



Bureau of Alcoholic Beverages and Lottery Operations

Agency Briefing

Joint Standing Committee on Veterans and Legal Affairs

Wednesday, January 22, 2025

Kirsten LC Figueroa
Commissioner

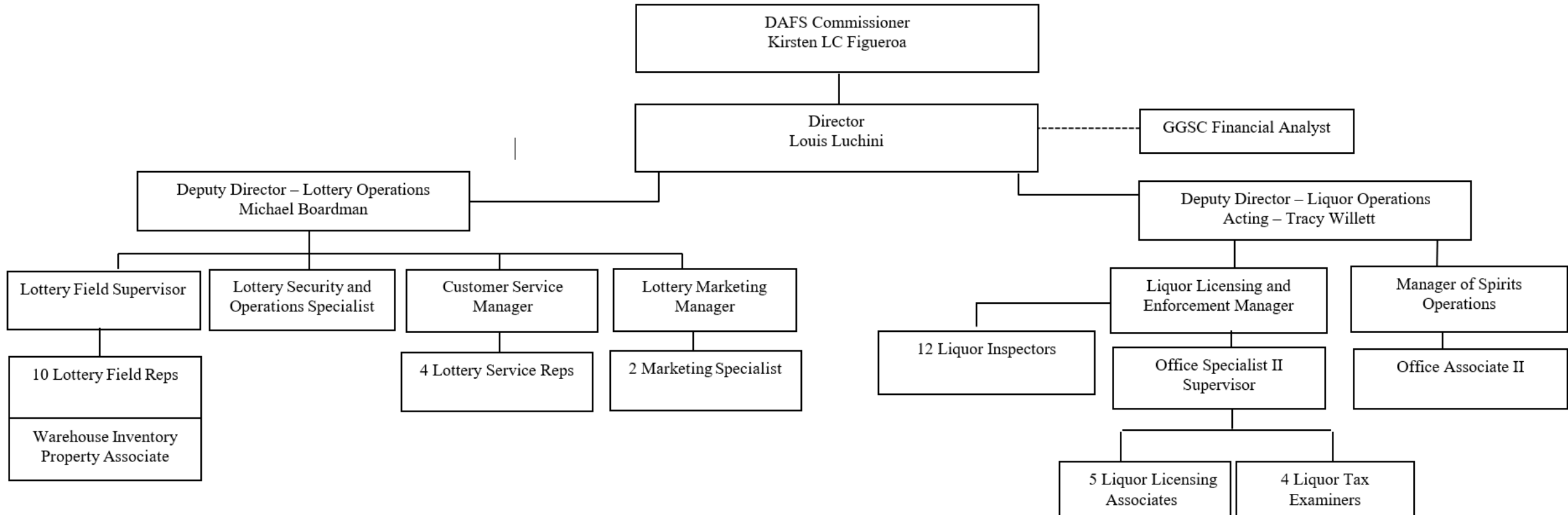
Louis Luchini
Director

Bureau of Alcoholic Beverage and Lottery Operations

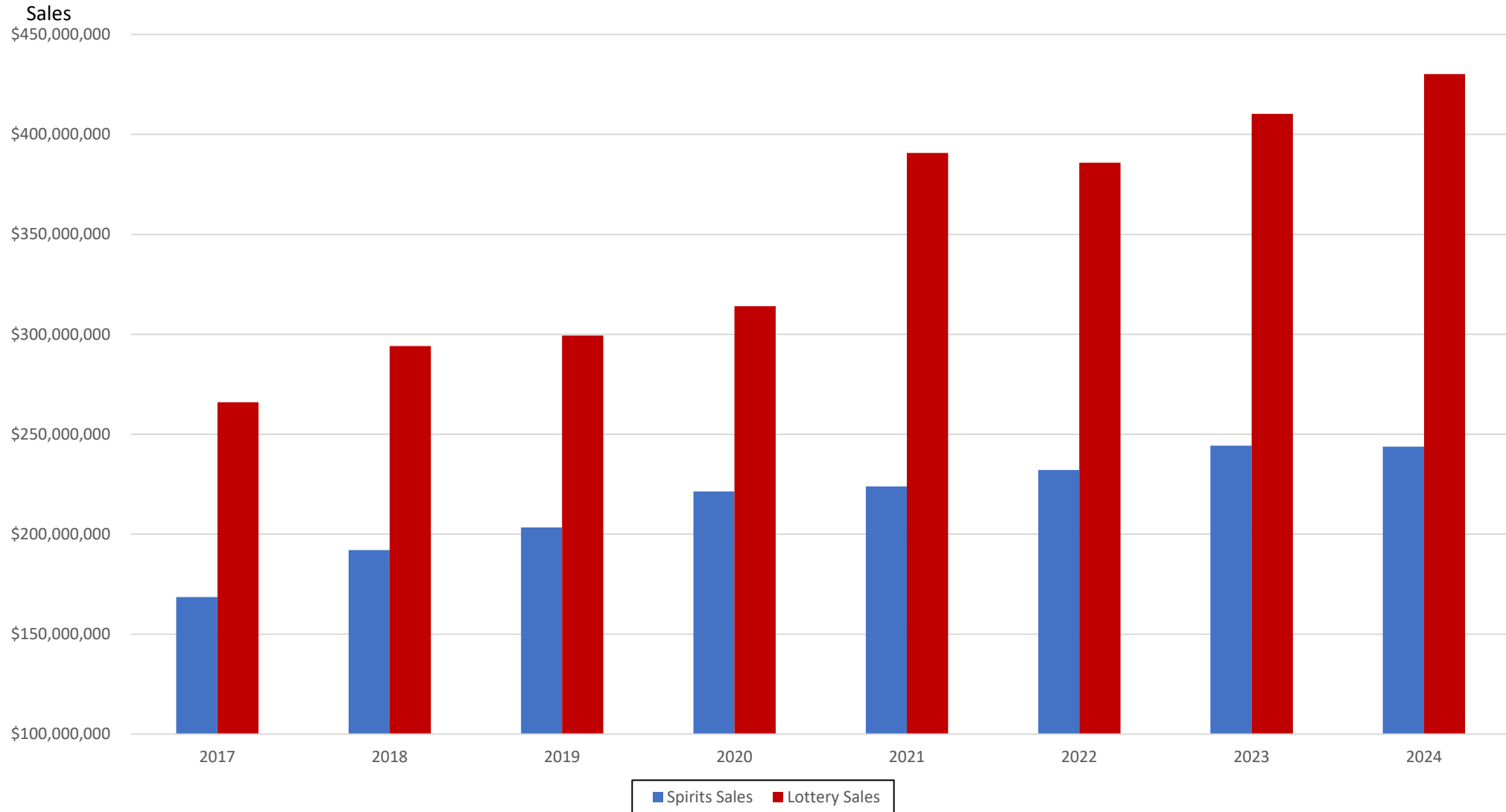


BABLO - Organization

Bureau of Alcoholic Beverages and Lottery Operations



Spirits and Lottery – Sales FY17-24



Lottery Operations

The Maine Lottery's mission is to responsibly offer an array of entertaining games to the public and generate appreciable funding for the State.

Lottery Revenues Benefit:

- General Fund
- Maine Outdoor Heritage Fund

Lottery Partners

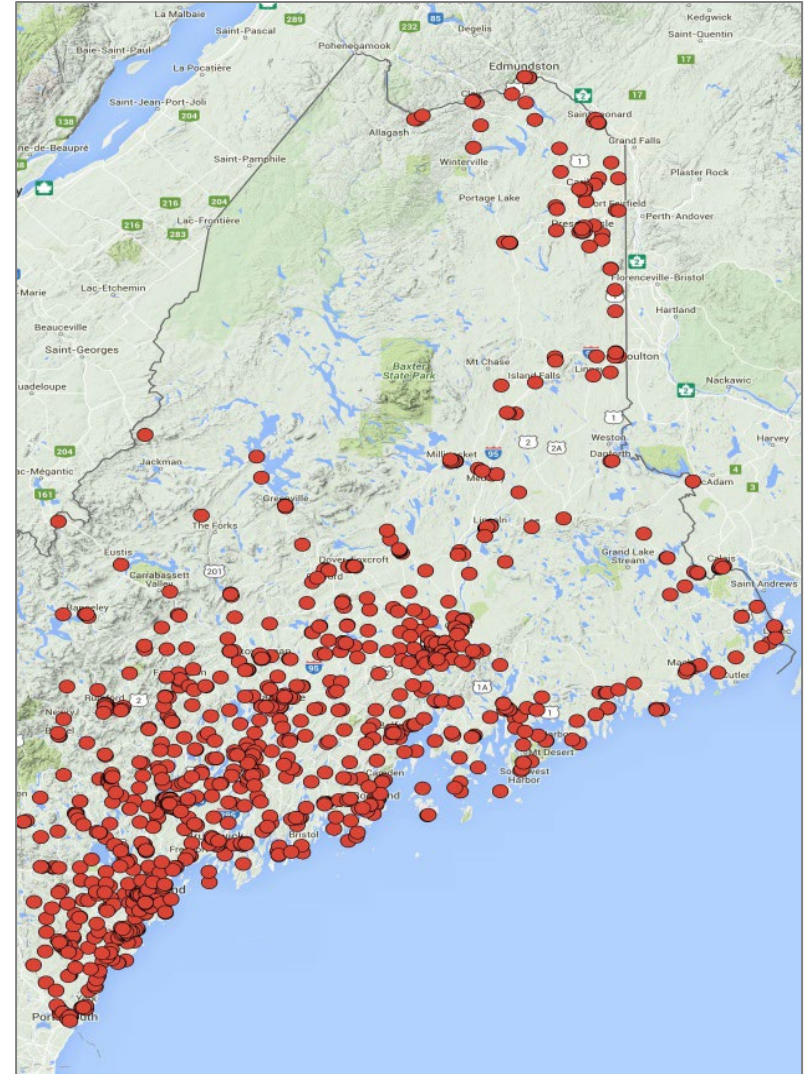
- Contract with Scientific Games
- Tri-State Lotto Commission – Maine/New Hampshire/Vermont
- Multi-State Lottery (MUSL)



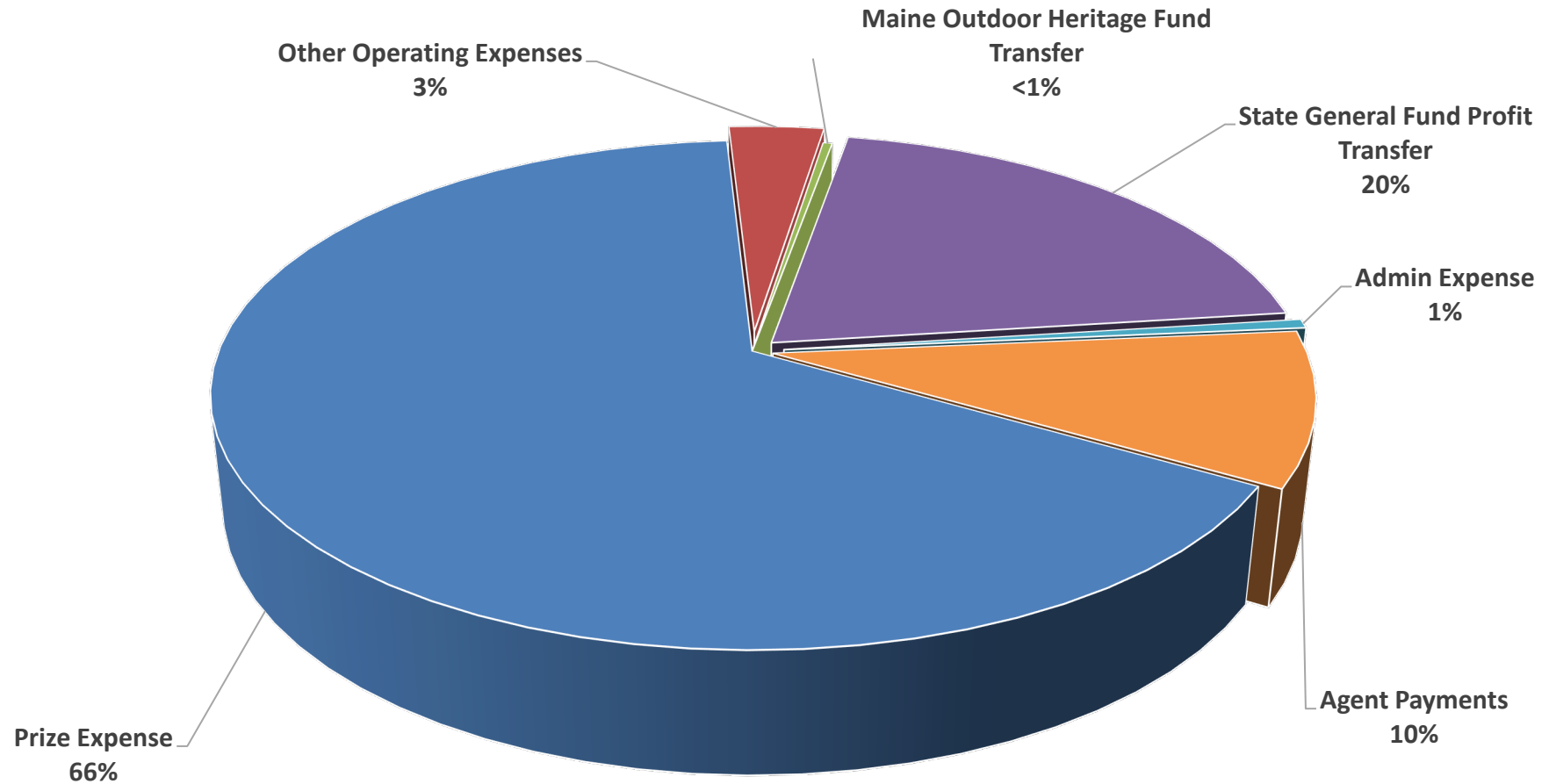
Lottery Operations – Retailer Landscape

The Lottery partners with Maine businesses to supply games:

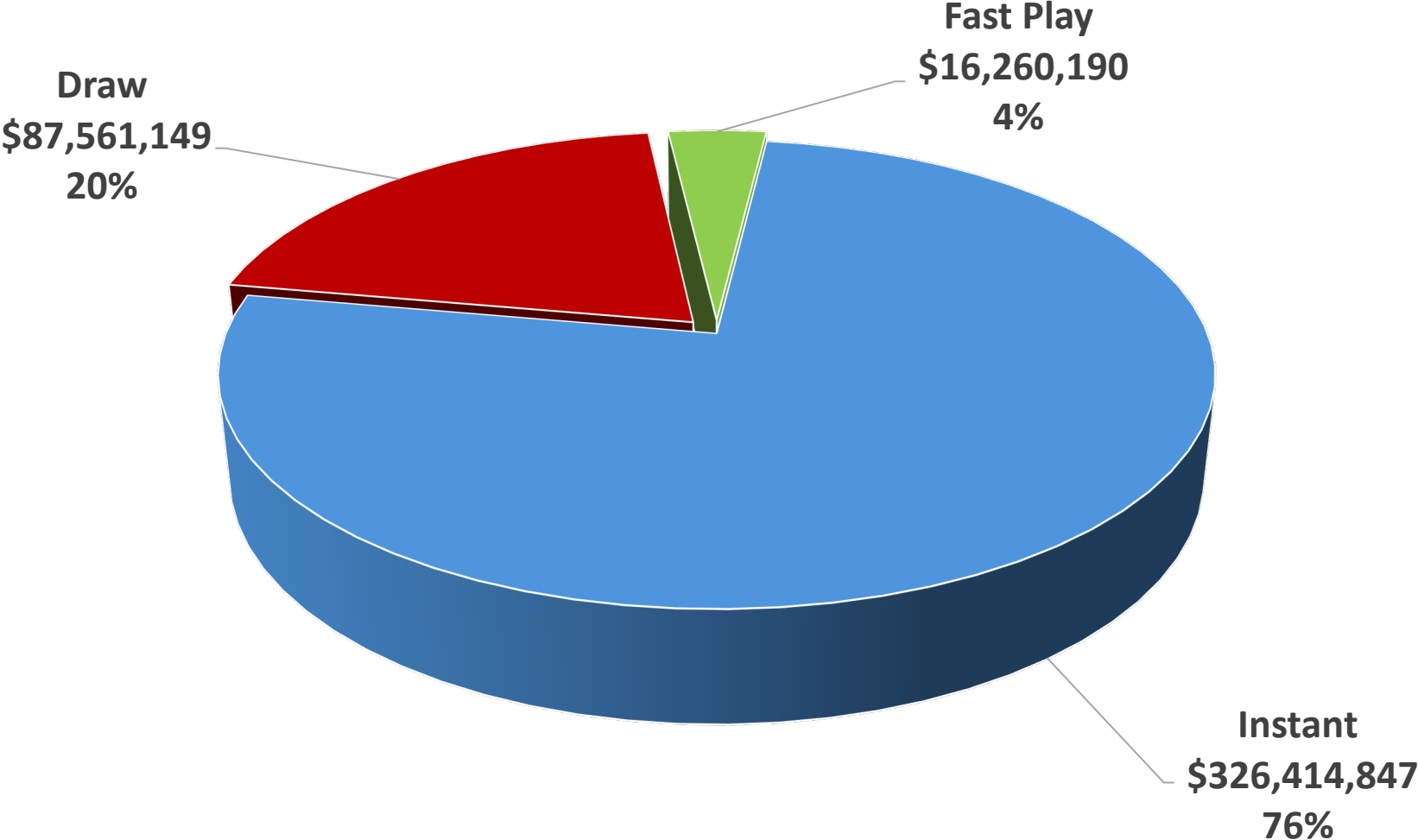
- 1089 Retail Locations
- 250 Self-service Vending Machines



Lottery Operations – FY24 Financial Distribution

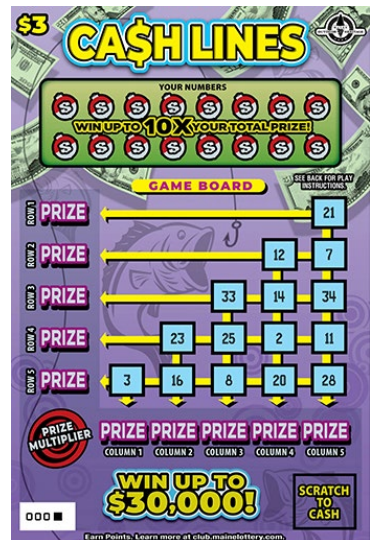


Lottery Operations – \$430.2M in Sales in FY24

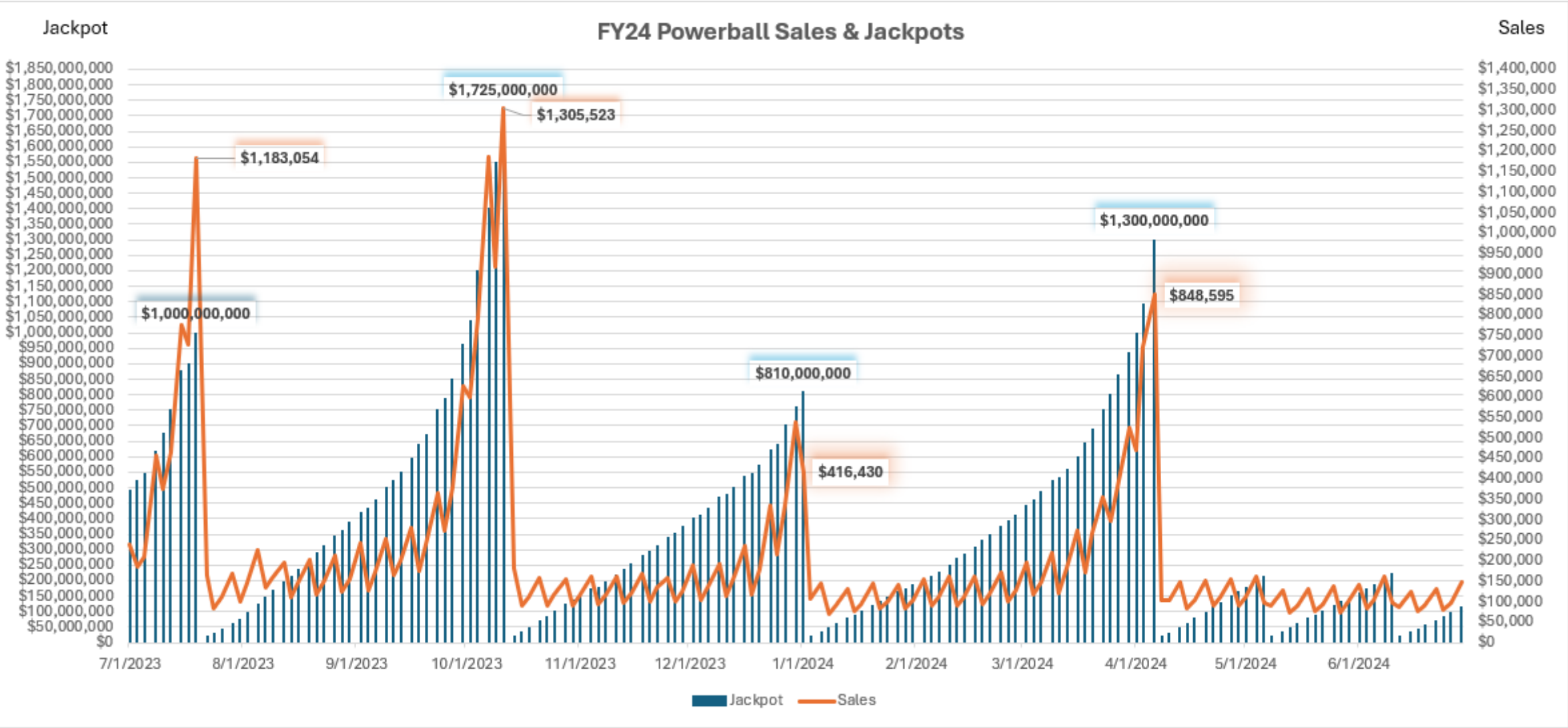


Lottery Operations – Instant Product Mix

- Price points of \$1, \$2, \$3, \$5, \$10, \$20, \$25, \$30
- Top prizes vary by price point. Higher price points have higher prizes.
- Prizes include cash and merchandise.
- Variety of themes and play styles available.



FY24 Sales Follow the Jackpots



Lottery Operations – Responsible Gaming

- Always remind players to “**Keep it Fun. Play Responsibly**”
- **Maine 2-1-1** for help with problem gambling
- **Maine CDC** collaboration on problem gambling and responsible playing media campaign initiatives
- National Association of State and Provincial Lottery's **Responsible Gaming Committee**
- Maine State Lottery Retailer Network is a part of the **Amber/Silver Alert System**



Liquor Operations – Spirits Business

Our mission is to offer a wide selection of spirits products at a competitive price and encourage Maine legal drinking age consumers and visitors to buy local.

Three Tier System

- Maine is one of 18 Control jurisdictions
- Maine controls the wholesale and retail distribution of spirits
- Maine sets the wholesale and retail price for all of Maine

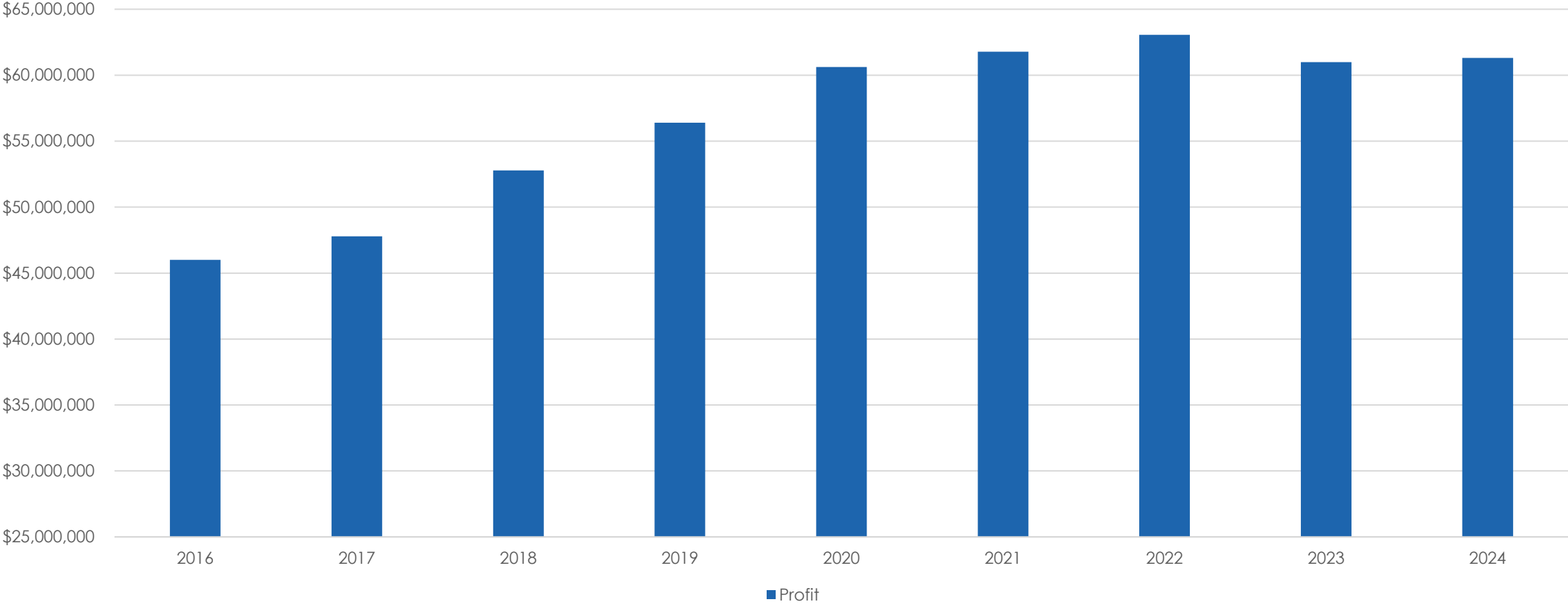
Signed New Contract with Pine State Trading through 2034

Previous Contracts:

- Leasing the Business: 2004-2014
 - Contract generated \$189M, inclusive of \$125M up front payment
- Fee-For-Service Model: 2014-2024
 - Contract generated over \$560M
 - Paid off debt to Maine hospitals



Spirits Profits History

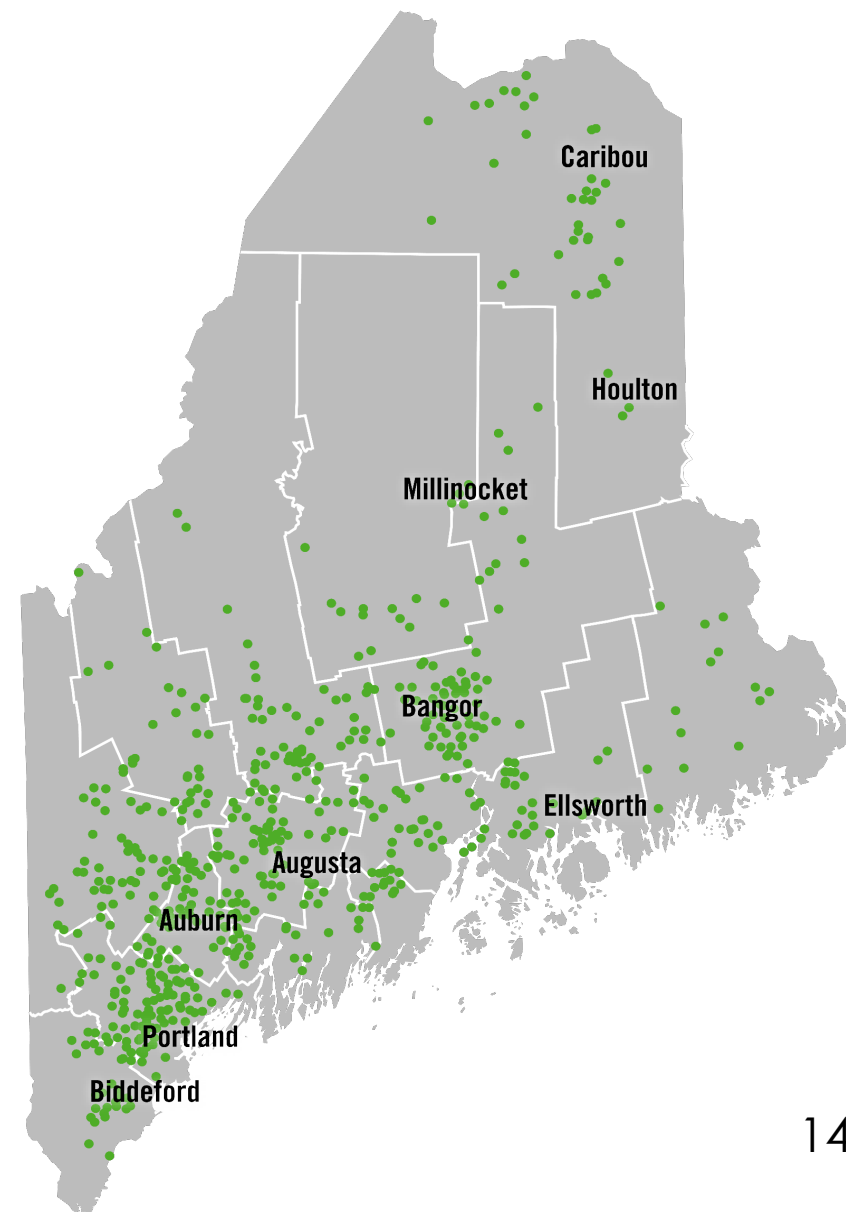


Spirits Business - Agency Liquor Store Landscape

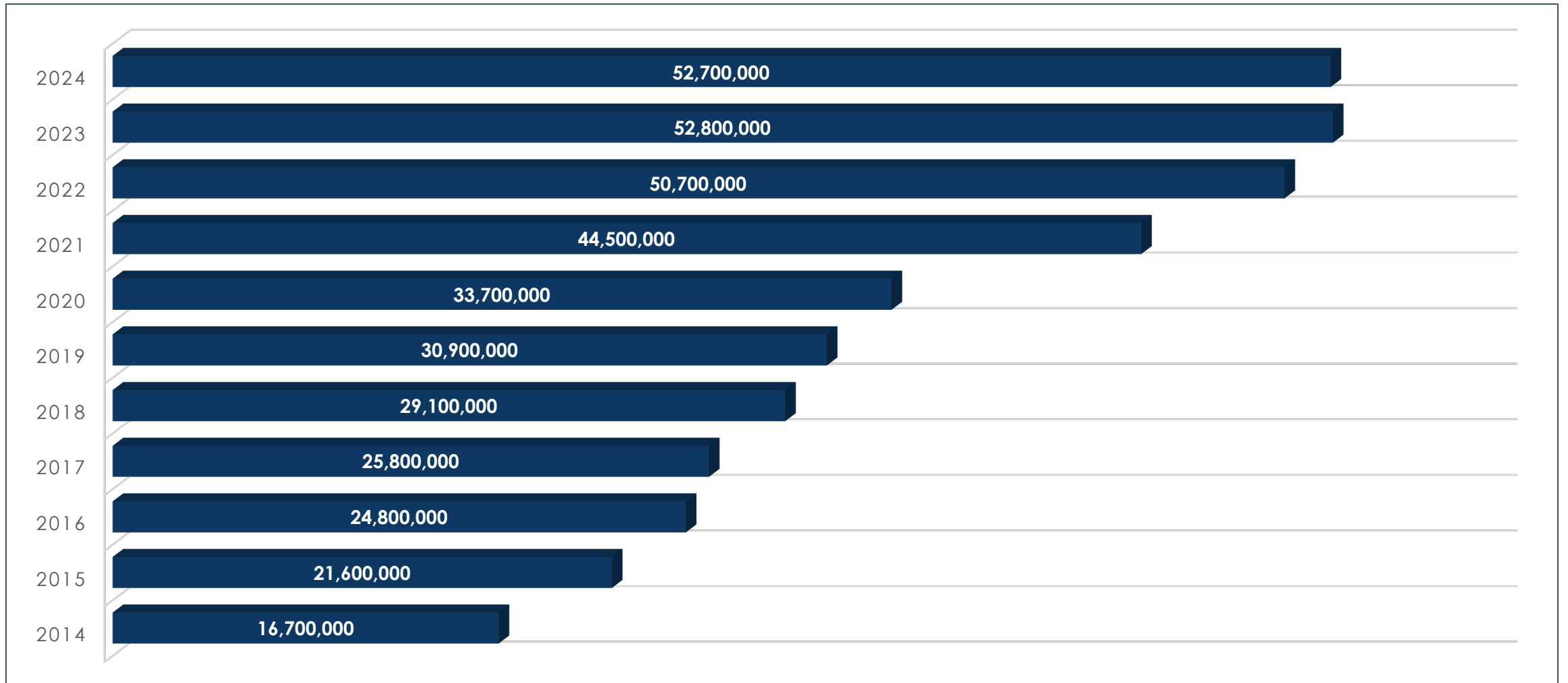
647 Agency Liquor Stores:

- 341+ Independent Retailers
- 102+ Chain Grocery Stores
- 140+ Chain Convenience Stores
- 42+ Pharmacies
- 6 Wholesale Clubs

235 Reselling Agents distribute to on-premise licensees



Spirits Retailer Profits – 18% Discount Rate



BABLO Modernization Project



In October 2024, BABLO went “live” with the new BELLS system -- moving from a paper and checks based system to a fully online portal

BELLS can be used to:

- Apply and pay for a license & application
- Payment of Excise Taxes
- Label Registrations
- Quarterly Reports
- Regulatory Filings
- Municipal Approval



Liquor Operations – Liquor Licensing and Enforcement

Liquor Enforcement

- Education
 - Seller and Server Certification
 - On-line and classroom training offered
 - Guide active and new licensees within framework of Title 28-A
 - Orientation of new licensees at time of licensing
 - Licensee Conferences
 - Support licensee training goals for employees
 - Develop compliance plans in lieu of graduated sanctions
 - Training for local law enforcement
 - Memorandum of Understanding
- Partnership with local law enforcement
 - Manage 107 MOUs with local law enforcement agencies for administrative enforcement
 - Compliance events conducted by law enforcement partners
- Partners with CDC, NABCA, NLLEA and other groups
- Premium and Excise Tax Collection – support substance use disorder



Thank You

Questions?

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Appendix



Top Selling Brands FY 2024

Brand	FY 24 Dollar Sales	FY 24 9L Cases
TITOS HANDMADE VODKA	\$19,393,261	118,260
FIREBALL CINNAMON WHISKY	\$11,121,521	62,698
ALLENS COFFEE BRANDY	\$7,048,012	71,464
CAPTAIN MORGAN RUM	\$6,947,761	48,016
JIM BEAM BOURBON WHISKEY	\$6,781,601	37,789
DR MCGILLICUDDY'S	\$6,702,815	35,889
JACK DANIELS TENNESSEE WHISKEY	\$6,502,610	26,363
CROWN ROYAL CANADIAN WHISKEY	\$6,279,057	23,192
JAMESON IRISH WHISKEY	\$6,176,795	21,526
SMIRNOFF VODKA	\$5,930,509	43,343



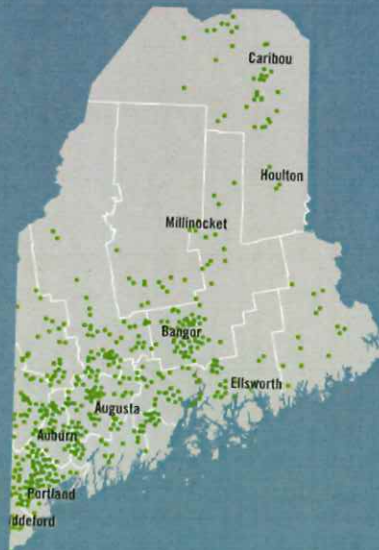
MAINE ★ SPIRITS

Maine Spirits offers a wide selection of spirits products at a competitive price and encourages Maine legal drinking age consumers and visitors to buy local.



Maine is one of 18 control jurisdictions nationwide; often referred to as a **Control State**.

Brand	FY 24 Dollar Sales
Titos Handmade Vodka	\$19,393,261
Fireball Cinnamon Whisky	\$11,121,521
Allen's Coffee Brandy	\$7,048,012
Captain Morgan's Rum	\$6,947,761
Jim Beam Bourbon Whiskey	\$6,781,601
Dr McGillicuddy's	\$6,702,815
Jack Daniels Tennessee Whiskey	\$6,502,610
Crown Royal Canadian Whiskey	\$6,279,057
Jameson Irish Whiskey	\$6,176,795
Smirnoff Vodka	\$5,930,509



Spirits are sold through **647 Agency Liquor Stores**

- 341 Independent Retailers state-wide make up the largest share of Agency Licenses
- 235 Reselling Agents help supply Maine's restaurant industry



**Spirits
Retailer
Profits**

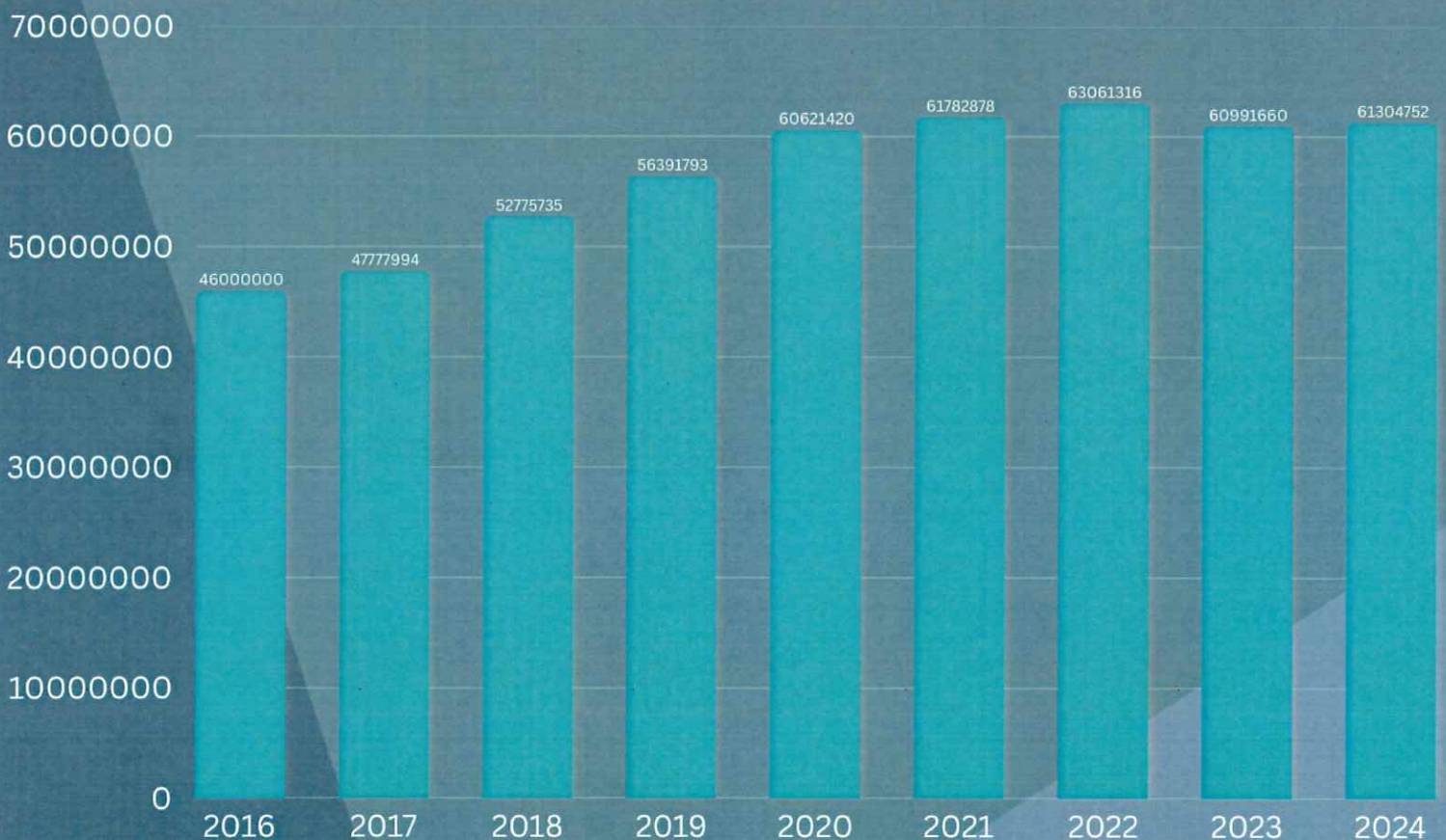
First **\$7 Million** goes to the **General Fund**;
the remainder goes into the **Highway Fund**

(28-A MRS §90; 30-A MRS §6054(5))

Excise and Premium Taxes are used for
**Substance Abuse Disorder Treatment
and Prevention:**

100% of Premium Taxes (28-A MRS §1703) and no less
than **31% of Excise Taxes** (28-A MRS §1652) collected by
the Bureau are appropriated to DHHS for **Substance
Abuse Disorder Prevention and Treatment.**

Spirits Profit History



Lottery Operations

Maine Lottery offers an array of entertaining games to the public and generates appreciable profit for the State.

Draw Games- \$87.5M FY24

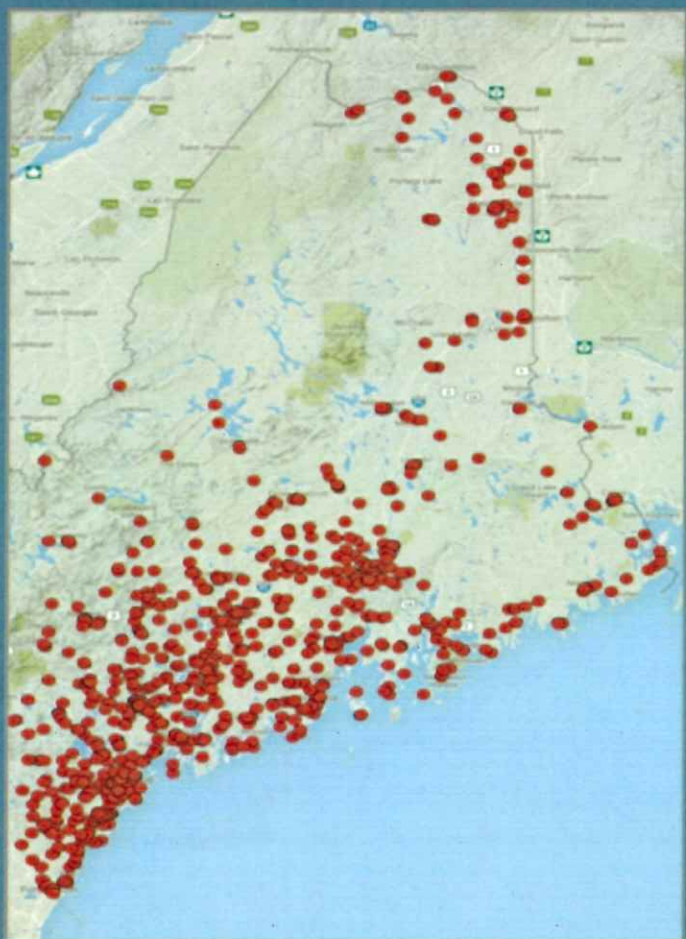
Powerball, Megabucks, Mega Millions, Lotto America, Lucky for Life, and more

Instant Tickets- \$326.4M FY24

Available for a variety of prices, each game has its own instructions and can offer immediate rewards.

Fast Play- \$16.2M FY24

Similar to Instant Tickets, Fast Play games are available from self-service vendors and do not require scratching.



Where the Money Goes

Maine General Fund. Since 1974, the Maine State Lottery has transferred over \$1.24 Billion to Maine State Government's General Fund. These funds have been used by the Maine Legislature to benefit the citizens of Maine, including general purpose **aid for local schools, higher education, health services**, as well as a variety of additional programs.

Outdoor Heritage Fund. since 1996, the Maine State Lottery has transferred \$18.85 Million to the Outdoor Heritage Fund. This money has been **helping to fund critical conservation and wildlife projects throughout Maine.**

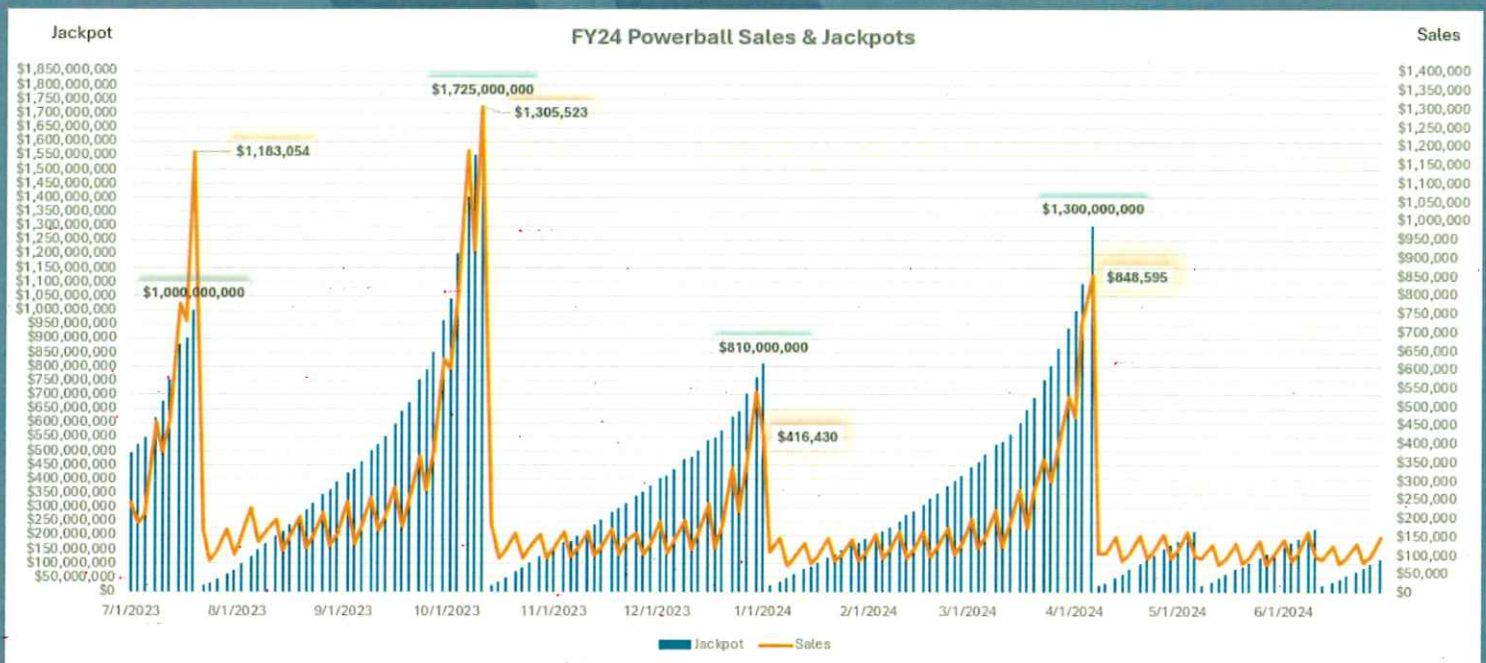
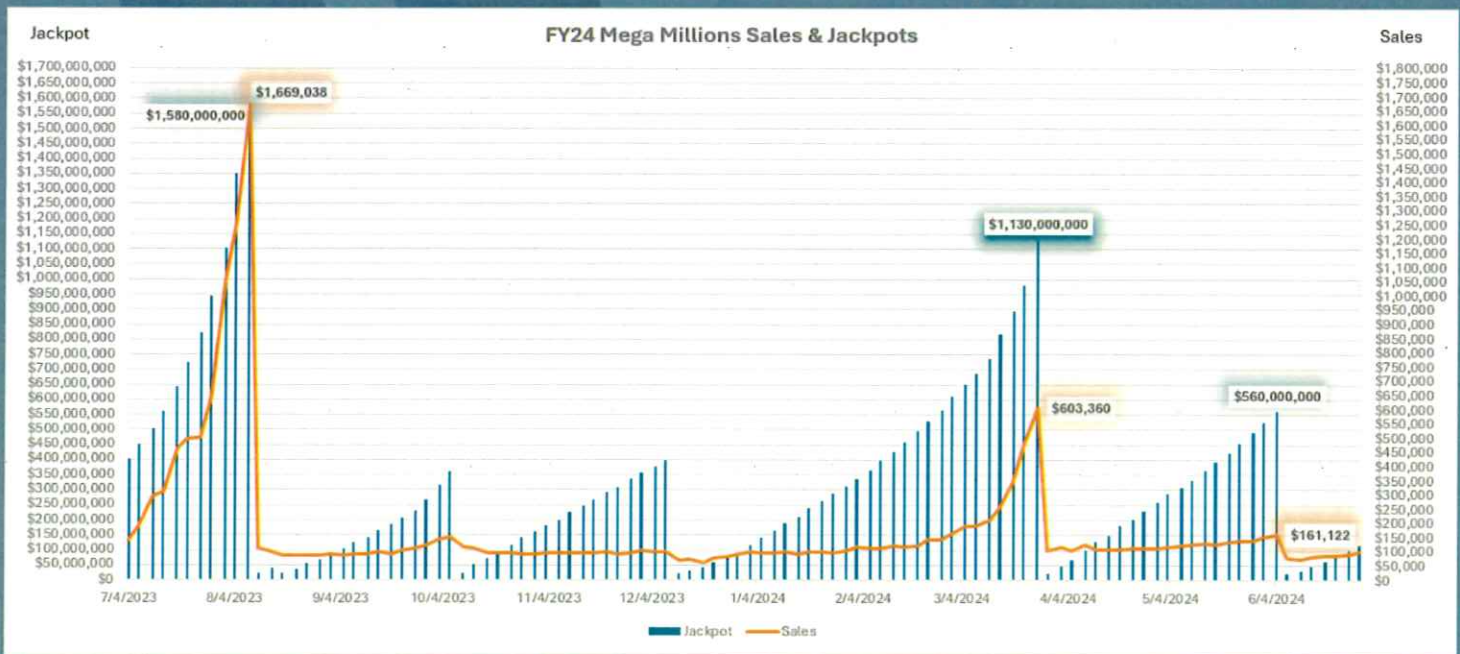


*There are currently **1089** licensed retailers across Maine*



Lottery Draw Ticket sales are highly **Jackpot-driven**.

Recent revenue are the product of multiple record jackpot run-ups over the last several years.



Looking back on 2024:

BELLS System came online October 28.

- Online portal creates one-stop shopping for licensees statewide; automates local authorizations.
- Implementation of the system was both on-time and on-budget.
- BELLS represents BABLO's commitment to modernization of operations.

New Spirits Contract with Pine State Trading Co. successfully negotiated.

- New contract will carry the State spirits business through 2034.
- Continues Maine Spirits' highly-successful business model, which has generated consistent and dependable state revenue for the last decade.

50th Anniversary of the Maine State Lottery

Looking ahead to 2025:

Economic Impacts.

- **COVID-Era Sales Bump** has leveled off.
- **Consumer Spending** is responsive to general economic sentiment.
- **Marketplace Competition** from cannabis/hemp Infused products is pulling sales.

Social/Cultural Impacts.

- **Health-Consciousness**, especially among young consumers, has increased.
- **GLP-1** use is contributing to reduced alcohol consumption.
- **Surgeon General** guidance has many thinking about drinking less.

BABLO's Modernization Project

Licensing through BELLS

APPLY

All license and permit applications are now submitted online through the **BABLO's Enterprise Liquor Licensing System (BELLS)**

Payments

License Applications

Reporting

Excise Taxes

Regulatory Filing

Digital Notifications and Records

And More!

Are all housed
within..



Municipal Approval

For On-Premise Licenses (Bars, Restaurants, Hotels, etc.), municipal approval is required. BELLS automatically forwards your application to your municipality for their review and approval.

REVIEW

Once your completed application and payment are submitted in BELLS, the Division will begin the review process. This may include:

- Applicant background check
- Inspection of proposed premises
 - Review of areas of sale and consumption
 - Other required licenses for your business type
 - Necessary Equipment

BELLS Weblink: alcohol.maine.gov/prod/webui/