

HCS HB 1924 -- ALCOHOL TRADE PRACTICES

SPONSOR: Roeber

COMMITTEE ACTION: Voted "Do Pass with HCS" by the Standing Committee on General Laws by a vote of 10 to 1.

This bill modifies the definitions of "equipment and supplies," "dispensing accessories," and "temporary point-of-sale advertising materials," and creates a definition for "nonrefrigeration keg flow accessories."

Currently, a distiller, wholesaler, winemaker, or brewer may give or sell product displays to a retail business if the total value of such displays does not exceed \$300 per brand, per retail outlet. The bill changes this limit to \$400 per brand, per retail outlet. Further, this bill changes the limit on the amount of permanent point-of-sale advertising materials that may be sold or given to a retailer from \$500 to \$700 per year, per brand, per retail outlet. The replacement of similar permanent point-of-sale advertising materials that are damaged and nonfunctioning shall not apply towards the maximum of \$700.

Currently, all permanent point-of-sale advertising materials provided to a retailer shall be recorded, with such records kept for three years. This bill requires that the records be kept for two years.

This bill allows wholesalers, brewers, distillers, and winemakers to install only nonrefrigeration beer, or nonrefrigeration distilled spirits and wine and beer dispensing accessories at a retail business establishment, and the list of tools that may be lent for such dispensing as specified in the bill. Any other dispensing accessories not listed in this bill shall be sold in the same manner as other equipment and supplies. The bill allows certain dispensing accessories and nonrefrigeration keg flow accessories, specified in this bill, to be loaned by a wholesaler, brewer, distiller, or winemaker to a retailer only if a deposit is given by the retailer in an amount that covers the cost of such dispensing accessories and nonrefrigeration keg flow accessories. A deposit payment for such equipment is required if an equipment item is loaned for more than 10 days within a 30-day period. A complete record of equipment given, rented, sold, installed, and loaned, and repairs and services made to a retailer, is required for a period of not less than two years.

This bill provides that wine manufacturers who hold a license to sell intoxicating liquor by the drink at retail for consumption on the premises shall be exempt from a requirement that such liquor be

purchased from a distributor so long as it was produced on the premises.

This bill also allows employees of licensed wholesalers who are between the ages of 18 and 20 to unload delivery vehicles and transfer intoxicating liquor into retail licensed premises only when they are supervised by a delivery vehicle driver who is at least 21 years old. Currently, employees need to be 21 or older to perform this task.

This bill is similar to HCS HB 679 (2017).

PROPONENTS: Supporters say that the underlying bill updates the current statutory language to reflect changes in technology and removes references that are no longer necessary. Supporters say that the Division of Alcohol and Tobacco Control has reviewed and approved all of these changes.

Testifying for the bill were Representative Roeber; Bernie Fechtel; and Robert Pagano, Southern Glazers.

OPPONENTS: There was no opposition voiced to the committee.