

**SB0704/454637/1**

BY: Education, Health, and Environmental Affairs Committee

AMENDMENTS TO SENATE BILL 704  
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, strike beginning with “limiting” in line 4 down through “franchisor;” in line 5; in line 6, strike “small” and substitute “certain”; strike beginning with “establishing” in line 7 down through “from” in line 9 and substitute “exempting certain franchisors from a prohibition against”; in line 11, strike “small” and substitute “certain”; strike beginning with “making” in line 12 down through “terms;” in line 13; in line 17, strike “5-101;”; in the same line, after “5-108,” insert “and”; and in the same line, strike “, and 5-201”.

AMENDMENT NO. 2

On pages 2 and 3, strike in their entirety the lines beginning with line 2 on page 2 through line 23 on page 3, inclusive.

On pages 3 and 4, strike in their entirety the lines beginning with line 27 on page 3 through line 6 on page 4, inclusive, and substitute:

**“(B) (1) EXCEPT AS PROVIDED IN SUBSECTION (D) OF THIS SECTION, IF A FRANCHISOR INTENDS TO TERMINATE OR REFUSES TO RENEW A BEER FRANCHISE AGREEMENT, THE FRANCHISOR SHALL NOTIFY THE FRANCHISEE IN WRITING OF ITS INTENT:**

**(I) AT LEAST 45 DAYS BEFORE THE TERMINATION OR REFUSAL TO RENEW TAKES EFFECT, FOR A FRANCHISOR THAT ANNUALLY PRODUCES 30,000 OR FEWER BARRELS OF BEER IN AGGREGATE, IN CONJUNCTION WITH ANY AFFILIATE; AND**

(Over)

SB0704/454637/1 Education, Health, and Environmental Affairs Committee  
Amendments to SB 704  
Page 2 of 3

**(II) AT LEAST 180 DAYS BEFORE THE TERMINATION OR REFUSAL TO RENEW TAKES EFFECT, FOR ALL OTHER FRANCHISORS.**

On page 4, in line 30, after “(1)” insert:

**“(I) THIS PARAGRAPH DOES NOT APPLY TO A FRANCHISOR THAT ANNUALLY PRODUCES 30,000 OR FEWER BARRELS OF BEER IN AGGREGATE, IN CONJUNCTION WITH ANY AFFILIATE.**

**(II)**;

in lines 30 and 31, in each instance, strike the bracket; and in line 31, strike “A LARGE FRANCHISOR”.

**AMENDMENT NO. 3**

On page 4, in line 7, strike “(3)” and substitute “(2)”; in lines 10 and 12, in each instance, strike “(B)(1)” and substitute “(B)(1)(II)”; and strike in their entirety lines 17 through 26, inclusive.

On page 5, strike beginning with “THIS” in line 3 down through “(B)” in line 4; in line 5, strike “SMALL”; in lines 5 and 6, strike “AT FAIR MARKET VALUE”; in line 7, strike “SMALL”; and after line 7, insert:

**“(B) THE FRANCHISOR SHALL BUY BACK THE BEER:**

**(1) AT THE PRICE THE FRANCHISEE PAID WHEN PURCHASING THE BEER, IF THE FRANCHISOR ANNUALLY PRODUCES 15,000 OR FEWER BARRELS OF BEER IN AGGREGATE, IN CONJUNCTION WITH ANY AFFILIATE; OR**

**SB0704/454637/1 Education, Health, and Environmental Affairs Committee  
Amendments to SB 704  
Page 3 of 3**

**(2) AT FAIR MARKET VALUE, IF THE FRANCHISOR ANNUALLY PRODUCES MORE THAN 15,000 BARRELS OF BEER IN AGGREGATE, IN CONJUNCTION WITH ANY AFFILIATE.**

**AMENDMENT NO. 4**

On pages 5 through 7, strike in their entirety the lines beginning with line 16 on page 5 through line 1 on page 7, inclusive.

On page 7, in line 2, strike “small”; and in the same line, after “franchisor” insert “that annually produces 30,000 or fewer barrels of beer in aggregate, in conjunction with any affiliate, and”.