

MARYLAND REGISTER

Proposed Action on Regulations

Transmittal Sheet PROPOSED OR REPROPOSED Actions on Regulations	Date Filed with AELR Committee	TO BE COMPLETED BY DSD
	06/17/2014	Date Filed with Division of State Documents
		Document Number
		Date of Publication in MD Register

1. Desired date of publication in Maryland Register: 7/25/2014

2. COMAR Codification

Title Subtitle Chapter Regulation

03 02 05 04

3. Name of Promulgating Authority

Comptroller of Maryland

4. Name of Regulations Coordinator

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6. Check applicable items:

New Regulations

COMPTROLLER OF THE TREASURY

Subtitle 02 ALCOHOL AND TOBACCO TAX

03.02.05 Alcoholic Beverage Trade Practices

Authority: Article 2B Sections 16-301 and 16-302, Annotated Code of Maryland

Notice of Proposed Action

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The Comptroller of Maryland proposes to amend regulation 03.02.05.04 to correctly reflect current market practices.

Statement of Purpose

The purpose of this action is to Standardize certain advertising trade practices and reflect the cost of technology to the alcohol industry.

Comparison to Federal Standards

There is no corresponding federal standard to this proposed action.

Estimate of Economic Impact

I. Summary of Economic Impact.

The proposed action has minimal economic impact. It would be up to the suppliers to decide how much or how little they wanted to spend on advertising.

II. Types of Economic Impact.	Revenue (R+/R-)	Magnitude
	Expenditure (E+/E-)	
A. On issuing agency:	NONE	
B. On other State agencies:	NONE	
C. On local governments:	NONE	

	Benefit (+)	Magnitude
	Cost (-)	
D. On regulated industries or trade groups:	NONE	
(1)	(+)	Minimal
E. On other industries or trade groups:	NONE	
F. Direct and indirect effects on public:	NONE	

III. Assumptions. (Identified by Impact Letter and Number from Section II.)

D(1). There would be minimal costs but there could be great benefits if they decide to

advertise products more to bring in consumers.

Economic Impact on Small Businesses

The proposed action has minimal or no economic impact on small businesses.

Impact on Individuals with Disabilities

The proposed action has no impact on individuals with disabilities.

Opportunity for Public Comment

Comments may be sent to Sukanya Mukherjee, Staff Attorney, Comptroller of Maryland Field Enforcement Division, 80 Calvert Street, Annapolis, MD 21404, or call 410-260-7494, or email to Smukherjee@comp.state.md.us, or fax to . Comments will be accepted through July 8, 2014. A public hearing has not been scheduled.

Economic Impact Statement Part C

A. Fiscal Year in which regulations will become effective: FY 2014

B. Does the budget for the fiscal year in which regulations become effective contain funds to implement the regulations?

No

C. If 'yes', state whether general, special (exact name), or federal funds will be used:

D. If 'no', identify the source(s) of funds necessary for implementation of these regulations:

No funds will be necessary to implement this regulation

E. If these regulations have no economic impact under Part A, indicate reason briefly:

F. If these regulations have minimal or no economic impact on small businesses under Part B, indicate the reason and attach small business worksheet.

There will be minimal impact. It will be up to the suppliers and retailers to decide how much they want to spend on advertising.

G. Small Business Worksheet:

1a. Intended Beneficiaries - the alcohol industry. Manufacturers of beer, wine and distilled spirits.

1b. Households are not intended beneficiaries.

1c. Intended Beneficiaries: Businesses. The businesses impacted will be liquor retail establishments as well as Maryland wholesalers who sell alcohol to Maryland retailers. Many of whom are small businesses.

At this time, the number of small businesses effected cannot be calculated.

At this time the agency cannot estimate the total payroll or employment of small businesses.

2a. Other Direct or Indirect Impacts: Adverse. There are no adverse impacts at this time towards any regulated industry, businesses, or individual households.

2b. Other Direct or Indirect Impacts: Positive. Direct impacts include increased brand recognition of certain brands that suppliers are providing to Maryland retailers. Additionally, many of these advertising schemes were only allowed for the beer industry but now both distilled spirits and wine are also allowed to advertise in this manner. Moreover, there will be increased recognition for smaller retailers who will get their names and the names of their establishments displayed on tents and umbrellas. Consumers will become aware of where to buy certain products and which retailers sell certain products.

Attached Document:

Title 03 COMPTROLLER OF THE TREASURY

Subtitle 03 ALCOHOL AND TOBACCO TAX

Chapter 05 Alcoholic Beverage Trade Practices

Authority: Article 2B, §§16-301 and 16-302, Annotated Code of Maryland

04. Alcoholic Beverage Lists.

A. (1)—(5) (text unchanged)

B. Table Tents.

[(1) Wine and spirits table tents are permissible and may not be personalized with the name of the licensed retailer.]

(2) [Beer] *Alcoholic Beverages* table tents may be personalized if the personalized portion is not more than 1/2 of the overall table tent.