

SENATE BILL 1001

A1

4lr3248

By: **Senator Beidle**

Introduced and read first time: February 2, 2024

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Alcoholic Beverages – Class 4 Limited Winery License – Requirements and**
3 **Authorizations**

4 FOR the purpose of altering certain cultivation or production requirements applicable to
5 the holder of a Class 4 limited winery license by basing them on agricultural products
6 instead of grapes and other fruit; altering the standards for the purchase of certain
7 wine by a license holder; repealing a certain authorization for a license holder to
8 blend certain wine under certain circumstances; and generally relating to Class 4
9 limited winery licenses.

10 BY repealing and reenacting, with amendments,
11 Article – Alcoholic Beverages and Cannabis
12 Section 2–206
13 Annotated Code of Maryland
14 (2016 Volume and 2023 Supplement)

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

17 **Article – Alcoholic Beverages and Cannabis**

18 2–206.

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

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

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

23 1. ferment and bottle wine; and

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (7) Subject to paragraph (8) of this subsection, a license holder may conduct
2 the activities specified in paragraph (5) of this subsection from 10 a.m. to 10 p.m. each day.

3 (8) Except as provided in Division II of this article, the license allows the
4 license holder to operate 7 days a week.

5 (9) Nothing in this subsection limits the application of relevant provisions
6 of Title 21 of the Health – General Article, and regulations adopted under that title, to a
7 license holder.

8 (c) The place listed on the license shall be in compliance with § 1–405(b) of this
9 article.

10 (d) A license holder may:

11 (1) store on its licensed premises, in a segregated area approved by the
12 Executive Director, the product of other Class 4 limited wineries to be used at Maryland
13 Wineries Association promotional activities, provided records are maintained and reports
14 filed regarding the storage under this item as may be required by the Executive Director;

15 (2) distill and bottle not more than 1,900 gallons of pomace brandy made
16 from available Maryland agricultural products;

17 (3) purchase [bulk] **FINISHED** wine **MADE ENTIRELY OF MARYLAND**
18 **AGRICULTURAL PRODUCTS** fermented by a manufacturer licensed under this article [and
19 blend the wine with the license holder’s wine and pomace brandy if the aggregate purchase
20 does not exceed 25% of the license holder’s annual wine and pomace brandy production];

21 (4) purchase pomace brandy only for blending with wine;

22 (5) import, export, and transport its wine and pomace brandy in accordance
23 with this section; and

24 (6) produce wine and pomace brandy at a warehouse for which the license
25 holder has been issued an individual storage permit, if:

26 (i) the license holder does not serve or sell wine or pomace brandy
27 at a warehouse to the public; and

28 (ii) the Executive Director has full access at all times to the
29 warehouse to enforce this article.

30 (e) A Class 4 limited winery may be located only at the place stated on the license.

31 (f) If a license holder maintains the records and files the reports that the
32 Comptroller and the Executive Director require, the license holder may:

1 (1) in the State, conduct winemaking and packaging activities at another
2 federally bonded winery or limited winery; or

3 (2) outside the State, conduct winemaking and packaging activities, other
4 than fermentation, at another federally bonded winery.

5 (g) Throughout the winemaking process, the license holder shall:

6 (1) maintain ownership of the wine or pomace brandy; and

7 (2) ensure that the wine or pomace brandy returns to the location of the
8 limited winery.

9 (h) The annual license fee:

10 (1) shall be determined by the Executive Director; and

11 (2) may not exceed \$200.

12 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
13 1, 2024.