HOUSE BILL 733

By: **Delegate Barkley** Introduced and read first time: February 5, 2016 Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

Alcoholic Beverages - Multiple Manufacturer's Licenses - Sampling, Sale, and Consumption of Products

FOR the purpose of repealing certain provisions of law that prohibit certain holders of 4 $\mathbf{5}$ certain alcoholic beverage manufacturer's licenses from selling or allowing to be 6 consumed at certain locations certain products; authorizing the holder of a farm 7 brewery license to apply for and obtain, under a different name, additional licenses 8 for the same or different premises; authorizing the holder of multiple manufacturer's 9 licenses to allow the sampling, sale, and consumption of certain products at certain locations, subject to a certain restriction; and generally relating to authority for 10 11 holders of certain alcoholic beverage manufacturer's licenses to allow the sampling. 12sale, and consumption of certain products.

- 13 BY repealing and reenacting, with amendments,
- 14 Article Alcoholic Beverages
- 15 Section 2–202(i), 2–204(g), 2–206(b)(10), 2–210(i), (j), (k), and (l), and 2–212(a)
- 16 Annotated Code of Maryland
- 17(As enacted by Chapter ___ (S.B.___)(6lr1406) of the Acts of the General Assembly of182016)
- 19 BY repealing
- 20 Article Alcoholic Beverages
- 21 Section 2–206(b)(9) and 2–210(h)
- 22 Annotated Code of Maryland
- 23(As enacted by Chapter ___ (S.B.__)(6lr1406) of the Acts of the General Assembly of242016)
- 25 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
 26 That the Laws of Maryland read as follows:
- 27

Article – Alcoholic Beverages

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW. [Brackets] indicate matter deleted from existing law.





1 2-202.

2 (i) [(1) Except as provided in paragraph (2) of this subsection, a license holder 3 may not sell or allow to be consumed at the licensed premises any product other than 4 products produced by the license holder under the authority of this section.

5 (2)] A holder of a caterer's license or privilege under Subtitle 5 of this title 6 or Subtitle 12 of various titles of Division II of this article may exercise the privileges of the 7 license or privilege on the licensed premises of the license holder.

8 2-204.

9 (g) [(1) Except as provided in paragraph (2) of this subsection, a license holder 10 may not sell or allow to be consumed at the licensed premises any product other than 11 products produced by the license holder under the authority of this section.

12 (2)] A holder of a caterer's license or privilege under Subtitle 5 of this title 13 or Subtitle 12 of various titles of Division II of this article may exercise the privileges of the 14 license or privilege on the licensed premises of the license holder.

15 2–206.

16 (b) [(9) A license holder may not sell or allow to be consumed at the location of 17 the limited winery any alcoholic beverage other than the wine or pomace brandy produced 18 by the license holder under the authority of this section.]

19 [(10)] (9) Nothing in this subsection limits the application of relevant 20 provisions of Title 21 of the Health – General Article, and regulations adopted under that 21 title, to a license holder.

22 2-210.

[(h) Except as provided in subsection (j) of this section, a license holder may not sell or allow to be consumed at the location of the farm brewery any alcoholic beverage other than the beer produced by the license holder under the authority of this section.]

[(i)] (H) Nothing in this section limits the application of relevant provisions of
 Title 21 of the Health – General Article, and regulations adopted under that title, to a
 license holder.

29 [(j)] (I) (1) A license holder may sponsor a multibrewery activity at the 30 licensed farm that:

31 (i) includes the products of other Maryland breweries; and

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1 provides for the sale of beer by the glass for on-premises (ii) $\mathbf{2}$ consumption only. 3 (2)In a segregated area approved by the Comptroller on the licensed farm, a license holder may store the products of other Maryland breweries for the multibrewery 4 $\mathbf{5}$ activity. 6 The multibrewery activity: (3)7 may be held from 10 a.m. to 10 p.m. each day; and (i) may not exceed 3 consecutive days. 8 (ii) 9 [(k)] (J) The Comptroller may issue a brewery promotional event permit (1)to a license holder. 10 11 (2)At least 15 days before holding a planned promotional event, the license 12holder shall obtain a permit from the Comptroller by filing a notice of the promotional event 13 on the form that the Comptroller provides. The permit authorizes the license holder to conduct at the licensed farm 14(3)a promotional event at which the license holder may: 1516 (i) provide samples of not more than 6 fluid ounces per brand to 17consumers; and 18 (ii) sell beer produced by the license holder to persons who participate in the event. 19 20(4)The beer at the event shall be sold by the glass and for on-premises 21consumption only. 22(5)The license holder may not be issued more than 12 permits in a 23calendar year. 24A single promotional event: (6)25(i) may be held from 10 a.m. to 10 p.m. each day; and 26(ii) may not exceed 3 consecutive days. 27(7)The permit fee is \$25 per event. [(1)] (K) The annual license fee is \$200. 28292-212.

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(a) (1) This subsection does not apply to a Class 6 pub-brewery license.

2 (2) The holder of a distillery, rectifying, winery, limited winery, [or] 3 brewery, OR FARM BREWERY license may apply for and obtain, under a different name, 4 one or more additional distillery, rectifying, winery, limited winery, [or] brewery, OR FARM 5 BREWERY licenses for the same or different premises.

6 (3) (I) THE HOLDER OF MULTIPLE MANUFACTURER'S LICENSES AT 7 THE SAME LOCATION MAY ALLOW THE SAMPLING, SALES, AND CONSUMPTION OF 8 PRODUCTS PRODUCED UNDER THE LICENSES AT EACH OF THE LICENSED PREMISES.

9 (II) THE SAMPLING, SALES, AND CONSUMPTION OF PRODUCTS 10 SHALL BE CONSISTENT WITH THE AUTHORIZATION FOR EACH LICENSE.

11 [(3)] (4) The additional licenses may be issued to different persons or 12 under trade names used by persons occupying all or a part of the same premises.

13 [(4)] (5) A holder of a license listed in paragraph (2) of this subsection 14 may hold additional licenses listed in paragraph (2) of this subsection of the same or of a 15 different class.

16 **[**(5)**] (6)** The holder of a micro–brewery license may apply for and obtain 17 not more than one additional micro–brewery license for another premises.

18 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July1, 2016.