HB0330/163090/1

BY: Economic Matters Committee

AMENDMENTS TO HOUSE BILL 330

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 2, strike "and Farm Breweries" and substitute "- Additional License"; in line 3, strike "or farm brewery"; in line 4, strike "one or more certain additional licenses for the same or" and substitute "an additional micro-brewery license for"; in line 5, after "premises;" insert "specifying certain limitations on the distribution and sale of beer brewed by a holder of an additional micro-brewery license;"; and in line 12, strike "2-208(e)" and substitute "2-208(c)(1), (d)(1), and (e)".

AMENDMENT NO. 2

On page 1, in line 20, after "(2)" insert "(1)"; in the same line, strike the brackets; in line 21, strike ", MICRO-BREWERY, OR FARM BREWERY"; in line 22, strike the brackets; in line 23, strike ", MICRO-BREWERY, OR FARM BREWERY"; and after line 24, insert:

"(II) THE HOLDER OF A MICRO-BREWERY LICENSE MAY APPLY FOR AND OBTAIN NOT MORE THAN ONE ADDITIONAL MICRO-BREWERY LICENSE FOR ANOTHER PREMISES.".

On page 2, in line 19, before "or" insert an opening bracket; in line 20, after "license" insert a closing bracket; after line 22, insert:

"4. A HOLDER OF ONE OR TWO CLASS 7 MICRO-BREWERY LICENSES THAT PRODUCES IN AGGREGATE FROM ALL OF ITS LOCATIONS NOT MORE THAN 22,500 BARRELS OF BEER ANNUALLY MAY OBTAIN A CLASS 7 LIMITED BEER WHOLESALER'S LICENSE AND DISTRIBUTE BEER THAT:

A. TOTALS ANNUALLY NOT MORE THAN 3,000 BARRELS IN AGGREGATE FROM ALL OF ITS LOCATIONS; AND

B. HAS BEEN BREWED AT THE LOCATION FROM WHERE IT IS DISTRIBUTED.";

and after line 23, insert:

- "(c) (1) (I) A holder of a Class 7 micro-brewery license:
- [(i)] 1. May brew and bottle malt beverages at the license location;
- [(ii)] 2. <u>May obtain a Class 2 rectifying license for a premises</u> located within 1 mile of the existing Class 7 micro-brewery location to bottle malt beverages brewed at the micro-brewery location only;
- [(iii)] 3. May contract with the holder of a Class 2 rectifying license held under § 2–203 of this subtitle, a Class 5 brewery license, a Class 7 microbrewery license, or a Class 8 farm brewery license, or the holder of a nonresident dealer's permit to brew and bottle malt beverages on their behalf;
- [(iv)] 4. May store the finished product under an individual storage permit or at a licensed public storage facility for subsequent sale and delivery to a licensed wholesaler, an authorized person outside this State, and for shipment back to the micro-brewery location for sale on the retail premises;
- [(v)] 5. [May] SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, MAY not collectively brew, bottle, or contract for more than 22,500 barrels of malt beverages each calendar year; and

- [(vi)] 6. May enter into a temporary delivery agreement with a distributor only for delivery of beer to a beer festival or wine and beer festival and the return of any unused beer if:
- <u>[1.]</u> A. <u>The beer festival or wine and beer festival is in a sales territory for which the holder does not have a franchise with a distributor under the Beer Franchise Fair Dealing Act; and</u>
 - [2.] **B.** The temporary delivery agreement is in writing.
- (II) A LICENSE HOLDER THAT HAS LICENSES FOR TWO LOCATIONS MAY NOT COLLECTIVELY BREW, BOTTLE, OR CONTRACT FOR MORE THAN 22,500 BARRELS OF MALT BEVERAGES IN AGGREGATE FROM BOTH OF ITS LOCATIONS EACH CALENDAR YEAR.
- (d) (1) The on-sale privilege authorizes the holder, each calendar year, to sell at retail [up] FOR ON-PREMISES CONSUMPTION:
- (I) UP to 4,000 barrels of beer brewed under this license [to customers for consumption on the licensed premises]; OR
- (II) IF THE HOLDER HAS LICENSES FOR TWO LOCATIONS, BEER THAT:
- 1. TOTALS ANNUALLY UP TO 4,000 BARRELS IN AGGREGATE FROM BOTH ITS LOCATIONS; AND
- 2. HAS BEEN BREWED AT THE LOCATION WHERE IT IS SOLD.".