

HOUSE BILL 130

M4

7lr0110

By: **Chair, Environment and Transportation Committee (By Request –
Departmental – Agriculture)**

Introduced and read first time: January 18, 2017

Assigned to: Environment and Transportation

Committee Report: Favorable

House action: Adopted

Read second time: February 21, 2017

CHAPTER _____

1 AN ACT concerning

2 **Maryland Wine and Grape Promotion Fund**

3 FOR the purpose of repealing the Maryland Wine and Grape Promotion Council; requiring
4 the Governor’s Advisory Commission on Maryland Wine and Grape Growing to
5 advise and recommend to the Secretary of Agriculture for approval the allocation of
6 certain funds for certain projects; repealing a certain definition; and generally
7 relating to the Maryland Wine and Grape Promotion Fund.

8 BY repealing and reenacting, with amendments,

9 Article – Agriculture

10 Section 2–1101 and 2–1102 to be under the amended subtitle “Subtitle 11. Maryland
11 Wine and Grape Promotion Fund”; and 10–1206

12 Annotated Code of Maryland

13 (2016 Replacement Volume)

14 BY repealing

15 Article – Agriculture

16 Section 2–1103

17 Annotated Code of Maryland

18 (2016 Replacement Volume)

19 BY repealing and reenacting, without amendments,

20 Article – Agriculture

21 Section 10–1201

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 Annotated Code of Maryland
2 (2016 Replacement Volume)

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

5 **Article – Agriculture**

6 Subtitle 11. Maryland Wine and Grape Promotion Fund [and Council].

7 2–1101.

8 [(a)] In this subtitle, [the following words have the meanings indicated.

9 (b) “Council” means the Maryland Wine and Grape Promotion Council.

10 (c)] “Fund” means the Maryland Wine and Grape Promotion Fund.

11 2–1102.

12 (a) There is a Maryland Wine and Grape Promotion Fund.

13 (b) The purpose of the Fund is to provide grants to nongovernmental
14 organizations and to conduct other activities for the purpose of promoting:

15 (1) The production and consumption of Maryland wine in the State; and

16 (2) The production of grapes in the State.

17 (c) The Fund is a special nonlapsing fund that is not subject to § 7–302 of the
18 State Finance and Procurement Article.

19 (d) The Secretary shall hold the Fund separately and the Comptroller shall
20 account for the Fund.

21 (e) The Department may deduct not more than 2% of the proceeds paid into the
22 Fund for administration expenses incurred by the Department.

23 (f) The Fund consists of:

24 (1) Money appropriated in the State budget to the Fund;

25 (2) Revenue distributed to the Fund under § 5–105(e) of the Tax – General
26 Article; and

27 (3) Any other money from any other source accepted for the benefit of the
28 Fund.

1 (g) The Fund may only be used for the following purposes related to the
2 production and consumption of Maryland wine and the production of grapes in the State:

- 3 (1) Grants;
- 4 (2) Marketing;
- 5 (3) Research;
- 6 (4) Advertising;
- 7 (5) Retailer promotions;
- 8 (6) Festival promotions; **AND**
- 9 (7) [Administrative costs of the Council; and
- 10 (8)] Educational seminars.

11 [(h) On recommendation from the Council, the Board of Public Works shall
12 approve expenditures from the Fund in the forms of grants to nongovernmental
13 organizations.]

14 [2-1103.

15 (a) There is a Maryland Wine and Grape Promotion Council.

16 (b) The Council shall consist of:

- 17 (1) The Secretary of Agriculture, or the Secretary's designee;
- 18 (2) The Secretary of Commerce, or the Secretary's designee; and
- 19 (3) The Secretary of Budget and Management, or the Secretary's designee.

20 (c) With the advice of the Maryland Wine and Grape Advisory Committee, the
21 Council shall recommend to the Board of Public Works grants to be disbursed to
22 nongovernmental organizations in accordance with § 2-1102(b) of this subtitle.]

23 10-1201.

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

25 (b) "Commission" means the Governor's Advisory Commission on Maryland Wine
26 and Grape Growing.

- 1 (c) "Grape grower" means a person who:
- 2 (1) Grows grapes for commercial purposes; and
- 3 (2) (i) Sells at least \$10,000 worth of grapes each year; or
- 4 (ii) Has planted at least 3 acres of vines of a type used for the
- 5 production of wine.
- 6 (d) "Viticulture" means the cultivation and study of grapes and grape vines.
- 7 (e) "Wine" has the meaning stated in § 1–101 of the Alcoholic Beverages Article.
- 8 (f) "Winery" means an establishment that has a winery license or limited winery
- 9 license under § 2–205 or § 2–206 of the Alcoholic Beverages Article.
- 10 10–1206.

11 The Commission shall:

- 12 (1) Advise and recommend to the [Maryland Wine and Grape Promotion
- 13 Council] **SECRETARY FOR APPROVAL** the allocation of funds from the Maryland Wine
- 14 and Grape Promotion Fund to projects regarding viticultural and enological practices and
- 15 promotion, marketing, and education programs deemed necessary or advisable to
- 16 accomplish the purposes of this subtitle and Title 2, Subtitle 11 of this article;
- 17 (2) Provide a forum to address the issues that are relevant to wineries and
- 18 grape growers;
- 19 (3) Identify strategies to facilitate growth of viticulture of the State;
- 20 (4) Study the policies of the wine and grape industries of other states and
- 21 identify which, if any, policies should be adopted by the wine and grape industry of this
- 22 State; and
- 23 (5) Issue an annual report to the Governor on the Commission's findings
- 24 and recommendations.

25 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July

26 1, 2017.