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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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Committee Report: Favorable with amendments  
House action: Adopted  
Read second time: March 23, 1998

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CHAPTER \_\_\_\_\_

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.

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

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

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

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

8 (e) A special festival licensee shall:

9 (1) Only display and sell:

10 (i) Wine that is:

11 1. manufactured MANUFACTURED and processed in any  
12 ~~state, IS PRICE FILED IN ACCORDANCE WITH REGULATIONS ADOPTED BY THE~~  
13 ~~COMPTROLLER, AND IS DISTRIBUTED IN THE STATE MARKET AT THE TIME THE~~  
14 ~~APPLICATION IS FILED;~~

15 2. PRICE FILED IN ACCORDANCE WITH REGULATIONS  
16 ADOPTED BY THE COMPTROLLER; AND

17 3. DISTRIBUTED IN THE STATE AT THE TIME THE  
18 APPLICATION IS FILED; and

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

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

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

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

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

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

31 (g) The Board:

32 (1) May establish the license fee;

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

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

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

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

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

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

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

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

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

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

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

28 8-306.

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

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

31 (2) "Board" means the Dorchester County Board of License  
32 Commissioners.

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

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

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

6 (e) A special festival licensee shall:

7 (1) Only display and sell:

8 (i) Wine that is:

9 1. manufactured MANUFACTURED and processed in any  
 10 ~~state, IS PRICE FILED IN ACCORDANCE WITH REGULATIONS ADOPTED BY THE~~  
 11 ~~COMPTROLLER, AND IS DISTRIBUTED IN THE STATE AT THE TIME THE APPLICATION~~  
 12 ~~IS FILED;~~

13 2. PRICE FILED IN ACCORDANCE WITH REGULATIONS  
 14 ADOPTED BY THE COMPTROLLER; AND

15 3. DISTRIBUTED IN THE STATE AT THE TIME THE  
 16 APPLICATION IS FILED; and

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

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

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

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

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

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

29 (g) The Board:

30 (1) May establish the license fee;

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

33 (3) Shall choose for this Festival a location in the County that 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 a special festival licensee by a  
6 licensed 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 festival licensee under  
11 paragraph (1) of this subsection may be returned directly to the nonresident dealer.

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

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

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

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

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

23 8-307.

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

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

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

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

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

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

33 (e) A special festival licensee may:

34 (1) Only display and sell:

1 (i) Wine that is;

2 1. ~~manufactured~~ MANUFACTURED and processed in any  
3 state, ~~IS PRICE FILED IN ACCORDANCE WITH REGULATIONS ADOPTED BY THE~~  
4 ~~COMPTROLLER, AND DISTRIBUTED IN THE STATE AT THE TIME THE APPLICATION IS~~  
5 ~~FILED;~~

6 2. PRICE FILED IN ACCORDANCE WITH REGULATIONS  
7 ADOPTED BY THE COMPTROLLER; AND

8 3. DISTRIBUTED IN THE STATE AT THE TIME THE  
9 APPLICATION IS FILED; and

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

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

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

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

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

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

22 (g) The Board:

23 (1) May establish the license fee;

24 (2) May select one weekend, Friday through Sunday inclusive, annually  
25 for the Festival provided that the weekend that is selected does not occur within 14  
26 days before or after the Maryland Wine Festival in Carroll County and does not  
27 conflict with the dates chosen for the Anne Arundel County Beer and Wine Festival,  
28 the Baltimore County Wine Festival, the Calvert County Wine Festival, the Harford  
29 County Wine Festival, the Howard County Wine Festival, the Queen Anne's County  
30 Beer and Wine Festival, The Maryland Wine Festival in Somerset County, the  
31 Cumberland and Shenandoah Valley Wine Festival in Washington County, and the  
32 Worcester County Beer and Wine Festival;

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

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

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

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

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

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

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

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

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

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

21 8-310.

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

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

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

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

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

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

33       (e)     A special festival licensee shall:

34               (1)     Only display and sell:

1 (i) Wine that is;

2 1. ~~manufactured~~ MANUFACTURED and processed in any  
3 state, ~~IS PRICE FILED IN ACCORDANCE WITH REGULATIONS ADOPTED BY THE~~  
4 ~~COMPTROLLER, AND IS DISTRIBUTED IN THE STATE AT THE TIME THE APPLICATION~~  
5 ~~IS FILED;~~

6 2. PRICE FILED IN ACCORDANCE WITH REGULATIONS  
7 ADOPTED BY THE COMPTROLLER; AND

8 3. DISTRIBUTED IN THE STATE AT THE TIME THE  
9 APPLICATION IS FILED; and

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

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

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

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

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

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

22 (g) The Board:

23 (1) May establish the license fee;

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

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

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

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

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

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

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

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

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

18 8-313.

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

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

22 (3) "Festival" means the Worcester County Beer and Wine Festival  
 23 (WBWF).

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

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

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

30 (e) A special festival licensee shall:

31 (1) Only display and sell:

32 (i) Wine that is:

33 1. manufactured MANUFACTURED and processed in any  
 34 state, ~~IS PRICE FILED IN ACCORDANCE WITH REGULATIONS ADOPTED BY THE~~



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