

# HOUSE BILL 4

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(PRE-FILED)

3lr0570  
CF SB 32

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By: **Delegates Haddaway–Riccio and Eckardt**

Requested: October 17, 2012

Introduced and read first time: January 9, 2013

Assigned to: Economic Matters

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Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 18, 2013

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Alcoholic Beverages – Brewery License – On–Premises Consumption**

3 FOR the purpose of authorizing brewery licensees to sell beer to certain persons for  
4 on–premises consumption under certain circumstances; requiring a certain local  
5 licensing board to grant an on–site consumption permit to an applicant that  
6 holds certain licenses; providing that an on–site consumption permit entitles  
7 the holder to sell beer brewed at the brewery for on–premises consumption to  
8 persons that have attained the legal drinking age; providing that before a local  
9 licensing board that does not issue a Class D beer license may grant a permit,  
10 the local licensing board shall establish an equivalent license and require that  
11 the applicant obtain that license; limiting the total amount of beer that may be  
12 sold annually by a licensee under this Act; authorizing a local licensing board to  
13 charge a certain fee and require that a certain person comply with certain  
14 alcohol awareness training requirements; and generally relating to alcoholic  
15 beverages in the State.

16 BY repealing and reenacting, with amendments,  
17 Article 2B – Alcoholic Beverages  
18 Section 2–206  
19 Annotated Code of Maryland  
20 (2011 Replacement Volume and 2012 Supplement)

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

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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.



1 **Article 2B – Alcoholic Beverages**

2 2–206.

3 (a) A Class 5 manufacturer’s license:

4 (1) Is a brewery license; and

5 (2) Authorizes the holder to:

6 (i) Establish and operate in this State a plant for brewing and  
7 bottling malt beverages at the location described in the license;

8 (ii) Import beer from holders of nonresident dealer’s permits;  
9 [and]

10 (iii) Sell and deliver beer to any wholesale licensee in this State,  
11 or person outside of this State, authorized to acquire it; AND

12 (IV) ~~SELL SUBJECT TO SUBSECTION (B)(2) OF THIS~~  
13 ~~SECTION, SELL BEER BREWED AT THE LOCATION DESCRIBED IN THE LICENSE~~  
14 ~~FOR ON–PREMISES CONSUMPTION.~~

15 (b) (1) A licensee may:

16 [(1)] (I) Serve to a person of legal drinking age who participates in a  
17 guided tour of the facility or attends a scheduled promotional event or other organized  
18 activity at the licensed premises, not more than six samples of beer brewed at the  
19 licensed premises, with each sample consisting of not more than 3 ounces from a single  
20 style of beer; ~~and~~

21 [(2)] (II) Sell beer brewed at the brewery for off–premises  
22 consumption to anyone who participates in a guided tour of the brewery or attends a  
23 scheduled promotional event or other organized activity at the licensed premises,  
24 subject to the following restrictions:

25 [(i)] 1. The purchase is limited to 288 ounces of beer per  
26 person; ~~and~~

27 [(ii)] 2. The person has attained the legal drinking age; ~~AND~~

28 ~~(III) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION,~~  
29 ~~SELL BEER BREWED AT THE BREWERY FOR ON–PREMISES CONSUMPTION TO~~  
30 ~~PERSONS THAT HAVE ATTAINED THE LEGAL DRINKING AGE.~~

1           ~~(2) THE TOTAL AMOUNT OF BEER SOLD ANNUALLY UNDER~~  
2 ~~PARAGRAPH (1)(III) OF THIS SUBSECTION MAY NOT EXCEED 6,000 BARRELS~~  
3 ~~ANNUALLY.~~

4           (2) (i) A LOCAL LICENSING BOARD SHALL GRANT AN ON-SITE  
5 CONSUMPTION PERMIT TO AN APPLICANT THAT HOLDS A CLASS 5  
6 MANUFACTURER'S LICENSE AND, SUBJECT TO SUBPARAGRAPH (III) OF THIS  
7 PARAGRAPH, A CLASS D BEER LICENSE.

8                   (ii) AN ON-SITE CONSUMPTION PERMIT ENTITLES THE  
9 HOLDER TO SELL BEER BREWED AT THE BREWERY FOR ON-PREMISES  
10 CONSUMPTION TO PERSONS THAT HAVE ATTAINED THE LEGAL DRINKING AGE.

11                   (iii) BEFORE A LOCAL LICENSING BOARD THAT DOES NOT  
12 ISSUE A CLASS D BEER LICENSE MAY GRANT AN ON-SITE CONSUMPTION  
13 PERMIT, THE LOCAL LICENSING BOARD SHALL:

14                           1. ESTABLISH AN EQUIVALENT LICENSE; AND

15                           2. REQUIRE THAT THE APPLICANT OBTAIN THAT  
16 LICENSE.

17                   (iv) THE TOTAL AMOUNT OF BEER SOLD EACH YEAR FOR  
18 ON-PREMISES CONSUMPTION UNDER THIS PARAGRAPH MAY NOT EXCEED 500  
19 BARRELS.

20                   (v) A LOCAL LICENSING BOARD MAY:

21                           1. CHARGE A FEE FOR GRANTING AN ON-SITE  
22 CONSUMPTION PERMIT; AND

23                           2. REQUIRE THAT THE HOLDER OF THE PERMIT OR  
24 AN EMPLOYEE DESIGNATED BY THE HOLDER COMPLY WITH THE ALCOHOL  
25 AWARENESS TRAINING REQUIREMENTS UNDER § 13-101 OF THIS ARTICLE.

26           (c) (1) The Office of the Comptroller may issue a special brewery  
27 promotional event permit to a holder of a Class 5 manufacturer's license.

28                   (2) The permit authorizes the holder to conduct on the premises of the  
29 brewery a promotional event at which the holder may:

30                           (i) Provide samples of not more than 3 fluid ounces per brand to  
31 consumers; and

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1 (ii) Sell beer produced by the holder to persons who participate  
2 in the event.

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

5 (4) A holder of a Class 5 manufacturer’s license may not be issued  
6 more than 12 permits in a calendar year.

7 (5) A single promotional event may not exceed 3 consecutive days.

8 (6) The permit fee is \$25 per event.

9 (7) To obtain a permit, a person, at least 15 days before the event,  
10 shall file with the Office of the Comptroller an application that the Office provides.

11 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
12 July 1, 2013.

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.