Chapter 308

(House Bill 1316)

AN ACT concerning

Alcoholic Beverages - Class 9 Limited Distillery Licenses

FOR the purpose of authorizing the Comptroller to issue a Class 9 limited distillery license to the holder of a certain Class B beer, wine, and liquor license under certain circumstances; applying provisions relating to Class 9 limited distillery licenses to each county in the State and to the City of Annapolis and the City of Baltimore; and generally relating to Class 9 limited distillery licenses.

BY repealing and reenacting, with amendments,

Article – Alcoholic Beverages

Section 2–203, 9–401, 10–401, 11–401, 12–401, 13–401, 14–401, 15–401, 16–401, 17–401, 18–401, 19–401, 20–401, 21–401, 22–401, 23–401, 24–401, 25–401, 26–401, 27–401, 28–401, 29–401, 30–401, 31–401, and 32–401 Annotated Code of Maryland (As enacted by Chapter ____ (S.B. 724) of the Acts of the General Assembly of 2016)

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

Article – Alcoholic Beverages

2-203.

- (a) There is a Class 9 limited distillery license.
- (b) The limited distillery license may be issued only to a holder of a:

(1) Class D beer, wine, and liquor license WHERE SALES FOR BOTH ON- AND OFF-PREMISES CONSUMPTION ARE PERMITTED for use on the premises for which the Class D license was issued; OR

(2) CLASS B BEER, WINE, AND LIQUOR LICENSE WHERE SALES FOR BOTH ON– AND OFF–PREMISES CONSUMPTION ARE PERMITTED FOR USE ON THE PREMISES FOR WHICH THE CLASS B LICENSE WAS ISSUED.

(c) A holder of the limited distillery license:

(1) may establish and operate a plant in the State for distilling, rectifying, and bottling brandy, rum, whiskey, alcohol, and neutral spirits if the holder:

(i) maintains only one brand at any one time for each product of brandy, rum, whiskey, alcohol, and neutral spirits that is distilled, rectified, and sold; and

(ii) does not manufacture or rectify product of any other brand for another entity;

(2) may acquire bulk alcoholic beverages from the holder of a distillery or rectifying license in the State or from the holder of a nonresident dealer's permit;

(3) after acquiring an individual storage permit, may store on the licensed premises those products manufactured under the license;

(4) may sell and deliver those products manufactured under the license only to a licensed wholesaler in the State or person authorized to acquire distilled spirits in another state and not to a county dispensary;

(5) may sell the products manufactured under the license at retail in a manner consistent with the underlying Class D OR CLASS B license;

(6) may conduct guided tours of that portion of the licensed premises used for the limited distillery operation; and

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

- (i) have attained the legal drinking age;
- (ii) participated in a guided tour; and

(iii) are present on that portion of the premises used for the limited distillery operation.

(d) A holder of the limited distillery license may not:

(1) apply for or possess a wholesaler's license;

(2) sell bottles of the products manufactured at the Class 9 limited distillery on that part of the premises used for the distillery operation;

(3) except as provided in subsection (e) of this section, distill, rectify, bottle, or sell more than 100,000 gallons of brandy, rum, whiskey, alcohol, and neutral spirits each calendar year;

(4) sell at retail on the premises of the Class D OR CLASS B license, for on-sale or off-sale consumption, more than 15,500 gallons of the products manufactured under the license each calendar year; and

(5) own, operate, or be affiliated in any manner with another manufacturer.

(e) To distill more than the gallonage specified in subsection (d)(3) of this section, a holder of the limited distillery license shall divest itself of any Class D OR CLASS **B** retail license and obtain a Class 1 distillery license.

(f) A holder of the limited distillery license shall abide by all trade practice restrictions applicable to distilleries.

(g) The annual license fee is \$500.

9-401.

- (1) § 2–201 ("Issuance by Comptroller");
- (2) § 2–202 ("Class 1 distillery license");
- (3) § 2–203 ("CLASS 9 LIMITED DISTILLERY LICENSE");
- (4) § 2–204 ("Class 2 rectifying license");
- [(4)] (5) § 2–205 ("Class 3 winery license");
- [(5)] (6) § 2–206 ("Class 4 limited winery license");
- [(6)] (7) § 2–207 ("Class 5 brewery license");
- [(7)] (8) § 2–210 ("Class 8 farm brewery license");
- [(8)] (9) § 2–211 ("Residency requirement");
- [(9)] (10) § 2–212 ("Additional licenses");
- [(10)] (11) § 2–213 ("Additional fees");
- [(11)] (12) § 2–214 ("Sale or delivery restricted");

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[(12)] (13) § 2–215 ("Beer sale on credit to retail dealer prohibited");

[(13)] (14) § 2-216 ("Interaction between manufacturing entities and retailers");

[(14)] (15) § 2–217 ("Distribution of alcoholic beverages — Prohibited practices"); and

[(15)] (16) § 2-218 ("Restrictive agreements between producers and retailers — Prohibited").

(b) [The following sections of Title 2, Subtitle 2 ("Manufacturer's Licenses") of Division I of this article do not apply in the County:

(1) § 2–203 ("Class 9 limited distillery license"); and

(2) §] SECTION 2–208 ("Class 6 pub–brewery license") DOES NOT APPLY IN THE COUNTY.

(c) Section 2–209 ("Class 7 micro–brewery license") of Division I of this article applies in the County, subject to \S 9–403 of this subtitle.

10-401.

- (1) § 2–201 ("Issuance by Comptroller");
- (2) $\S 2-202$ ("Class 1 distillery license");
- (3) § 2–203 ("CLASS 9 LIMITED DISTILLERY LICENSE");
- (4) $\S 2-204$ ("Class 2 rectifying license");
- [(4)] (5) § 2–205 ("Class 3 winery license");
- [(5)] (6) § 2–206 ("Class 4 limited winery license");
- [(6)] (7) § 2–207 ("Class 5 brewery license");
- [(7)] (8) § 2–208 ("Class 6 pub–brewery license");
- [(8)] (9) § 2–209 ("Class 7 micro–brewery license");

[(9)] (10) § 2–210 ("Class 8 farm brewery license");

[(10)] (11) § 2–211 ("Residency requirement");

[(11)] (12) § 2–212 ("Additional licenses");

[(12)] (13) § 2–213 ("Additional fees");

[(13)] (14) § 2–214 ("Sale or delivery restricted");

[(14)] (15) § 2–216 ("Interaction between manufacturing entities and retailers");

[(15)] (16) § 2–217 ("Distribution of alcoholic beverages — Prohibited practices"); and

[(16)] (17) § 2–218 ("Restrictive agreements between producers and retailers — Prohibited").

(b) [The following sections of Title 2, Subtitle 2 ("Manufacturer's Licenses") of Division I of this article do not apply in the City:

(1) § 2–203 ("Class 9 limited distillery license"); and

(2) §] SECTION 2–215 ("Beer sale on credit to retail dealer prohibited") OF DIVISION I OF THIS ARTICLE DOES NOT APPLY IN THE CITY.

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- (1) § 2–201 ("Issuance by Comptroller");
- (2) § 2–202 ("Class 1 distillery license");
- (3) § 2–203 ("CLASS 9 LIMITED DISTILLERY LICENSE");
- (4) § 2–204 ("Class 2 rectifying license");
- [(4)] (5) § 2–205 ("Class 3 winery license");
- [(5)] (6) § 2–206 ("Class 4 limited winery license");
- [(6)] (7) § 2–207 ("Class 5 brewery license");

- [(7)] (8) § 2–208 ("Class 6 pub–brewery license");
- [(8)] (9) § 2–209 ("Class 7 micro–brewery license");
- [(9)] (10) § 2–210 ("Class 8 farm brewery license");
- [(10)] (11) § 2–211 ("Residency requirement");
- [(11)] (12) § 2–212 ("Additional licenses");
- [(12)] (13) § 2–213 ("Additional fees");
- [(13)] (14) § 2–214 ("Sale or delivery restricted");

[(14)] (15) § 2–216 ("Interaction between manufacturing entities and retailers");

[(15)] (16) § 2–217 ("Distribution of alcoholic beverages — Prohibited practices"); and

[(16)] (17) § 2-218 ("Restrictive agreements between producers and retailers — Prohibited").

(b) [Section 2–203 ("Class 9 limited distillery license") of Division I of this article does not apply in the County.

(c)] Section 2–215 ("Beer sale on credit to retail dealer prohibited") of Division I of this article applies in the County, subject to § 11–403 of this subtitle.

12-401.

- (1) § 2–201 ("Issuance by Comptroller");
- (2) § 2–202 ("Class 1 distillery license");
- (3) § 2–203 ("CLASS 9 LIMITED DISTILLERY LICENSE");
- (4) $\S 2-204$ ("Class 2 rectifying license");
- [(4)] (5) § 2–205 ("Class 3 winery license");

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- [(5)] (6) § 2–206 ("Class 4 limited winery license");
- [(6)] (7) § 2–207 ("Class 5 brewery license");
- [(7)] (8) § 2–208 ("Class 6 pub–brewery license");
- [(8)] (9) § 2–210 ("Class 8 farm brewery license");
- [(9)] (10) § 2–211 ("Residency requirement");
- [(10)] (11) § 2–212 ("Additional licenses");
- [(11)] (12) § 2–213 ("Additional fees");
- [(12)] (13) § 2–214 ("Sale or delivery restricted");
- [(13)] (14) § 2–215 ("Beer sale on credit to retail dealer prohibited");

[(14)] (15) § 2–217 ("Distribution of alcoholic beverages — Prohibited practices"); and

[(15)] (16) § 2-218 ("Restrictive agreements between producers and retailers — Prohibited").

(b) [Section 2–203 ("Class 9 limited distillery license") of Division I of this article does not apply in the City.

(c)] The following sections of Title 2, Subtitle 2 ("Manufacturer's Licenses") of Division I of this article apply in the City:

(1) § 2–209 ("Class 7 micro–brewery license"), subject to § 12–403 of this subtitle; and

(2) § 2-216 ("Interaction between manufacturing entities and retailers"), subject to § 12-404 of this subtitle.

13-401.

- (1) § 2–201 ("Issuance by Comptroller");
- (2) § 2–202 ("Class 1 distillery license");

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(3) § 2–203 ("CLASS 9 LIMITED DISTILLERY LICENSE");

- (4) § 2–204 ("Class 2 rectifying license");
- [(4)] (5) § 2–205 ("Class 3 winery license");
- [(5)] (6) § 2–206 ("Class 4 limited winery license");
- [(6)] (7) § 2–207 ("Class 5 brewery license");
- [(7)] (8) § 2–208 ("Class 6 pub–brewery license");
- [(8)] (9) § 2–209 ("Class 7 micro–brewery license");
- [(9)] (10) § 2–210 ("Class 8 farm brewery license");
- [(10)] (11) § 2–211 ("Residency requirement");
- [(11)] (12) § 2–212 ("Additional licenses");
- [(12)] (13) § 2–213 ("Additional fees");
- [(13)] (14) § 2–214 ("Sale or delivery restricted");

[(14)] (15) § 2-216 ("Interaction between manufacturing entities and retailers");

[(15)] (16) § 2–217 ("Distribution of alcoholic beverages — Prohibited practices"); and

[(16)] (17) § 2-218 ("Restrictive agreements between producers and retailers — Prohibited").

(b) [The following sections of Title 2, Subtitle 2 ("Manufacturer's Licenses") of Division I of this article do not apply in the County:

(1) § 2–203 ("Class 9 limited distillery license"); and

(2) §] SECTION 2–215 ("Beer sale on credit to retail dealer prohibited") OF DIVISION I OF THIS ARTICLE DOES NOT APPLY IN THE COUNTY.

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- (1) § 2–201 ("Issuance by Comptroller");
- (2) $\S 2-202$ ("Class 1 distillery license");

(3) § 2–203 ("CLASS 9 LIMITED DISTILLERY LICENSE");

- (4) § 2–204 ("Class 2 rectifying license");
- [(4)] (5) § 2–205 ("Class 3 winery license");
- [(5)] (6) § 2–206 ("Class 4 limited winery license");
- [(6)] (7) § 2–207 ("Class 5 brewery license");
- [(7)] (8) § 2–208 ("Class 6 pub–brewery license");
- [(8)] (9) § 2–209 ("Class 7 micro–brewery license");
- [(9)] (10) § 2–210 ("Class 8 farm brewery license");
- [(10)] (11) § 2–211 ("Residency requirement");
- [(11)] (12) § 2–212 ("Additional licenses");
- [(12)] (13) § 2–213 ("Additional fees");
- [(13)] (14) § 2–214 ("Sale or delivery restricted");

[(14)] (15) § 2–216 ("Interaction between manufacturing entities and retailers");

[(15)] (16) § 2–217 ("Distribution of alcoholic beverages — Prohibited practices"); and

[(16)] (17) § 2-218 ("Restrictive agreements between producers and retailers — Prohibited").

(b) [The following sections of Title 2, Subtitle 2 ("Manufacturer's Licenses") of Division I of this article do not apply in the County:

(1) § 2–203 ("Class 9 limited distillery license"); and

(2) §] SECTION 2–215 ("Beer sale on credit to retail dealer prohibited") OF DIVISION I OF THIS ARTICLE DOES NOT APPLY IN THE COUNTY.

15 - 401.

(a) The following sections of Title 2, Subtitle 2 ("Manufacturer's Licenses") of Division I of this article apply in the County without exception or variation:

- (1) § 2–201 ("Issuance by Comptroller");
- (2) $\S 2-202$ ("Class 1 distillery license");
- (3) § 2–203 ("CLASS 9 LIMITED DISTILLERY LICENSE");
- (4) § 2–204 ("Class 2 rectifying license");
- [(4)] (5) § 2–205 ("Class 3 winery license");
- [(5)] (6) § 2–206 ("Class 4 limited winery license");
- [(6)] (7) § 2–207 ("Class 5 brewery license");
- [(7)] (8) § 2–209 ("Class 7 micro–brewery license");
- [(8)] (9) § 2–210 ("Class 8 farm brewery license");
- [(9)] (10) § 2–211 ("Residency requirement");
- [(10)] (11) § 2–212 ("Additional licenses");
- [(11)] (12) § 2–213 ("Additional fees");
- [(12)] (13) § 2–214 ("Sale or delivery restricted");
- [(13)] (14) § 2–215 ("Beer sale on credit to retail dealer prohibited");

[(14)] (15) § 2-216 ("Interaction between manufacturing entities and retailers");

[(15)] (16) § 2–217 ("Distribution of alcoholic beverages — Prohibited practices"); and

[(16)] (17) § 2-218 ("Restrictive agreements between producers and retailers — Prohibited").

(b) [The following sections of Title 2, Subtitle 2 ("Manufacturer's Licenses") of Division I of this article do not apply in the County:

(1) § 2–203 ("Class 9 limited distillery license"); and

(2) §] SECTION 2–208 ("Class 6 pub–brewery license") OF DIVISION I OF THIS ARTICLE DOES NOT APPLY IN THE COUNTY.

16-401.

(a) The following sections of Title 2, Subtitle 2 ("Manufacturer's Licenses") of Division I of this article apply in the County without exception or variation:

- (1) § 2–201 ("Issuance by Comptroller");
- (2) § 2–202 ("Class 1 distillery license");
- (3) § 2–203 ("CLASS 9 LIMITED DISTILLERY LICENSE");
- (4) § 2–204 ("Class 2 rectifying license");
- [(4)] (5) § 2–205 ("Class 3 winery license");
- [(5)] (6) § 2–207 ("Class 5 brewery license");
- [(6)] (7) § 2–210 ("Class 8 farm brewery license");
- [(7)] (8) § 2–211 ("Residency requirement");
- [(8)] (9) § 2–212 ("Additional licenses");
- [(9)] (10) § 2–213 ("Additional fees");
- [(10)] (11) § 2–214 ("Sale or delivery restricted");

[(11)] (12) § 2-216 ("Interaction between manufacturing entities and retailers");

[(12)] (13) § 2–217 ("Distribution of alcoholic beverages — Prohibited practices"); and

[(13)] (14) § 2-218 ("Restrictive agreements between producers and retailers — Prohibited").

(b) [The following sections of Title 2, Subtitle 2 ("Manufacturer's Licenses") of Division I of this article do not apply in the County:

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(1) § 2–203 ("Class 9 limited distillery license"); and

(2) §] SECTION 2–215 ("Beer sale on credit to retail dealer prohibited") OF DIVISION I OF THIS ARTICLE DOES NOT APPLY IN THE COUNTY.

(c) The following sections of Title 2, Subtitle 2 ("Manufacturer's Licenses") of Division I of this article apply in the County:

(1) § 2–206 ("Class 4 limited winery license"), subject to § 16–403 of this subtitle;

(2) § 2–208 ("Class 6 pub–brewery license"), subject to § 16–404 of this subtitle; and

(3) § 2–209 ("Class 7 micro–brewery license"), subject to § 16–405 of this subtitle.

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- (1) § 2–201 ("Issuance by Comptroller");
- (2) § 2–202 ("Class 1 distillery license");
- (3) § 2–203 ("CLASS 9 LIMITED DISTILLERY LICENSE");
- (4) $\S 2-204$ ("Class 2 rectifying license");
- [(4)] (5) § 2–205 ("Class 3 winery license");
- [(5)] (6) § 2–206 ("Class 4 limited winery license");
- [(6)] (7) § 2–207 ("Class 5 brewery license");
- [(7)] (8) § 2–208 ("Class 6 pub–brewery license");
- [(8)] (9) § 2–210 ("Class 8 farm brewery license");
- [(9)] (10) § 2–211 ("Residency requirement");
- [(10)] (11) § 2–212 ("Additional licenses");
- [(11)] (12) § 2–213 ("Additional fees");

[(12)] (13) § 2–214 ("Sale or delivery restricted");

[(13)] (14) § 2–215 ("Beer sale on credit to retail dealer prohibited");

[(14)] (15) § 2–216 ("Interaction between manufacturing entities and retailers");

[(15)] (16) § 2–217 ("Distribution of alcoholic beverages — Prohibited practices"); and

[(16)] (17) § 2-218 ("Restrictive agreements between producers and retailers — Prohibited").

(b) [The following sections of Title 2, Subtitle 2 ("Manufacturer's Licenses") of Division I of this article do not apply in the County:

(1) § 2–203 ("Class 9 limited distillery license"); and

(2) §] SECTION 2–209 ("Class 7 micro–brewery license") OF DIVISION I OF THIS ARTICLE DOES NOT APPLY IN THE COUNTY.

18-401.

- (1) § 2–201 ("Issuance by Comptroller");
- (2) $\S 2-202$ ("Class 1 distillery license");
- (3) § 2–203 ("CLASS 9 LIMITED DISTILLERY LICENSE");
- (4) $\S 2-204$ ("Class 2 rectifying license");
- [(4)] (5) § 2–205 ("Class 3 winery license");
- [(5)] (6) § 2–206 ("Class 4 limited winery license");
- [(6)] (7) § 2–207 ("Class 5 brewery license");
- [(7)] (8) § 2–208 ("Class 6 pub–brewery license");
- [(8)] (9) § 2–209 ("Class 7 micro–brewery license");

[(9)] (10) § 2–210 ("Class 8 farm brewery license");

- [(10)] (11) § 2–211 ("Residency requirement");
- [(11)] (12) § 2–212 ("Additional licenses");
- [(12)] (13) § 2–213 ("Additional fees");
- [(13)] (14) § 2–214 ("Sale or delivery restricted");
- [(14)] (15) § 2–215 ("Beer sale on credit to retail dealer prohibited");

[(15)] (16) § 2-216 ("Interaction between manufacturing entities and retailers");

[(16)] (17) § 2–217 ("Distribution of alcoholic beverages — Prohibited practices"); and

[(17)] (18) § 2-218 ("Restrictive agreements between producers and retailers — Prohibited").

[(b) Section 2–203 ("Class 9 limited distillery license") of Division I of this article does not apply in the County.]

19-401.

- (1) § 2–201 ("Issuance by Comptroller");
- (2) $\S 2-202$ ("Class 1 distillery license");
- (3) § 2–203 ("CLASS 9 LIMITED DISTILLERY LICENSE");
- (4) $\S 2-204$ ("Class 2 rectifying license");
- [(4)] (5) § 2–205 ("Class 3 winery license");
- $[(5)] (6) \qquad \S 2-206 \text{ ("Class 4 limited winery license");}$
- [(6)] (7) § 2–207 ("Class 5 brewery license");
- [(7)] (8) § 2–210 ("Class 8 farm brewery license");

[(8)] (9) § 2–211 ("Residency requirement");

[(9)] (10) § 2–212 ("Additional licenses");

[(10)] (11) § 2–213 ("Additional fees");

[(11)] (12) § 2–214 ("Sale or delivery restricted");

[(12)] (13) § 2–215 ("Beer sale on credit to retail dealer prohibited");

[(13)] (14) § 2–216 ("Interaction between manufacturing entities and retailers");

[(14)] (15) § 2–217 ("Distribution of alcoholic beverages — Prohibited practices"); and

[(15)] (16) § 2-218 ("Restrictive agreements between producers and retailers — Prohibited").

(b) [Section 2–203 ("Class 9 limited distillery license") of Division I of this article does not apply in the County.

(c)] The following sections of Title 2, Subtitle 2 ("Manufacturer's Licenses") of Division I of this article apply in the County:

(1) § 2–208 ("Class 6 pub–brewery license"), subject to § 19–403 of this subtitle; and

(2) § 2–209 ("Class 7 micro–brewery license"), subject to § 19–404 of this subtitle.

20-401.

- (1) § 2–201 ("Issuance by Comptroller");
- (2) $\S 2-202$ ("Class 1 distillery license");
- (3) § 2–203 ("CLASS 9 LIMITED DISTILLERY LICENSE");
- (4) $\S 2-204$ ("Class 2 rectifying license");
- [(4)] (5) § 2–207 ("Class 5 brewery license");

- [(5)] (6) § 2–210 ("Class 8 farm brewery license");
- [(6)] (7) $\S 2-211$ ("Residency requirement");
- [(7)] (8) § 2–212 ("Additional licenses");
- [(8)] (9) § 2–213 ("Additional fees");
- [(9)] (10) § 2–214 ("Sale or delivery restricted");

[(10)] (11) § 2–215 ("Beer sale on credit to retail dealer prohibited");

[(11)] (12) § 2–216 ("Interaction between manufacturing entities and retailers");

[(12)] (13) § 2–217 ("Distribution of alcoholic beverages — Prohibited practices"); and

[(13)] (14) § 2-218 ("Restrictive agreements between producers and retailers — Prohibited").

(b) [Section 2–203 ("Class 9 limited distillery license") of Division I of this article does not apply in the County.

(c)] The following sections of Title 2, Subtitle 2 ("Manufacturer's Licenses") of Division I of this article apply in the County:

(1) § 2–205 ("Class 3 winery license"), subject to § 20–403 of this subtitle;

(2) § 2–206 ("Class 4 limited winery license"), subject to § 20–404 of this subtitle;

(3) § 2–208 ("Class 6 pub–brewery license"), subject to § 20–405 of this subtitle; and

(4) § 2–209 ("Class 7 micro–brewery license"), subject to § 20–406 of this subtitle.

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(a) The following sections of Title 2, Subtitle 2 ("Manufacturer's Licenses") of Division I of this article apply in the County without exception or variation:

(1) § 2–201 ("Issuance by Comptroller");

(2) § 2–203 ("CLASS 9 LIMITED DISTILLERY LICENSE");

- (3) § 2–205 ("Class 3 winery license");
- [(3)] (4) § 2–207 ("Class 5 brewery license");
- [(4)] (5) § 2–209 ("Class 7 micro–brewery license");
- [(5)] (6) § 2–211 ("Residency requirement");
- [(6)] (7) § 2–212 ("Additional licenses");
- [(7)] (8) § 2–213 ("Additional fees");
- [(8)] (9) § 2–214 ("Sale or delivery restricted");

[(9)] (10) § 2–215 ("Beer sale on credit to retail dealer prohibited");

[(10)] (11) § 2–216 ("Interaction between manufacturing entities and retailers");

[(11)] (12) § 2–217 ("Distribution of alcoholic beverages — Prohibited practices"); and

[(12)] (13) § 2-218 ("Restrictive agreements between producers and retailers — Prohibited").

(b) [Section 2–203 ("Class 9 limited distillery license") of Division I of this article does not apply in the County.

(c)] The following sections of Title 2, Subtitle 2 ("Manufacturer's Licenses") of Division I of this article apply in the County:

(1) § 2–202 ("Class 1 distillery license"), subject to § 21–403 of this subtitle;

(2) § 2–204 ("Class 2 rectifying license"), subject to § 21–404 of this subtitle;

(3) § 2–206 ("Class 4 limited winery license"), subject to § 21–405 of this subtitle;

(4) § 2–208 ("Class 6 pub–brewery license"), subject to § 21–406 of this subtitle; and

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(5) § 2–210 ("Class 8 farm brewery license"), subject to § 21–407 of this subtitle.

22-401.

(a) The following sections of Title 2, Subtitle 2 ("Manufacturer's Licenses") of Division I of this article apply in the County without exception or variation:

- (1) § 2–201 ("Issuance by Comptroller");
- (2) § 2–202 ("Class 1 distillery license");
- (3) § 2–203 ("CLASS 9 LIMITED DISTILLERY LICENSE");
- (4) § 2–204 ("Class 2 rectifying license");
- [(4)] (5) § 2–205 ("Class 3 winery license");
- [(5)] (6) § 2–206 ("Class 4 limited winery license");
- [(6)] (7) § 2–208 ("Class 6 pub–brewery license");
- [(7)] (8) § 2–209 ("Class 7 micro–brewery license");
- [(8)] (9) § 2–210 ("Class 8 farm brewery license");
- [(9)] (10) § 2–211 ("Residency requirement");
- [(10)] (11) § 2–212 ("Additional licenses");
- [(11)] (12) § 2–213 ("Additional fees");
- [(12)] (13) § 2–214 ("Sale or delivery restricted");
- [(13)] (14) § 2–215 ("Beer sale on credit to retail dealer prohibited");

[(14)] (15) § 2–216 ("Interaction between manufacturing entities and retailers");

[(15)] (16) § 2–217 ("Distribution of alcoholic beverages — Prohibited practices"); and

[(16)] (17) § 2-218 ("Restrictive agreements between producers and retailers — Prohibited").

(b) [Section 2–203 ("Class 9 limited distillery license") of Division I of this article does not apply in the County.

(c)] Section 2–207 ("Class 5 brewery license") of Division I of this article applies in the County, subject to § 22–403 of this subtitle.

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(a) The following sections of Title 2, Subtitle 2 ("Manufacturer's Licenses") of Division I of this article apply in the County without exception or variation:

- (1) § 2–201 ("Issuance by Comptroller");
- (2) § 2–202 ("Class 1 distillery license");
- (3) § 2–203 ("CLASS 9 LIMITED DISTILLERY LICENSE");
- (4) § 2–204 ("Class 2 rectifying license");
- [(4)] (5) § 2–205 ("Class 3 winery license");
- [(5)] (6) § 2–206 ("Class 4 limited winery license");
- [(6)] (7) § 2–207 ("Class 5 brewery license");
- [(7)] (8) § 2–209 ("Class 7 micro–brewery license");
- [(8)] (9) § 2–210 ("Class 8 farm brewery license");
- [(9)] (10) § 2–211 ("Residency requirement");
- [(10)] (11) § 2–212 ("Additional licenses");
- [(11)] (12) § 2–213 ("Additional fees");
- [(12)] (13) § 2–214 ("Sale or delivery restricted");

[(13)] (14) § 2–216 ("Interaction between manufacturing entities and retailers");

[(14)] (15) § 2–217 ("Distribution of alcoholic beverages — Prohibited practices"); and

[(15)] (16) § 2-218 ("Restrictive agreements between producers and retailers — Prohibited").

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(b) The following sections of Title 2, Subtitle 2 ("Manufacturer's Licenses") of Division I of this article do not apply in the County:

(1) [§ 2–203 ("Class 9 limited distillery license");

(2)] $\S 2-208$ ("Class 6 pub-brewery license"); and

[(3)] (2) § 2–215 ("Beer sale on credit to retail dealer prohibited").

24-401.

(a) The following sections of Title 2, Subtitle 2 ("Manufacturer's Licenses") of Division I of this article apply in the County without exception or variation:

- (1) § 2–201 ("Issuance by Comptroller");
- (2) § 2–202 ("Class 1 distillery license");
- (3) § 2–203 ("CLASS 9 LIMITED DISTILLERY LICENSE");
- (4) § 2–204 ("Class 2 rectifying license");
- [(4)] (5) § 2–205 ("Class 3 winery license");
- [(5)] (6) § 2–206 ("Class 4 limited winery license");
- [(6)] (7) § 2–207 ("Class 5 brewery license");
- [(7)] (8) § 2–210 ("Class 8 farm brewery license");
- [(8)] (9) § 2–211 ("Residency requirement");
- [(9)] (10) § 2–212 ("Additional licenses");
- [(10)] (11) § 2–213 ("Additional fees");
- [(11)] (12) § 2–214 ("Sale or delivery restricted");
- [(12)] (13) § 2–215 ("Beer sale on credit to retail dealer prohibited");

[(13)] (14) § 2-216 ("Interaction between manufacturing entities and retailers");

[(14)] (15) § 2–217 ("Distribution of alcoholic beverages — Prohibited practices"); and

[(15)] (16) § 2-218 ("Restrictive agreements between producers and retailers — Prohibited").

(b) [Section 2–203 ("Class 9 limited distillery license") of Division I of this article does not apply in the County.

(c)] The following sections of Title 2, Subtitle 2 ("Manufacturer's Licenses") of Division I of this article apply in the County:

(1) § 2–208 ("Class 6 pub–brewery license"), subject to § 24–403 of this subtitle; and

(2) § 2–209 ("Class 7 micro–brewery license"), subject to § 24–404 of this subtitle.

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- (1) § 2–201 ("Issuance by Comptroller");
- (2) § 2–202 ("Class 1 distillery license");
- (3) § 2–203 ("CLASS 9 LIMITED DISTILLERY LICENSE");
- (4) § 2–204 ("Class 2 rectifying license");
- [(4)] (5) § 2–206 ("Class 4 limited winery license");
- [(5)] (6) § 2–207 ("Class 5 brewery license");
- [(6)] (7) § 2–210 ("Class 8 farm brewery license");
- [(7)] (8) § 2–211 ("Residency requirement");
- [(8)] (9) § 2–212 ("Additional licenses");
- [(9)] (10) § 2–213 ("Additional fees");
- [(10)] (11) § 2–214 ("Sale or delivery restricted");

[(11)] (12) § 2-216 ("Interaction between manufacturing entities and retailers");

[(12)] (13) § 2–217 ("Distribution of alcoholic beverages — Prohibited practices"); and

[(13)] (14) § 2-218 ("Restrictive agreements between producers and retailers — Prohibited").

(b) [The following sections of Title 2, Subtitle 2 ("Manufacturer's Licenses") of Division I of this article do not apply in the County:

(1) § 2–203 ("Class 9 limited distillery license"); and

(2) §] SECTION 2–215 ("Beer sale on credit to retailer dealer prohibited") OF DIVISION I OF THIS ARTICLE DOES NOT APPLY IN THE COUNTY.

(c) The following sections of Title 2, Subtitle 2 ("Manufacturer's Licenses") of Division I of this article apply in the County:

(1) § 2–205 ("Class 3 winery license"), subject to § 25–403 of this subtitle;

(2) § 2–208 ("Class 6 pub–brewery license"), subject to § 25–404 of this subtitle; and

(3) § 2–209 ("Class 7 micro–brewery license"), subject to § 25–405 of this subtitle.

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- (1) § 2–201 ("Issuance by Comptroller");
- (2) $\S 2-202$ ("Class 1 distillery license");
- (3) § 2–203 ("CLASS 9 LIMITED DISTILLERY LICENSE");
- (4) $\S 2-204$ ("Class 2 rectifying license");
- [(4)] (5) § 2–205 ("Class 3 winery license");
- [(5)] (6) § 2–206 ("Class 4 limited winery license");

- [(6)] (7) § 2–207 ("Class 5 brewery license");
- [(7)] (8) § 2–208 ("Class 6 pub–brewery license");
- [(8)] (9) § 2–210 ("Class 8 farm brewery license");
- [(9)] (10) § 2–211 ("Residency requirement");
- [(10)] (11) § 2–212 ("Additional licenses");
- [(11)] (12) § 2–213 ("Additional fees");
- [(12)] (13) § 2–214 ("Sale or delivery restricted");

[(13)] (14) § 2–216 ("Interaction between manufacturing entities and retailers");

[(14)] (15) § 2–217 ("Distribution of alcoholic beverages — Prohibited practices"); and

[(15)] (16) § 2-218 ("Restrictive agreements between producers and retailers — Prohibited").

(b) [Section 2–203 ("Class 9 limited distillery license") of Division I of this article does not apply in the County.

(c)] The following sections of Title 2, Subtitle 2 ("Manufacturer's Licenses") of Division I of this article apply in the County:

(1) § 2–209 ("Class 7 micro–brewery license"), subject to § 26–403 of this subtitle; and

(2) § 2–215 ("Beer sale on credit to retail dealer prohibited"), subject to § 26–405 of this subtitle.

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- (1) § 2–201 ("Issuance by Comptroller");
- (2) $\S 2-202$ ("Class 1 distillery license");
- (3) § 2–203 ("CLASS 9 LIMITED DISTILLERY LICENSE");

- (4) § 2–204 ("Class 2 rectifying license");
- [(4)] (5) § 2–205 ("Class 3 winery license");
- [(5)] (6) § 2–206 ("Class 4 limited winery license");
- [(6)] (7) § 2–207 ("Class 5 brewery license");
- [(7)] (8) § 2–209 ("Class 7 micro–brewery license");
- [(8)] (9) § 2–210 ("Class 8 farm brewery license");
- [(9)] (10) § 2–211 ("Residency requirement");
- [(10)] (11) § 2–212 ("Additional licenses");
- [(11)] (12) § 2–213 ("Additional fees");
- [(12)] (13) § 2–214 ("Sale or delivery restricted");
- [(13)] (14) § 2–215 ("Beer sale on credit to retail dealer prohibited");

[(14)] (15) § 2–216 ("Interaction between manufacturing entities and retailers");

[(15)] (16) § 2–217 ("Distribution of alcoholic beverages — Prohibited practices"); and

[(16)] (17) § 2-218 ("Restrictive agreements between producers and retailers — Prohibited").

(b) [Section 2–203 ("Class 9 limited distillery license") of Division I of this article does not apply in the County.

(c)] Section 2–208 ("Class 6 pub-brewery license") of Division I of this article applies in the County, subject to § 27–403 of this subtitle.

28 - 401.

(a) The following sections of Title 2, Subtitle 2 ("Manufacturer's Licenses") of Division I of this article apply in the County without exception or variation:

(1) § 2–201 ("Issuance by Comptroller");

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- (2) $\S 2-202$ ("Class 1 distillery license");
- (3) § 2–203 ("CLASS 9 LIMITED DISTILLERY LICENSE");
- (4) $\S 2-204$ ("Class 2 rectifying license");
- [(4)] (5) § 2–205 ("Class 3 winery license");
- [(5)] (6) § 2–206 ("Class 4 limited winery license");
- [(6)] (7) § 2–207 ("Class 5 brewery license");
- [(7)] (8) § 2–209 ("Class 7 micro–brewery license");
- [(8)] (9) § 2–210 ("Class 8 farm brewery license");
- [(9)] (10) § 2–211 ("Residency requirement");
- [(10)] (11) § 2–212 ("Additional licenses");
- [(11)] (12) § 2–213 ("Additional fees");
- [(12)] (13) § 2–214 ("Sale or delivery restricted");
- [(13)] (14) § 2–215 ("Beer sale on credit to retail dealer prohibited");

[(14)] (15) § 2–216 ("Interaction between manufacturing entities and retailers");

[(15)] (16) § 2–217 ("Distribution of alcoholic beverages — Prohibited practices"); and

[(16)] (17) § 2–218 ("Restrictive agreements between producers and retailers — Prohibited").

(b) [Section 2–203 ("Class 9 limited distillery license") of Division I of this article does not apply in the County.

(c)] Section 2–208 ("Class 6 pub–brewery license") of Division I of this article applies in the County, subject to § 28–403 of this subtitle.

29-401.

- (1) § 2–201 ("Issuance by Comptroller");
- (2) $\S 2-202$ ("Class 1 distillery license");

(3) § 2–203 ("CLASS 9 LIMITED DISTILLERY LICENSE");

- (4) $\S 2-204$ ("Class 2 rectifying license");
- [(4)] (5) § 2–205 ("Class 3 winery license");
- [(5)] (6) § 2–206 ("Class 4 limited winery license");
- [(6)] (7) § 2–207 ("Class 5 brewery license");
- [(7)] (8) § 2–209 ("Class 7 micro–brewery license");
- [(8)] (9) § 2–210 ("Class 8 farm brewery license");
- [(9)] (10) § 2–211 ("Residency requirement");
- [(10)] (11) § 2–212 ("Additional licenses");
- [(11)] (12) § 2–213 ("Additional fees");
- [(12)] (13) § 2–214 ("Sale or delivery restricted");
- [(13)] (14) § 2–215 ("Beer sale on credit to retail dealer prohibited");

[(14)] (15) § 2–216 ("Interaction between manufacturing entities and retailers");

[(15)] (16) § 2–217 ("Distribution of alcoholic beverages — Prohibited practices"); and

[(16)] (17) § 2-218 ("Restrictive agreements between producers and retailers — Prohibited").

(b) [The following sections of Title 2, Subtitle 2 ("Manufacturer's Licenses") of Division I of this article do not apply in the County:

(1) § 2–203 ("Class 9 limited distillery license"); and

(2) §] SECTION 2–208 ("Class 6 pub–brewery license") OF DIVISION I OF THIS ARTICLE DOES NOT APPLY IN THE COUNTY.

30-401.

(a) The following sections of Title 2, Subtitle 2 ("Manufacturer's Licenses") of Division I of this article apply in the County without exception or variation:

- (1) § 2–201 ("Issuance by Comptroller");
- (2) § 2–202 ("Class 1 distillery license");
- (3) § 2–203 ("CLASS 9 LIMITED DISTILLERY LICENSE");
- (4) § 2–204 ("Class 2 rectifying license");
- [(4)] (5) § 2–205 ("Class 3 winery license");
- [(5)] (6) § 2–206 ("Class 4 limited winery license");
- [(6)] (7) § 2–207 ("Class 5 brewery license");
- [(7)] (8) § 2–210 ("Class 8 farm brewery license");
- [(8)] (9) § 2–211 ("Residency requirement");
- [(9)] (10) § 2–212 ("Additional licenses");
- [(10)] (11) § 2–213 ("Additional fees");
- [(11)] (12) § 2–214 ("Sale or delivery restricted");
- [(12)] (13) § 2–215 ("Beer sale on credit to retail dealer prohibited");

[(13)] (14) § 2–216 ("Interaction between manufacturing entities and retailers");

[(14)] (15) § 2–217 ("Distribution of alcoholic beverages — Prohibited practices"); and

[(15)] (16) § 2-218 ("Restrictive agreements between producers and retailers — Prohibited").

(b) [Section 2–203 ("Class 9 limited distillery license") of Division I of this article does not apply in the County.

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(c)] The following sections of Title 2, Subtitle 2 ("Manufacturer's Licenses") of Division I of this article apply in the County:

(1) § 2–208 ("Class 6 pub–brewery license"), subject to § 30–403 of this subtitle; and

(2) § 2–209 ("Class 7 micro–brewery license"), subject to § 30–404 of this subtitle.

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(a) The following sections of Title 2, Subtitle 2 ("Manufacturer's Licenses") of Division I of this article apply in the County without exception or variation:

- (1) § 2–201 ("Issuance by Comptroller");
- (2) $\S 2-202$ ("Class 1 distillery license");
- (3) § 2–203 ("CLASS 9 LIMITED DISTILLERY LICENSE");
- (4) § 2–204 ("Class 2 rectifying license");
- [(4)] (5) § 2–205 ("Class 3 winery license");
- [(5)] (6) § 2–206 ("Class 4 limited winery license");
- [(6)] (7) § 2–207 ("Class 5 brewery license");
- [(7)] (8) § 2–210 ("Class 8 farm brewery license");
- [(8)] (9) § 2–211 ("Residency requirement");
- [(9)] (10) § 2–212 ("Additional licenses");
- [(10)] (11) § 2–213 ("Additional fees");
- [(11)] (12) § 2–214 ("Sale or delivery restricted");

[(12)] (13) § 2-216 ("Interaction between manufacturing entities and retailers");

[(13)] (14) § 2–217 ("Distribution of alcoholic beverages — Prohibited practices"); and

[(14)] (15) § 2-218 ("Restrictive agreements between producers and retailers — Prohibited").

(b) [Section 2–203 ("Class 9 limited distillery license") of Division I of this article does not apply in the County.

(c)] The following sections of Title 2, Subtitle 2 ("Manufacturer's Licenses") of Division I of this article apply in the County:

(1) § 2–208 ("Class 6 pub–brewery license"), subject to § 31–403 of this subtitle;

(2) § 2–209 ("Class 7 micro–brewery license"), subject to § 31–404 of this subtitle; and

(3) § 2–215 ("Beer sale on credit to retail dealer prohibited"), subject to § 31-405 of this subtitle.

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- (1) § 2–201 ("Issuance by Comptroller");
- (2) § 2–202 ("Class 1 distillery license");
- (3) § 2–203 ("CLASS 9 LIMITED DISTILLERY LICENSE");
- (4) $\S 2-204$ ("Class 2 rectifying license");
- [(4)] (5) § 2–205 ("Class 3 winery license");
- [(5)] (6) § 2–206 ("Class 4 limited winery license");
- [(6)] (7) § 2–207 ("Class 5 brewery license");
- [(7)] (8) § 2–210 ("Class 8 farm brewery license");
- [(8)] (9) § 2–211 ("Residency requirement");
- [(9)] (10) § 2–212 ("Additional licenses");
- [(10)] (11) § 2–213 ("Additional fees");

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[(11)] (12) § 2–214 ("Sale or delivery restricted");

[(12)] (13) § 2–215 ("Beer sale on credit to retail dealer prohibited");

[(13)] (14) § 2-216 ("Interaction between manufacturing entities and retailers");

 $[(14)]~(15) ~ \S~ 2-217$ ("Distribution of alcoholic beverages — Prohibited practices"); and

[(15)] (16) § 2-218 ("Restrictive agreements between producers and retailers — Prohibited").

(b) [Section 2–203 ("Class 9 limited distillery license") of Division I of this article does not apply in the County.

(c)] The following sections of Title 2, Subtitle 2 ("Manufacturer's Licenses") of Division I of this article apply in the County:

(1) § 2–208 ("Class 6 pub–brewery license"), subject to § 32–403 of this subtitle; and

(2) § 2–209 ("Class 7 micro–brewery license"), subject to § 32–404 of this subtitle.

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

Approved by the Governor, April 26, 2016.