HB1283/343391/1

BY: Economic Matters Committee

AMENDMENTS TO HOUSE BILL 1283

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in the sponsor line, strike "Delegate Branch" and substitute "<u>Delegates Branch</u>, Brooks, Barkley, Adams, Arentz, Aumann, Clippinger, Fennell, S. Howard, Lisanti, W. Miller, and Waldstreicher".

AMENDMENT NO. 2

On page 1, in line 3, strike "repealing" and substitute "altering"; in line 7, strike "repealing" and substitute "altering"; in the same line, strike "requiring" and substitute "to authorize rather than require"; strike beginning with "and" in line 8 down through the first "license" in line 12 and substitute "; establishing certain requirements for the beer that the holder of a Class 5 brewery license serves for on-premises consumption; altering the maximum amount of beer that the license holder may sell for on-premises consumption each year; authorizing the license holder to file a request to sell up to a certain additional amount of beer in a single year under certain circumstances; requiring that beer sold in excess of a certain amount be purchased from a wholesaler"; in lines 14 and 16, in each instance, strike "Class D beer" and substitute "certain permit or"; in line 15, strike "or a certain employee"; strike beginning with "repealing" in line 17 down through "consumers;" in line 18; in line 19, after the first "licenses" insert "and permits"; in the same line, after the second "licenses" insert "and permits only"; in line 20, after "days;" insert "requiring the Comptroller to report certain information to certain committees each year; authorizing the Comptroller to include certain information in a certain report; requiring certain license holders to report certain information for certain purposes;"; in the same line, after "conforming" insert "and clarifying"; and in the same line, after "changes;" insert "providing for the termination of certain provisions of this Act;".

AMENDMENT NO. 3

HB1283/343391/1 Economic Matters Committee Amendments to HB 1283 Page 2 of 5

On page 2, in lines 12, 18, 22, and 24, in each instance, strike the bracket; in line 12, strike "not more than six"; in line 13, strike "with each sample"; in the same line, after the first "of" insert "<u>A TOTAL OF</u>"; in the same line, strike "3" and substitute "<u>18</u>"; in the same line, strike "from a single style"; in the same line, after "beer" insert "<u>PER DAY</u>"; in line 22, strike "(5)"; in line 24, strike "(B)(4)"; and in line 26, after "beer" insert "PER DAY".

On page 3, in lines 1, 4, and 5, in each instance, strike the bracket; in line 1, strike "shall" and substitute "<u>MAY</u>"; strike beginning with "MAY" in line 2 down through "CONSUMPTION" in line 3; in line 5, strike "A" and substitute "<u>OR A</u>"; in the same line, after "LICENSE" insert "<u>OR AN EQUIVALENT LICENSE UNDER PARAGRAPH (3) OF THIS SUBSECTION</u>"; in line 9, strike "The" and substitute "<u>EXCEPT AS PROVIDED IN SUBPARAGRAPH (III) OF THIS PARAGRAPH, THE</u>"; in line 10, strike "500" and substitute "<u>2,000</u>"; after line 10, insert:

"(III) 1. IF, IN A SINGLE YEAR, THE LICENSE HOLDER REACHES 80% OF THE VOLUME AUTHORIZED TO BE SOLD FOR ON-PREMISES CONSUMPTION UNDER SUBPARAGRAPH (II) OF THIS PARAGRAPH, THE LICENSE HOLDER MAY FILE A REQUEST WITH THE COMPTROLLER FOR PERMISSION TO SELL UP TO AN ADDITIONAL 1,000 BARRELS FOR ON-PREMISES CONSUMPTION IN THAT YEAR.

- 2. THE MAXIMUM VOLUME THAT A LICENSE HOLDER MAY SELL FOR ON-PREMISES CONSUMPTION IN A SINGLE YEAR IS 3,000 BARRELS.
- 3. ANY BEER THAT THE LICENSE HOLDER SELLS FOR ON-PREMISES CONSUMPTION IN EXCESS OF THE 2,000-BARREL LIMIT UNDER SUBPARAGRAPH (II) OF THIS PARAGRAPH SHALL BE PURCHASED FROM A WHOLESALER.";

HB1283/343391/1 Economic Matters Committee Amendments to HB 1283 Page 3 of 5

in line 11, strike the bracket; in lines 15 and 16, strike ": (i)"; in line 16, strike "; and" and substitute a period; strike in their entirety lines 17 through 19, inclusive; in line 20, strike "(4)" and substitute "(5)"; in the same line, after "A" insert "LOCAL LICENSING BOARD SHALL REQUIRE THE"; in the same line, after "OF" insert "AN ON-SITE CONSUMPTION PERMIT OR"; in the same line, strike "SHALL" and substitute "OR AN EQUIVALENT LICENSE UNDER PARAGRAPH (3) OF THIS SUBSECTION TO:

(I) COMPLY WITH THE ALCOHOL AWARENESS REQUIREMENTS UNDER § 4-505 OF THIS ARTICLE; AND

(II)";

in line 25, strike the bracket and substitute ", WITH RESPECT TO INDIVIDUALS WHO HAVE ATTAINED THE LEGAL DRINKING AGE"; in line 26, after "samples" insert "CONSISTING OF A TOTAL"; in the same line, strike "3" and substitute "18"; in the same line, strike "per brand"; in line 27, strike "consumers" and substitute "A CONSUMER"; and in line 28, strike the bracket.

AMENDMENT NO. 4

On page 2, in lines 12, 18, and 22, and on page 3 in line 6, in each instance, after "beer" insert "FERMENTED AND".

On page 2, in lines 12, 18, and 22, and on page 3 in line 6, in each instance, after "brewed" insert "ENTIRELY".

On page 3, in line 30, after "be" insert ":

(I) FERMENTED AND BREWED ENTIRELY AT THE BREWERY;

<u>AND</u>

HB1283/343391/1 Economic Matters Committee Amendments to HB 1283 Page 4 of 5

(II)".

AMENDMENT NO. 5

On page 4, in line 10, strike "A" and substitute "NOTWITHSTANDING ANY PROVISION AUTHORIZING LATER SALES IN THE JURISDICTION, A"; in the same line, after "AND" insert "AN ON-SITE CONSUMPTION PERMIT OR"; in line 11, after "LICENSE" insert "OR AN EQUIVALENT LICENSE"; in the same line, after "MAY" insert "ONLY"; in the same line, after the second "THE" insert "PERMIT AND"; in line 13, strike "7" and substitute "9"; and in line 15, strike "9" and substitute "10".

AMENDMENT NO. 6

On page 4, after line 27, insert:

"SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

<u>Article – Alcoholic Beverages</u>

2-207.

- (I) ON OR BEFORE OCTOBER 1 EACH YEAR, THE COMPTROLLER SHALL REPORT TO THE SENATE EDUCATION, HEALTH, AND ENVIRONMENTAL AFFAIRS COMMITTEE AND THE HOUSE ECONOMIC MATTERS COMMITTEE, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, ON THE FOLLOWING, IDENTIFIED BY JURISDICTION AND CLASS 5 LICENSE HOLDER:
- (I) THE TOTAL BEER PRODUCTION OF THE LICENSE HOLDER IN THE PRECEDING FISCAL YEAR;

HB1283/343391/1 Economic Matters Committee Amendments to HB 1283 Page 5 of 5

- (II) THE TOTAL SALES OF THE LICENSE HOLDER FOR ON-SITE CONSUMPTION UNDER AN ON-SITE CONSUMPTION PERMIT, A CLASS D BEER LICENSE, OR AN EQUIVALENT LICENSE IN THE PRECEDING FISCAL YEAR;
- (III) WHETHER THE LICENSE HOLDER HAS REQUESTED PERMISSION TO SELL ADDITIONAL BEER UNDER SUBSECTION (E)(2)(III) OF THIS SECTION, AND WHETHER THE COMPTROLLER GRANTED THAT PERMISSION, FOR THE PRECEDING FISCAL YEAR; AND
- (IV) THE TOTAL SALES OF THE LICENSE HOLDER OF ADDITIONAL BEER UNDER SUBSECTION (E)(2)(III) OF THIS SECTION IN THE PRECEDING FISCAL YEAR.
- (2) EACH HOLDER OF A CLASS B LICENSE SHALL REPORT TO THE COMPTROLLER THE INFORMATION NEEDED TO PREPARE THE ANNUAL REPORT UNDER THIS SUBSECTION.
- (3) THE COMPTROLLER MAY INCLUDE THE INFORMATION REPORTED UNDER THIS SUBSECTION IN THE ANNUAL REPORT SUBMITTED UNDER § 1-306 OF THIS ARTICLE.";

in line 28, strike "2." and substitute "3."; and in line 29, after "2017." insert "Section 2 of this Act shall remain effective for a period of 5 years and, at the end of June 30, 2022, with no further action required by the General Assembly, Section 2 of this Act shall be abrogated and of no further force and effect.".