

SENATE BILL 9

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EMERGENCY BILL
(PRE-FILED)

6lr0461
CF 6lr1178

By: **Senator Reilly**

Requested: July 15, 2015

Introduced and read first time: January 13, 2016

Assigned to: Education, Health, and Environmental Affairs

A BILL ENTITLED

1 AN ACT concerning

2 **Anne Arundel County – Alcoholic Beverages – Limited Distillery License**

3 FOR the purpose of authorizing a Class 9 limited distillery license to be issued in Anne
4 Arundel County; making this Act an emergency measure; and generally relating to
5 a Class 9 distillery license in Anne Arundel County.

6 BY repealing and reenacting, with amendments,

7 Article 2B – Alcoholic Beverages

8 Section 2–202.1

9 Annotated Code of Maryland

10 (2011 Replacement Volume and 2015 Supplement)

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

13 **Article 2B – Alcoholic Beverages**

14 2–202.1.

15 (a) There is a Class 9 limited distillery license.

16 (b) The license shall be issued:

17 (1) By the State Comptroller; and

18 (2) Only to a holder of a Class D beer, wine and liquor license in **ANNE**
19 **ARUNDEL COUNTY OR** Worcester County for use on the premises for which the Class D
20 license was issued.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (c) (1) A holder of a Class 9 limited distillery license:

2 (i) May establish and operate a plant in this State for distilling,
3 rectifying, and bottling brandy, rum, whiskey, alcohol, and neutral spirits if the holder:

4 1. Maintains only one brand at any one time for each product
5 of brandy, rum, whiskey, alcohol, and neutral spirits that is distilled, rectified, and sold;
6 and

7 2. Does not manufacture or rectify product of any other
8 brand for another entity;

9 (ii) May acquire bulk alcoholic beverages from the holder of a
10 distillery or rectifying license in this State or from the holder of a nonresident dealer's
11 permit;

12 (iii) After acquiring an individual storage permit, may store on the
13 licensed premises those products manufactured under the Class 9 limited distillery license;

14 (iv) May sell and deliver those products manufactured under the
15 Class 9 limited distillery license only to a licensed wholesaler in this State or person
16 authorized to acquire distilled spirits in another state and not to a county dispensary;

17 (v) May sell the products manufactured under the Class 9 limited
18 distillery license at retail in a manner consistent with the underlying Class D license;

19 (vi) May conduct guided tours of that portion of the licensed premises
20 used for the limited distillery operation; and

21 (vii) May serve not more than three samples of products
22 manufactured at the licensed premises, with each sample consisting of not more than
23 one-half ounce from a single product, to persons who:

24 1. Have attained the legal drinking age;

25 2. Participated in a guided tour; and

26 3. Are present on that portion of the premises used for the
27 limited distillery operation.

28 (2) A holder of a Class 9 limited distillery license may not:

29 (i) Apply for or possess a Maryland wholesaler's license;

30 (ii) Sell bottles of the products manufactured at the Class 9 limited
31 distillery on that part of the premises used for the distillery operation;

1 (iii) Distill, rectify, bottle, or sell more than 100,000 gallons of
2 brandy, rum, whiskey, alcohol, and neutral spirits each calendar year;

3 (iv) Sell at retail on the premises of the Class D license, for on- or
4 off-sale consumption, more than 15,500 gallons of the products manufactured under the
5 Class 9 limited distillery license each calendar year; and

6 (v) Own, operate, or be affiliated in any manner with another
7 manufacturer.

8 (3) A holder of a Class 9 limited distillery license shall abide by all trade
9 practice restrictions applicable to distilleries.

10 (d) To distill more than the gallonage specified in subsection (c)(2)(iii) of this
11 section, a holder of a Class 9 limited distillery license shall divest itself of any Class D retail
12 license and obtain a Class 1 manufacturer's license.

13 SECTION 2. AND BE IT FURTHER ENACTED, That this Act is an emergency
14 measure, is necessary for the immediate preservation of the public health or safety, has
15 been passed by a yea and nay vote supported by three-fifths of all the members elected to
16 each of the two Houses of the General Assembly, and shall take effect from the date it is
17 enacted.