# HOUSE BILL 789

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EMERGENCY BILL

0lr2013

By: **Washington County Delegation** Introduced and read first time: February 3, 2020 Assigned to: Economic Matters

Committee Report: Favorable with amendments House action: Adopted Read second time: March 11, 2020

CHAPTER \_\_\_\_\_

### 1 AN ACT concerning

## 2 Washington County - Alcoholic Beverages - Wineries - Special Event Permits

3 FOR the purpose of establishing a special event permit in Washington County; authorizing 4 a holder of a Class 3 winery license or a Class 4 limited winery license in the county to sell beer, wine produced by the holder, certain sparkling wine, and liquor for  $\mathbf{5}$ 6 on-premises consumption at certain events under the permit; requiring a license 7 holder to purchase certain alcoholic beverages from a licensed retailer; requiring the permit a license holder to keep certain receipts for a certain period of time; requiring 8 9 the permit a license holder to notify the Board of License Commissioners for 10 Washington County on or before a certain time before using the permit; establishing 11 a certain limit on the number of times the permit may be used; establishing an 12annual permit fee; making conforming changes; making this Act an emergency 13measure; and generally relating to alcoholic beverages in Washington County.

- 14 BY repealing and reenacting, without amendments,
- 15 Article Alcoholic Beverages
- 16 Section 31–102
- 17 Annotated Code of Maryland
- 18 (2016 Volume and 2019 Supplement)
- 19 BY repealing and reenacting, with amendments,
- 20 Article Alcoholic Beverages
- 21 Section 31–401
- 22 Annotated Code of Maryland
- 23 (2016 Volume and 2019 Supplement)

#### EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

Strike out indicates matter stricken from the bill by amendment or deleted from the law by amendment.



$     \begin{array}{c}       1 \\       2 \\       3 \\       4 \\       5     \end{array} $	BY adding to Article – Alcoholic Beverages Section 31–402.1 Annotated Code of Maryland (2016 Volume and 2019 Supplement)			
$6 \\ 7$	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:			
8	Article – Alcoholic Beverages			
9	31–102.			
10	This title applies only in Washington County.			
11	31–401.			
$\begin{array}{c} 12\\ 13 \end{array}$	(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:			
14		(1) § 2–20	01 ("Issuance by Comptroller");	
15		(2) § 2–20	02 ("Class 1 distillery license");	
16		(3) § 2–20	03 ("Class 9 limited distillery license");	
17		(4) § 2–20	04 ("Class 2 rectifying license");	
18		(5) <b>[</b> § 2–2	205 ("Class 3 winery license");	
19		(6) § 2–20	06 ("Class 4 limited winery license");	
20		(7)] § 2–20	07 ("Class 5 brewery license");	
21		[(8)] <b>(6)</b>	§ 2–210 ("Class 8 farm brewery license");	
22		[(9)] <b>(7)</b>	§ 2–211 ("Residency requirement");	
23		<b>[</b> (10) <b>] (8)</b>	§ 2–212 ("Additional licenses");	
24		<b>[</b> (11) <b>] (9)</b>	§ 2–213 ("Additional fees");	
25		[(12)] <b>(10)</b>	§ 2–214 ("Sale or delivery restricted");	

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$\frac{1}{2}$	[(13)] (11) § 2–216 ("Interaction between manufacturing entities and retailers");
$\frac{3}{4}$	[(14)] (12) § 2–217 ("Distribution of alcoholic beverages — Prohibited practices"); and
$5 \\ 6$	[(15)] (13) § 2–218 ("Restrictive agreements between producers and retailers — Prohibited").
7 8	(b) The following sections of Title 2, Subtitle 2 ("Manufacturer's Licenses") of Division I of this article apply in the county:
9 10	(1) § 2–205 ("CLASS 3 WINERY LICENSE"), SUBJECT TO § 31–402.1 OF THIS SUBTITLE;
$\begin{array}{c} 11 \\ 12 \end{array}$	(2) § 2–206 ("CLASS 4 LIMITED WINERY LICENSE"), SUBJECT TO § $31-402.1$ OF THIS SUBTITLE;
$\begin{array}{c} 13\\14 \end{array}$	[(1)] (3) § 2–208 ("Class 6 pub–brewery license"), subject to § 31–403 of this subtitle;
$\begin{array}{c} 15\\ 16 \end{array}$	[(2)] (4) § $2-209$ ("Class 7 micro–brewery license"), subject to § $31-404$ of this subtitle; and
17 18	[(3)] (5) § 2–215 ("Beer sale on credit to retail dealer prohibited"), subject to § $31-405$ of this subtitle.
19	31-402.1.
20	(A) THERE IS A SPECIAL EVENT PERMIT.
$\begin{array}{c} 21 \\ 22 \end{array}$	(B) THE BOARD MAY ISSUE THE PERMIT TO A HOLDER OF A CLASS 3 WINERY LICENSE OR A CLASS 4 LIMITED WINERY LICENSE.
23 24 25	(C) THE PERMIT AUTHORIZES THE HOLDER TO SELL FOR ON-PREMISES CONSUMPTION BEER, WINE PRODUCED BY THE HOLDER, <u>SPARKLING WINE THAT IS</u> <u>NATURALLY OR ARTIFICIALLY CARBONATED</u> , AND LIQUOR AT AN EVENT FOR WHICH
26 27 28 29	THE ENTIRE LICENSED PREMISES HAS BEEN RENTED. (D) <u>The license holder shall purchase beer, sparkling wine that</u> <u>is naturally or artificially carbonated, or liquor intended for sale</u> <u>under the permit from a licensed retailer.</u>
30	(E) THE LICENSE HOLDER SHALL KEEP ALL RECEIPTS OF PURCHASE OF

31 ALCOHOLIC BEVERAGES FOR 1 YEAR AFTER THE DATE OF PURCHASE.

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# 1(E)(F)THE LICENSE HOLDER THAT INTENDS TO USE THE PERMIT SHALL2NOTIFY THE BOARD AT LEAST 1 WEEK BEFORE THE EVENT IS TO OCCUR.

# 3 (F) (G) THE LICENSE HOLDER MAY USE THE PERMIT NOT MORE THAN 60 4 TIMES IN A YEAR.

### 5 (G) (H) THE ANNUAL PERMIT FEE IS \$1,000.

6 SECTION 2. AND BE IT FURTHER ENACTED, That this Act is an emergency 7 measure, is necessary for the immediate preservation of the public health or safety, has 8 been passed by a yea and nay vote supported by three-fifths of all the members elected to 9 each of the two Houses of the General Assembly, and shall take effect from the date it is 10 enacted.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.