

SENATE BILL 801

A2

7lr2707
CF 7lr3124

By: **Senators Zirkin, Jennings, Kelley, Nathan-Pulliam, and Salling**

Introduced and read first time: February 3, 2017

Assigned to: Education, Health, and Environmental Affairs

A BILL ENTITLED

AN ACT concerning

Baltimore County – Class 5 Brewery

FOR the purpose of requiring the Board of License Commissioners for Baltimore County to issue an on-site consumption permit to a certain holder of a Class 5 brewery license located in a certain area at the time the permit is first issued; providing for the sale of a certain quantity of beer under the permit each year under certain circumstances; providing that beer may be sold in excess of a certain quantity in a year only if purchased from a licensed beer wholesaler; and generally relating to alcoholic beverages in Baltimore County.

BY repealing and reenacting, without amendments,

Article – Alcoholic Beverages
Section 2–207(e) and 13–102
Annotated Code of Maryland
(2016 Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,

Article – Alcoholic Beverages
Section 13–401
Annotated Code of Maryland
(2016 Volume and 2016 Supplement)

BY adding to

Article – Alcoholic Beverages
Section 13–403
Annotated Code of Maryland
(2016 Volume and 2016 Supplement)

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

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



Article – Alcoholic Beverages

2–207.

(e) (1) A local licensing board shall grant an on–site consumption permit to an applicant that holds a Class 5 brewery license and, subject to paragraph (3) of this subsection, a Class D beer license.

(2) (i) An on–site consumption permit entitles the holder to sell beer brewed at the brewery for on–premises consumption to an individual who has attained the legal drinking age.

(ii) The total amount of beer sold each year for on–premises consumption under this paragraph may not exceed 500 barrels.

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

(i) establish an equivalent license; and

(ii) require the applicant to obtain that equivalent license.

(4) A local licensing board may:

(i) charge a fee for granting an on–site consumption permit; and

(ii) require that the holder of the permit or an employee designated by the holder comply with the alcohol awareness training requirements under § 4–505 of this article.

13–102.

This title applies only in Baltimore County.

13–401.

(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”);

(5) § 2–205 (“Class 3 winery license”);

(6) § 2–206 (“Class 4 limited winery license”);

(7) [§ 2–207 (“Class 5 brewery license”);

(8)] § 2–208 (“Class 6 pub–brewery license”);

[(9)] **(8)** § 2–209 (“Class 7 micro–brewery license”);

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

[(11)] **(10)** § 2–211 (“Residency requirement”);

[(12)] **(11)** § 2–212 (“Additional licenses”);

[(13)] **(12)** § 2–213 (“Additional fees”);

[(14)] **(13)** § 2–214 (“Sale or delivery restricted”);

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

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

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

(b) Section 2–215 (“Beer sale on credit to retail dealer prohibited”) 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 § 13–403 OF THIS SUBTITLE.

13–403.

(A) THIS SECTION APPLIES TO A CLASS 5 LICENSE IN THE COUNTY.

(B) NOTWITHSTANDING THE VOLUME LIMIT IN § 2–207(E)(2)(II) OF THIS ARTICLE, AND SUBJECT TO SUBSECTION (C) OF THIS SECTION, THE BOARD SHALL ISSUE AN ON–SITE CONSUMPTION PERMIT TO A LICENSE HOLDER THAT AUTHORIZES THE HOLDER TO SELL FOR ON–PREMISES CONSUMPTION BEER BREWED AT THE PREMISES NOT TO EXCEED 5,000 BARRELS EACH YEAR IF:

(1) THE BREWERY FOR WHICH THE CLASS 5 LICENSE IS ISSUED IS LOCATED WITHIN AN ENTERPRISE ZONE UNDER TITLE 5, SUBTITLE 7 OF THE ECONOMIC DEVELOPMENT ARTICLE WHEN FIRST ISSUED; AND

(2) ON-PREMISES CONSUMPTION IS NOT ALLOWED AFTER 10 P.M. ON SUNDAY THROUGH THURSDAY OR AFTER MIDNIGHT ON FRIDAY AND SATURDAY.

(C) THE HOLDER OF AN ON-SITE CONSUMPTION PERMIT UNDER THIS SECTION MAY SELL BEER BREWED AT THE PREMISES IN EXCESS OF 5,000 BARRELS IN A YEAR ONLY IF THE HOLDER PURCHASES THE EXCESS FROM A LICENSED BEER WHOLESALER.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2017.