

HOUSE BILL 529

A2

1lr1573

By: **St. Mary's County Delegation**

Introduced and read first time: January 15, 2021

Assigned to: Economic Matters

Committee Report: Favorable

House action: Adopted

Read second time: March 7, 2021

CHAPTER _____

1 AN ACT concerning

2 **St. Mary's County – Alcoholic Beverages – Distillery On–Site Consumption**
3 **Permit**

4 FOR the purpose of authorizing the Board of License Commissioners for St. Mary's County
5 to grant an on–site consumption permit to the holder of a Class 1 distillery license
6 in St. Mary's County; requiring an application for the permit to be made at least a
7 certain period of time before use; establishing an annual fee for the permit; and
8 generally relating to alcoholic beverages in St. Mary's County.

9 BY renumbering

10 Article – Alcoholic Beverages
11 Section 28–403
12 to be Section 28–404
13 Annotated Code of Maryland
14 (2016 Volume and 2020 Supplement)

15 BY repealing and reenacting, without amendments,

16 Article – Alcoholic Beverages
17 Section 2–202(i) and 28–102
18 Annotated Code of Maryland
19 (2016 Volume and 2020 Supplement)

20 BY repealing and reenacting, with amendments,

21 Article – Alcoholic Beverages

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 28–401
2 Annotated Code of Maryland
3 (2016 Volume and 2020 Supplement)

4 BY adding to
5 Article – Alcoholic Beverages
6 Section 28–403
7 Annotated Code of Maryland
8 (2016 Volume and 2020 Supplement)

9 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
10 That Section(s) 28–403 of Article – Alcoholic Beverages of the Annotated Code of Maryland
11 be renumbered to be Section(s) 28–404.

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

14 **Article – Alcoholic Beverages**

15 2–202.

16 (i) (1) A local licensing board may grant an on–site consumption permit for
17 use at the location of the Class 1 distillery license to a holder of a Class 1 distillery license.

18 (2) (i) The permit authorizes the holder to sell mixed drinks made from
19 liquor that the holder produces that is mixed with other nonalcoholic ingredients for
20 on–premises consumption.

21 (ii) The holder may not use more than an aggregate of 7,750 gallons
22 annually of liquor the holder produces for mixed drinks sold under subparagraph (i) of this
23 paragraph.

24 (3) A local licensing board:

25 (i) may establish and charge a permit fee; and

26 (ii) shall require the permit holder to:

27 1. comply with the alcohol awareness requirements under §
28 4–505 of this article; and

29 2. abide by all applicable trade practice restrictions.

30 28–102.

31 This title applies only in St. Mary’s County.

1 28–401.

2 (a) The following sections of Title 2, Subtitle 2 (“Manufacturer’s Licenses”) of
3 Division I of this article apply in the county without exception or variation:

4 (1) § 2–201 (“Issuance by Comptroller”);

5 (2) [§ 2–202 (“Class 1 distillery license”);

6 (3)] § 2–203 (“Class 9 limited distillery license”);

7 [(4)] (3) § 2–204 (“Class 2 rectifying license”);

8 [(5)] (4) § 2–205 (“Class 3 winery license”);

9 [(6)] (5) § 2–206 (“Class 4 limited winery license”);

10 [(7)] (6) § 2–207 (“Class 5 brewery license”);

11 [(8)] (7) § 2–209 (“Class 7 micro–brewery license”);

12 [(9)] (8) § 2–210 (“Class 8 farm brewery license”);

13 [(10)] (9) § 2–211 (“Residency requirement”);

14 [(11)] (10) § 2–212 (“Additional licenses”);

15 [(12)] (11) § 2–213 (“Additional fees”);

16 [(13)] (12) § 2–214 (“Sale or delivery restricted”);

17 [(14)] (13) § 2–215 (“Beer sale on credit to retail dealer prohibited”);

18 [(15)] (14) § 2–216 (“Interaction between manufacturing entities and
19 retailers”);

20 [(16)] (15) § 2–217 (“Distribution of alcoholic beverages — Prohibited
21 practices”); and

22 [(17)] (16) § 2–218 (“Restrictive agreements between producers and
23 retailers — Prohibited”).

24 (b) [Section 2–208 (“Class 6 pub–brewery license”)] **THE FOLLOWING SECTIONS**
25 **OF TITLE 2, SUBTITLE 2 (“MANUFACTURER’S LICENSES”)** of Division I of this article
26 [applies] **APPLY** in the county:

1 **(1) § 2-202 (“CLASS 1 DISTILLERY LICENSE”)**, subject to § 28-403 of
2 this subtitle; **AND**

3 **(2) § 2-208 (“CLASS 6 PUB-BREWERY LICENSE”)**, SUBJECT TO §
4 **28-404 OF THIS SUBTITLE.**

5 **28-403.**

6 **(A) THE BOARD MAY GRANT AN ON-SITE CONSUMPTION PERMIT FOR USE**
7 **AT THE LOCATION OF THE CLASS 1 DISTILLERY LICENSE TO A HOLDER OF A CLASS**
8 **1 DISTILLERY LICENSE IN THE COUNTY.**

9 **(B) AN APPLICATION FOR A PERMIT SHALL BE MADE AT LEAST 30 DAYS**
10 **BEFORE THE DAY WHEN THE PERMIT IS TO TAKE EFFECT.**

11 **(C) THE ANNUAL PERMIT FEE IS \$650.**

12 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July
13 1, 2021.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.