

Department of Legislative Services
Maryland General Assembly
2018 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

House Bill 146
Economic Matters

(Montgomery County Delegation)

Education, Health, and Environmental Affairs

Montgomery County - Alcoholic Beverages - Class 7 Micro-Brewery License -
Issuance
MC 9-18

This bill clarifies that (1) a Class 7 micro-brewery license may be issued to the holder of a Class BD-BWL license in Montgomery County; and (2) the holder of a Class D beer and wine license or Class H beer and wine license must meet certain requirements to obtain a micro-brewery license in the county. **The bill takes effect July 1, 2018.**

Fiscal Summary

State Effect: The bill does not materially affect State operations or finances.

Local Effect: The bill does not materially affect Montgomery County operations or finances.

Small Business Effect: None.

Analysis

Bill Summary: A Class 7 micro-brewery license may be issued to the holder of a Class BD-BWL license which grants off- and on-sale privileges for beer and wine and on-sale privileges for liquor. The license may be issued to the holder of a Class D beer and wine license that is issued for the sale of beer and wine at retail at the place described in the license and for on- and off-premises consumption. The license may also be issued to the holder of a Class H beer and wine license that is issued for the sale of beer and wine at retail at a hotel or restaurant and for on-premises consumption only.

Current Law/Background: There are currently seven Class 7 micro-brewery licenses issued for use in Montgomery County.

A Class 7 micro-brewery license is issued by the Comptroller's Office for an annual license fee of \$500. The license holder may brew, bottle, or contract for up to 22,500 barrels of beer each calendar year, and 4,000 of those barrels may be sold for on-premises consumption each year, with certain restrictions. There are currently 29 Class 7 micro-brewery licenses issued in the State.

In Montgomery County, a Class 7 micro-brewery license may be issued to the holder of a Class B beer, wine, and liquor (on-sale) license that is issued for use at a restaurant, a Class D beer and wine license, or a Class H beer and wine license.

Chapter 62 of 2015 established a Class BD-BWL alcoholic beverages license in Montgomery County. The license authorizes the sale of beer and wine for consumption on or off the licensed premises, as well as liquor for consumption only on the licensed premises. The holder of a Class BD-BWL license is authorized to also hold a Class 7 micro-brewery license.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Montgomery County; Comptroller's Office; Department of Legislative Services

Fiscal Note History: First Reader - January 19, 2018
nb/tso Third Reader - March 12, 2018
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