

HOUSE BILL 1238

A2

6lr2476

By: **Delegate Grammer**

Introduced and read first time: February 12, 2016

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Baltimore County – Alcoholic Beverages – Sale of Beer Kegs by Class 5**
3 **Breweries**

4 FOR the purpose of authorizing in Baltimore County a holder of a Class 5 manufacturer's
5 license to sell kegs of beer at retail under certain circumstances; specifying that a
6 Class 5 manufacturer that sells kegs of beer is subject to certain provisions of law;
7 and generally relating to the sale of kegs of beer in Baltimore County.

8 BY repealing and reenacting, without amendments,

9 Article 2B – Alcoholic Beverages

10 Section 2–206(a) and (b) and 21–106

11 Annotated Code of Maryland

12 (2011 Replacement Volume and 2015 Supplement)

13 BY adding to

14 Article 2B – Alcoholic Beverages

15 Section 2–206(e)

16 Annotated Code of Maryland

17 (2011 Replacement Volume and 2015 Supplement)

18 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

19 That the Laws of Maryland read as follows:

20 **Article 2B – Alcoholic Beverages**

21 2–206.

22 (a) A Class 5 manufacturer's license:

23 (1) Is a brewery license; and

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (2) Authorizes the holder to:

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

4 (ii) Import beer from holders of nonresident dealer's permits;

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

7 (iv) Subject to subsection (b)(2) of this section, sell beer brewed at the
8 location described in the license for on-premises consumption.

9 (b) (1) A licensee may:

10 (i) Serve to a person of legal drinking age who participates in a
11 guided tour of the facility or attends a scheduled promotional event or other organized
12 activity at the licensed premises, not more than six samples of beer brewed at the licensed
13 premises, with each sample consisting of not more than 3 ounces from a single style of beer;
14 and

15 (ii) Sell beer brewed at the brewery for off-premises consumption to
16 anyone who participates in a guided tour of the brewery or attends a scheduled promotional
17 event or other organized activity at the licensed premises, subject to the following
18 restrictions:

19 1. The purchase is limited to 288 ounces of beer per person;
20 and

21 2. The person has attained the legal drinking age.

22 (2) (i) A local licensing board shall grant an on-site consumption
23 permit to an applicant that holds a Class 5 manufacturer's license and, subject to
24 subparagraph (iii) of this paragraph, a Class D beer license.

25 (ii) An on-site consumption permit entitles the holder to sell beer
26 brewed at the brewery for on-premises consumption to persons that have attained the legal
27 drinking age.

28 (iii) Before a local licensing board that does not issue a Class D beer
29 license may grant an on-site consumption permit, the local licensing board shall:

30 1. Establish an equivalent license; and

31 2. Require that the applicant obtain that license.

1 (iv) The total amount of beer sold each year for on-premises
2 consumption under this paragraph may not exceed 500 barrels.

3 (v) A local licensing board may:

4 1. Charge a fee for granting an on-site consumption permit;
5 and

6 2. Require that the holder of the permit or an employee
7 designated by the holder comply with the alcohol awareness training requirements under
8 § 13-101 of this article.

9 (E) (1) THIS SUBSECTION APPLIES ONLY IN BALTIMORE COUNTY.

10 (2) A HOLDER OF A CLASS 5 MANUFACTURER'S LICENSE MAY SELL
11 KEGS OF BEER AT RETAIL IF THE BEER IS BREWED AT THE LOCATION DESCRIBED IN
12 THE CLASS 5 MANUFACTURER'S LICENSE.

13 (3) A HOLDER OF A CLASS 5 MANUFACTURER'S LICENSE THAT SELLS
14 KEGS OF BEER AT RETAIL IS SUBJECT TO § 21-106(B) AND (D) THROUGH (G) OF THIS
15 ARTICLE.

16 21-106.

17 (a) (1) In this section the following words have the meanings indicated.

18 (2) "Keg" means a container of beer with a capacity of at least 4 gallons,
19 which is designed to dispense beer directly from the container.

20 (3) "Keg licensee" means a person that holds an alcoholic beverages license
21 that authorizes that person to sell beer in kegs at retail.

22 (b) A keg licensee may not sell or otherwise transfer, or offer to sell or otherwise
23 transfer the contents of a keg for consumption off-premises unless:

24 (1) The keg licensee provides to the purchaser a keg registration form
25 approved and distributed by the State Comptroller that is designed to be affixed to the keg
26 and that indicates the name and address of the licensed establishment and a registration
27 number;

28 (2) Except as provided in subsection (c) of this section, the purchaser
29 provides identification and completes and signs a registration form with the following
30 information:

31 (i) The purchaser's name and address as shown on the identification
32 produced; and

1 (ii) The date of purchase; and

2 (3) The keg licensee affixes the completed registration form to the keg and
3 retains a copy of the form for 30 days on the licensed premises.

4 (c) (1) In this subsection, "Identification number" means the identifying
5 number:

6 (i) On the purchaser's driver's license;

7 (ii) If the purchaser is a resident of the State, on the purchaser's
8 identification card as provided for in the Transportation Article;

9 (iii) If the purchaser is not a resident of the State, on the purchaser's
10 identification card that is issued by the purchaser's home state or jurisdiction; or

11 (iv) The identification number on a United States military
12 identification card.

13 (2) In Prince George's County:

14 (i) The keg licensee shall complete a registration form with:

15 1. The purchaser's name;

16 2. The date of purchase; and

17 3. The address of the purchaser as shown on the
18 identification produced or, if the person provides a United States military identification
19 card as identification, the address that the purchaser provides;

20 (ii) The purchaser shall sign the completed registration form; and

21 (iii) The keg licensee shall record on the copy of the registration form
22 retained by the keg licensee the purchaser's identification number and the date that the
23 purchaser's identification was issued.

24 (d) (1) Upon return of a registered keg from the purchaser, the keg licensee
25 shall remove or obliterate the keg registration form affixed to the keg and note that removal
26 and the date of that removal on the copy of the keg registration form retained by the keg
27 licensee at the licensed premises.

28 (2) (i) If a keg is made of disposable packaging that does not have to be
29 returned to the keg licensee, the keg licensee shall indicate on the keg registration form
30 that the keg is disposable.

1 (ii) Disposal of empty kegs made of disposable packaging does not
2 constitute obliteration of the keg registration form.

3 (e) Each board of license commissioners or, if there is no board of license
4 commissioners in that county, the liquor control board shall adopt regulations to implement
5 this section.

6 (f) A keg licensee may charge a keg registration fee to a purchaser.

7 (g) (1) A keg licensee who violates any provision of this section is subject to a
8 fine not exceeding \$100 or a suspension or revocation of the alcoholic beverages license, or
9 both fine and suspension or revocation.

10 (2) The existence of a completed registration form signed by the purchaser
11 shall create a presumption that the keg licensee has complied with the requirements of this
12 section.

13 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
14 1, 2016.