

Chapter 104

**(House Bill 130)**

AN ACT concerning

**Maryland Wine and Grape Promotion Fund**

FOR the purpose of repealing the Maryland Wine and Grape Promotion Council; requiring the Governor's Advisory Commission on Maryland Wine and Grape Growing to advise and recommend to the Secretary of Agriculture for approval the allocation of certain funds for certain projects; repealing a certain definition; and generally relating to the Maryland Wine and Grape Promotion Fund.

BY repealing and reenacting, with amendments,

Article – Agriculture

Section 2–1101 and 2–1102 to be under the amended subtitle “Subtitle 11. Maryland Wine and Grape Promotion Fund”; and 10–1206

Annotated Code of Maryland  
(2016 Replacement Volume)

BY repealing

Article – Agriculture

Section 2–1103

Annotated Code of Maryland  
(2016 Replacement Volume)

BY repealing and reenacting, without amendments,

Article – Agriculture

Section 10–1201

Annotated Code of Maryland  
(2016 Replacement Volume)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
That the Laws of Maryland read as follows:

**Article – Agriculture**

Subtitle 11. Maryland Wine and Grape Promotion Fund [and Council].

2–1101.

[(a)] In this subtitle, [the following words have the meanings indicated.

(b) “Council” means the Maryland Wine and Grape Promotion Council.

(c)] “Fund” means the Maryland Wine and Grape Promotion Fund.

2–1102.

(a) There is a Maryland Wine and Grape Promotion Fund.

(b) The purpose of the Fund is to provide grants to nongovernmental organizations and to conduct other activities for the purpose of promoting:

(1) The production and consumption of Maryland wine in the State; and

(2) The production of grapes in the State.

(c) The Fund is a special nonlapsing fund that is not subject to § 7–302 of the State Finance and Procurement Article.

(d) The Secretary shall hold the Fund separately and the Comptroller shall account for the Fund.

(e) The Department may deduct not more than 2% of the proceeds paid into the Fund for administration expenses incurred by the Department.

(f) The Fund consists of:

(1) Money appropriated in the State budget to the Fund;

(2) Revenue distributed to the Fund under § 5–105(e) of the Tax – General Article; and

(3) Any other money from any other source accepted for the benefit of the Fund.

(g) The Fund may only be used for the following purposes related to the production and consumption of Maryland wine and the production of grapes in the State:

(1) Grants;

(2) Marketing;

(3) Research;

(4) Advertising;

(5) Retailer promotions;

(6) Festival promotions; **AND**

- (7) [Administrative costs of the Council; and
- (8)] Educational seminars.

[(h) On recommendation from the Council, the Board of Public Works shall approve expenditures from the Fund in the forms of grants to nongovernmental organizations.]

[2–1103.

- (a) There is a Maryland Wine and Grape Promotion Council.
- (b) The Council shall consist of:
  - (1) The Secretary of Agriculture, or the Secretary’s designee;
  - (2) The Secretary of Commerce, or the Secretary’s designee; and
  - (3) The Secretary of Budget and Management, or the Secretary’s designee.

(c) With the advice of the Maryland Wine and Grape Advisory Committee, the Council shall recommend to the Board of Public Works grants to be disbursed to nongovernmental organizations in accordance with § 2–1102(b) of this subtitle.]

10–1201.

- (a) In this subtitle the following words have the meanings indicated.
- (b) “Commission” means the Governor’s Advisory Commission on Maryland Wine and Grape Growing.
- (c) “Grape grower” means a person who:
  - (1) Grows grapes for commercial purposes; and
  - (2) (i) Sells at least \$10,000 worth of grapes each year; or
  - (ii) Has planted at least 3 acres of vines of a type used for the production of wine.
- (d) “Viticulture” means the cultivation and study of grapes and grape vines.
- (e) “Wine” has the meaning stated in § 1–101 of the Alcoholic Beverages Article.

(f) “Winery” means an establishment that has a winery license or limited winery license under § 2–205 or § 2–206 of the Alcoholic Beverages Article.

10–1206.

The Commission shall:

(1) Advise and recommend to the [Maryland Wine and Grape Promotion Council] **SECRETARY FOR APPROVAL** the allocation of funds from the Maryland Wine and Grape Promotion Fund to projects regarding viticultural and enological practices and promotion, marketing, and education programs deemed necessary or advisable to accomplish the purposes of this subtitle and Title 2, Subtitle 11 of this article;

(2) Provide a forum to address the issues that are relevant to wineries and grape growers;

(3) Identify strategies to facilitate growth of viticulture of the State;

(4) Study the policies of the wine and grape industries of other states and identify which, if any, policies should be adopted by the wine and grape industry of this State; and

(5) Issue an annual report to the Governor on the Commission’s findings and recommendations.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2017.

**Approved by the Governor, April 11, 2017.**