

MARYLAND'S 2019 LEGISLATIVE SESSION



A BEVERAGE BIZ LOOK AHEAD AT THE 2019 SESSION

by Teddy Durgin

The 2019 General Assembly Session is just around the corner, and the Maryland State Licensed Beverage Association (MSLBA) is once again gearing up to play a big role in looking out for the beverage industry's interests. This means guys like MSLBA Legislative Chairman Jack Milani and lawyer and MSLBA lobbyist J. Steven "Steve" Wise are expected to step up and drive the discussions.

So, what's different about this coming year? For one ... legislator turnover! "We just had statewide elections back in November," Wise observed, during a recent interview with the *Beverage Journal*. "Somewhere between 25 percent and roughly 30 percent of the General Assembly will be new. So, it will be even more of an ongoing effort to educate legislators as to how our industry works, the issues that are important to us, the small



MSLBA lobbyist
J. Steven "Steve" Wise

businesses that are affected by everything that is done with alcohol in Annapolis, and so forth. This will be the most important thing MSLBA and the other industry associations will do in 2019!"

Milani concurred, adding, "This year, with so many new faces, it's really important for our members to know their legislators, reach out to them, and educate them a little bit. If people really care about their businesses, it's not too much to ask them to take a little more time out to contact these people who represent you in your district and to get involved. A lot of times, it's just a matter of reaching out, having lunch with them, or just going to see them at their office. There, you can explain to them



MSLBA Legislative
Chairman Jack Milani

the things that are most important to our industry."

He continued, "We've found that most legislators are more than willing to talk with you about the issues. If nothing else, it opens up a dialogue. So, if there is a bill that will obviously affect us and our interests, they now know people in the industry and will hopefully reach out and get our feedback."

As for the issues that will matter most in the months to come, Wise was quick to answer. "There will certainly be continued discussion about whether beer and wine should be offered in chain stores and supermarkets," he said. "This won't be new to the General Assembly, but it will be new to the new members and it will come up."

Both men agreed that "dram shop" liability is another issue that will likely generate some dialogue in the new year. If it is ever

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adopted, this legal doctrine would permit vendors of alcohol to be sued by individuals who have suffered injury at the hands of a patron of that vendor. Consequently, the owner of a bar or tavern where a customer unwisely opts to drink and then drive and hits another vehicle could be sued by the occupants of the other vehicle.

Wise also advises *Beverage Journal* readers to keep a close eye on the Supreme Court and the case of Tennessee Wine and Spirits Retailers Association v. Clayton Bird (Tenn. v. Byrd). He stated, "It deals with whether states can require residency for purposes of retail alcohol licenses. It's another case where the Court is going to have to weigh the 21st Amendment versus the Commerce Clause, and it will have implications for every state including Maryland. I have no idea which way it will go. It's not in my wheelhouse to predict what the Supreme Court is going to do. Whatever their decision will be, we'll have to read it carefully."

Wise, an attorney with the law firm of Schwartz, Metz, and Wise in Annapolis, went on to describe Tenn. v. Byrd as the "most significant Supreme Court case since *Granholm v. Heald*" in 2005. The Supreme Court's 5-4 decision ruled that laws in Michigan and New York that allowed in-state wineries to ship wine directly to consumers, but prohibited out-of-state wineries from doing the same, were unconstitutional.

Another thing Milani and Wise agreed on was how Governor Larry Hogan's recent

re-election would be good for the state's beverage interests. "I think the governor's re-election is good for all small businesses, not just those in our industry," remarked Milani, who has co-owned Monaghan's Pub in Woodlawn since 1990. "Gov. Hogan has taken the time to really emphasize small business. His cabinet and his people have been pretty easy to work with, too. It's been nice to have a governor who actually appreciates us! The guy has certainly proven that he listens to people's thoughts and proposals and their considerations. Even if you don't agree with him, you can't fault him for listening to ideas."

Wise was equally positive. He called the Hogan administration "super" and added, "They know that the alcohol industry is made up of Maryland businesses. Thus far, they've been very helpful, have had an open door, and we don't have any reason to believe that won't continue for the next four years."

This is certainly a critical time in both state and national politics. For many reading this, the goings-on in Annapolis and Washington can appear overwhelming. But Wise and Milani both urged *Beverage Journal* readers -- from bar and restaurant operators to packaged-goods store owners to brewers and winery proprietors -- to get involved.

"You have to be aware of what's going on," Wise advised. "The best way to do that is through the industry's trade associations. There's the MSLBA at the retail level and on up the chain to the Maryland Beer Wholesalers Association. More than most industries, what's done at the state level on alcohol regulation has an immediate and recognizable impact on your business. That should be reason alone for folks to sit up and pay attention."

Milani concluded, "If you're going to be in this industry, you should really take the time to understand the rules, regulations, and laws. And I can't imagine why you wouldn't be a member of a trade association. MSLBA has a full-time lobbyist in Annapolis. We have legislative committees. We need you to be involved. It's foolish to make such a big investment and then not know what's going on around you." ■

[Note: MSLBA President Darren Barnes was unavailable to comment for this article.]

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