

SENATE BILL 483

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2000 Regular Session
0lr2332
CF 0lr2999

By: **Senator Colburn**
Introduced and read first time: February 4, 2000
Assigned to: Economic and Environmental Affairs

Committee Report: Favorable
Senate action: Adopted
Read second time: March 17, 2000

CHAPTER_____

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.

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

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

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

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

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

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

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

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

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

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

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

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

36 (ii) A manufacturer or nonresident dealer or brand owner may not
37 undertake any plan or design which directly or indirectly results in the purchase of
38 advertising materials or supplies or advertising services by any wholesale or retail

1 licensee; neither may a wholesale or retail licensee participate directly or indirectly in
2 any transaction in which he pays for or shares in the cost for any of the value of the
3 advertising materials, supplies, services, or mailing expenses utilized to promote a
4 brand owner's products.

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

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

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

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

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

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

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