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D. D.L. (Cl. LWI)

By: Delegates Glassman and McIntosh

Introduced and read first time: February 10, 2005

Assigned to: Economic Matters

Committee Report: Favorable with amendments

House action: Adopted

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CHAPTER\_\_\_\_

## 1 AN ACT concerning

## 2 Alcoholic Beverages - Limited Winery License - Pomace Brandy

- 3 FOR the purpose of authorizing holders of a limited winery license to distill and bottle
- 4 <u>pomace</u> brandy and to sell and deliver <u>pomace</u> brandy to certain persons under
- 5 certain circumstances; authorizing the holders to serve at no charge a certain
- 6 amount of <u>pomace</u> brandy under certain circumstances; <u>establishing a certain</u>
- 7 production limit for distilling and bottling pomace brandy; exempting under
- 8 certain circumstances the drinking of <u>pomace</u> brandy from a certain prohibition;
- 9 <u>defining a certain term;</u> making a stylistic change; and generally relating to
- 10 limited winery licenses and pomace brandy.
- 11 BY repealing and reenacting, with amendments,
- 12 Article 2B Alcoholic Beverages
- 13 Section  $\frac{2.205(a)}{2.205(a)}$  and  $\frac{12.107(b)(5)}{2.205}$  and  $\frac{12.107(b)}{2.205(a)}$
- 14 Annotated Code of Maryland
- 15 (2001 Replacement Volume and 2004 Supplement)
- 16 BY repealing and reenacting, without amendments,
- 17 Article 2B Alcoholic Beverages
- 18 Section 12 107(b)(1)
- 19 Annotated Code of Maryland
- 20 (2001 Replacement Volume and 2004 Supplement)
- 21 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
- 22 MARYLAND, That the Laws of Maryland read as follows:

1	Article 2B - Alcoholic Beverages			
2	2-205.			
	(a) IN THIS SECTION, "POMACE BRANDY" MEANS BRANDY THAT IS DISTILLED FROM THE PULPY RESIDUE OF THE WINE PRESS, INCLUDING THE SKINS, PIPS, AND STALKS OF GRAPES.			
6	(B) A Class 4 manufacturer's license:			
7	(1) Is a limited winery license;			
10 11	Authorizes the holder to establish and operate in this State a plant for fermenting and bottling wine AND DISTILLING AND BOTTLING POMACE BRANDY made from Maryland agriculture products at the location described in the license, unless the Secretary of Agriculture determines that there is insufficient supply available of Maryland agriculture products; and			
13	(3) Permits the license holder to:			
14 15	(i) Sell and deliver this wine AND <u>POMACE</u> BRANDY to any licensee or permit holder in this State, or person outside of this State, authorized to acquire it;			
18 19	6 (ii) Sell this wine AND <u>POMACE</u> BRANDY made at the plant to persons participating in a guided tour of the facility. The purchase is limited to one quart of each brand per person per year. Any person who has attained the Maryland legal drinking age may purchase the wine. The licensee may operate only in one location in the State;			
23	(iii) Serve at no charge not more than 6 ounces of [wines] WINE AND <u>POMACE</u> BRANDY made at the licensed facility to a person who is participating in a guided tour of the facility, provided the person has attained the Maryland legal drinking age;			
	(iv) Sell by the glass wine AND <u>POMACE</u> BRANDY produced by the licensee to persons participating in a guided tour of the facility or attending a scheduled promotional event or other organized activity at the licensed premises; and			
30	(v) Store on its licensed premises, in a segregated area approved by the Comptroller, the product of other Class 4 limited wineries to be used at bona fide Maryland Winery Association promotional activities, provided records are maintained and reports filed as may be required by the Comptroller; AND			
32 33	(4) <u>LIMITS THE LICENSE HOLDER TO DISTILLING AND BOTTLING NOT</u> MORE THAN 200 GALLONS OF POMACE BRANDY EACH YEAR.			
34 35	[(b)] (C) In Frederick County the provisions regarding sales on Sundays of this section are governed by § 11-511 of this article.			

1	2-107.				
	(b) (1) <u>IN THIS SUBSECTION, "POMACE BRANDY" MEANS BRANDY THAT IS DISTILLED FROM THE PULPY RESIDUE OF THE WINE PRESS, INCLUDING THE SKINS, PIPS, AND STALKS OF GRAPES.</u>				
7 8 9 10	(2) It shall be unlawful for any person to drink on the licensed premises of any license holder any alcoholic beverages not purchased from the license holder on said premises and not permitted by this article to be consumed on the premises; and it shall be unlawful for any license holder to permit any person to drink any alcoholic beverage not purchased from the said license holder on the premises covered by the license which he holds and not permitted by this article to be consumed on the premises.				
12 13	[(2)] (3) This subsection does not apply to special or temporary licenses in Carroll County.				
14 15	[(3)] (4) This subsection does not apply to licenses issued under § 7-101(k) of this article for a dance or social event:				
16	(i) Advertised as being "bring your own" (BYO); or				
17 18	(ii) Held on the premises of the licensee by a member or by a guest of a member of the club, fire department, or other organization which is licensed.				
21 22 23	[(4)] (5) Paragraph [(1)] (2) of this subsection does not apply in Howard County to dances, weddings, fundraisers, or other social events held in a hall that is rented from and is located on the premises of a veterans organization which is licensed under this article. However, the veterans organization may not sell or otherwise provide alcoholic beverages to the attendees of the dance, wedding, fundraiser, or other social event.				
27	(5) (6) Notwithstanding any other provision of this article, paragraph (1) (2) of this subsection does not apply to a Class 4 limited winery which brings wine AND <u>POMACE</u> BRANDY manufactured on its licensed premises onto a retail licensed premises under the following conditions:				
	(i) The product is being provided for a bona fide promotional activity conducted by the limited winery, retail licensee, alcoholic beverages trade association, or nonprofit organization;				
	(ii) A representative of the limited winery, or a trade association representing Maryland wineries, is present at all times during the period of the promotional activity;				
	(iii) Any unopened or partially consumed containers of wine AND POMACE BRANDY are removed from the retail licensed premises at the conclusion of the promotional activity:				

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	(iv) any rules or regulations promu promotions and product sampl	The limited winery or winery trade association complies with lgated by the Comptroller pertaining to on-premise ing; and
	(v) written permission of the retail premises for purposes of the premises for purposes for purpose fo	The limited winery or winery trade association has the advance licensee to bring wine products on the retail licensed romotional activity.
7	<u>[(6)]</u> <u>(7)</u>	This subsection does not apply to:
	religious, fraternal, civic, veter 7-101(r) of this article; or	Special licenses issued in St. Mary's County to any bona fide rans, hospital, or charitable organization under §
11 12	(ii) motor sports facility that is local	A license issued in St. Mary's County that applies to an outdoor cated in Mechanicsville or Budds Creek.
15		This subsection does not prevent residents and their guests in a mmunity in Prince George's County that holds a Class C r license from consuming wine not purchased from the mmunity, if:
17	<u>(i)</u>	The wine is consumed with a meal in the dining room; and
18	<u>(ii)</u>	The continuing care retirement community:
19 20	care retirement of persons at 1	1. <u>Is operated by a nonprofit organization for the continuing east 60 years old;</u>
21		<u>Has been incorporated for at least 1 year;</u>
22 23	Department of Aging under A	3. Has obtained a certificate of registration from the State article 70B, § 11 of the Code; and
24 25	to residents and their guests.	4. Prepares and serves meals during regular operating hours
26 27	SECTION 2. AND BE IT July 1, 2005.	FURTHER ENACTED, That this Act shall take effect