

HOUSE BILL 130

M4

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By: **Chair, Environment and Transportation Committee (By Request –
Departmental – Agriculture)**

Introduced and read first time: January 18, 2017

Assigned to: Environment and Transportation

A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Wine and Grape Promotion Fund**

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

8 BY repealing and reenacting, with amendments,

9 Article – Agriculture

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

12 Annotated Code of Maryland

13 (2016 Replacement Volume)

14 BY repealing

15 Article – Agriculture

16 Section 2–1103

17 Annotated Code of Maryland

18 (2016 Replacement Volume)

19 BY repealing and reenacting, without amendments,

20 Article – Agriculture

21 Section 10–1201

22 Annotated Code of Maryland

23 (2016 Replacement Volume)

24 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

25 That the Laws of Maryland read as follows:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **Article – Agriculture**

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

3 2–1101.

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

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

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

7 2–1102.

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

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

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

12 (2) The production of grapes in the State.

13 (c) The Fund is a special nonlapsing fund that is not subject to § 7–302 of the
14 State Finance and Procurement Article.15 (d) The Secretary shall hold the Fund separately and the Comptroller shall
16 account for the Fund.17 (e) The Department may deduct not more than 2% of the proceeds paid into the
18 Fund for administration expenses incurred by the Department.

19 (f) The Fund consists of:

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

21 (2) Revenue distributed to the Fund under § 5–105(e) of the Tax – General
22 Article; and23 (3) Any other money from any other source accepted for the benefit of the
24 Fund.25 (g) The Fund may only be used for the following purposes related to the
26 production and consumption of Maryland wine and the production of grapes in the State:

27 (1) Grants;

- 1 (2) Marketing;
- 2 (3) Research;
- 3 (4) Advertising;
- 4 (5) Retailer promotions;
- 5 (6) Festival promotions; **AND**
- 6 (7) [Administrative costs of the Council; and
- 7 (8)] Educational seminars.

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

11 [2–1103.

12 (a) There is a Maryland Wine and Grape Promotion Council.

13 (b) The Council shall consist of:

- 14 (1) The Secretary of Agriculture, or the Secretary’s designee;
- 15 (2) The Secretary of Commerce, or the Secretary’s designee; and
- 16 (3) The Secretary of Budget and Management, or the Secretary’s designee.

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

20 10–1201.

21 (a) In this subtitle the following words have the meanings indicated.

22 (b) “Commission” means the Governor’s Advisory Commission on Maryland Wine
23 and Grape Growing.

24 (c) “Grape grower” means a person who:

- 25 (1) Grows grapes for commercial purposes; and
- 26 (2) (i) Sells at least \$10,000 worth of grapes each year; or

1 (ii) Has planted at least 3 acres of vines of a type used for the
2 production of wine.

3 (d) "Viticulture" means the cultivation and study of grapes and grape vines.

4 (e) "Wine" has the meaning stated in § 1–101 of the Alcoholic Beverages Article.

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

7 10–1206.

8 The Commission shall:

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

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

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

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

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

22 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
23 1, 2017.