
By: Montgomery County Delegation

Introduced and read first time: February 1, 1996

Assigned to: Economic Matters

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 13, 1996

CHAPTER _____

1 AN ACT concerning

2 **Alcoholic Beverages - Montgomery County**
3 **(Pub- and Micro-Breweries in Gaithersburg)**
4 **MC 623-96**

5 FOR the purpose of authorizing the issuance of a Class 7 micro-brewery license in the
6 City of Gaithersburg in Montgomery County; permitting the holders of a ~~Class 6~~
7 ~~pub-brewery license in the City of Gaithersburg in Montgomery County to apply for~~
8 ~~a Class 7 micro-brewery license~~ Class 7 micro-brewery license in Gaithersburg in
9 Montgomery County, who had a certain license as of a certain date and later
10 obtained the Class 7 license, to brew elsewhere in Montgomery County; requiring
11 the licensee to enter into a written agreement with the Liquor Control Board for the
12 County for the sale and resale of all malt beverages brewed under this license; and
13 generally relating to alcoholic beverages in Montgomery County.

14 BY repealing and reenacting, with amendments,
15 Article 2B - Alcoholic Beverages
16 Section ~~2-207 and~~ 2-208
17 Annotated Code of Maryland
18 (1994 Replacement Volume and 1995 Supplement)

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

21 **Article 2B - Alcoholic Beverages**

22 ~~2-207.~~

23 ~~(a) A Class 6 pub-brewery license shall be issued:~~

1 ~~(1) By the State Comptroller;~~

2 ~~(2) Only to a holder of a Class B beer, wine and liquor (on sale) license that~~
3 ~~is issued for use on the premises of a restaurant located in the jurisdictions listed in~~
4 ~~paragraph (3) of this subsection; and~~

5 ~~(3) Only in the following jurisdictions:~~

6 ~~(i) Anne Arundel County;~~

7 ~~(ii) Anne Arundel County—City of Annapolis;~~

8 ~~(iii) Baltimore City;~~

9 ~~(iv) Baltimore County;~~

10 ~~(v) The thirteenth election district of Carroll County;~~

11 ~~(vi) Cecil County;~~

12 ~~(vii) Charles County;~~

13 ~~(viii) Frederick County;~~

14 ~~(ix) Harford County;~~

15 ~~(x) Montgomery County—City of Gaithersburg;~~

16 ~~(xi) Washington County; and~~

17 ~~(xii) Worcester County.~~

18 ~~(b) A holder of a Class 6 pub-brewery license:~~

19 ~~(1) May brew malt beverages at a single location for consumption on the~~
20 ~~restaurant premises; and~~

21 ~~(2) Is limited to the brewing of 2,000 barrels of malt beverage each calendar~~
22 ~~year.~~

23 ~~(c) The pub-brewery premises shall be located immediately adjacent to the~~
24 ~~restaurant where the brewed beverage is to be sold to the public.~~

25 ~~(d) The Class 6 pub-brewery license is void if:~~

26 ~~(1) The restaurant ceases to be operated as a restaurant; or~~

27 ~~(2) The holder's Class B beer, wine and liquor (on sale) license is revoked~~
28 ~~or transferred to a different location.~~

29 ~~(e) If the holder's Class B beer, wine and liquor (on sale) license is suspended,~~
30 ~~the Class 6 pub-brewery license shall be suspended for the same period of time.~~

31 ~~(f) Except for a license transferred to a new location, a Class 6 pub-brewery~~
32 ~~license may be transferred under § 10-503 of this article if an application for transfer is~~
33 ~~filed with the local licensing board and simultaneously filed with the Office of the~~

34 ~~Comptroller.~~

1 ~~(g) (1) In the City of Annapolis, Anne Arundel County, Baltimore City,~~
2 ~~Baltimore County, and Charles County, the holder of a Class 6 pub-brewery license may~~
3 ~~sell malt beverages for off-premises consumption in sealed refillable containers.~~

4 ~~(2) The containers may be returned and at the time of refill shall be sealed~~
5 ~~by the pub-brewery licensee.~~

6 ~~(3) A holder of a Class 6 pub-brewery license in the City of Annapolis,~~
7 ~~Anne Arundel County, Baltimore City, Baltimore County, or Charles County, may not sell~~
8 ~~malt beverages to any retail alcoholic beverages licensee in this State for the purpose of~~
9 ~~a subsequent sale or distribution of that malt beverage under the retail license.~~

10 ~~(h) In Montgomery County, within the City of Gaithersburg, a holder of a Class 6~~
11 ~~pub-brewery license shall enter into a written agreement with the Department of Liquor~~
12 ~~Control [for Montgomery County] for the sale and resale of all malt beverages brewed~~
13 ~~under this license in accordance with this article.~~

14 2-208.

15 (a) There is a Class 7 micro-brewery (on- and off-sale) license.

16 (b) The license shall be issued:

17 (1) By the State Comptroller;

18 (2) Only in the following jurisdictions:

19 (i) Allegany County;

20 (ii) Baltimore City;

21 (iii) Baltimore County;

22 (iv) The City of Annapolis;

23 (v) Anne Arundel County;

24 (vi) The thirteenth election district of Carroll County;

25 (vii) Charles County;

26 (viii) Dorchester County;

27 (ix) Howard County; [and]

28 (x) MONTGOMERY COUNTY - CITY OF GAITHERSBURG; AND

29 (XI) Prince George's County; and

30 (3) Only to a holder of a Class B beer, wine and liquor (on-sale) license that
31 is issued for use on the premises of a restaurant located in a jurisdiction listed in
32 paragraph (2) of this subsection.

33 ~~(4) IN THE CITY OF GAITHERSBURG IN MONTGOMERY COUNTY ONLY,~~
34 ~~ONLY IF THE APPLICANT POSSESSES AT THE TIME OF THE APPLICATION A CLASS 6~~
35 ~~PUB-BREWERY LICENSE.~~

4

1 (c) (1) A holder of a Class 7 micro-brewery license:

2 (i) May brew and bottle malt beverages at a single location; and

3 (ii) May not brew more than 10,000 barrels of malt beverage each
4 calendar year.

5 (2) In Allegany County only, the holder of a Class 7 license:

6 (i) May brew in one location and may contract for the bottling of the
7 malt beverage in another location; and

8 (ii) Need not meet the hotel/motel requirements for a Class B beer,
9 wine and liquor licensee but shall meet the requirements for those Class B restaurants.

10 (3) IN MONTGOMERY COUNTY ONLY, THE HOLDER OF A CLASS 7
11 LICENSE MAY BREW IN MORE THAN ONE LOCATION IF THE HOLDER HAD A CLASS 6
12 LICENSE IN GAITHERSBURG PRIOR TO JANUARY 1, 1996 AND, SUBSEQUENTLY,
13 OBTAINED A CLASS 7 LICENSE.

14 (d) (1) The on-sale privilege authorizes the holder to sell at retail beer brewed
15 under this license to customers for consumption on the licensed premises.

16 (2) The off-sale privilege authorizes the holder to sell and deliver beer
17 brewed under this license to:

18 (i) Any wholesaler licensed under this article to sell beer in this State;
19 or

20 (ii) Any person who is located in a state other than Maryland who is
21 authorized under the laws of that state to receive brewed beverages.

22 (3) In the City of Annapolis, Anne Arundel County, Baltimore City,
23 Baltimore County, Charles County, Howard County, and Prince George's County only,
24 the holder may sell at retail beer brewed under this license to customers for consumption
25 off the licensed premises in refillable containers that are sealed by the micro-brewery
26 licensee at the time of each refill.

27 (4) IN THE CITY OF GAITHERSBURG IN MONTGOMERY COUNTY ONLY, A
28 HOLDER OF A CLASS 7 MICRO-BREWERY LICENSE SHALL ENTER INTO A WRITTEN
29 AGREEMENT WITH THE DEPARTMENT OF LIQUOR CONTROL FOR THE SALE AND
30 RESALE OF ALL MALT BEVERAGES BREWED UNDER THIS LICENSE IN ACCORDANCE
31 WITH THIS ARTICLE.

32 (e) A holder of a Class 7 micro-brewery license:

33 (1) May not own, operate or be affiliated with any other manufacturer of
34 beer; and

35 (2) Notwithstanding § 2-201(b) of this article, may not be granted a
36 wholesale alcoholic beverages license.

5

1 (f) The hours and days for consumer sales under this license are as established
2 for a Class B license in the respective jurisdictions listed in subsection (b)(2) of this
3 section.

4 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
5 October 1, 1996.