

May 24, 2019

The Honorable Thomas V. Mike Miller, Jr.  
President of the Senate  
H-107 State House  
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed Senate Bill 704 – *Alcoholic Beverages – Beer Franchise Agreements – Notice of Nonrenewal or Termination*.

This bill reduces, from 180 to 45, the number of days that a brewery must wait after notifying a distributor of its intent to terminate, or refuse to renew, a beer franchise agreement before terminating the agreement, if the brewery produces 20,000 or fewer barrels of beer per year.

This bill also 1) authorizes such a brewery to terminate, or refuse to continue or renew, a franchise agreement without good cause and is no longer required to give its franchisee an opportunity to correct a deficiency if that is the reason the agreement is being terminated; and 2) requires a specified termination agreement and arbitration.

House Bill 1080, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 704.

Sincerely,

Lawrence J. Hogan, Jr.  
Governor