

HOUSE BILL 309

A2

7lr0569

By: **Montgomery County Delegation**

Introduced and read first time: January 25, 2017

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Montgomery County – Beer, Wine, and Liquor Festival License**

3 **MC 7–17**

4 FOR the purpose of establishing a Beer, Wine, and Liquor Festival license in Montgomery
5 County; authorizing a certain festival organization to conduct a beer, wine, and
6 liquor festival under the supervision of the Montgomery County Department of
7 Liquor Control; specifying certain conditions under which beer, wine, or liquor may
8 be displayed and sold on or off the festival premises at certain times; requiring a
9 festival organization to choose festival weekends and location and ensure that the
10 primary focus of the festival is the promotion of Maryland beer, wine, or liquor;
11 authorizing a festival organization to contract with holders of certain alcoholic
12 beverages licenses to sell and display beer, wine, or liquor at the festival; allowing
13 certain persons to hold a festival license in addition to another license; establishing
14 a license fee; requiring certain license fees to be deposited into the general fund of
15 Montgomery County; establishing certain penalties; requiring the Montgomery
16 County Board of License Commissioners to adopt certain regulations; defining
17 certain terms; repealing certain provisions of law concerning beer festival licenses
18 and wine festival licenses that are rendered duplicative by this Act; and generally
19 relating to a beer, wine, and liquor festival in Montgomery County.

20 BY repealing

21 Article – Alcoholic Beverages
22 Section 25–1304 and 25–1305
23 Annotated Code of Maryland
24 (2016 Volume and 2016 Supplement)

25 BY repealing and reenacting, without amendments,

26 Article – Alcoholic Beverages
27 Section 25–102 and 25–401
28 Annotated Code of Maryland

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (2016 Volume and 2016 Supplement)

2 BY adding to
3 Article – Alcoholic Beverages
4 Section 25–1304
5 Annotated Code of Maryland
6 (2016 Volume and 2016 Supplement)

7 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
8 That Section(s) 25–1304 and 25–1305 of Article – Alcoholic Beverages of the Annotated
9 Code of Maryland be repealed.

10 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read
11 as follows:

12 **Article – Alcoholic Beverages**

13 25–102.

14 This title applies only in Montgomery County.

15 25–401.

16 (a) The following sections of Title 2, Subtitle 2 (“Manufacturer’s Licenses”) of
17 Division I of this article apply in the county without exception or variation:

- 18 (1) § 2–201 (“Issuance by Comptroller”);
19 (2) § 2–202 (“Class 1 distillery license”);
20 (3) § 2–203 (“Class 9 limited distillery license”);
21 (4) § 2–204 (“Class 2 rectifying license”);
22 (5) § 2–206 (“Class 4 limited winery license”);
23 (6) § 2–207 (“Class 5 brewery license”);
24 (7) § 2–210 (“Class 8 farm brewery license”);
25 (8) § 2–211 (“Residency requirement”);
26 (9) § 2–212 (“Additional licenses”);
27 (10) § 2–213 (“Additional fees”);
28 (11) § 2–214 (“Sale or delivery restricted”);

1 (12) § 2–216 (“Interaction between manufacturing entities and retailers”);

2 (13) § 2–217 (“Distribution of alcoholic beverages — Prohibited practices”);
3 and

4 (14) § 2–218 (“Restrictive agreements between producers and retailers
5 — Prohibited”).

6 (b) Section 2–215 (“Beer sale on credit to retail dealer prohibited”) of Division I of
7 this article does not apply in the county.

8 (c) The following sections of Title 2, Subtitle 2 (“Manufacturer’s Licenses”) of
9 Division I of this article apply in the county:

10 (1) § 2–205 (“Class 3 winery license”), subject to § 25–403 of this subtitle;

11 (2) § 2–208 (“Class 6 pub–brewery license”), subject to § 25–404 of this
12 subtitle; and

13 (3) § 2–209 (“Class 7 micro–brewery license”), subject to § 25–405 of this
14 subtitle.

15 **25–1304.**

16 (A) (1) **IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS**
17 **INDICATED.**

18 (2) **“FESTIVAL” MEANS THE MONTGOMERY COUNTY BEER, WINE,**
19 **AND LIQUOR FESTIVAL.**

20 (3) **“FESTIVAL ORGANIZATION” MEANS A NONPROFIT ORGANIZATION**
21 **THAT:**

22 (I) **IS CHOSEN BY THE COUNTY TO ORGANIZE THE FESTIVAL;**
23 **AND**

24 (II) **HAS EXTENSIVE EXPERIENCE IN ORGANIZING AND**
25 **MANAGING LARGE–SCALE PUBLIC EVENTS.**

26 (B) **THERE IS A BEER, WINE, AND LIQUOR FESTIVAL LICENSE.**

27 (C) **THE BOARD MAY ISSUE THE LICENSE TO A HOLDER OF A RETAIL**
28 **LICENSE ISSUED IN THE COUNTY, A CLASS 5 BREWERY LICENSE, A CLASS 6**
29 **PUB–BREWERY LICENSE, A CLASS 7 MICRO–BREWERY LICENSE, A STATE CLASS 8**

1 FARM BREWERY LICENSE, A CLASS 3 WINERY LICENSE, A CLASS 4 LIMITED WINERY
2 LICENSE, A CLASS 1 DISTILLERY LICENSE, OR A CLASS 9 LIMITED DISTILLERY
3 LICENSE.

4 (D) (1) SUBJECT TO PARAGRAPHS (2) AND (3) OF THIS SUBSECTION, THE
5 LICENSE AUTHORIZES THE LICENSE HOLDER TO DISPLAY AND SELL BEER, WINE, OR
6 LIQUOR THAT IS DISTRIBUTED IN THE STATE.

7 (2) A PERSON MAY NOT SELL, OFFER FOR SALE, OR DISPLAY BEER,
8 WINE, OR LIQUOR AT THE FESTIVAL UNLESS THE PERSON:

9 (I) HOLDS A BEER, WINE, AND LIQUOR FESTIVAL LICENSE; AND

10 (II) HAS CONTRACTED WITH A FESTIVAL ORGANIZATION TO
11 DISPLAY AND SELL BEER, WINE, OR LIQUOR AT THE FESTIVAL.

12 (E) A LICENSE HOLDER SHALL DISPLAY AND SELL BEER, WINE, OR LIQUOR:

13 (1) AT RETAIL FOR ON- AND OFF-PREMISES CONSUMPTION; AND

14 (2) DURING THE HOURS AND DAYS DESIGNATED FOR THE FESTIVAL.

15 (F) A FESTIVAL ORGANIZATION SHALL:

16 (1) CHOOSE THE WEEKENDS FOR THE FESTIVAL;

17 (2) CHOOSE A LOCATION REGARDLESS OF WHETHER THE LOCATION
18 IS ALREADY LICENSED; AND

19 (3) ENSURE THAT THE PRIMARY FOCUS OF THE FESTIVAL IS THE
20 PROMOTION OF MARYLAND BEER, WINE, OR LIQUOR.

21 (G) A FESTIVAL ORGANIZATION MAY CONTRACT WITH A HOLDER OF A
22 RETAIL LICENSE ISSUED IN THE COUNTY, A CLASS 5 BREWERY LICENSE, A CLASS 6
23 PUB-BREWERY LICENSE, A CLASS 7 MICRO-BREWERY LICENSE, A STATE CLASS 8
24 FARM BREWERY LICENSE, A CLASS 3 WINERY LICENSE, A CLASS 4 LIMITED WINERY
25 LICENSE, A CLASS 1 DISTILLERY LICENSE, OR A CLASS 9 LIMITED DISTILLERY
26 LICENSE TO SELL AND DISPLAY BEER, WINE, OR LIQUOR AT THE FESTIVAL.

27 (H) A PERSON MAY HOLD A BEER, WINE, AND LIQUOR FESTIVAL LICENSE IN
28 ADDITION TO ANOTHER LICENSE.

29 (I) (1) THE LICENSE FEE IS \$30 FOR EACH DAY OF THE FESTIVAL.

1 **(2) LICENSE FEES COLLECTED UNDER THIS SUBSECTION SHALL BE**
2 **DEPOSITED INTO THE GENERAL FUND OF THE COUNTY.**

3 **(J) (1) THE BOARD MAY DENY A BEER, WINE, AND LIQUOR FESTIVAL**
4 **LICENSE TO AN APPLICANT OR SUSPEND OR REVOKE A BEER, WINE, AND LIQUOR**
5 **FESTIVAL LICENSE IF THE APPLICANT OR LICENSE HOLDER VIOLATES A PROVISION**
6 **OF THIS ARTICLE OR THE REGULATIONS OF THE BOARD.**

7 **(2) INSTEAD OF OR IN ADDITION TO DENYING, SUSPENDING, OR**
8 **REVOKING A LICENSE UNDER THIS SUBSECTION, THE BOARD MAY IMPOSE ON AN**
9 **APPLICANT OR LICENSE HOLDER A FINE NOT EXCEEDING \$20,000.**

10 **(K) THE BOARD SHALL ADOPT REGULATIONS TO CARRY OUT THIS SECTION.**

11 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July
12 1, 2017.