A1 5lr2468

By: Delegate V. Clagett (By Request - Maryland Winery and Grape

Growers' Advisory Board) and Delegates Bartlett, Bohanan, Cane, Cluster, Donoghue, Eckardt, Edwards, Glassman, Haddaway, Hogan, Impallaria, James, Jennings, Kach, Kaiser, Krebs, Kullen, Mayer, McDonough, McIntosh, McKee, Montgomery, O'Donnell, Parrott, Rudolph, Shank, Shewell, Stocksdale, Stull, and Weldon

Introduced and read first time: February 22, 2005 Assigned to: Rules and Executive Nominations

### A BILL ENTITLED

1	AN	<b>ACT</b>	concerning

2	Maryland Wine and Grape Growers Promotion Act
3	FOR the purpose of abolishing the Maryland Winery and Grape Growers' Advisory
4	Board and creating the Governor's Advisory Commission on Maryland Wine and
5	Grape Growing; providing for the membership, chair, terms, duties, and staff of
6	the Governor's Advisory Commission; authorizing certain license issuing
7	authorities to issue Class A (off-sale) light wine licenses; exempting certain
8	Class A (off-sale) light wine licenses from certain quotas; authorizing the boards
9	of license commissioners in Baltimore City, Baltimore County, Caroline County,
10	Frederick County, Washington County, and Wicomico County to issue certain
11	licenses to allow wine tasting events to be held on an unlimited number of days,
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18	· · · · · · · · · · · · · · · · · · ·
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21	generally relating to the Governor's Advisory Commission on Maryland Wine
22	and Grape Growing and wine tasting events.
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### 23 BY repealing

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- 24 Article Agriculture
- 25 Section 10-1201 through 10-1207 and the subtitle "Subtitle 12. Maryland
  - Winery and Grape Growers' Advisory Board"
- 27 Annotated Code of Maryland
- 28 (1999 Replacement Volume and 2004 Supplement)

1 2 3 4 5 6	S	Article 2 Section 4 Annotate	B - Alco 4-201(a), 8-411, 8 ed Code o	nacting, with amendments, holic Beverages 8-403.1, 8-404.1, 8-404.2, 8-406, 8-407, 8-408.1, 8-409, -412, and 12-107(b)(5) of Maryland nt Volume and 2004 Supplement)
7 8 9 10 11	S	Section 4 Annotate	B - Alco 4-201(d)( ed Code o	holic Beverages 5) of Maryland nt Volume and 2004 Supplement)
12 13 14 15 16	S	Article 2 Section Annotate	B - Alco 12-107(b ed Code o	nacting, without amendments, holic Beverages 0(1), (2), (3), and (4) of Maryland nt Volume and 2004 Supplement)
17 18 19 20 21 22	S	Section :	Agricult 10-1201 Advisor ed Code o	ure through 10-1206 to be under the new subtitle "Subtitle 12. y Committee on Maryland Wine and Grape Growers" of Maryland nt Volume and 2004 Supplement)
25	MAI 12. N	RYLAN Marylan	D, That S d Winery	IT ENACTED BY THE GENERAL ASSEMBLY OF Section(s) 10-1201 through 10-1207 and the subtitle "Subtitle and Grape Growers' Advisory Board" of Article - Agriculture of Maryland be repealed.
27 28		SECTIO as follo		ID BE IT FURTHER ENACTED, That the Laws of Maryland
29				Article 2B - Alcoholic Beverages
30	4-20	1.		
31	[	(a)	A Class	A light wine license may be issued only in:
32			(1)	Baltimore County;
33			(2)	Calvert County;
34			(3)	Carroll County:

1 2	(e) the following		r of a Class BWT license may permit on-premises consumption of c beverages for tasting or sampling purposes only:
3	given brand	(1) to any on	Light wine, served in a quantity of not more than 1 ounce from a e person; and
5 6	brand to any	(2) one perso	Beer, served in a quantity of not more than 3 ounces from a given on.
	(f) license shall opened for ta	dispose o	nd of the day for which a license is valid, a holder of a Class BWT of unconsumed alcoholic beverages remaining in a container sampling.
10	(g)	A Class	BWT licensee is not restricted by:
11		(1)	[§ 12-107(b)] § 12-107(B)(1) of this article; or
12		(2)	§ 9-102 of this article.
	(h) license only license.		BWT licensee may exercise the privileges under the Class BWT ne hours and days provided for under the respective Class A
16	8-404.1.		
17 18	(a) 1-day Class		more County, the Board of License Commissioners may issue a er and wine (on-premises) tasting license.
19	(b)	THE BO	OARD OF LICENSE COMMISSIONERS MAY ISSUE:
22		C PRODU	AN UNLIMITED NUMBER OF CLASS BWT LICENSES FOR WINE FOR WHICH WINE IS PROVIDED BY A WINERY THAT IS A SMALL JCER AS DEFINED IN TITLE 26, § 5041(C)(1) OF THE INTERNAL AND
26	WHICH WI	NE IS PI	[The maximum number of licenses available each year is 12] A CLASS BWT LICENSES PER YEAR FOR WINE TASTING EVENTS FOR ROVIDED BY SOMEONE OTHER THAN A WINERY SPECIFIED UNDER SUBSECTION.
28 29	(c) light wine li		BWT license may only be issued to a holder of a Class A beer and a Class A beer, wine and liquor license.
30	(d)	(1)	The fee for a Class BWT license is \$10.
31 32	fee.	(2)	The fee for a Class BWT license is in addition to the Class A annual
	(e) consumption only:		ss BWT license authorizes a holder to permit the on-premises ollowing alcoholic beverages for tasting or sampling purposes

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30 a single day.

(g)

(h)

(2)

of the holder of the Class BWTS license.

34 Class BWTS license before granting the license.

#### **UNOFFICIAL COPY OF HOUSE BILL 1451**

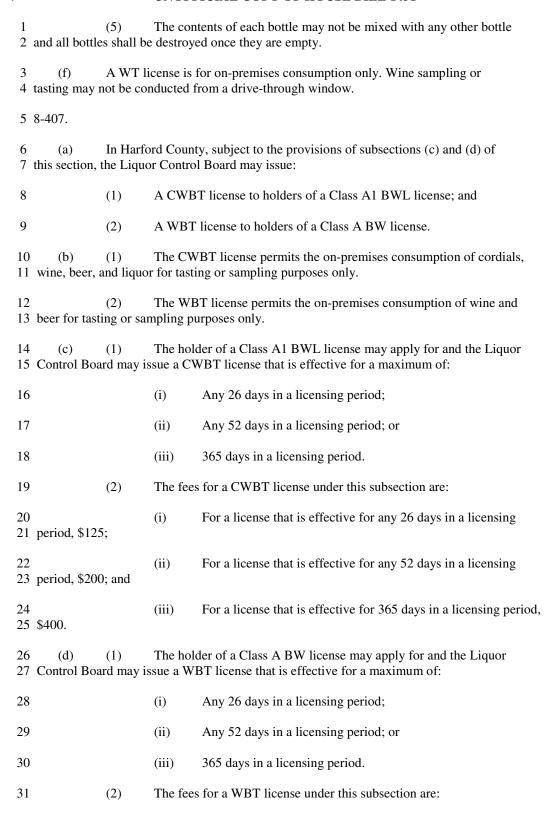
1 (1) Light wine to be served in a quantity of not more than 1 ounce from 2 each given brand to any 1 person; and (2) Beer to be served in a quantity of not more than 3 ounces to any 1 4 person. 5 At the end of the day for which the license is valid, a holder of a 1-day (f) 6 Class BWT license shall dispose of any unconsumed alcoholic beverage remaining in a container that was opened for tasting or sampling. 8 The provisions of this section are not restricted by: (g) 9 (1) The provisions in  $[\S 12-107(b)] \S 12-107(B)(1)$  of this article; and 10 (2)The provisions of law in § 9-102 of this article which prohibit the 11 issuance of 2 licenses for the same premises. 12 The holder may exercise the privileges under the Class BWT license only 13 during the hours and days provided for under the respective Class A license. 14 8-404.2. 15 (a) This section applies only in Caroline County. 16 (b) The Board of License Commissioners may issue a 1-day Class BWTS beer 17 and wine (on-premises) tasting or sampling license. 18 A Class BWTS license may be issued only to a holder of a current alcoholic (c) 19 beverages license or an organization that qualifies for a special Class C beer or Class C beer and wine license under § 7-101(b) of this article. 21 The license fee is \$50. (d) 22 A Class BWTS license authorizes the holder to permit the consumption of (e) wine or beer for tasting or sampling, if the alcoholic beverages are given to consumers at no charge. 25 (f) A person may consume wine or beer covered by a Class BWTS license in a 26 quantity not exceeding: 27 1 ounce from a single brand of wine, and 4 ounces from all brands in (1) 28 a single day; and

3 ounces from a single brand of beer, and 8 ounces from all brands in

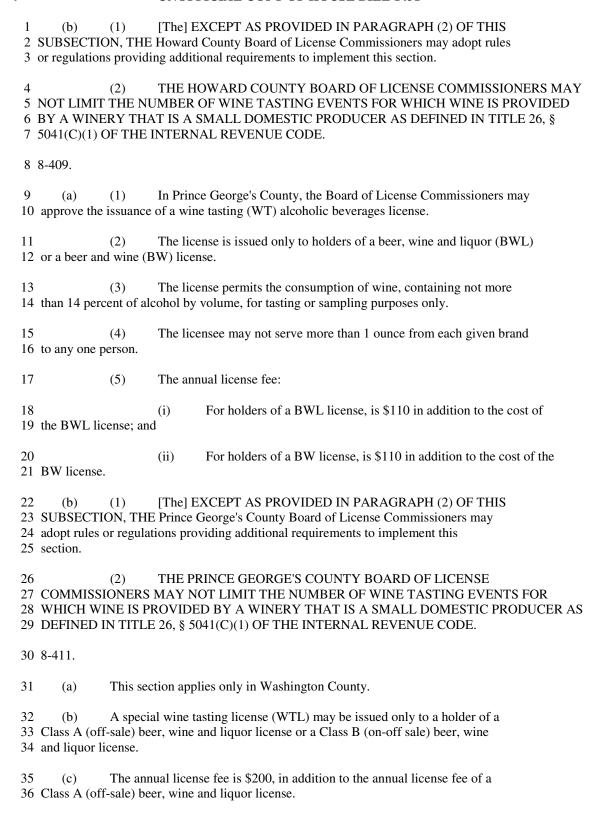
All consumption of alcoholic beverages shall occur on the licensed premises

The Board of License Commissioners need not publish an application for a

- 1 (i) THE BOARD OF LICENSE COMMISSIONERS MAY ISSUE: 2 AN UNLIMITED NUMBER OF CLASS BWTS LICENSES FOR WINE (1) 3 TASTING EVENTS FOR WHICH WINE IS PROVIDED BY A WINERY THAT IS A SMALL 4 DOMESTIC PRODUCER AS DEFINED IN TITLE 26, § 5041(C)(1) OF THE INTERNAL 5 REVENUE CODE; AND [A Class BWTS license may not be granted to a person more 6 (2) 7 than 12 times in a calendar year] A MAXIMUM OF 12 CLASS BWTS LICENSES PER 8 CALENDAR YEAR FOR WINE TASTING EVENTS FOR WHICH WINE IS PROVIDED BY 9 SOMEONE OTHER THAN A WINERY SPECIFIED UNDER ITEM (1) OF THIS SUBSECTION. At the end of the day for which a Class BWTS license is valid, the license 10 11 holder shall dispose of unconsumed alcoholic beverages remaining in a container 12 opened for tasting or sampling. 13 8-406. 14 This section applies only in Frederick County. (a) 15 A wine tasting (WT) license may only be issued to a holder of a Class A (b) 16 license. 17 The annual license fee is \$150. (c) 18 Applications for a WT license shall be made on forms supplied by the (d) 19 Board of License Commissioners. Renewals of the license may be made at the time the 20 regular license is renewed. A license may be granted without a hearing. If application 21 for a license is denied, the applicant may request a public hearing before the Board. 22 A WT licensee may not serve to any person for sampling or tasting 23 purposes more than one ounce from each brand. A maximum of six bottles may be 24 opened at any one time. 25 THE BOARD OF LICENSE COMMISSIONERS MAY ISSUE AN (2) (I) 26 UNLIMITED NUMBER OF WT LICENSES FOR WINE TASTING EVENTS FOR WHICH WINE 27 IS PROVIDED BY A WINERY THAT IS A SMALL DOMESTIC PRODUCER AS DEFINED IN 28 TITLE 26, § 5041(C)(1) OF THE INTERNAL REVENUE CODE; AND 29 A wine sampling or tasting event FOR WHICH WINE IS 30 PROVIDED BY SOMEONE OTHER THAN A WINERY SPECIFIED UNDER SUBPARAGRAPH 31 (I) OF THIS PARAGRAPH may not be held more than 15 days each licensing period.
- 32 (3) The licensee shall notify the Board in writing at least 5 days prior to
- 33 each event.
- 34 Once opened, each bottle used for the wine sampling or tasting event
- 35 shall be marked that it is to be used for that purpose only.



1 2	period, \$100;	(i)	For a license that is effective for any 26 days in a licensing
3	period, \$150; and	(ii)	For a license that is effective for any 52 days in a licensing
5 6	\$225.	(iii)	For a license that is effective for 365 days in a licensing period,
9	any 26 days in a licent Liquor Control Board	sing perion	issued a CWBT or a WBT license under this section for od or any 52 days in a licensing period shall notify the days prior to exercising the provisions of the tasting ensee's intent to have a tasting or sampling.
11	(f) Tasting	and samp	oling servings per person are limited to:
12	(1)	1 ounce	of each given brand of beer or wine;
13	(2)	One-hal	f ounce of each given brand of cordial; and
14	(3)	One-hal	f ounce of each brand of any other alcoholic beverage.
		E Liquor (	XCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS Control Board may adopt regulations providing additional s subsection.
20	WINE TASTING EV	VENTS F	QUOR CONTROL BOARD MAY NOT LIMIT THE NUMBER OF OR WHICH WINE IS PROVIDED BY A WINERY THAT IS A JCER AS DEFINED IN TITLE 26, § 5041(C)(1) OF THE INTERNAI
22	8-408.1.		
23 24	(a) (1) wine tasting (WT) al		ard County, the Board of License Commissioners may issue a everages license.
25 26	(2) containing not more		license authorizes the on-premises consumption of wine, of alcohol by volume, for tasting or sampling only.
	issued to holders of a and wine (BW) licen	Class A	standing any other provision of law, the license may be beer, wine and liquor (BWL) license or a Class A beer
30 31	(4) to any one person and		nsee may not serve more than 1 ounce from each given brand e than 4 ounces to any one person in a single day.
32 33	(5) the fee of any other a		ual license fee for the WT license shall be \$100 in addition to beverages license.



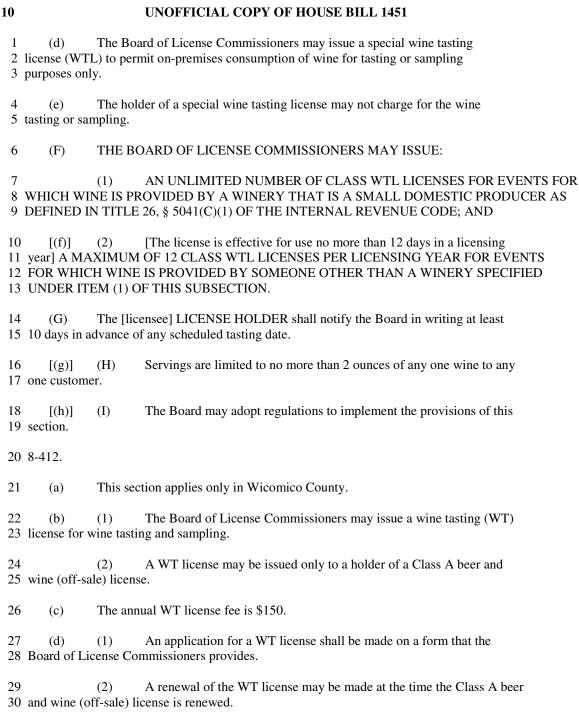
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32 a hearing.

(3)

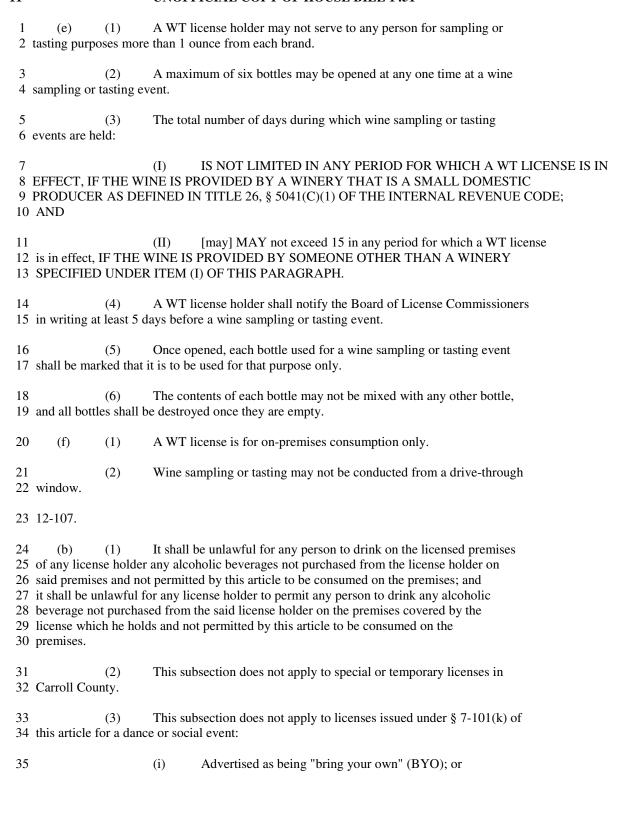
(4)

34 public hearing before the Board of License Commissioners.



The Board of License Commissioners may grant a WT license without

If application for a WT license is denied, the applicant may request a



1 2	(ii) Held on the premises of the licensee by a member or by a guest of a member of the club, fire department, or other organization which is licensed.
5 6 7	(4) Paragraph (1) of this subsection does not apply in Howard County to dances, weddings, fundraisers, or other social events held in a hall that is rented from and is located on the premises of a veterans organization which is licensed under this article. However, the veterans organization may not sell or otherwise provide alcoholic beverages to the attendees of the dance, wedding, fundraiser, or other social event.
11	(5) [Notwithstanding any other provision of this article, paragraph] PARAGRAPH (1) of this subsection does not apply to a [Class 4 limited] winery which brings wine manufactured on its licensed premises onto a retail [licensed] premises [under the following conditions] THAT IS LICENSED FOR WINE TASTING, IF:
	(i) The product is being provided for a bona fide promotional activity conducted by the limited winery, retail licensee, alcoholic beverages trade association, or nonprofit organization;
	(ii) A representative of the limited winery, or a trade association representing Maryland wineries, is present at all times during the period of the promotional activity;
	(iii) Any unopened or partially consumed containers of wine are removed from the retail licensed premises at the conclusion of the promotional activity;
	(iv) The limited winery or winery trade association complies with any rules or regulations promulgated by the Comptroller pertaining to on-premise promotions and product sampling; and
	(v) The limited winery or winery trade association has the advance written permission of the retail licensee to bring wine products on the retail licensed premises for purposes of the promotional activity.
28	Article - Agriculture
29 30	SUBTITLE 12. GOVERNOR'S ADVISORY COMMISSION ON MARYLAND WINE AND GRAPE GROWING.
31	10-1201.
32 33	IN THIS SUBTITLE, "GOVERNOR'S ADVISORY COMMISSION" MEANS THE GOVERNOR'S ADVISORY COMMISSION ON MARYLAND WINE AND GRAPE GROWING.
34	10-1202.
35 36	THERE IS A GOVERNOR'S ADVISORY COMMISSION ON MARYLAND WINE AND GRAPE GROWING.

1 10-1203.
2 (A) (1) THE GOVERNOR'S ADVISORY COMMISSION CONSISTS OF NINE 3 MEMBERS.
4 (2) OF THE NINE MEMBERS:
5 (I) TWO SHALL BE REPRESENTATIVES OF WINERIES IN THE STATE, 6 APPOINTED BY THE GOVERNOR;
7 (II) TWO SHALL BE REPRESENTATIVES OF GRAPE GROWERS IN THE 8 STATE, APPOINTED BY THE GOVERNOR; AND
9 (III) THE FOLLOWING FIVE SHALL SERVE AS EX OFFICIO MEMBERS:
10 1. ONE REPRESENTATIVE OF THE DEPARTMENT OF 11 AGRICULTURE, APPOINTED BY THE GOVERNOR;
12 2. ONE REPRESENTATIVE OF THE UNIVERSITY OF 13 MARYLAND COLLEGE OF AGRICULTURE AND NATURAL RESOURCES, APPOINTED BY 14 THE GOVERNOR;
15 3. ONE REPRESENTATIVE OF THE OFFICE OF THE 16 COMPTROLLER, APPOINTED BY THE COMPTROLLER;
17 4. ONE MEMBER OF THE HOUSE OF DELEGATES, APPOINTED 18 BY THE SPEAKER OF THE HOUSE; AND
19 5. ONE MEMBER OF THE SENATE, APPOINTED BY THE 20 PRESIDENT OF THE SENATE.
21 (B) BEFORE TAKING OFFICE, EACH APPOINTEE TO THE GOVERNOR'S 22 ADVISORY COMMISSION SHALL TAKE THE OATH REQUIRED BY ARTICLE I, § 9 OF THE 23 MARYLAND CONSTITUTION.
24 (C) (1) THIS SUBSECTION APPLIES TO MEMBERS OF THE GOVERNOR'S 25 ADVISORY COMMISSION WHO ARE REPRESENTATIVES OF WINERIES OR GRAPE 26 GROWERS.
27 (2) THE TERM OF A MEMBER IS 3 YEARS AND BEGINS ON OCTOBER 1.
28 (3) THE TERMS OF MEMBERS SERVING ON OCTOBER 1, 2005, EXPIRE AS 29 FOLLOWS:
30 (I) ONE MEMBER ON SEPTEMBER 30, 2006;
31 (II) TWO MEMBERS ON SEPTEMBER 30, 2007; AND
32 (III) ONE MEMBER ON SEPTEMBER 30, 2008.

- 1 (4) AT THE END OF A TERM, A MEMBER CONTINUES TO SERVE UNTIL A 2 SUCCESSOR IS APPOINTED AND OUALIFIES.
- 3 (5) A MEMBER WHO IS APPOINTED AFTER A TERM HAS BEGUN SERVES 4 ONLY FOR THE REST OF THE TERM AND UNTIL A SUCCESSOR IS APPOINTED AND 5 QUALIFIES.
- 6 (6) A MEMBER MAY NOT SERVE MORE THAN TWO CONSECUTIVE TERMS. 7 10-1204.
- FROM AMONG THE MEMBERS OF THE GOVERNOR'S ADVISORY COMMISSION, 9 THE GOVERNOR SHALL APPOINT THE CHAIR.
- 10 10-1205.
- 11 (A) A MAJORITY OF THE MEMBERS THEN SERVING ON THE GOVERNOR'S 12 ADVISORY COMMISSION IS A QUORUM.
- 13 (B) THE GOVERNOR'S ADVISORY COMMISSION SHALL DETERMINE THE 14 TIMES AND PLACES OF ITS REGULAR AND SPECIAL MEETINGS.
- 15 (C) THE CHAIR OF THE GOVERNOR'S ADVISORY COMMISSION:
- 16 (1) MAY CALL A SPECIAL MEETING AT ANY TIME; AND
- 17 (2) SHALL CALL A SPECIAL MEETING WHEN REQUESTED BY TWO 18 OR MORE MEMBERS OF THE GOVERNOR'S ADVISORY COMMISSION.
- 19 (D) A MEMBER OF THE GOVERNOR'S ADVISORY COMMISSION:
- 20 (1) MAY NOT RECEIVE COMPENSATION; BUT
- 21 (2) IS ENTITLED TO REIMBURSEMENT FOR EXPENSES UNDER THE 22 STANDARD STATE TRAVEL REGULATIONS, AS PROVIDED IN THE STATE BUDGET.
- 23 (E) THE DEPARTMENT SHALL PROVIDE STAFF SERVICES AND SUPPORT 24 FOR THE GOVERNOR'S ADVISORY COMMISSION.
- 25 10-1206.
- 26 THE GOVERNOR'S ADVISORY COMMISSION SHALL:
- 27 (1) ADVISE AND MAKE RECOMMENDATIONS TO THE MARYLAND WINE
- 28 AND GRAPE PROMOTION COUNCIL ABOUT THE ALLOCATION OF FUNDS FROM THE
- 29 MARYLAND WINE AND GRAPE PROMOTION FUND;
- 30 (2) PROVIDE A FORUM TO ADDRESS THE ISSUES FACING PRODUCERS IN 31 THE WINE AND GRAPE INDUSTRIES;

- 1 (3) IDENTIFY STRATEGIES TO FACILITATE GROWTH OF MARYLAND 2 VITICULTURE;
- 3 (4) STUDY THE POLICIES OF THE WINE AND GRAPE INDUSTRIES OF 4 OTHER STATES AND IDENTIFY ANY POLICIES THAT SHOULD BE ADOPTED BY THE
- 4 OTHER STATES AND IDENTIFT ANT POLICIES THAT SHOULD BE ADOFT.
- 5 WINE AND GRAPE INDUSTRY OF THIS STATE; AND
- 6 (5) ISSUE AN ANNUAL REPORT TO THE GOVERNOR ON ITS FINDINGS 7 AND RECOMMENDATIONS.
- 8 SECTION 3. AND BE IT FURTHER ENACTED, That the chairman of the
- 9 Maryland Winery and Grape Growers' Advisory Board shall consult with the chair of
- 10 the Governor's Advisory Commission on Maryland Wine and Grape Growing on what
- 11 materials of the Maryland Winery and Grape Growers' Advisory Board should be
- 12 retained and where they should be stored.
- 13 SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take
- 14 effect October 1, 2005.