

HOUSE BILL 414

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2000 Regular Session
0lr0001
CF 0lr2279

By: **Chairman, Economic Matters Committee (Departmental - Comptroller)**
Introduced and read first time: February 3, 2000
Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Alcoholic Beverages - Permits - Limited Winery License and Restrictions**
3 **Upon Retail Dealers**

4 FOR the purpose of establishing a winery special event permit; establishing the fee
5 and qualifications for the winery special event permit; specifying the conditions
6 under which a winery special event permit may be issued; specifying the
7 activities authorized by the winery special event permit; expanding the
8 activities permitted by certain winery licensees; specifying the circumstances
9 under which certain licensees may bring their manufactured product onto a
10 retail licensed premises; and generally relating to alcoholic beverages permits,
11 limited winery licenses, and restrictions upon retail winery dealers.

12 BY adding to
13 Article 2B - Alcoholic Beverages
14 Section 2-101(b)(11) and (u)
15 Annotated Code of Maryland
16 (1998 Replacement Volume and 1999 Supplement)

17 BY repealing and reenacting, with amendments,
18 Article 2B - Alcoholic Beverages
19 Section 2-205 and 12-107
20 Annotated Code of Maryland
21 (1998 Replacement Volume and 1999 Supplement)

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

24 **Article 2B - Alcoholic Beverages**

25 2-101.

26 (b) (11) THE FEE FOR A WINERY SPECIAL EVENT PERMIT IS \$25 PER EVENT.

1 (U) (1) THE OFFICE OF THE COMPTROLLER MAY ISSUE A WINERY SPECIAL
2 EVENT PERMIT TO A LICENSED CLASS 4 MARYLAND LIMITED WINERY, PROVIDED
3 THAT:

4 (I) NO MORE THAN 12 WINERY SPECIAL EVENT PERMITS ARE
5 ISSUED TO THE CLASS 4 MARYLAND LIMITED WINERY IN ANY GIVEN CALENDAR
6 YEAR; AND

7 (II) THE PERMIT DOES NOT EXCEED 3 CONSECUTIVE DAYS.

8 (2) THE WINERY SPECIAL EVENT PERMIT MAY ONLY BE ISSUED FOR AN
9 EVENT WHICH:

10 (I) HAS AS ITS MAJOR PURPOSE AN ACTIVITY OTHER THAN THE
11 SALE AND PROMOTION OF ALCOHOLIC BEVERAGES AND FOR WHICH THE
12 PARTICIPATION OF THE WINERY IS A SUBORDINATE ACTIVITY;

13 (II) IS ORGANIZED AND CONDUCTED BY A NONPROFIT
14 ORGANIZATION OR GOVERNMENT ENTITY;

15 (III) IS APPROVED BY THE DEPARTMENT OF AGRICULTURE AND THE
16 OFFICE OF THE COMPTROLLER; AND

17 (IV) IS HELD ON A NONLICENSED PREMISES OR A PREMISES ON
18 WHICH A PERSON MAY OBTAIN A TEMPORARY ALCOHOLIC BEVERAGES LICENSE.

19 (3) A WINERY SPECIAL EVENT PERMIT SHALL AUTHORIZE THE HOLDER
20 TO:

21 (I) PROVIDE SAMPLES NOT TO EXCEED 1 FLUID OUNCE PER BRAND
22 TO CONSUMERS;

23 (II) SELL NOT MORE THAN FOUR 750 ML BOTTLES OF WINE TO A
24 CONSUMER AT ANY GIVEN EVENT OR FESTIVAL FOR OFF-PREMISES CONSUMPTION;
25 AND

26 (III) SELL BY THE GLASS WINE PRODUCED BY THE LICENSEE TO
27 PERSONS PARTICIPATING IN ANY EVENT OR FESTIVAL AND FOR ON-PREMISES
28 CONSUMPTION.

29 (4) THE WINERY SPECIAL EVENT PERMIT APPLICATION SHALL BE FILED
30 WITH THE OFFICE OF THE COMPTROLLER NOT LESS THAN 15 DAYS PRIOR TO ANY
31 EVENT.

32 2-205.

33 (a) A Class 4 manufacturer's license:

34 (1) Is a limited winery license;

1 (2) Authorizes the holder to establish and operate in this State a plant
2 for fermenting and bottling wine made from Maryland agriculture products at the
3 location described in the license, unless the Secretary of Agriculture determines that
4 there is insufficient supply available of Maryland agriculture products; and

5 (3) Permits the license holder to:

6 (i) Sell and deliver this wine to any licensee or permit holder in
7 this State, or person outside of this State, authorized to acquire it;

8 (ii) Sell this wine made at the plant to persons participating in a
9 guided tour of the facility. The purchase is limited to one quart of each brand per
10 person per year. Any person who has attained the Maryland legal drinking age may
11 purchase the wine. The licensee may operate only in one location in the State; [and]

12 (iii) Serve at no charge not more than 6 ounces of wines made at the
13 licensed facility to a person who is participating in a guided tour of the facility,
14 provided the person has attained the Maryland legal drinking age[.];

15 (IV) SELL BY THE GLASS WINE PRODUCED BY THE LICENSEE TO
16 PERSONS PARTICIPATING IN A GUIDED TOUR OF THE FACILITY OR ATTENDING A
17 SCHEDULED PROMOTIONAL EVENT OR OTHER ORGANIZED ACTIVITY AT THE
18 LICENSED PREMISES; AND

19 (V) STORE ON ITS LICENSED PREMISES, IN A SEGREGATED AREA
20 APPROVED BY THE COMPTROLLER, THE PRODUCT OF OTHER CLASS 4 LIMITED
21 WINERIES TO BE USED AT BONA FIDE MARYLAND WINERY ASSOCIATION
22 PROMOTIONAL ACTIVITIES, PROVIDED RECORDS ARE MAINTAINED AND REPORTS
23 FILED AS MAY BE REQUIRED BY THE COMPTROLLER.

24 (b) In Frederick County the provisions regarding sales on Sundays of this
25 section are governed by § 11-511 of this article.

26 12-107.

27 (a) No retail dealer, [or] other than the holder of a Class E, Class F or Class
28 G license, shall purchase any alcoholic beverages except from a duly licensed
29 manufacturer, wholesaler, or private bulk sale permit holder under the provisions of
30 this article, and no retail dealers shall sell to any other retail dealer any alcoholic
31 beverages except to the holder of a special Class C beer, beer and wine and beer, wine
32 and liquor license, and shall not at any time keep or permit to be kept upon the
33 licensed premises any alcoholic beverages except those so purchased.

34 (b) (1) It shall be unlawful for any person to drink on the licensed premises
35 of any license holder any alcoholic beverages not purchased from the license holder on
36 said premises and not permitted by this article to be consumed on the premises; and
37 it shall be unlawful for any license holder to permit any person to drink any alcoholic
38 beverage not purchased from the said license holder on the premises covered by the
39 license which he holds and not permitted by this article to be consumed on the
40 premises.

1 (2) This subsection does not apply to special or temporary licenses in
2 Carroll County.

3 (3) This subsection does not apply to licenses issued under § 7-101(k) of
4 this article for a dance or social event:

5 (i) Advertised as being "bring your own" (BYO); or

6 (ii) Held on the premises of the licensee by a member or by a guest
7 of a member of the club, fire department, or other organization which is licensed.

8 (4) Paragraph (1) of this subsection does not apply in Howard County to
9 dances, weddings, fundraisers, or other social events held in a hall that is rented from
10 and is located on the premises of a veterans organization which is licensed under this
11 article. However, the veterans organization may not sell or otherwise provide
12 alcoholic beverages to the attendees of the dance, wedding, fundraiser, or other social
13 event.

14 (5) PARAGRAPH (1) OF THIS SUBSECTION DOES NOT APPLY TO A CLASS 4
15 LIMITED WINERY WHICH BRINGS WINE MANUFACTURED ON ITS LICENSED
16 PREMISES ON TO A RETAIL LICENSED PREMISES UNDER THE FOLLOWING
17 CONDITIONS:

18 (I) THE PRODUCT IS BEING PROVIDED FOR A BONA FIDE
19 PROMOTIONAL ACTIVITY CONDUCTED BY THE LIMITED WINERY, RETAIL LICENSEE,
20 ALCOHOLIC BEVERAGES TRADE ASSOCIATION, OR NONPROFIT ORGANIZATION;

21 (II) A REPRESENTATIVE OF THE LIMITED WINERY, OR A TRADE
22 ASSOCIATION REPRESENTING MARYLAND WINERIES, IS PRESENT AT ALL TIMES
23 DURING THE PERIOD OF THE PROMOTIONAL ACTIVITY;

24 (III) ANY UNOPENED OR PARTIALLY CONSUMED CONTAINERS OF
25 WINE ARE REMOVED FROM THE RETAIL LICENSED PREMISES AT THE CONCLUSION
26 OF THE PROMOTIONAL ACTIVITY;

27 (IV) THE LIMITED WINERY OR WINERY TRADE ASSOCIATION
28 COMPLIES WITH ANY RULES OR REGULATIONS PROMULGATED BY THE
29 COMPTROLLER PERTAINING TO ON-PREMISE PROMOTIONS AND PRODUCT
30 SAMPLING; AND

31 (V) THE LIMITED WINERY OR WINERY TRADE ASSOCIATION HAS
32 THE ADVANCE WRITTEN PERMISSION OF THE RETAIL LICENSEE TO BRING WINE
33 PRODUCTS ON THE RETAIL LICENSED PREMISES FOR PURPOSES OF THE
34 PROMOTIONAL ACTIVITY.

35 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
36 October 1, 2000.