

Chapter 665

**(House Bill 529)**

AN ACT concerning

**St. Mary's County – Alcoholic Beverages – Distillery On-Site Consumption Permit**

FOR the purpose of authorizing the Board of License Commissioners for St. Mary's County to grant an on-site consumption permit to the holder of a Class 1 distillery license in St. Mary's County; requiring an application for the permit to be made at least a certain period of time before use; establishing an annual fee for the permit; and generally relating to alcoholic beverages in St. Mary's County.

BY renumbering

Article – Alcoholic Beverages  
Section 28–403  
to be Section 28–404  
Annotated Code of Maryland  
(2016 Volume and 2020 Supplement)

BY repealing and reenacting, without amendments,

Article – Alcoholic Beverages  
Section 2–202(i) and 28–102  
Annotated Code of Maryland  
(2016 Volume and 2020 Supplement)

BY repealing and reenacting, with amendments,

Article – Alcoholic Beverages  
Section 28–401  
Annotated Code of Maryland  
(2016 Volume and 2020 Supplement)

BY adding to

Article – Alcoholic Beverages  
Section 28–403  
Annotated Code of Maryland  
(2016 Volume and 2020 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That Section(s) 28–403 of Article – Alcoholic Beverages of the Annotated Code of Maryland be renumbered to be Section(s) 28–404.

SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

**Article – Alcoholic Beverages**

2–202.

(i) (1) A local licensing board may grant an on–site consumption permit for use at the location of the Class 1 distillery license to a holder of a Class 1 distillery license.

(2) (i) The permit authorizes the holder to sell mixed drinks made from liquor that the holder produces that is mixed with other nonalcoholic ingredients for on–premises consumption.

(ii) The holder may not use more than an aggregate of 7,750 gallons annually of liquor the holder produces for mixed drinks sold under subparagraph (i) of this paragraph.

(3) A local licensing board:

(i) may establish and charge a permit fee; and

(ii) shall require the permit holder to:

1. comply with the alcohol awareness requirements under § 4–505 of this article; and

2. abide by all applicable trade practice restrictions.

28–102.

This title applies only in St. Mary’s County.

28–401.

(a) The following sections of Title 2, Subtitle 2 (“Manufacturer’s Licenses”) of Division I of this article apply in the county without exception or variation:

(1) § 2–201 (“Issuance by Comptroller”);

(2) [§ 2–202 (“Class 1 distillery license”);

(3)] § 2–203 (“Class 9 limited distillery license”);

[(4)] (3) § 2–204 (“Class 2 rectifying license”);

[(5)] (4) § 2–205 (“Class 3 winery license”);

- [(6)] (5) § 2–206 (“Class 4 limited winery license”);
- [(7)] (6) § 2–207 (“Class 5 brewery license”);
- [(8)] (7) § 2–209 (“Class 7 micro–brewery license”);
- [(9)] (8) § 2–210 (“Class 8 farm brewery license”);
- [(10)] (9) § 2–211 (“Residency requirement”);
- [(11)] (10) § 2–212 (“Additional licenses”);
- [(12)] (11) § 2–213 (“Additional fees”);
- [(13)] (12) § 2–214 (“Sale or delivery restricted”);
- [(14)] (13) § 2–215 (“Beer sale on credit to retail dealer prohibited”);
- [(15)] (14) § 2–216 (“Interaction between manufacturing entities and  
retailers”);
- [(16)] (15) § 2–217 (“Distribution of alcoholic beverages — Prohibited  
practices”); and
- [(17)] (16) § 2–218 (“Restrictive agreements between producers and  
retailers — Prohibited”).

(b) [Section 2–208 (“Class 6 pub–brewery license”)] **THE FOLLOWING SECTIONS OF TITLE 2, SUBTITLE 2 (“MANUFACTURER’S LICENSES”) of Division I of this article [applies] APPLY in the county:**

**(1) § 2–202 (“CLASS 1 DISTILLERY LICENSE”),** subject to § 28–403 of this subtitle; **AND**

**(2) § 2–208 (“CLASS 6 PUB–BREWERLY LICENSE”), SUBJECT TO § 28–404 OF THIS SUBTITLE.**

**28–403.**

**(A) THE BOARD MAY GRANT AN ON–SITE CONSUMPTION PERMIT FOR USE AT THE LOCATION OF THE CLASS 1 DISTILLERY LICENSE TO A HOLDER OF A CLASS 1 DISTILLERY LICENSE IN THE COUNTY.**

**(B) AN APPLICATION FOR A PERMIT SHALL BE MADE AT LEAST 30 DAYS**

**BEFORE THE DAY WHEN THE PERMIT IS TO TAKE EFFECT.**

**(C) THE ANNUAL PERMIT FEE IS \$650.**

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2021.

**Enacted under Article II, § 17(c) of the Maryland Constitution, May 30, 2021.**