

SENATE BILL 821

A1

EMERGENCY BILL
ENROLLED BILL

(11r2179)

— *Education, Health, and Environmental Affairs/Economic Matters* —

Introduced by **Senators Hester and Gallion**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

_____ day of _____ at _____ o'clock, _____ M.

President.

CHAPTER _____

1 AN ACT concerning

2 **Alcoholic Beverages – Manufacturer’s Licenses and Off-Site Permits**

3 FOR the purpose of repealing certain provisions relating to brewing company, winery, and
4 distillery off-site permits; establishing a manufacturer’s off-site permit with certain
5 privileges; authorizing the Alcohol and Tobacco Commission to issue a permit to the
6 holder of certain manufacturer’s licenses; authorizing a permit holder to sell and
7 provide certain products at certain events; requiring a permit holder to have an
8 employee trained in alcohol awareness present at certain events; specifying certain
9 events at which a permit may be used; providing for a certain number of events at
10 which a permit may be used annually; specifying the primary purpose of certain
11 events; prohibiting use of the permit at more than a certain number of events
12 annually; requiring an applicant for a permit to complete a certain form; requiring a
13 permit holder to provide certain notification to the Commission; authorizing the
14 Commission to adopt certain regulations; establishing a certain fee; authorizing the
15 Commission to issue a brewery special event permit; requiring a certain license

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.

Italics indicate opposite chamber/conference committee amendments.



holder to file a certain notice for a certain permit; authorizing a permit holder to host a certain event; providing for the limitations of a certain permit; altering the volumes of certain products that the holders of a certain license may sell under certain circumstances; altering the volumes of beer that the holders of certain licenses may produce and distribute annually; altering the method by which certain annual license fees are determined; authorizing holders of a certain manufacturer's license to sell and deliver products produced under the holder's license to an individual located in the State under certain circumstances; authorizing certain holders of a manufacturer's license to directly ship alcohol to a consumer under certain circumstances; correcting certain obsolete references; ~~providing for the delayed effective date of certain provisions of this Act; providing for the termination of certain provisions of this Act;~~ making this Act an emergency measure; and generally relating to alcoholic beverages, manufacturer's licenses, and off-site permits.

BY repealing

Article – Alcoholic Beverages
 Section 2–130, 2–132.2, 2–133, and 2–210(j)
 Annotated Code of Maryland
 (2016 Volume and 2020 Supplement)

BY repealing and reenacting, without amendments,

Article – Alcoholic Beverages
 Section 1–101(a), (f), and (j), 2–202(a), 2–203(a), 2–204(a), 2–205(a), 2–206(a),
 2–207(b), 2–209(a), and 2–210(a)
 Annotated Code of Maryland
 (2016 Volume and 2020 Supplement)

BY adding to

Article – Alcoholic Beverages
 Section 2–130, 2–140, 2–202(c)(7), 2–203(c)(8), ~~2–212(e)~~, and 2–219
 Annotated Code of Maryland
 (2016 Volume and 2020 Supplement)

BY repealing and reenacting, with amendments,

Article – Alcoholic Beverages
 Section 2–201, 2–202(c)(5) and (6) and (k), 2–203(c)(6) and (7) and (g), 2–204(i),
 2–205(d), 2–206(b)(1) and (h), 2–207(c)(4), (d), (e), and (g) through (k),
 2–209(c)(4), (f)(2), and (i), 2–210(b)(1), (c)(1)(i), (f), (k), and (l), and 2–212(b)(3)
 and (4)
 Annotated Code of Maryland
 (2016 Volume and 2020 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
 That Section(s) 2–130, 2–132.2, and 2–133 of Article – Alcoholic Beverages of the Annotated
 Code of Maryland be repealed.

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

3 **Article – Alcoholic Beverages**

4 1–101.

5 (a) In this article the following words have the meanings indicated.

6 (f) “Commission” means the Alcohol and Tobacco Commission.

7 (j) (1) “Executive Director” means the Executive Director of the Commission.

8 (2) “Executive Director” includes a deputy, an inspector, a clerk, or any
9 other individual authorized to act by the Executive Director.

10 **2–130.**

11 **(A) THERE IS A MANUFACTURER OFF–SITE PERMIT.**

12 **(B) THE COMMISSION MAY ISSUE THE PERMIT TO A HOLDER OF ANY OF THE**
13 **FOLLOWING LICENSES WHO MEETS THE REQUIREMENTS OF THIS SECTION:**

14 **(1) CLASS 1 DISTILLERY LICENSE;**

15 **(2) CLASS 3 WINERY LICENSE;**

16 **(3) CLASS 4 LIMITED WINERY LICENSE;**

17 **(4) CLASS 5 BREWERY LICENSE;**

18 **(5) CLASS 7 MICRO–BREWERY LICENSE;**

19 **(6) CLASS 8 FARM BREWERY LICENSE; OR**

20 **(7) CLASS 9 LIMITED DISTILLERY LICENSE.**

21 **(C) DURING AN EVENT LISTED IN SUBSECTION (E) OF THIS SECTION, THE**
22 **PERMIT HOLDER MAY:**

23 **(1) PROVIDE SAMPLES AND SELL PRODUCTS TO A CONSUMER THAT**
24 **ARE MANUFACTURED BY THE PERMIT HOLDER UNDER THE PERMIT HOLDER’S**
25 **LICENSE;**

26 **(2) PROVIDE TO A CONSUMER A SAMPLE THAT MAY NOT EXCEED:**

- 1 **(I) 1 FLUID OUNCE FOR EACH OFFERING OF WINE;**
2 **(II) 1 FLUID OUNCE FOR EACH OFFERING OF BEER; OR**
3 **(III) 0.25 FLUID OUNCE FOR EACH OFFERING OF LIQUOR;**
4 **(3) SELL TO A CONSUMER FOR ON-PREMISES CONSUMPTION; AND**
5 **(4) SELL TO A CONSUMER FOR OFF-PREMISES CONSUMPTION.**

6 **(D) THE PERMIT HOLDER SHALL HAVE PRESENT AT LEAST ONE INDIVIDUAL**
7 **WHO IS CERTIFIED BY AN APPROVED ALCOHOL AWARENESS PROGRAM WHILE**
8 **PROVIDING SAMPLES OR SELLING AN ALCOHOLIC BEVERAGE DURING AN EVENT.**

9 **(E) THE PERMIT MAY BE USED:**

10 **(1) AT THE FOLLOWING EVENTS:**

11 **(I) A COUNTY AGRICULTURAL FAIR;**

12 **(II) THE MARYLAND STATE AGRICULTURAL FAIR;**

13 **(III) A FARMER'S MARKET THAT IS LISTED ON THE FARMER'S**
14 **MARKET DIRECTORY OF THE MARYLAND DEPARTMENT OF AGRICULTURE; AND**

15 **(IV) A NONPROFIT BEER, WINE, AND LIQUOR FESTIVAL UNDER §**
16 **2-131 OF THIS SUBTITLE; AND**

17 **(2) FOR NOT MORE THAN 32 ADDITIONAL EVENTS IN 1 YEAR THAT**
18 **HAVE AN ACTIVITY:**

19 **(I) THAT HAS A PRIMARY PURPOSE OTHER THAN THE SALE AND**
20 **PROMOTION OF ALCOHOLIC BEVERAGES; OR**

21 **(II) FOR WHICH THE PARTICIPATION OF THE PERMIT HOLDER IS**
22 **SECONDARY.**

23 **(F) THE PERMIT MAY NOT BE USED FOR MORE THAN NINE EVENTS IN 1 YEAR**
24 **AT ANY INDIVIDUAL LOCATION.**

25 **(G) AN APPLICANT FOR A PERMIT SHALL COMPLETE AN APPLICATION ON A**
26 **FORM THAT THE COMMISSION AUTHORIZES.**

1 (H) THE PERMIT HOLDER SHALL NOTIFY THE COMMISSION OF THE PERMIT
2 HOLDER'S INTENTION TO ATTEND AN EVENT WITHIN A PERIOD OF TIME THAT THE
3 COMMISSION DETERMINES ON THE FORM THAT THE COMMISSION AUTHORIZES.

4 (I) THE COMMISSION MAY ADOPT REGULATIONS TO REQUIRE THE PERMIT
5 HOLDER TO NOTIFY THE LOCAL LICENSING BOARD OF THE JURISDICTION WHERE
6 THE EVENT IS BEING HELD OF THE PERMIT HOLDER'S INTENTION TO ATTEND THE
7 EVENT.

8 (J) THE ANNUAL PERMIT FEE IS \$100.

9 2-140.

10 (A) THE COMMISSION MAY ISSUE A BREWERY SPECIAL EVENT PERMIT TO A
11 HOLDER OF A CLASS 5 BREWERY LICENSE OR A CLASS 8 FARM BREWERY LICENSE.

12 (B) AT LEAST 15 DAYS BEFORE HOLDING A SPECIAL EVENT, THE LICENSE
13 HOLDER SHALL OBTAIN A PERMIT FROM THE COMMISSION BY FILING A NOTICE OF
14 THE SPECIAL EVENT ON THE FORM THAT THE COMMISSION PROVIDES.

15 (C) THE PERMIT AUTHORIZES THE LICENSE HOLDER TO CONDUCT AT THE
16 LOCATION LISTED ON THE LICENSE A SPECIAL EVENT AT WHICH THE LICENSE
17 HOLDER MAY:

18 (1) PROVIDE SAMPLES OF NOT MORE THAN 6 FLUID OUNCES PER
19 BRAND TO CONSUMERS;

20 (2) SELL PRODUCTS MANUFACTURED BY THE LICENSE HOLDER AND
21 OTHER MARYLAND BREWERIES TO PERSONS WHO PARTICIPATE IN THE EVENT; AND

22 (3) IN A SEGREGATED AREA APPROVED BY THE COMMISSION AT THE
23 LOCATION LISTED ON THE LICENSE, STORE THE PRODUCTS OF OTHER MARYLAND
24 BREWERIES.

25 (D) THE PRODUCTS AT THE EVENT SHALL BE SOLD IN THE MANNER
26 AUTHORIZED UNDER THE PERMIT.

27 (E) THE LICENSE HOLDER MAY NOT BE ISSUED MORE THAN 12 PERMITS IN
28 A CALENDAR YEAR.

29 (F) A SINGLE SPECIAL EVENT MAY NOT EXCEED 3 CONSECUTIVE DAYS.

30 (G) THE PERMIT FEE IS \$25 PER EVENT.

1 2-201.

2 Each license specified in this subtitle is a manufacturer's license that the
3 [Comptroller] COMMISSION issues.

4 2-202.

5 (a) There is a Class 1 distillery license.

6 ~~(e) A license holder may:~~

7 ~~(5) (i) conduct guided tours of the licensed premises;~~

8 ~~(ii) at no cost or for a fee, serve to an individual who has attained the~~
9 ~~legal drinking age and participated in a guided tour of the licensed premises, not more than~~
10 ~~2 ounces of products, with each product sample consisting of not more than one-half ounce~~
11 ~~from a single product manufactured by the license holder;~~

12 ~~(iii) serve samples blended with other products manufactured by the~~
13 ~~license holder or nonalcoholic ingredients; and~~

14 ~~(iv) sell [not more than 2.25 liters of] products manufactured on the~~
15 ~~licensed premises, for off-premises consumption, and related merchandise to an individual~~
16 ~~who has attained the legal drinking age [and participated in a guided tour of the licensed~~
17 ~~premises]; [and]~~

18 ~~(6) subject to subsection (i) of this section, sell liquor manufactured by the~~
19 ~~license holder that is mixed with other nonalcoholic ingredients; AND~~

20 ~~(7) SELL AND DELIVER PRODUCTS MANUFACTURED BY THE LICENSE~~
21 ~~HOLDER TO AN INDIVIDUAL IN ACCORDANCE WITH § 2-219 OF THIS SUBTITLE.~~

22 (k) The annual license fee [is]:

23 (1) SHALL BE DETERMINED BY THE COMMISSION; AND

24 (2) MAY NOT EXCEED \$2,000.

25 2-203.

26 (a) There is a Class 9 limited distillery license.

27 ~~(e) A holder of the limited distillery license:~~

28 ~~(6) may conduct guided tours of that portion of the licensed premises used~~
29 ~~for the limited distillery operation; [and]~~

~~(7) may serve not more than three samples of products manufactured at the licensed premises, with each sample consisting of not more than one half ounce from a single product, to persons who:~~

~~(i) have attained the legal drinking age;~~

~~(ii) participated in a guided tour; and~~

~~(iii) are present on that portion of the premises used for the limited distillery operation; AND~~

~~(8) MAY SELL AND DELIVER PRODUCTS MANUFACTURED BY THE LICENSE HOLDER TO AN INDIVIDUAL IN ACCORDANCE WITH § 2-219 OF THIS SUBTITLE.~~

(g) The annual license fee [is]:

(1) SHALL BE DETERMINED BY THE COMMISSION; AND

(2) MAY NOT EXCEED \$500.

2-204.

(a) There is a Class 2 rectifying license.

(i) The annual license fee [is]:

(1) SHALL BE DETERMINED BY THE COMMISSION; AND

(2) MAY NOT EXCEED \$600.

2-205.

(a) There is a Class 3 winery license.

(d) The annual license fee [is]:

(1) SHALL BE DETERMINED BY THE COMMISSION; AND

(2) MAY NOT EXCEED \$750.

2-206.

(a) There is a Class 4 limited winery license.

1 ~~(b) (1) A license holder may:~~

2 ~~(i) subject to paragraph (2) of this subsection, from available~~
3 ~~Maryland agricultural products;~~

4 ~~1. ferment and bottle wine; and~~

5 ~~2. distill and bottle pomace brandy; and~~

6 ~~(ii) sell and deliver the wine and pomace brandy to:~~

7 ~~1. a holder of a wholesaler's license;~~

8 ~~2. a holder of a permit that is authorized to acquire wine or~~
9 ~~pomace brandy; [or]~~

10 ~~3. a person outside the State that is authorized to acquire~~
11 ~~wine or pomace brandy; OR~~

12 ~~4. AN INDIVIDUAL IN ACCORDANCE WITH § 2-219 OF~~
13 ~~THIS SUBTITLE.~~

14 (h) The annual license fee [is]:

15 (1) SHALL BE DETERMINED BY THE COMMISSION; AND

16 (2) MAY NOT EXCEED \$200.

17 2-207.

18 (b) There is a Class 5 brewery license.

19 ~~(e) A license holder may:~~

20 ~~(4) sell and deliver beer to:~~

21 ~~(i) a holder of a wholesaler's license that is authorized to acquire~~
22 ~~beer; [or]~~

23 ~~(ii) a person outside of the State that is authorized to acquire beer;~~
24 ~~OR~~

25 ~~(III) AN INDIVIDUAL IN ACCORDANCE WITH § 2-219 OF THIS~~
26 ~~SUBTITLE;~~

1 ~~(d) An individual may purchase beer under subsection (e)(6) of this section if the~~
2 ~~individual]:~~

3 ~~(1) purchases not more than 288 ounces of beer per visit; and~~

4 ~~(2) has attained the legal drinking age.~~

5 (e) The annual license fee [is]:

6 **(1) SHALL BE DETERMINED BY THE COMMISSION; AND**

7 **(2) MAY NOT EXCEED \$1,500.**

8 (g) [(1) The Comptroller may issue a brewery promotional event permit to a
9 holder of a Class 5 brewery license.

10 (2) Subject to subsection (i) of this section, the permit authorizes the holder
11 to conduct on the premises of the brewery a promotional event at which the holder may,
12 with respect to individuals who have attained the legal drinking age:

13 (i) provide samples consisting of a total of not more than 18 fluid
14 ounces to a consumer; and

15 (ii) sell beer to individuals who participate in the event.

16 (3) Subject to subsection (i) of this section, the beer at the event shall be
17 sold by the glass for on-premises consumption only.

18 (4) To obtain a permit, an applicant, at least 15 days before the event, shall
19 file with the Comptroller an application that the Comptroller provides.

20 (5) A holder of a Class 5 brewery license may not be issued more than 12
21 permits in a calendar year.

22 (6) A single promotional event may not exceed 3 consecutive days.

23 (7) The permit fee is \$25 per event.

24 (h) (1) This subsection does not apply to:

25 (i) the holder of a Class 5 brewery license that held an on-site
26 consumption permit and a Class D license or an equivalent license on or before April 1,
27 2017, and any transferee of those licenses;

1 (ii) an individual who held a minority interest in an on-site
2 consumption permit and a Class D license or an equivalent license on or before April 1,
3 2017, and then obtains by transfer a majority interest in the same license or permit;

4 (iii) a location in the State for which a completed brewer's notice form
5 was filed with the U. S. Department of Treasury on or before April 1, 2017;

6 (iv) a [promotional event conducted under subsection (g) of this
7 section] **PERMIT ISSUED UNDER § 2-140 OF THIS TITLE**; and

8 (v) a guided tour during which:

9 1. samples of beer are served under subsection (c)(5) of this
10 section; or

11 2. beer is sold for off-premises consumption under
12 subsection (c)(6) of this section.

13 (2) This subsection applies to:

14 (i) a holder of a Class 5 brewery license who:

15 1. after April 1, 2017, obtains an on-site consumption permit
16 and a Class D beer license or equivalent license for on-premises consumption; or

17 2. not holding a minority interest in an on-site consumption
18 permit and a Class D license or an equivalent license on or before April 1, 2017, obtains a
19 majority interest by transfer in an on-site consumption permit and a Class D license or an
20 equivalent license; and

21 (ii) notwithstanding paragraph (1)(iii) of this subsection, a
22 manufacturer of beer with more than 1,000,000 barrels of finished production annually
23 alone or in combination with its affiliates.

24 (3) Notwithstanding any provision in Division II of this article, the sales
25 and serving privileges of an on-site consumption permit and a Class D license or an
26 equivalent license may be exercised only from 10 a.m. to 10 p.m. Monday through Sunday.

27 **[(i)] (H)** All beer offered, served, or sold to a consumer under subsection (c)(5) or
28 (6) **[or (g)]** of this section shall be:

29 (1) fermented and brewed entirely at the Class 5 brewery; or

30 (2) beer of which the license holder or an affiliate of the license holder is
31 the brand owner.

1 **[(j)] (I)** (1) (i) The **[Comptroller] COMMISSION** may issue a refillable
2 container permit for draft beer under § 4–1104 or Subtitle 11 of the various titles in Division
3 II of this article to a holder of a Class 5 brewery license:

4 1. on completion of an application form that the
5 **[Comptroller] COMMISSION** provides; and

6 2. at no cost to the holder of the Class 5 brewery license.

7 (ii) A refillable container permit may be renewed each year
8 concurrently with the renewal of the Class 5 brewery license.

9 (2) The hours of sale for a refillable container permit issued under this
10 subsection are the same as the hours when a guided tour, a promotional event, or other
11 organized activity at the licensed premises authorized under subsection (c) of this section
12 may be conducted.

13 **[(k)] (J)** (1) On or before October 1 each year, the **[Comptroller]**
14 **COMMISSION** shall report to the Senate Education, Health, and Environmental Affairs
15 Committee and the House Economic Matters Committee, in accordance with § 2–1257 of
16 the State Government Article, on the following, identified by jurisdiction and Class 5 license
17 holder:

18 (i) the total beer production of the license holder in the preceding
19 fiscal year; and

20 (ii) the total sales of the license holder for on–site consumption
21 under an on–site consumption permit, a Class D beer license, or an equivalent license in
22 the preceding fiscal year.

23 (2) Each holder of a Class 5 license shall report to the **[Comptroller]**
24 **COMMISSION** the information needed to prepare the annual report under this subsection.

25 (3) The **[Comptroller] COMMISSION** shall include the information
26 reported under this subsection in the annual report submitted under § 1–316 of this article.

27 2–209.

28 (a) There is a Class 7 micro–brewery license.

29 ~~(e) A license holder may:~~

30 ~~(4) store the finished product under an individual storage permit or at a~~
31 ~~licensed public storage facility for subsequent sale and delivery;~~

32 ~~(i) to a holder of a wholesaler’s license;~~

(ii) ~~to an authorized person outside the State; [or]~~

(iii) ~~for shipment back to the micro brewery location for sale on the retail premises; OR~~

~~(IV) TO AN INDIVIDUAL IN ACCORDANCE WITH § 2-219 OF THIS SUBTITLE;~~

~~(f) (2) A license holder may sell and deliver beer brewed under the license to:~~

~~(i) a holder of a wholesaler's license; [or]~~

~~(ii) a person outside the State that is authorized to acquire beer; OR~~

~~(H) AN INDIVIDUAL IN ACCORDANCE WITH § 2-219 OF THIS SUBTITLE.~~

(i) The annual license fee [is]:

(1) SHALL BE DETERMINED BY THE COMMISSION; AND

(2) MAY NOT EXCEED \$500.

2-210.

(a) There is a Class 8 farm brewery license.

~~(b) (1) Subject to paragraph (2) of this subsection, a license holder may sell and deliver beer manufactured in a facility on the licensed farm or in a facility other than one on the licensed farm to:~~

~~(i) a wholesaler licensed to sell and deliver beer in the State; [or]~~

~~(ii) a person in another state authorized to acquire beer; OR~~

~~(H) AN INDIVIDUAL AS AUTHORIZED UNDER § 2-219 OF THIS SUBTITLE.~~

(c) A license holder may:

(1) (i) sell beer produced by the license holder for on-premises AND OFF-PREMISES consumption;

1 (f) **(1) THIS SUBSECTION DOES NOT APPLY TO A PERMIT ISSUED UNDER**
2 **§ 2-140 OF THIS TITLE.**

3 **(2)** [Subject to subsections (i) and (j) of this section, a] **A** license holder at
4 the location listed on the license may exercise the privileges of the license each day from 10
5 a.m. to 10 p.m.

6 (i) (1) A license holder may sponsor a multibrewery activity at the location
7 issued on the license that:

8 (i) includes the products of other Maryland breweries; and

9 (ii) provides for the sale of [beer by the glass for on-premises
10 consumption only] **PRODUCTS IN THE MANNER AUTHORIZED UNDER THE LICENSE.**

11 (2) In a segregated area approved by the [Comptroller] **COMMISSION** at
12 the location listed on the license, a license holder may store the products of other Maryland
13 breweries for the multibrewery activity.

14 (3) The multibrewery activity:

15 (i) may be held from 10 a.m. to 10 p.m. each day; and

16 (ii) may not exceed 3 consecutive days.

17 [(j) (1) The Comptroller may issue a brewery promotional event permit to a
18 license holder.

19 (2) At least 15 days before holding a planned promotional event, the license
20 holder shall obtain a permit from the Comptroller by filing a notice of the promotional event
21 on the form that the Comptroller provides.

22 (3) The permit authorizes the license holder to conduct at the location
23 listed on the license a promotional event at which the license holder may:

24 (i) provide samples of not more than 6 fluid ounces per brand to
25 consumers; and

26 (ii) sell beer produced by the license holder to persons who
27 participate in the event.

28 (4) The beer at the event shall be sold by the glass and for on-premises
29 consumption only.

30 (5) The license holder may not be issued more than 12 permits in a
31 calendar year.

1 (6) A single promotional event:

2 (i) may be held from 10 a.m. to 10 p.m. each day; and

3 (ii) may not exceed 3 consecutive days.

4 (7) The permit fee is \$25 per event.]

5 [(k)] (J) The annual license fee [is]:

6 (1) SHALL BE DETERMINED BY THE COMMISSION; AND

7 (2) MAY NOT EXCEED \$200.

8 [(l)] (K) (1) On or before October 1 each year, the [Comptroller]
9 COMMISSION shall report to the Senate Education, Health, and Environmental Affairs
10 Committee and the House Economic Matters Committee, in accordance with § 2–1257 of
11 the State Government Article, the total beer production of each Class 8 license holder in
12 the preceding fiscal year, identified by jurisdiction and license holder.

13 (2) Each holder of a Class 8 license shall report to the [Comptroller]
14 COMMISSION the information needed to prepare the annual report required under this
15 subsection.

16 (3) The [Comptroller] COMMISSION shall include the information
17 reported under this subsection in the annual report submitted under § 1–3106 of this
18 article.

19 2–212.

20 (b) (3) (i) The holder of a Class 5 brewery license or Class 7 micro–brewery
21 license may apply for and obtain a Class 7 limited beer wholesaler’s license in accordance
22 with this paragraph.

23 (ii) A holder of a Class 5 brewery license that was selling the holder’s
24 own beer at wholesale in the State as of January 1, 2013, may obtain a Class 7 limited beer
25 wholesaler’s license to continue to sell the holder’s own beer at wholesale in the same
26 location in an amount that is not more than [3,000] 5,000 barrels annually.

27 (iii) A holder of a Class 5 brewery license that produces in aggregate
28 from all its locations not more than [22,500] 45,000 barrels of beer annually may obtain a
29 Class 7 limited beer wholesaler’s license and distribute not more than [3,000] 5,000 barrels
30 of its own beer annually.

1 (4) A holder of one or two Class 7 micro-brewery licenses that produces in
2 aggregate from all of its locations not more than [22,500] **45,000** barrels of beer annually
3 may obtain a Class 7 limited beer wholesaler's license and distribute beer that:

4 (i) totals annually not more than [3,000] **5,000** barrels in aggregate
5 from all of its locations; and

6 (ii) has been brewed at the location from where it is distributed.

7 SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland read
8 as follows:

9 Article – Alcoholic Beverages

10 2-202.

11 (a) There is a Class 1 distillery license.

12 (c) A license holder may:

13 (5) (i) conduct guided tours of the licensed premises;

14 (ii) at no cost or for a fee, serve to an individual who has attained the
15 legal drinking age and participated in a guided tour of the licensed premises, not more than
16 2 ounces of products, with each product sample consisting of not more than one-half ounce
17 from a single product manufactured by the license holder;

18 (iii) serve samples blended with other products manufactured by the
19 license holder or nonalcoholic ingredients; and

20 (iv) sell [not more than 2.25 liters of] products manufactured on the
21 licensed premises, for off-premises consumption, and related merchandise to an individual
22 who has attained the legal drinking age [and participated in a guided tour of the licensed
23 premises]; [and]

24 (6) subject to subsection (i) of this section, sell liquor manufactured by the
25 license holder that is mixed with other nonalcoholic ingredients; AND

26 **(7) SELL AND DELIVER PRODUCTS MANUFACTURED BY THE LICENSE**
27 **HOLDER TO AN INDIVIDUAL IN ACCORDANCE WITH § 2-219 OF THIS SUBTITLE.**

28 2-203.

29 (a) There is a Class 9 limited distillery license.

30 (c) A holder of the limited distillery license:

1 (6) may conduct guided tours of that portion of the licensed premises used
 2 for the limited distillery operation; [and]

3 (7) may serve not more than three samples of products manufactured at
 4 the licensed premises, with each sample consisting of not more than one-half ounce from a
 5 single product, to persons who:

6 (i) have attained the legal drinking age;

7 (ii) participated in a guided tour; and

8 (iii) are present on that portion of the premises used for the limited
 9 distillery operation; AND

10 (8) MAY SELL AND DELIVER PRODUCTS MANUFACTURED BY THE
 11 LICENSE HOLDER TO AN INDIVIDUAL IN ACCORDANCE WITH § 2-219 OF THIS
 12 SUBTITLE.

13 2-206.

14 (a) There is a Class 4 limited winery license.

15 (b) (1) A license holder may:

16 (i) subject to paragraph (2) of this subsection, from available
 17 Maryland agricultural products:

18 1. ferment and bottle wine; and

19 2. distill and bottle pomace brandy; and

20 (ii) sell and deliver the wine and pomace brandy to:

21 1. a holder of a wholesaler's license;

22 2. a holder of a permit that is authorized to acquire wine or
 23 pomace brandy; [or]

24 3. a person outside the State that is authorized to acquire
 25 wine or pomace brandy; OR

26 4. AN INDIVIDUAL IN ACCORDANCE WITH § 2-219 OF
 27 THIS SUBTITLE.

28 2-207.

- 1 (b) There is a Class 5 brewery license.
- 2 (c) A license holder may:
- 3 (4) sell and deliver beer to:
- 4 (i) a holder of a wholesaler's license that is authorized to acquire
5 beer; [or]
- 6 (ii) a person outside of the State that is authorized to acquire beer;
7 OR
- 8 (III) AN INDIVIDUAL IN ACCORDANCE WITH § 2-219 OF THIS
9 SUBTITLE;
- 10 (d) An individual may purchase beer under subsection (c)(6) of this section if the
11 individual]:
- 12 (1) purchases not more than 288 ounces of beer per visit; and
- 13 (2)] has attained the legal drinking age.
- 14 2-209.
- 15 (a) There is a Class 7 micro-brewery license.
- 16 (c) A license holder may:
- 17 (4) store the finished product under an individual storage permit or at a
18 licensed public storage facility for subsequent sale and delivery:
- 19 (i) to a holder of a wholesaler's license;
- 20 (ii) to an authorized person outside the State; [or]
- 21 (iii) for shipment back to the micro-brewery location for sale on the
22 retail premises; OR
- 23 (IV) TO AN INDIVIDUAL IN ACCORDANCE WITH § 2-219 OF THIS
24 SUBTITLE;
- 25 (f) (2) A license holder may sell and deliver beer brewed under the license to:
- 26 (i) a holder of a wholesaler's license; [or]

1 (ii) a person outside the State that is authorized to acquire beer; OR

2 (III) AN INDIVIDUAL IN ACCORDANCE WITH § 2-219 OF THIS
3 SUBTITLE.

4 2-210.

5 (a) There is a Class 8 farm brewery license.

6 (b) (1) Subject to paragraph (2) of this subsection, a license holder may sell
7 and deliver beer manufactured in a facility on the licensed farm or in a facility other than
8 one on the licensed farm to:

9 (i) a wholesaler licensed to sell and deliver beer in the State; [or]

10 (ii) a person in another state authorized to acquire beer; OR

11 (III) AN INDIVIDUAL AS AUTHORIZED UNDER § 2-219 OF THIS
12 SUBTITLE.

13 **2-219.**

14 (A) **THIS SECTION DOES NOT APPLY TO THE HOLDER OF A:**

15 (1) **CLASS 2 RECTIFYING LICENSE;**

16 (2) **CLASS 3 WINERY LICENSE; OR**

17 (3) **CLASS 6 PUB-BREWERY LICENSE.**

18 (B) **A HOLDER OF A MANUFACTURER'S LICENSE MAY SELL AND DELIVER A**
19 **PRODUCT PRODUCED UNDER THE HOLDER'S LICENSE TO AN INDIVIDUAL LOCATED**
20 **IN THE STATE IF:**

21 (1) **THE DELIVERY IS MADE BY AN EMPLOYEE WHO IS:**

22 (I) **AT LEAST 18 YEARS OLD; AND**

23 (II) **CERTIFIED BY AN APPROVED ALCOHOL AWARENESS**
24 **PROGRAM;**

25 (2) **THE PURCHASER, OR ANOTHER INDIVIDUAL AT LEAST 21 YEARS**
26 **OLD DESIGNATED BY THE PURCHASER, IS PHYSICALLY PRESENT TO RECEIVE THE**
27 **ALCOHOLIC BEVERAGES AT THE TIME AND PLACE OF DELIVERY;**

1 been passed by a yea and nay vote supported by three-fifths of all the members elected to
2 each of the two Houses of the General Assembly, and ~~except as provided in Section 5 of this~~
3 ~~Act,~~ shall take effect from the date it is enacted. ~~Section 3 of this Act~~ It shall remain effective
4 ~~until~~ through December 31, 2022, and, at the end of ~~that date~~ December 31, 2022, ~~Section~~
5 ~~3 of this Act,~~ with no further action required by the General Assembly, shall be abrogated
6 and of no further force and effect.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.