
By: **Senator Colburn**

Introduced and read first time: February 4, 2000

Assigned to: Economic and Environmental Affairs

A BILL ENTITLED

1 AN ACT concerning

2 **Talbot County - Alcoholic Beverages - Licenses**

3 FOR the purpose of authorizing in Talbot County a holder of a certain winery license
4 to also hold a certain beer and light wine license under certain circumstances;
5 and generally relating to alcoholic beverages licenses in Talbot County.

6 BY repealing and reenacting, without amendments,
7 Article 2B - Alcoholic Beverages
8 Section 12-104(a), (b), (d), and (f)
9 Annotated Code of Maryland
10 (1998 Replacement Volume and 1999 Supplement)

11 BY repealing and reenacting, with amendments,
12 Article 2B - Alcoholic Beverages
13 Section 12-104(e)
14 Annotated Code of Maryland
15 (1998 Replacement Volume and 1999 Supplement)

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

18 **Article 2B - Alcoholic Beverages**

19 12-104.

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

21 (2) "Business entity" means any holder of a manufacturer's or
22 wholesaler's license, or anyone connected with the business of the holder, or any
23 distiller, nonresident dealer, brewer, rectifier, blender or bottler of alcoholic
24 beverages.

25 (3) "Sign" means any sign, display, poster, placard, or other form of
26 advertisement, whether graphic or not.

1 (b) (1) A business entity may not have any financial interest in the premises
2 upon or in which any alcoholic beverage is sold at retail by any licensee or in any
3 business conducted by any licensee.

4 (2) A person or business entity, or anyone connected with that person or
5 business entity, may not lend any money or other thing of value, make any gift, or
6 offer any gratuity to any retail dealer.

7 (3) Except as provided for, a retail dealer may not accept, receive or
8 make use of any money, gift, or sign furnished by any business entity or become
9 indebted to any person except for the purchase of alcoholic beverages and allied
10 products purchased for resale.

11 (4) A business entity, other than a wholesaler of beer and malt
12 beverages, may not furnish any sign, except as provided in this article.

13 (d) (1) The provisions of this subsection apply only to wine and distilled
14 spirits products.

15 (2) Signs bearing advertising matter or any other forms of advertising
16 for use in windows or elsewhere on a retail liquor establishment may be given or
17 furnished to a retailer by a brand owner who is engaged in the business of a business
18 entity, if:

19 (i) The utilitarian value is secondary and only incidental to the
20 value as an advertisement;

21 (ii) The total value of any item furnished by any brand owner for
22 each of its individual brands for use in any one retail establishment at any one time
23 does not exceed the sum of \$150 for each individual brand; and

24 (iii) The cost of installation of these materials does not exceed that
25 which is usual and customary in that particular locality.

26 (3) (i) In lieu of premanufactured advertising material, materials and
27 labor may be furnished by a brand owner for the custom manufacture of an
28 advertising display not exceeding \$150 which is temporary in nature and has no other
29 utilitarian value.

30 (ii) A manufacturer or nonresident dealer or brand owner may not
31 undertake any plan or design which directly or indirectly results in the purchase of
32 advertising materials or supplies or advertising services by any wholesale or retail
33 licensee; neither may a wholesale or retail licensee participate directly or indirectly in
34 any transaction in which he pays for or shares in the cost for any of the value of the
35 advertising materials, supplies, services, or mailing expenses utilized to promote a
36 brand owner's products.

37 (iii) These provisions do not prevent a wholesale licensee from
38 furnishing brand owners with display materials and installation services at charges,
39 computed at not less than the fair market value for these services.

1 (e) (1) The provisions of subsections (b) and (d) of this section do not apply to
2 a holder of a Class 3 or Class 4 winery manufacturer's license who is issued a Class
3 A2 light wine on- and off-sale license in Baltimore City with respect to the wine
4 manufactured or bottled on the winery premises.

5 (2) The provisions of subsections (b) and (c) of this section do not apply to
6 the holder of a Class 6 pub-brewery license with respect to the malt beverages brewed
7 on the premises of the pub-brewery.

8 (3) The provisions of subsections (b) and (c) of this section do not apply to
9 a holder of a Class 7 micro-brewery license with respect to the malt beverages brewed
10 on the premises of the micro-brewery for the purpose of being licensed as a retailer
11 for selling on the brewery licensed premises or in a restaurant or brewery pub owned,
12 conducted, and operated by the holder in or adjacent to the brewery for which it is
13 licensed.

14 (4) THE PROVISIONS OF SUBSECTIONS (B) AND (D) OF THIS SECTION DO
15 NOT APPLY TO A HOLDER OF A CLASS 4 LIMITED WINERY LICENSE WHO IS ISSUED A
16 CLASS C BEER AND LIGHT WINE LICENSE FOR SALES TO CLUB MEMBERS IN TALBOT
17 COUNTY.

18 (f) Any person who violates the provisions of this section shall be punished by
19 a fine of not more than \$1,000 or by imprisonment for not more than 2 years, or both.

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