
By: **Prince George's County Delegation**
Introduced and read first time: February 4, 2004
Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Prince George's County - Alcoholic Beverages - Micro-Breweries in Laurel**
3 **PG 335-04**

4 FOR the purpose of authorizing the State Comptroller to issue micro-brewery
5 licenses to certain holders of Class D alcoholic beverages licenses if the premises
6 are located in a certain area of the City of Laurel in Prince George's County;
7 setting certain hours and days for consumer sales under a certain license;
8 making certain stylistic changes; and generally relating to micro-brewery
9 licenses in Prince George's County.

10 BY repealing and reenacting, with amendments,
11 Article 2B - Alcoholic Beverages
12 Section 2-208
13 Annotated Code of Maryland
14 (2001 Replacement Volume and 2003 Supplement)

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

17 **Article 2B - Alcoholic Beverages**

18 2-208.

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

20 (b) The license shall be issued:

21 (1) By the State Comptroller;

22 (2) Only in the following jurisdictions:

23 (i) Allegany County;

24 (ii) Baltimore City;

- 1 (iii) Baltimore County;
- 2 (iv) The City of Annapolis;
- 3 (v) Anne Arundel County;
- 4 (vi) Calvert County;
- 5 (vii) Carroll County;
- 6 (viii) Charles County;
- 7 (ix) Dorchester County;
- 8 (x) Frederick County;
- 9 (xi) Garrett County;
- 10 (xii) Harford County;
- 11 (xiii) Howard County;
- 12 (xiv) Montgomery County;
- 13 (xv) Prince George's County; and
- 14 (xvi) Talbot County;

15 (3) (i) Only to a holder of a Class B beer, wine and liquor (on-sale)
16 license that is issued for use on the premises of a restaurant located in a jurisdiction
17 listed in paragraph (2) of this subsection; or

18 (ii) To a holder of a Class D alcoholic beverages license that is
19 issued for use on the premises of the existing Class D license if the premises are
20 located in:

21 1. [the] THE 22nd Alcoholic Beverages District of Prince
22 George's County; [and] OR

23 2. THE AREA OF THE CITY OF LAUREL THAT:

24 A. IS BOUNDED BY 7TH STREET ON THE WEST, MAIN STREET
25 AND A LINE EXTENDING FROM MAIN STREET TO THE PATUXENT RIVER ON THE
26 SOUTH, AND THE PATUXENT RIVER ON THE NORTH AND EAST; AND

27 B. INCLUDES PROPERTIES ON BOTH SIDES OF THE PORTION
28 OF MAIN STREET DESCRIBED IN ITEM A OF THIS ITEM; AND

29 (4) In addition to item (3) of this subsection, in Montgomery County only
30 to a holder of a Class H beer and light wine license that is issued for use on the
31 premises of a restaurant located in the county.

- 1 (c) (1) A holder of a Class 7 micro-brewery license:
- 2 (i) May brew and bottle malt beverages at the license location;
- 3 (ii) May obtain a Class 2 rectifying license for a premises located
4 within 1 mile of the existing Class 7 micro-brewery location to bottle malt beverages
5 brewed at the micro-brewery location only;
- 6 (iii) May contract with the holder of a Class 5 brewery license, a
7 Class 7 micro-brewery license, or a Class 2 rectifying license held under § 2-203 of
8 this subtitle or the holder of a nonresident dealer's permit to brew and bottle malt
9 beverages on their behalf;
- 10 (iv) May store the finished product under an individual storage
11 permit or at a licensed public storage facility for subsequent sale and delivery to a
12 licensed wholesaler, an authorized person outside this State, and for shipment back to
13 the micro-brewery location for sale on the retail premises;
- 14 (v) May not collectively brew, bottle, or contract for more than
15 22,500 barrels of malt beverages each calendar year; and
- 16 (vi) May enter into a temporary delivery agreement with a
17 distributor only for delivery of beer to a beer festival or wine and beer festival and the
18 return of any unused beer if:
- 19 1. The beer festival or wine and beer festival is in a sales
20 territory for which the holder does not have a franchise with a distributor under the
21 Beer Franchise Fair Dealing Act; and
- 22 2. The temporary delivery agreement is in writing.
- 23 (2) A Class 7 licensee who wishes to produce more than the barrelage
24 authorized under paragraph (1)(v) of this subsection shall divest of any Class B, D, or
25 any other retail license and obtain a Class 5 manufacturer's license.
- 26 (3) For the purposes of determining the barrelage limitation under
27 paragraph (1)(v) of this subsection, any salable beer produced under contractual
28 arrangements accrues only to the Class 7 micro-brewery licensee who is the brand
29 owner.
- 30 (4) In Allegany County only, the holder of a Class 7 license:
- 31 (i) May brew in one location and may contract for the bottling of
32 the malt beverage in another location; and
- 33 (ii) Need not meet the hotel/motel requirements for a Class B beer,
34 wine and liquor licensee but shall meet the requirements for those Class B
35 restaurants.

1 (d) (1) The on-sale privilege authorizes the holder, each calendar year, to
2 sell at retail up to 4,000 barrels of beer brewed under this license to customers for
3 consumption on the licensed premises.

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

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

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

10 (3) (i) This paragraph applies only in:

- 11 1. The City of Annapolis;
- 12 2. Anne Arundel County;
- 13 3. Baltimore City;
- 14 4. Baltimore County;
- 15 5. Calvert County;
- 16 6. Charles County;
- 17 7. Dorchester County;
- 18 8. Frederick County;
- 19 9. Garrett County;
- 20 10. Harford County;
- 21 11. Howard County;
- 22 12. Montgomery County;
- 23 13. Prince George's County; and
- 24 14. Talbot County.

25 (ii) The holder may sell at retail beer brewed under this license to
26 customers for consumption off the licensed premises in refillable containers that are
27 sealed by the micro-brewery licensee at the time of each refill.

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

1 (1) May not own, operate or be affiliated with any other manufacturer of
2 beer except for a Class 2 rectifying license authorized by subsection (c)(1)(ii) of this
3 section; and

4 (2) Notwithstanding § 2-201(b) of this subtitle, may not be granted a
5 wholesale alcoholic beverages license.

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

9 (2) For Class D licensees ONLY in the 22nd Alcoholic Beverages District
10 in Prince George's County OR THE PORTION OF THE CITY OF LAUREL DESCRIBED
11 UNDER SUBSECTION (B)(3)(II)2 OF THIS SECTION [only], the hours and days for
12 consumer sales under this license are as established for a Class D license in Prince
13 George's County.

14 (g) In Montgomery County, a holder of a Class 7 micro-brewery license shall
15 enter into a written agreement with the Department of Liquor Control for
16 Montgomery County for the sale and resale of malt beverages brewed under this
17 license in accordance with this article.

18 (h) For Talbot County, the Office of the Comptroller of Maryland shall specify
19 which local license is the equivalent of the Class B beer, wine and liquor license
20 specified in subsection (b)(3) of this section.

21 (i) In Carroll County, the distance restriction requirement for
22 micro-breweries is found in § 9-207 of this article.

23 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
24 June 1, 2004.