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By: **Delegates Kirk, Harrison, and Fulton**  
Introduced and read first time: February 13, 1998  
Assigned to: Economic Matters

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A BILL ENTITLED

1 AN ACT concerning

2 **Alcoholic Beverages - Beer and Wine Festivals**

3 FOR the purpose of adding conditions concerning wine and beer displayed and sold at  
4 certain festivals that a special festival licensee must meet in certain counties;  
5 clarifying certain language; authorizing certain licensees to enter into  
6 agreements to distribute wine and beer to special festival licensees in certain  
7 counties; repealing a provision authorizing a certain licensee to distribute wine  
8 and beer to special festival licensees in certain counties; and generally relating  
9 to alcoholic beverages in certain counties.

10 BY repealing and reenacting, with amendments,  
11 Article 2B - Alcoholic Beverages  
12 Section 8-301, 8-306, 8-307, 8-310, and 8-313  
13 Annotated Code of Maryland  
14 (1996 Replacement Volume and 1997 Supplement)

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

17 **Article 2B - Alcoholic Beverages**

18 8-301.

19 (a) (1) In this section the following words have the meanings indicated.

20 (2) "Board" means the Anne Arundel County Board of License  
21 Commissioners.

22 (3) "Festival" means the Anne Arundel County Beer and Wine Festival.

23 (b) This section applies only in Anne Arundel County.

24 (c) The Board may issue a special festival (AABWF) license.

25 (d) Notwithstanding any other provision of this article, an applicant for a  
26 special festival license shall be a holder of an existing State retail alcoholic beverages

1 license, State Class 3 winery license, or State Class 4 LIMITED winery license issued  
2 under this article.

3 (e) A special festival licensee shall:

4 (1) Only display and sell:

5 (i) Wine that is manufactured and processed in any state, IS PRICE  
6 FILED IN ACCORDANCE WITH REGULATIONS ADOPTED BY THE COMPTROLLER, AND  
7 IS DISTRIBUTED IN THE STATE MARKET AT THE TIME THE APPLICATION IS FILED;  
8 and

9 (ii) Beer that is brewed by a brewer:

10 1. [who] WHO brews less than 60,000 barrels of beer  
11 annually; AND

12 2. WHOSE PRODUCT IS DISTRIBUTED IN THE STATE AT THE  
13 TIME THE APPLICATION IS FILED;

14 (2) Display and sell beer and wine at retail for consumption on or off the  
15 licensed premises on the days and for the hours designated for the Festival; and

16 (3) Display and sell wine that is manufactured and processed in any  
17 state at retail for consumption off the licensed premises on the days and for the hours  
18 designated for the Festival.

19 (f) This section does not prohibit the holder of a special festival license from  
20 holding another alcoholic beverages license of a different class or nature.

21 (g) The Board:

22 (1) May establish the license fee;

23 (2) May select one weekend, Friday through Sunday inclusive, annually  
24 for the Festival provided that the weekend that is selected does not occur within 14  
25 days on either side of the Maryland Wine Festival;

26 (3) Shall choose a location in the County for this Festival which is not  
27 licensed under this article; and

28 (4) Shall assure that the primary focus of the Festival is the promotion of  
29 Maryland beer and wine.

30 [(h) (1) Notwithstanding the provisions of §§ 2-301(f) and 12-103(c) of this  
31 article, beer and wine products not authorized for general distribution in Maryland at  
32 the time of the Festival may be shipped directly to a special festival licensee by a  
33 licensed nonresident dealer.

1 (2) All invoices for products delivered directly to the Festival by a  
2 nonresident dealer, or credits for authorized returns, shall be made through a licensed  
3 Maryland wholesaler.

4 (3) Beer or wine delivered directly to a special festival licensee under  
5 paragraph (1) of this subsection may be returned directly to the nonresident dealer.

6 (4)] (H) (1) PRODUCTS DISPLAYED AND SOLD SHALL BE:

7 (I) INVOICED TO THE FESTIVAL LICENSE HOLDER BY A LICENSED  
8 STATE WHOLESALER, WINERY, OR LIMITED WINERY; AND

9 (II) DELIVERED TO THE FESTIVAL FROM THE LICENSED PREMISES  
10 OF THE WHOLESALER, WINERY, OR LIMITED WINERY.

11 (2) Whenever a special Festival license is issued under this section,  
12 holders of wholesale, WINERY, OR LIMITED WINERY licenses [or nonresident dealer  
13 permits] may enter into an agreement with the holder of a special festival license to  
14 deliver beer and wine 2 days prior to the effective date, and to accept returns 2 days  
15 after the expiration date of the special festival license.

16 (i) The Board shall adopt regulations for implementing this section.

17 8-306.

18 (a) This section applies only in Dorchester County.

19 (b) (1) In this section the following words have the meanings indicated.

20 (2) "Board" means the Dorchester County Board of License  
21 Commissioners.

22 (3) "Festival" means the Dorchester County Beer and Wine Festival.

23 (c) The Board may issue a special festival (DBWF) license.

24 (d) Notwithstanding any other provision of this article, an applicant for a  
25 special festival license shall be a holder of an existing State retail alcoholic beverages  
26 license, State Class 3 winery license, State Class 4 LIMITED winery license, State  
27 Class 6 pub-brewery license, or State Class 7 micro-brewery license issued under  
28 this article.

29 (e) A special festival licensee shall:

30 (1) Only display and sell:

31 (i) Wine that is manufactured and processed in any state, IS PRICE  
32 FILED IN ACCORDANCE WITH REGULATIONS ADOPTED BY THE COMPTROLLER, AND  
33 IS DISTRIBUTED IN THE STATE AT THE TIME THE APPLICATION IS FILED; and

34 (ii) Beer that is brewed by a brewer:

1 [who] WHO brews less than 40,000 barrels of beer  
 2 annually; AND

3 2. WHOSE PRODUCT IS DISTRIBUTED IN THE STATE AT THE  
 4 TIME THE APPLICATION IS FILED;

5 (2) Display and sell beer and wine at retail for consumption on or off the  
 6 licensed premises on the days and for the hours designated for the Festival; and

7 (3) Display and sell wine that is manufactured and processed in any  
 8 state at retail for consumption off the licensed premises on the days and for the hours  
 9 designated for the Festival.

10 (f) This section does not prohibit the holder of a special festival license from  
 11 holding another alcoholic beverages license of a different class or nature.

12 (g) The Board:

13 (1) May establish the license fee;

14 (2) May select one weekend, Friday through Sunday inclusive, annually  
 15 for the Festival;

16 (3) Shall choose for this Festival a location in the County that is not  
 17 licensed under this article; and

18 (4) Shall assure that the primary focus of the Festival is the promotion of  
 19 Maryland beer and wine.

20 [(h) (1) Notwithstanding the provisions of §§ 2-301(f) and 12-103(c) of this  
 21 article, beer and wine products not authorized for general distribution in Maryland at  
 22 the time of the Festival may be shipped directly to a special festival licensee by a  
 23 licensed nonresident dealer.

24 (2) All invoices for products delivered directly to the Festival by a  
 25 nonresident dealer, or credits for authorized returns, shall be made through a licensed  
 26 Maryland wholesaler.

27 (3) Beer or wine delivered directly to a special festival licensee under  
 28 paragraph (1) of this subsection may be returned directly to the nonresident dealer.

29 (4)] (H) (1) PRODUCTS DISPLAYED AND SOLD SHALL BE:

30 (I) INVOICED TO THE FESTIVAL LICENSE HOLDER BY A LICENSED  
 31 STATE WHOLESALER, WINERY, OR LIMITED WINERY; AND

32 (II) DELIVERED TO THE FESTIVAL FROM THE LICENSED PREMISES  
 33 OF THE WHOLESALER, WINERY, OR LIMITED WINERY.

34 (2) Whenever a special festival license is issued under this section,  
 35 holders of wholesale, WINERY, OR LIMITED WINERY licenses [or nonresident dealer

1 permits] may enter into an agreement with the holder of a special festival license to  
2 deliver beer and wine 2 days prior to the effective date, and to accept returns 2 days  
3 after the expiration date of the special festival license.

4 (i) The Board shall adopt regulations for implementing this section.

5 8-307.

6 (a) (1) In this section the following words have the meanings indicated.

7 (2) "Board" means the Charles County Board of License Commissioners.

8 (3) "Festival" means the Charles County Beer and Wine Festival.

9 (b) This section applies only in Charles County.

10 (c) The Board may issue a special festival (CBWF) license.

11 (d) Notwithstanding any other provision of this article, an applicant for a  
12 special festival license shall be a holder of an existing State retail alcoholic beverages  
13 license, State Class 3 winery license, or State Class 4 LIMITED winery license issued  
14 under this article.

15 (e) A special festival licensee may:

16 (1) Only display and sell:

17 (i) Wine that is manufactured and processed in any state, IS PRICE  
18 FILED IN ACCORDANCE WITH REGULATIONS ADOPTED BY THE COMPTROLLER, AND  
19 DISTRIBUTED IN THE STATE AT THE TIME THE APPLICATION IS FILED; and

20 (ii) Beer that is brewed by a brewer:

21 1. [that] WHO brews less than 60,000 barrels of beer  
22 annually; AND

23 2. WHOSE PRODUCT IS DISTRIBUTED IN THE STATE AT THE  
24 TIME THE APPLICATION IS FILED;

25 (2) Display and sell beer and wine at retail for consumption on or off the  
26 licensed premises on the days and for the hours designated for the Festival; and

27 (3) Display and sell wine that is manufactured and processed in any  
28 state at retail for consumption off the licensed premises on the days and for the hours  
29 designated for the Festival.

30 (f) This section does not prohibit the holder of a special festival license from  
31 holding another alcoholic beverages license of a different class or nature.

32 (g) The Board:

1 (1) May establish the license fee;

2 (2) May select one weekend, Friday through Sunday inclusive, annually  
3 for the Festival provided that the weekend that is selected does not occur within 14  
4 days before or after the Maryland Wine Festival in Carroll County and does not  
5 conflict with the dates chosen for the Anne Arundel County Beer and Wine Festival,  
6 the Baltimore County Wine Festival, the Calvert County Wine Festival, the Harford  
7 County Wine Festival, the Howard County Wine Festival, the Queen Anne's County  
8 Beer and Wine Festival, The Maryland Wine Festival in Somerset County, the  
9 Cumberland and Shenandoah Valley Wine Festival in Washington County, and the  
10 Worcester County Beer and Wine Festival;

11 (3) Shall choose a location in the County for this Festival which is not  
12 licensed under this article; and

13 (4) Shall assure that the primary focus of the Festival is the promotion of  
14 Maryland beer and wine.

15 (h) (1) Notwithstanding the provisions of §§ 2-301(f) and 12-103(c) of this  
16 article, beer and wine products not authorized for general distribution in Maryland at  
17 the time of the Festival may be shipped directly to a special festival licensee by a  
18 licensed nonresident dealer.

19 (2) All invoices for products delivered directly to the Festival by a  
20 nonresident dealer, or credits for authorized returns, shall be made through a licensed  
21 Maryland wholesaler.

22 (3) Beer or wine delivered directly to a special festival licensee under  
23 paragraph (1) of this subsection may be returned directly to the nonresident dealer.

24 (4)] (H) (1) PRODUCTS DISPLAYED AND SOLD SHALL BE:

25 (I) INVOICED TO THE FESTIVAL LICENSE HOLDER BY A LICENSED  
26 STATE WHOLESALER, WINERY, OR LIMITED WINERY; AND

27 (II) DELIVERED TO THE FESTIVAL FROM THE LICENSED PREMISES  
28 OF THE WHOLESALER, WINERY, OR LIMITED WINERY.

29 (2) Whenever a special festival license is issued under this section,  
30 holders of wholesale, WINERY, OR LIMITED WINERY licenses [or nonresident dealer  
31 permits] may enter into an agreement with the holder of a special festival license to  
32 deliver beer and wine 2 days prior to the effective date, and to accept returns 2 days  
33 after the expiration date of the special festival license.

34 (i) The Board shall adopt regulations for implementing this section.

35 8-310.

36 (a) (1) In this section the following words have the meanings indicated.

1 (2) "Board" means the Queen Anne's County Board of License  
2 Commissioners.

3 (3) "Festival" means the Queen Anne's County Beer and Wine Festival  
4 (QABWF).

5 (b) This section applies only in Queen Anne's County.

6 (c) The Board may issue a special festival license.

7 (d) Notwithstanding any other provision of this article, an applicant for a  
8 special festival license shall be a holder of an existing State retail alcoholic beverages  
9 license, State Class 3 winery license, or State Class 4 LIMITED winery license issued  
10 under this article.

11 (e) A special festival licensee shall:

12 (1) Only display and sell:

13 (i) Wine that is manufactured and processed in any state, IS PRICE  
14 FILED IN ACCORDANCE WITH REGULATIONS ADOPTED BY THE COMPTROLLER, AND  
15 IS DISTRIBUTED IN THE STATE AT THE TIME THE APPLICATION IS FILED; and

16 (ii) Beer that is brewed by a brewer:

17 1. [who] WHO brews less than 60,000 barrels of beer  
18 annually; AND

19 2. WHOSE PRODUCT IS DISTRIBUTED IN THE STATE AT THE  
20 TIME THE APPLICATION IS FILED;

21 (2) Display and sell beer and wine at retail for consumption on or off the  
22 licensed premises on the days and for the hours designated for the Festival; and

23 (3) Display and sell wine that is manufactured and processed in any  
24 state at retail for consumption off the licensed premises on the days and for the hours  
25 designated for the Festival.

26 (f) This section does not prohibit the holder of a special festival license from  
27 holding another alcoholic beverages license of a different class or nature.

28 (g) The Board:

29 (1) May establish the license fee;

30 (2) May select one weekend, Friday through Sunday inclusive, annually  
31 for the Festival provided that the weekend that is selected does not occur within 14  
32 days on either side of the Maryland Wine Festival;

33 (3) Shall choose a location in the county for this Festival which is not  
34 licensed under this article; and

1 (4) Shall assure that the primary focus of the Festival is the promotion of  
2 Maryland beer and wine.

3 [(h) (1) Notwithstanding the provisions of §§ 2-301(f) and 12-103(c) of this  
4 article, beer and wine products not authorized for general distribution in Maryland at  
5 the time of the Festival may be shipped directly to the licensee by a licensed  
6 nonresident dealer.

7 (2) All invoices for products delivered directly to the Festival by a  
8 nonresident dealer, or credits for authorized returns, shall be made through a licensed  
9 Maryland wholesaler.

10 (3) Beer or wine delivered directly to a special beer and wine festival  
11 licensee under paragraph (1) of this subsection may be returned directly to the  
12 nonresident dealer.

13 (4)] (H) (1) PRODUCTS DISPLAYED AND SOLD SHALL BE:

14 (I) INVOICED TO THE FESTIVAL LICENSE HOLDER BY A LICENSED  
15 STATE WHOLESALER, WINERY, OR LIMITED WINERY; AND

16 (II) DELIVERED TO THE FESTIVAL FROM THE LICENSED PREMISES  
17 OF THE WHOLESALER, WINERY, OR LIMITED WINERY.

18 (2) Whenever a festival license is issued pursuant to this subsection,  
19 holders of wholesale, WINERY, OR LIMITED WINERY licenses [or nonresident dealer  
20 permits] may enter into an agreement with the holder of a festival license to deliver  
21 beer and wine 2 days prior to the effective date, and to accept returns 2 days after the  
22 expiration date of the festival license.

23 (i) The Board shall adopt regulations for implementing this section.

24 8-313.

25 (a) (1) In this section the following words have the meanings indicated.

26 (2) "Board" means the Worcester County Board of License  
27 Commissioners.

28 (3) "Festival" means the Worcester County Beer and Wine Festival  
29 (WBWF).

30 (b) This section applies only in Worcester County.

31 (c) The Board may issue a special festival license.

32 (d) Notwithstanding any other provision of this article, an applicant for a  
33 special festival license shall be a holder of an existing State retail alcoholic beverages  
34 license, State Class 3 winery license, or State Class 4 LIMITED winery license issued  
35 under this article.



1 (e) A special festival licensee shall:

2 (1) Only display and sell:

3 (i) Wine that is manufactured and processed in any state, IS PRICE  
4 FILED IN ACCORDANCE WITH REGULATIONS ADOPTED BY THE COMPTROLLER, AND  
5 DISTRIBUTED IN THE STATE AT THE TIME THE APPLICATION IS FILED; and

6 (ii) Beer that is brewed by a brewer:

7 1. [who] WHO brews less than 60,000 barrels of beer  
8 annually; AND

9 2. WHOSE PRODUCT IS DISTRIBUTED IN THE STATE AT THE  
10 TIME THE APPLICATION IS FILED;

11 (2) Display and sell beer and wine at retail for consumption on or off the  
12 licensed premises on the days and for the hours designated for the Festival; and

13 (3) Display and sell wine that is manufactured and processed in any  
14 state at retail for consumption off the licensed premises on the days and for the hours  
15 designated for the Festival.

16 (f) This section does not prohibit the holder of a special festival license from  
17 holding another alcoholic beverages license of a different class or nature.

18 (g) The Board:

19 (1) May establish the license fee;

20 (2) May select one weekend, Friday through Sunday inclusive, annually  
21 for the Festival provided that the weekend that is selected does not occur on the same  
22 weekend as the Maryland Wine Festival;

23 (3) Shall choose a location in the County for this Festival which is not  
24 licensed under this article; and

25 (4) Shall assure that the primary focus of the Festival is the promotion of  
26 Maryland beer and wine.

27 [(h) (1) Notwithstanding the provisions of §§ 2-301(f) and 12-103(c) of this  
28 article, beer and wine products not authorized for general distribution in Maryland at  
29 the time of the Festival may be shipped directly to the licensee by a licensed  
30 nonresident dealer.

31 (2) All invoices for products delivered directly to the Festival by a  
32 nonresident dealer, or credits for authorized returns, shall be made through a licensed  
33 Maryland wholesaler.

1           (3)     Beer or wine delivered directly to a special beer and wine festival  
2 licensee under paragraph (1) of this subsection may be returned directly to the  
3 nonresident dealer.

4           (4)]    (H)     (1)     PRODUCTS DISPLAYED AND SOLD SHALL BE:

5                   (I)     INVOICED TO THE FESTIVAL LICENSE HOLDER BY A LICENSED  
6 STATE WHOLESALER, WINERY, OR LIMITED WINERY; AND

7                   (II)    DELIVERED TO THE FESTIVAL FROM THE LICENSED PREMISES  
8 OF THE WHOLESALER, WINERY, OR LIMITED WINERY.

9                   (2)     Whenever a festival license is issued pursuant to this  
10 subsection, holders of wholesale, WINERY, OR LIMITED WINERY licenses [or  
11 nonresident dealer permits] may enter into an agreement with the holder of a festival  
12 license to deliver beer and wine 2 days prior to the effective date, and to accept  
13 returns 2 days after the expiration date of the festival license.

14       (i)     The Board shall adopt regulations for implementing this section.

15       SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
16 October 1, 1998.