

Article - Alcoholic Beverages

[Previous][Next]

§2–208.

- (a) There is a Class 7 micro–brewery (on– and off–sale) license.
- (b) The license shall be issued:
 - (1) By the State Comptroller;
 - (2) Only in the following jurisdictions:
 - (i) Allegany County;
 - (ii) Baltimore City;
 - (iii) Baltimore County;
 - (iv) The City of Annapolis;
 - (v) Anne Arundel County;
 - (vi) Calvert County;
 - (vii) Caroline County;
 - (viii) Carroll County;
 - (ix) Charles County;
 - (x) Dorchester County;
 - (xi) Frederick County;
 - (xii) Garrett County;
 - (xiii) Harford County;
 - (xiv) Howard County;
 - (xv) Kent County;
 - (xvi) Montgomery County;
 - (xvii) Prince George’s County;
 - (xviii) Queen Anne’s County;

- (xix) St. Mary's County;
- (xx) Somerset County;
- (xxi) Talbot County;
- (xxii) Washington County;
- (xxiii) Wicomico County; and
- (xxiv) Worcester County;

(3) (i) Only to a holder of a Class B beer, wine and liquor (on-sale) license that is issued for use on the premises of a restaurant located in a jurisdiction listed in paragraph (2) of this subsection;

(ii) To a holder of a Class D beer (off-sale) license that is issued for use on the premises of the existing Class D license if the premises are located in Kent County or the Town of Berlin in Worcester County;

(iii) To a holder of a Class D alcoholic beverages license that is issued for use on the premises of the existing Class D license if the premises are located in:

1. The 22nd Alcoholic Beverages District of Prince George's County;
2. Washington County;
3. Dorchester County; or
4. The 40th Alcoholic Beverages District of Baltimore City; or

(iv) To a holder of a Class MEC license that is issued for use on the premises of the existing Class MEC license if the premises are located in the Ballenger (23rd) election district in Frederick County; and

(4) In addition to item (3) of this subsection, in Montgomery County only to a holder of a Class H beer and light wine license that is issued for use on the premises of a restaurant located in the County or a Class D beer and light wine license.

(c) (1) (i) A holder of a Class 7 micro-brewery license:

1. May brew and bottle malt beverages at the license location;
2. May obtain a Class 2 rectifying license for a premises located within 1 mile of the existing Class 7 micro-brewery location to bottle malt beverages brewed at the micro-brewery location only;
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 micro–brewery 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;

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;

5. Subject to subparagraph (ii) of this paragraph, may not collectively brew, bottle, or contract for more than:

A. Except as provided in item 2 of this item, 22,500 barrels of malt beverages each calendar year; or

B. In Wicomico County, 45,000 barrels of malt beverages each calendar year; and

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:

A. 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

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.

(2) A Class 7 licensee who wishes to produce more than the barrelage authorized under paragraph (1)(i)5 of this subsection shall divest of any Class B, D, or any other retail license and obtain a Class 5 manufacturer’s license.

(3) For the purposes of determining the barrelage limitation under paragraph (1)(i)5 of this subsection, any salable beer produced under contractual arrangements accrues only to the Class 7 micro–brewery licensee who is the brand owner.

(4) In Allegany County only, the holder of a Class 7 license:

(i) May brew in one location and may contract for the bottling of the malt beverage in another location; and

(ii) Need not meet the hotel/motel requirements for a Class B beer, wine and liquor licensee but shall meet the requirements for those Class B restaurants.

(5) (i) Subject to subparagraphs (ii), (iii), and (iv) of this paragraph, in Baltimore City only, the holder of a Class 7 license may:

1. Brew in two locations using the same license; and
2. Obtain a Class 2 rectifying license for the premises at the two locations authorized under item 1 of this subparagraph.

(ii) The holder of a Class 7 license may brew in two locations using the same license if the license holder:

1. Requests permission by submitting a written application to the State Comptroller; and
2. Obtains written approval from the State Comptroller.

(iii) Before authorizing a holder of a Class 7 license to brew in two locations using the same license, the State Comptroller shall:

1. Make a determination that a second location to brew additional capacity is necessary due to insufficient space at the existing Class 7 license location; and
2. Consider any other factor relevant to approval of the application.

(iv) Notwithstanding any other provision of this article, a holder of a Class 7 license may not serve or sell beer for on-premises or off-premises consumption at the second brewing location.

(d) (1) The on-sale privilege authorizes the holder, each calendar year, to sell at retail for on-premises consumption:

- (i) Up to 4,000 barrels of beer brewed under this license; 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.

(2) The off-sale privilege authorizes the holder to sell and deliver beer brewed under this license to:

- (i) Any wholesaler licensed under this article to sell beer in this State; or
- (ii) Any person who is located in a state other than Maryland who is

authorized under the laws of that state to receive brewed beverages.

(3) (i) This paragraph applies only in:

1. Allegany County;
2. The City of Annapolis;
3. Anne Arundel County;
4. Baltimore City;
5. Baltimore County;
6. Calvert County;
7. Caroline County;
8. Carroll County;
9. Charles County;
10. Dorchester County;
11. Frederick County;
12. Garrett County;
13. Harford County;
14. Howard County;
15. Kent County;
16. Montgomery County;
17. Prince George's County;
18. Queen Anne's County;
19. St. Mary's County;
20. Somerset County;
21. Talbot County;
22. Washington County;
23. Wicomico County; and

24. Worcester County.

(ii) The holder may sell at retail beer brewed under this license to customers for consumption off the licensed premises:

1. In refillable containers that are sealed by the micro-brewery licensee at the time of each refill; and

2. As prepackaged beer in nonrefillable containers.

(e) (1) This subsection does not apply in Allegany County or Frederick County.

(2) A holder of a Class 7 micro-brewery license:

(i) May not own, operate or be affiliated with any other manufacturer of beer except for a Class 2 rectifying license authorized by subsection (c)(1)(i)2 of this section; and

(ii) Notwithstanding § 2-201(b) of this subtitle, may not be granted a wholesale alcoholic beverages license.

(f) (1) Except as provided in paragraph (2) of this subsection, the hours and days for consumer sales under a Class 7 micro-brewery license are as established for:

(i) A Class B license in the respective jurisdictions listed in subsection (b)(2) of this section, for a holder of a Class B beer, wine and liquor license;

(ii) A Class D beer license in Worcester County, for a holder of a Class D beer license in the Town of Berlin in Worcester County;

(iii) A Class D license in Kent County; or

(iv) A Class D beer license in Dorchester County.

(2) For Class D licensees in the 22nd Alcoholic Beverages District in Prince George's County only, the hours and days for consumer sales under this license are as established for a Class D license in Prince George's County.

(3) For Class D licensees in Washington County, the hours and days for consumer sales under this license are as established for a Class D license in Washington County.

(g) In Montgomery County, a holder of a Class 7 micro-brewery license shall enter into a written agreement with the Department of Liquor Control for Montgomery County for the sale and resale of malt beverages brewed under this license in accordance with this article.

(h) For Talbot County, the Office of the Comptroller of Maryland shall specify

which local license is the equivalent of the Class B beer, wine and liquor license specified in subsection (b)(3) of this section.

(i) In Carroll County, the distance restriction requirement for micro-breweries is found in § 9-207 of this article.

(j) (1) This subsection applies only in Washington County.

(2) The Comptroller may not issue a Class 7 micro-brewery license for a premises on property that has been leased unless the landlord of the property presents to the Comptroller a receipt or certificate showing that there are no unpaid taxes due to the State, a county, or any local government from the landlord or any entity in which the landlord has a direct or indirect interest that:

(i) Is proprietary; or

(ii) Has been obtained by a loan, mortgage, or lien, or in any other manner.

[Previous][Next]