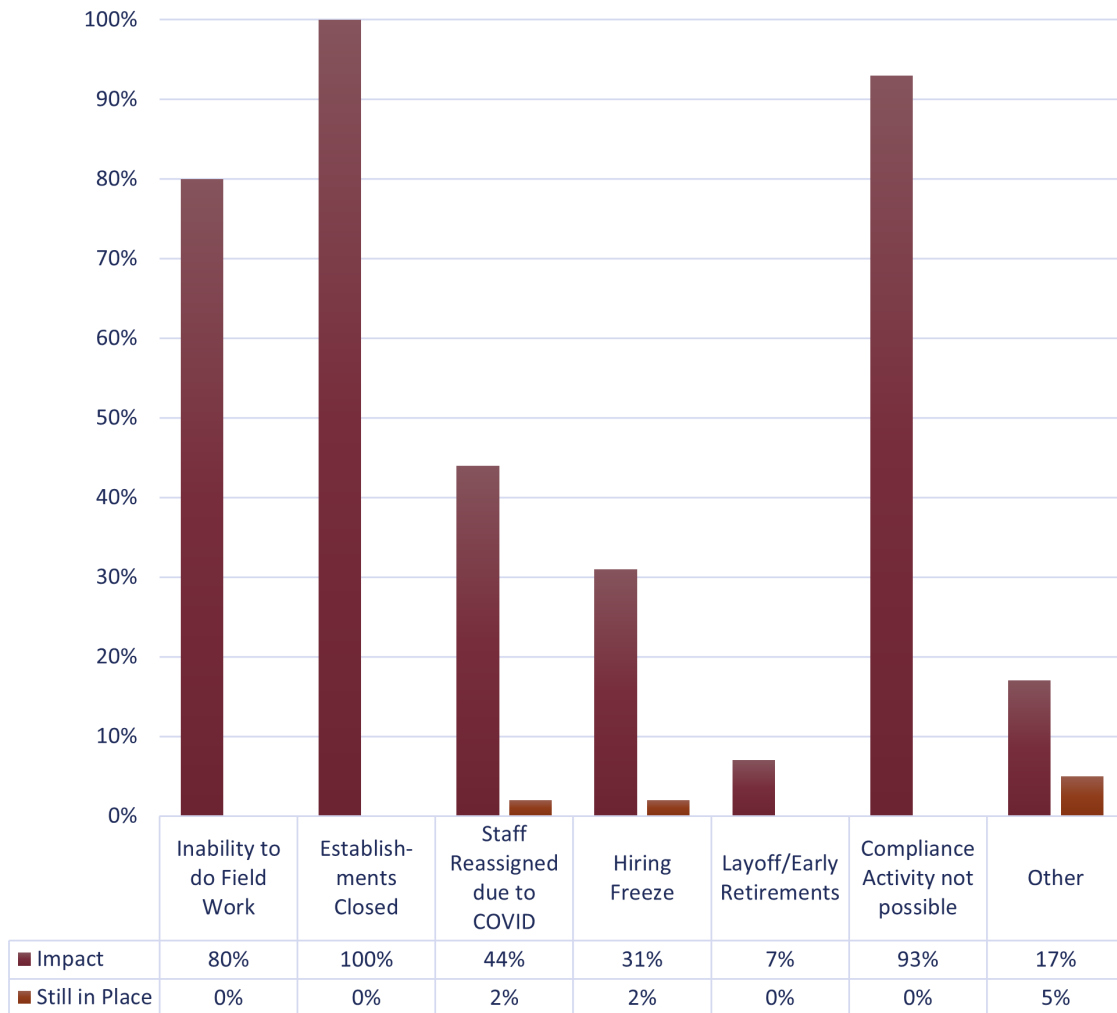


Agency/Staffing Issues Due to COVID-19

The COVID-19 pandemic also impacted agencies' ability to conduct their work. All states (100%) had establishments that temporarily closed during the height of the pandemic, 80% of states said COVID-19 caused an inability to do field work, and 93% reported that compliance activity was not possible, often noting that using minors in decoy operations (alcohol compliance checks) was not possible. These challenges were short term, and no states report that they continue to be an issue. Many states (44%) had some staff reassigned due to the pandemic, often making additions to their workload, such as monitoring compliance with COVID-19 restrictions and at least one state delivering supplies such as hand sanitizer and masks to businesses. Some states (31%) enacted hiring freezes during the pandemic and a small number (7%) had layoffs or early retirements encouraged in response to COVID-19. Other impacts related to COVID-19 were reported by 17% of states and included moving hearings and some processes online, office closures, and remote work. One respondent noted that compliance activity was now allowed, but requirements for state employees to wear masks make it obvious when trying to do undercover operations. Few states continue to be impacted by these issues.


Maine alcohol oversight was impacted by COVID-19. The Bureau was unable to do field work, establishments were temporarily closed, and restrictions hindered the ability to do compliance activity. None of these remain an issue.

Agency/Staffing Issues due to COVID-19 (n=46)

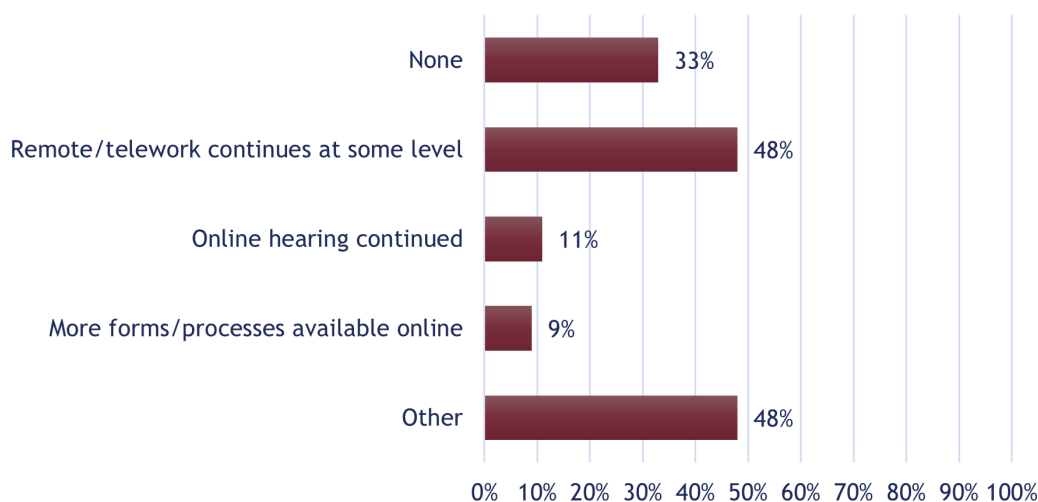


Ongoing/Permanent Changes begun During COVID-19

Some states have continued some of the changes undertaken during the pandemic. Nearly half (48%) are continuing to allow some level of remote/telework. Some states (11%) are continuing online hearings and 9% have made more forms and processes available online rather than requiring a license holder to come into the office. Nearly half of states (48%) identified other changes that have been continued. Other changes mentioned by some states include no longer taking applications in person (all online now), closing/discontinuing some in-person services, cross-training staff so that if fewer people are in an office they can provide multiple services, and allowing enforcement staff to garage vehicles and deploy from homes rather than needing to come to an office. A few respondents noted that moving processes online has made them more efficient at some tasks, enables the public at distant locations to participate in meetings and hearings, and is reducing fuel costs.

 **Maine** has not had any COVID-19-related changes stay in place; the Bureau was unable to move many processes remotely since its systems are on paper.

Ongoing/Permanent Changes begun during COVID-19 (n=46)



Discussion

This study examined **Maine's** regulatory and enforcement capacity of the sale of alcoholic beverages, the overall alcohol regulatory and enforcement landscape for states, and how **Maine** compares to other states. This examination identified several challenges for alcohol regulation compliance.

Maine has lower staffing capacity than most other states; Maine has fewer enforcement personnel and a higher number of licenses per FTE than most other states.

- 📌 **Maine** has fewer enforcement personnel than all but six of the 46 states in the study, suggesting that **Maine** is under resourced.
- 📌 **Maine** has 17 FTEs, with seven FTEs in enforcement, to oversee 11,418 licenses and 4,344 unique physical establishments.
 - For every FTE in the Bureau, there are 672 alcohol licenses (compared to an aggregate average ratio for all states of 158 licenses per FTE).
 - The number of licenses per FTE is even greater for just enforcement FTEs—where there are 1,631 licenses for every one enforcement FTE (compared to an aggregate average ratio for all states of 305 licenses per FTE). **Maine** enforcement FTEs have the 4th highest ratio of number of licenses per FTE of states in the study, even though **Maine** has just the 22nd highest number of licenses.
 - To provide some context, only three states in the study have a higher ratio of licenses to enforcement FTEs than **Maine**.

Maine has insufficient capacity to adequately monitor DTC shipping, like many states.

Maine allows DTC shipping for wine; expansion of DTC to allow spirits is under consideration. **Maine** is challenged to provide adequate oversight of DTC shipping, as were many states in the study. **Maine** has no dedicated staff assigned specifically to DTC compliance, so this function is absorbed into the overall department workload.

The Bureau does not have the capacity to track and audit volume and quantity of sales. This results in insufficient information to provide oversight or identify and investigate problems. This challenge is not unique to **Maine**—several states reported that they are unable to track DTC shipping and others said their state had only limited information available. As one respondent in another state observed, “we don’t know what we don’t know.” Indeed, less than one-quarter of the states in the study are confident they have sufficient procedures and resources to oversee DTC shipping; many states are concerned that they are unable to adequately monitor and oversee DTC in their state.

States that are more successful at monitoring DTC shipping compliance often license or require reporting by common carriers (e.g., UPS, FedEx) and can compare carrier reports to shipper reports to detect inconsistencies. Monitoring carrier reports and comparing them with reported sales by shippers is a time intensive process that requires more capacity (both in human resources and data analytic skills) than the Bureau currently has within its agency.

Lack of criminal authority limits the Bureau’s enforcement capacity.

Maine’s alcohol enforcement system is decentralized, with administrative authority at the state level and criminal authority vested in state and local law enforcement agencies. Bureau enforcement personnel do not have arrest powers and are not authorized to carry firearms. Thus, the state must rely on local law enforcement agencies, even though these agencies may not have the depth of expertise on alcohol licensing and violations that is optimal.

In addition, rather than being assigned full time to alcohol enforcement, state and local law enforcement agencies are responsible for criminal enforcement, and alcohol is one of many of their responsibilities. Thus, alcohol enforcement must compete with other community priorities and state and local law enforcement may not have the time and capacity to become familiar with licensees or what constitutes an alcohol violation to make a sufficient case to address problems with licenses.

A combination of state and local efforts to prevent sales to underage and overservice sales are undertaken, but not required.

Preventing sales to underage persons and preventing overservice are priorities for the Bureau, even though **Maine** law does not mandate these strategies by law to address these problems. Like most states in the study, **Maine** law does not require underage alcohol compliance checks. Local law enforcement agencies are able to conduct compliance checks and when they do, they share this information with the Bureau.

Proactive inspections for overservice are also not mandated by law, but the Bureau investigates potential overservice issues using inspections, investigations, checks of establishments, or observations, and responds to complaints or tips. Training for staff who serve or sell alcohol, including owners and managers, is also not required by law; local communities can enact ordinances to require training by approved vendors.

Most states handle underage alcohol compliance checks much differently than checks for tobacco, which have been required since 1996 by federal law and must be reported to a federal database.⁸ Many states are limited in the number of underage alcohol compliance checks they can conduct and were unable to estimate the percentage of establishments they were able to conduct a compliance check at in a given year.

⁸ Substance Abuse and Mental Health Services Administration. About the Synar Amendment and Program. <https://www.samhsa.gov/synar/about-synar>

Reliance on paper systems limits regulatory capacity.

Maine's systems are still on paper; rather than pull up information quickly from a computer database, Bureau staff need to go to file cabinets. This is inefficient and hinders the ability to easily track information and monitor licenses. During the recent COVID-19 pandemic restrictions, this also prevented the Bureau from moving to remote work as many other alcohol regulatory and enforcement agencies with computerized systems were able to do. Over half of states have transitioned to computerized systems and most of the remaining have hybrid systems employing both paper and computer files and are moving to be fully digital.

States still relying on paper systems were more challenged to easily access some of the data requested in this study, such as an exact number of licenses, number of violations in the previous year, the percentage of establishments they had conducted an underage compliance check at, or provide data on volume or quantity of DTC shipping.

This suggests that tracking systems, staff levels, or both are inadequate for many states to have a comprehensive picture of enforcement and regulatory compliance activities in their states. While some states could easily pull up a number from a computer database, others, like Maine, said it would require going through many paper files to answer some of the basic inquiries in this study. States' inability to readily access basic information limits their ability to use data to guide their efforts, assess resource allocation needs, provide proper documentation for hearings and court cases, quantify their level of effort for budgetary consideration, measure whether their actions are effectively gaining compliance among licensees, provide information to the public, or provide the licensee community with strong customer service.

The geography of Maine strains limited resources.

Maine's geography adds to regulatory challenges. Maine is a large state—nearly as large in area as all the other New England states combined.

Maine has fewer enforcement staff than nearby Vermont, even though Maine has more licenses and is three times the size. The state's terrain with forests, coastline, and mountains can increase travel time. This requires a lot of "windshield time" for the seven enforcement FTEs to reach remote establishments. There are even some establishments that cannot be reached by automobile and require a boat or snowmobile to access.

Variations among state alcohol regulatory and enforcement systems enable states to adopt processes for their unique situation, although diversity of models can make it challenging to identify best practices across states.

There is no singular state model of alcohol regulatory enforcement in the United States. While there may be some similarities in state alcohol regulatory enforcement systems, each state has developed its own unique combination of authority over licensing, enforcement, types of licenses, alcoholic beverages, and operation (manufacturer, wholesale, retail).

Alcohol regulatory enforcement systems vary greatly among states. Some states maintain all jurisdictional authority at the state level, some have authority entirely at the local level, and some have a combination. There are control states, like Maine, that control the sale of some or all alcoholic beverages. Alcohol enforcement agents may have full, limited, or no arrest powers. In some states, staff positions are assigned 100% to alcohol; in others, staff duties may include alcohol as well as things like tobacco, gaming, or other responsibilities. Several states have added cannabis regulation and enforcement to agencies that oversee alcohol regulation and enforcement.

Approaches to licensing also vary greatly. States may license alcohol at the state level, the local level, or a combination of both. Some states have layered licensing where one establishment may have multiple types of licenses for things like on- or off-premises sales, types of products, and types of establishments where alcohol is sold. States have more craft breweries, distilleries, and wineries, which may also be permitted to operate tasting rooms, ship products, and operate retail sales.

This diversity of models makes it challenging to easily identify best practices that can be applied across states. While the 21st Amendment allows for states to create an alcohol regulatory and enforcement system designed to fit their unique circumstances, it poses challenges to compare states.

The COVID-19 pandemic impacted alcohol regulatory enforcement agencies and licensees.

Nearly all states (91%) expanded types of alcohol sales allowed during the pandemic to provide support for businesses and to protect the public health. Many states expanded to-go cocktails, to-go packaged alcohol, curbside service, delivery options, and outdoor service areas. There was often little notice or advance planning for these expanded sales, which alcohol regulatory and enforcement agencies had to monitor, almost always without additional staff or resources.

Many agencies were tasked with enforcing COVID-19 measures such as social distancing and mask requirements at establishments. At the same time, safety concerns curtailed the ability to do in-person fieldwork and compliance activity, such as underage compliance checks.

In many states, these expanded sales have continued or even been made permanent. This has increased the compliance responsibilities for many states.

■ Limitations

The information presented in this report will be useful for decision-makers and stakeholders in **Maine** as well as other states, but the study design and capacity have several limitations. The evaluator was unable to secure participation from five states, so the study includes data from just 45 states and the District of Columbia.

Despite a lengthy survey interview lasting up to one hour, time and burden on participants made it necessary to prioritize areas of inquiry; there were areas of interest that could not be included. Both the interview questions and the data collection form used to collect numbers of licenses and personnel were self-report methods of data collection. A few respondents were challenged to recall some information and some respondents estimated some information. Since respondents often take pride in their organization and efforts, some questions may have felt uncomfortable to some respondents; a few times a respondent preferred not to answer a question. A few questions that worked well when the survey was pilot tested had limits when conducting several interviews, limiting the depth of information we were able to gather in some areas.

Despite gathering a great deal of information, there is currently no agreed-upon “best” alcohol regulatory and enforcement model; therefore, the study presents what is in place, not what should be in place.

A final limit is the diversity of models of state alcohol enforcement systems and the states themselves can limit the ability to easily compare systems. Despite these limitations, the information in this report presents a useful overview of the alcohol enforcement landscape in the United States and how **Maine** compares.

■ Recommendations for Future Research

The information in this study points to several areas for future research. States vary greatly in population and size. Future research might analyze states' over-age-21 population and/or the square miles of a state compared to the data collected for this report. This could provide additional context into the numbers of licenses in addition to the geographic area that alcohol enforcement staff need to cover. Some rural states may have fewer numbers of licenses but large areas to cover; some more urbanized states may have higher outlet densities even though the geographic area is smaller.

States have a vast array of alcohol regulatory and enforcement models that raise the question of which models are most effective at monitoring and regulating the sale, distribution and manufacture of alcoholic beverages. This is an area that deserves further study to identify best practices for alcohol regulatory and enforcement agencies based on scientific evidence. Additional research that builds on this study and continues to go deeper into the different systems in states could provide better understanding of the most effective models. In addition, comparing these findings to health and safety outcomes may provide further insight to which type of model provides for more adequate safeguards for communities and which provide better customer service for licensees.

It would be valuable to learn an optimal ratio of alcohol enforcement personnel to licenses. Future research should compare current systems with outcomes, such as binge drinking rates (youth and adults), DUIs, alcohol-related violence, alcohol-related emergency visits, or other alcohol-related health outcomes to determine if there are correlations between staffing levels and outcomes.

A better understanding of effective compliance monitoring of DTC shipping is needed. This study looked at the DTC shipping environment, but it was difficult for many states to provide information on volume and quantity. Additional examination of DTC shipping processes to identify what is effective and areas for improvement would be beneficial to many states that are struggling with oversight in this area. This is of particular importance as Congress deliberates whether to permit the United States Postal Service to serve as a common carrier of alcoholic products, which is currently prohibited.

■ Conclusion

The information in this report presents a useful overview of the alcohol regulatory enforcement landscape in the United States and how **Maine** compares to the national landscape. This study showed the great variety of state alcohol regulatory and enforcement systems, in addition to challenges states face among the 46 states that participated in the study. Specifically, it shows that **Maine** has less staff capacity than most other states and faces some constraints by not having criminal authority, so it must rely heavily on state and local law enforcement agencies. Limited staff capacity impedes adequate oversight of DTC shipping. Finally, a reliance on paper files makes it more difficult to adequately track information essential to its oversight function.

■ Acknowledgements

This study was conducted on behalf of the **Maine** Bureau of Alcoholic Beverages and Lottery Operations (the Bureau) with support from an award from the National Alcohol Beverage Control Association. Staff from both organizations devoted substantial time to providing input, recruiting participants, and providing guidance for the study. Over 50 staff from state alcohol enforcement agencies participated in interviews or responded to requests for information, as well as responded to follow-up questions. The Advisory Panel members contributed important expertise to inform the development of the study design and data collection instruments. The evaluator is grateful for their contributions. Last, special acknowledgement goes to Emily Schmitz at Leonine Focus for contributing research on state alcohol control statutes and regulations.

Advisory Panel Members

Mary-Anne LaMarre, Executive Director, Maine Sheriffs' Association

Megan Scott, Substance Use Prevention Program Manager, Maine Center for Disease Control & Prevention

Carrie Christofes, Executive Director, National Liquor Law Enforcement Association

Kathleen M. Lenk, Senior Research Fellow, University of Minnesota Alcohol Epidemiology Program

Norman Giesbrecht, Emeritus Scientist and Adjunct Professor, Institute for Mental Health Policy Research, Centre for Addiction & Mental Health; Dalla Lana School of Public Health, University of Toronto

Pam S. Erickson, Founder, Public Action Management

Tracy Willett, Manager of Liquor Operations, Maine Bureau of Alcoholic Beverages and Lottery Operations (BABLO)

Cassandra Tourre, Director of Public Policy, National Alcohol Beverage Control Association (NABCA)

Kedar Dange, Public Policy Analyst, National Alcohol Beverage Control Association

Linda M. Bosma, Bosma Consulting, LLC



**Bureau of Alcoholic
Beverages & Lottery Operations**

8 State House Station

Augusta, ME 04333-0008

<https://www.maine.gov/dafs/bablo/>