

HOUSE BILL 1316

A1

2lr3097
CF SB 1018

By: **Delegates Hershey, DeBoy, and Malone**

Introduced and read first time: February 16, 2012

Assigned to: Rules and Executive Nominations

Re-referred to: Economic Matters, February 24, 2012

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 26, 2012

CHAPTER _____

1 AN ACT concerning

2 **Alcoholic Beverages – Rectifiers – Tours, Samples, and Sales**

3 FOR the purpose of expanding the privileges of a rectifying license so that the holder
4 of the license may conduct guided tours of the licensed premises, and serve not
5 more than a certain number of samples of products manufactured at the
6 licensed premises, ~~sell certain foods and beverages, sell products manufactured~~
7 ~~on the licensed premises for consumption off the licensed premises, and sell~~
8 ~~related merchandise~~ prohibiting a license holder or entity in which a license
9 holder has a pecuniary interest from acting as a caterer of food; specifying the
10 times when certain activities may be conducted; providing that a Class 2
11 manufacturer’s (rectifying) license allows the holder to operate a certain
12 number of days a week, with a certain exception; requiring a license holder to
13 file with the Comptroller a notice of a promotional event at least a certain time
14 before the event is held; prohibiting a license holder from selling or allowing to
15 be consumed at the licensed premises certain products, with a certain exception;
16 providing that this Act does not limit the application of certain laws and
17 regulations; making certain technical corrections; and generally relating to
18 rectifying licenses.

19 BY repealing and reenacting, with amendments,
20 Article 2B – Alcoholic Beverages
21 Section 2–203
22 Annotated Code of Maryland
23 (2011 Replacement Volume)

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.



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

3 **Article 2B – Alcoholic Beverages**

4 2–203.

5 **(A)** A Class 2 manufacturer’s license:

6 (1) Is a rectifying license;

7 (2) Authorizes the holder to:

8 (i) Establish and operate in this State a plant for rectifying,
9 blending and bottling alcoholic beverages; and

10 (ii) Sell and deliver alcoholic beverages to a holder of a
11 distillery, rectifying, or wholesaler’s license, or to permit holders authorized to acquire
12 those alcoholic beverages and to persons outside this State;

13 (3) ~~[Permits a licensee]~~ **AUTHORIZES THE HOLDER** to acquire
14 alcoholic beverages from the holder of a:

15 (i) Distillery, rectifying, winery, or wholesaler’s license in this
16 State; or

17 (ii) Nonresident dealer’s permit; ~~[and]~~

18 (4) ~~[Permits a rectifier]~~ **AUTHORIZES THE HOLDER** to rectify, blend,
19 bottle and store alcoholic beverages for another person or under another trade name if
20 a rectifying license has been issued in the name of that person or under that trade
21 name, as the case may be; **AND**

22 **(5) AUTHORIZES THE HOLDER TO:**

23 **(I) CONDUCT GUIDED TOURS OF THE LICENSED PREMISES;**

24 **AND**

25 **(II) SERVE NOT MORE THAN THREE SAMPLES OF PRODUCTS**
26 **MANUFACTURED AT THE LICENSED PREMISES, WITH EACH SAMPLE CONSISTING**
27 **OF NOT MORE THAN ONE–HALF OUNCE FROM A SINGLE PRODUCT, TO PERSONS**
28 **WHO HAVE ATTAINED THE LEGAL DRINKING AGE AND PARTICIPATED IN A**
29 **GUIDED TOUR OF THE LICENSED PREMISES~~;~~**

30 ~~**(III) SELL OR SERVE;**~~

- 1 ~~1. NONALCOHOLIC BEVERAGES;~~
- 2 ~~2. BREAD AND OTHER BAKED GOODS;~~
- 3 ~~3. CHILI;~~
- 4 ~~4. CHOCOLATE;~~
- 5 ~~5. CRACKERS;~~
- 6 ~~6. CURED MEAT;~~
- 7 ~~7. FRUITS (WHOLE AND CUT);~~
- 8 ~~8. SALADS AND VEGETABLES (WHOLE AND CUT);~~
- 9 ~~9. HARD AND SOFT CHEESE (WHOLE AND CUT);~~
- 10 ~~10. ICE CREAM;~~
- 11 ~~11. JELLY AND JAM;~~
- 12 ~~12. VINEGAR;~~
- 13 ~~13. PIZZA;~~
- 14 ~~14. PREPACKAGED SANDWICHES AND OTHER~~
15 ~~PREPACKAGED FOODS READY TO BE EATEN;~~
- 16 ~~15. SOUP; AND~~
- 17 ~~16. CONDIMENTS; AND~~

18 ~~(IV) SELL NOT MORE THAN THREE 750-MILLILITER~~
19 ~~BOTTLES OF PRODUCTS MANUFACTURED ON THE LICENSED PREMISES, FOR~~
20 ~~CONSUMPTION OFF THE LICENSED PREMISES, AND RELATED MERCHANDISE TO~~
21 ~~PERSONS WHO HAVE ATTAINED THE LEGAL DRINKING AGE AND PARTICIPATED~~
22 ~~IN A GUIDED TOUR OF THE LICENSED PREMISES.~~

23 (B) A HOLDER OF A CLASS 2 MANUFACTURER'S (RECTIFYING) LICENSE
24 OR ENTITY IN WHICH A HOLDER HAS A PECUNIARY INTEREST MAY NOT ACT AS A
25 CATERER OF FOOD.

1 (C) SUBJECT TO SUBSECTION (D) OF THIS SECTION, A LICENSE HOLDER
2 MAY CONDUCT THE ACTIVITIES SPECIFIED IN SUBSECTION (A)(5) OF THIS
3 SECTION:

4 (1) FOR CONSUMPTION OFF THE LICENSED PREMISES OF
5 PRODUCTS MANUFACTURED AT THE LICENSED PREMISES AND FOR SAMPLING,
6 EACH DAY FROM 10 A.M. TO 10 P.M.; AND

7 (2) FOR CONSUMPTION ON THE LICENSED PREMISES OF
8 PRODUCTS MANUFACTURED AT THE LICENSED PREMISES:

9 (I) FROM 10 A.M. TO 6 P.M. EACH DAY; OR

10 (II) IF GUESTS ARE ATTENDING A PLANNED PROMOTIONAL
11 EVENT OR OTHER ORGANIZED ACTIVITY ON THE LICENSED PREMISES, FROM 10
12 A.M. TO 10 P.M. EACH DAY.

13 (D) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS
14 SUBSECTION, A CLASS 2 MANUFACTURER'S (RECTIFYING) LICENSE ALLOWS THE
15 HOLDER TO OPERATE 7 DAYS A WEEK.

16 (2) IN GARRETT COUNTY, A LICENSE HOLDER MAY OPEN ON
17 SUNDAYS TO ENGAGE IN THE ACTIVITIES LISTED IN SUBSECTION (A)(5) OF THIS
18 SECTION ONLY IN AN ELECTION DISTRICT WHERE THE VOTERS, IN A
19 REFERENDUM AUTHORIZED BY LAW, HAVE APPROVED SUNDAY SALES AT A
20 RECTIFYING FACILITY.

21 (E) AT LEAST 14 DAYS BEFORE HOLDING A PLANNED PROMOTIONAL
22 EVENT AFTER 6 P.M., A LICENSE HOLDER SHALL FILE A NOTICE OF THE
23 PROMOTIONAL EVENT WITH THE COMPTROLLER ON THE FORM THAT THE
24 COMPTROLLER PROVIDES.

25 (F) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS
26 SUBSECTION, A LICENSE HOLDER MAY NOT SELL OR ALLOW TO BE CONSUMED
27 AT THE LICENSED PREMISES ANY PRODUCT OTHER THAN PRODUCTS PRODUCED
28 BY THE LICENSE HOLDER UNDER THE AUTHORITY OF THIS SECTION.

29 (2) A HOLDER OF A CATERER'S LICENSE OR PRIVILEGE UNDER
30 TITLE 6, SUBTITLE 7 OF THIS ARTICLE MAY EXERCISE THE PRIVILEGES OF THE
31 LICENSE OR PRIVILEGE ON THE LICENSED PREMISES OF THE LICENSE HOLDER.

32 (G) NOTHING IN THIS SECTION LIMITS THE APPLICATION OF RELEVANT
33 PROVISIONS OF TITLE 21 OF THE HEALTH - GENERAL ARTICLE, AND
34 REGULATIONS ADOPTED UNDER THAT TITLE, TO A LICENSE HOLDER.

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
2 July 1, 2012.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.