SENATE BILL 821

EMERGENCY BILL

1lr2179 CF HB 1232

By: Senators Hester and Gallion

Introduced and read first time: February 9, 2021

Assigned to: Education, Health, and Environmental Affairs

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: February 28, 2021

CHAPTER

1 AN ACT concerning

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Alcoholic Beverages - Manufacturer's Licenses and Off-Site Permits

FOR the purpose of repealing certain provisions relating to brewing company, winery, and distillery off-site permits; establishing a manufacturer's off-site permit with certain privileges; authorizing the Alcohol and Tobacco Commission to issue a permit to the holder of certain manufacturer's licenses; authorizing a permit holder to sell and provide certain products at certain events; requiring a permit holder to have an employee trained in alcohol awareness present at certain events; specifying certain events at which a permit may be used; providing for a certain number of events at which a permit may be used annually; specifying the primary purpose of certain events; prohibiting use of the permit at more than a certain number of events annually; requiring an applicant for a permit to complete a certain form; requiring a permit holder to provide certain notification to the Commission; authorizing the Commission to adopt certain regulations; establishing a certain fee; authorizing the Commission to issue a brewery special event permit; requiring a certain license holder to file a certain notice for a certain permit; authorizing a permit holder to host a certain event; providing for the limitations of a certain permit; altering the volumes of certain products that the holders of a certain license may sell under certain circumstances; altering the volumes of beer that the holders of certain licenses may produce and distribute annually; altering the method by which certain annual license fees are determined; authorizing holders of a certain manufacturer's license to sell and deliver products produced under the holder's license to an individual located in the State under certain circumstances; authorizing certain holders of a manufacturer's license to directly ship alcohol to a consumer under certain circumstances; correcting certain obsolete references; providing for the delayed

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

<u>Underlining</u> indicates amendments to bill.

Strike out indicates matter stricken from the bill by amendment or deleted from the law by amendment.

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(f)

1 effective date of certain provisions of this Act; providing for the termination of certain 2 provisions of this Act; making this Act an emergency measure; and generally relating 3 to alcoholic beverages, manufacturer's licenses, and off-site permits. 4 BY repealing Article – Alcoholic Beverages 5 6 Section 2–130, 2–132.2, 2–133, and 2–210(j) 7 Annotated Code of Maryland 8 (2016 Volume and 2020 Supplement) 9 BY repealing and reenacting, without amendments. Article – Alcoholic Beverages 10 Section 1-101(a), (f), and (j), 2-202(a), 2-203(a), 2-204(a), 2-205(a), 2-206(a), 11 12 2–207(b), 2–209(a), and 2–210(a) 13 Annotated Code of Maryland (2016 Volume and 2020 Supplement) 14 15 BY adding to Article – Alcoholic Beverages 16 Section 2-130, 2-140, 2-202(c)(7), 2-203(c)(8), 2-212(c), and 2-219 17 Annotated Code of Maryland 18 19 (2016 Volume and 2020 Supplement) 20 BY repealing and reenacting, with amendments, 21Article – Alcoholic Beverages 22 Section 2-201, 2-202(c)(5) and (6) and (k), 2-203(c)(6) and (7) and (g), 2-204(i), 2-205(d), 2-206(b)(1) and (h), 2-207(c)(4), (d), (e), and (g) through (k), 23 242-209(c)(4), (f)(2), and (i), 2-210(b)(1), (c)(1)(i), (f), (k), and (l), and 2-212(b)(3)25 and (4) 26 Annotated Code of Maryland 27 (2016 Volume and 2020 Supplement) 28 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That Section(s) 2–130, 2–132.2, and 2–133 of Article – Alcoholic Beverages of the Annotated 2930 Code of Maryland be repealed. SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read 31 32 as follows: 33 Article - Alcoholic Beverages 1-101.3435 (a) In this article the following words have the meanings indicated.

"Commission" means the Alcohol and Tobacco Commission.

1	(j)	(1)	"Executive Director" means the Executive Director of the Commission.
2 3	other indivi	(2) idual a	"Executive Director" includes a deputy, an inspector, a clerk, or any uthorized to act by the Executive Director.
4	2–130.		
5	(A)	Тне	RE IS A MANUFACTURER OFF-SITE PERMIT.
6 7	(B) FOLLOWIN		COMMISSION MAY ISSUE THE PERMIT TO A HOLDER OF ANY OF THE ENSES WHO MEETS THE REQUIREMENTS OF THIS SECTION:
8		(1)	CLASS 1 DISTILLERY LICENSE;
9		(2)	CLASS 3 WINERY LICENSE;
10		(3)	CLASS 4 LIMITED WINERY LICENSE;
11		(4)	CLASS 5 BREWERY LICENSE;
12		(5)	CLASS 7 MICRO-BREWERY LICENSE;
13		(6)	CLASS 8 FARM BREWERY LICENSE; OR
14		(7)	CLASS 9 LIMITED DISTILLERY LICENSE.
15 16	(C) PERMIT HO		ING AN EVENT LISTED IN SUBSECTION (E) OF THIS SECTION, THE MAY:
17 18 19	ARE MANU	(1) JFACT	PROVIDE SAMPLES AND SELL PRODUCTS TO A CONSUMER THAT URED BY THE PERMIT HOLDER UNDER THE PERMIT HOLDER'S
20		(2)	PROVIDE TO A CONSUMER A SAMPLE THAT MAY NOT EXCEED:
21			(I) 1 FLUID OUNCE FOR EACH OFFERING OF WINE;
22			(II) 1 FLUID OUNCE FOR EACH OFFERING OF BEER; OR
23			(III) 0.25 FLUID OUNCE FOR EACH OFFERING OF LIQUOR;
24		(3)	SELL TO A CONSUMER FOR ON-PREMISES CONSUMPTION; AND
25		(4)	SELL TO A CONSUMER FOR OFF-PREMISES CONSUMPTION.

- 4 THE PERMIT HOLDER SHALL HAVE PRESENT AT LEAST ONE INDIVIDUAL 1 (D) 2 WHO IS CERTIFIED BY AN APPROVED ALCOHOL AWARENESS PROGRAM WHILE 3 PROVIDING SAMPLES OR SELLING AN ALCOHOLIC BEVERAGE DURING AN EVENT. **(E)** THE PERMIT MAY BE USED: 4 **(1)** 5 AT THE FOLLOWING EVENTS: 6 (I)A COUNTY AGRICULTURAL FAIR; 7 (II)THE MARYLAND STATE AGRICULTURAL FAIR; 8 (III) A FARMER'S MARKET THAT IS LISTED ON THE FARMER'S 9 MARKET DIRECTORY OF THE MARYLAND DEPARTMENT OF AGRICULTURE; AND 10 (IV) A NONPROFIT BEER, WINE, AND LIQUOR FESTIVAL UNDER § 11 2–131 OF THIS SUBTITLE; AND 12 FOR NOT MORE THAN 32 ADDITIONAL EVENTS IN 1 YEAR THAT **(2)** 13 HAVE AN ACTIVITY: 14 (I)THAT HAS A PRIMARY PURPOSE OTHER THAN THE SALE AND PROMOTION OF ALCOHOLIC BEVERAGES; OR 15 16 (II)FOR WHICH THE PARTICIPATION OF THE PERMIT HOLDER IS 17 SECONDARY. 18 THE PERMIT MAY NOT BE USED FOR MORE THAN NINE EVENTS IN 1 YEAR 19 AT ANY INDIVIDUAL LOCATION.
- 20 AN APPLICANT FOR A PERMIT SHALL COMPLETE AN APPLICATION ON A (G) FORM THAT THE COMMISSION AUTHORIZES. 21
- 22THE PERMIT HOLDER SHALL NOTIFY THE COMMISSION OF THE PERMIT (H) 23 HOLDER'S INTENTION TO ATTEND AN EVENT WITHIN A PERIOD OF TIME THAT THE 24COMMISSION DETERMINES ON THE FORM THAT THE COMMISSION AUTHORIZES.
- 25**(I)** THE COMMISSION MAY ADOPT REGULATIONS TO REQUIRE THE PERMIT 26 HOLDER TO NOTIFY THE LOCAL LICENSING BOARD OF THE JURISDICTION WHERE 27THE EVENT IS BEING HELD OF THE PERMIT HOLDER'S INTENTION TO ATTEND THE 28EVENT.
 - **(J)** THE ANNUAL PERMIT FEE IS \$100.

- 1 **2–140.**
- 2 (A) THE COMMISSION MAY ISSUE A BREWERY SPECIAL EVENT PERMIT TO A 3 HOLDER OF A CLASS 5 BREWERY LICENSE OR A CLASS 8 FARM BREWERY LICENSE.
- 4 (B) AT LEAST 15 DAYS BEFORE HOLDING A SPECIAL EVENT, THE LICENSE
- 5 HOLDER SHALL OBTAIN A PERMIT FROM THE COMMISSION BY FILING A NOTICE OF
- 6 THE SPECIAL EVENT ON THE FORM THAT THE COMMISSION PROVIDES.
- 7 (C) THE PERMIT AUTHORIZES THE LICENSE HOLDER TO CONDUCT AT THE
- 8 LOCATION LISTED ON THE LICENSE A SPECIAL EVENT AT WHICH THE LICENSE
- 9 HOLDER MAY:
- 10 (1) PROVIDE SAMPLES OF NOT MORE THAN 6 FLUID OUNCES PER
- 11 BRAND TO CONSUMERS;
- 12 (2) SELL PRODUCTS MANUFACTURED BY THE LICENSE HOLDER AND
- 13 OTHER MARYLAND BREWERIES TO PERSONS WHO PARTICIPATE IN THE EVENT; AND
- 14 (3) IN A SEGREGATED AREA APPROVED BY THE COMMISSION AT THE
- 15 LOCATION LISTED ON THE LICENSE, STORE THE PRODUCTS OF OTHER MARYLAND
- 16 BREWERIES.
- 17 (D) THE PRODUCTS AT THE EVENT SHALL BE SOLD IN THE MANNER
- 18 AUTHORIZED UNDER THE PERMIT.
- 19 (E) THE LICENSE HOLDER MAY NOT BE ISSUED MORE THAN 12 PERMITS IN
- 20 A CALENDAR YEAR.
- 21 (F) A SINGLE SPECIAL EVENT MAY NOT EXCEED 3 CONSECUTIVE DAYS.
- 22 (G) THE PERMIT FEE IS \$25 PER EVENT.
- 23 2-201.
- Each license specified in this subtitle is a manufacturer's license that the
- 25 [Comptroller] **COMMISSION** issues.
- 26 2–202.
- 27 (a) There is a Class 1 distillery license.
- 28 (e) A license holder may:
- 29 (5) (i) conduct guided tours of the licensed premises:

1 2	_	(ii) at no cost or for a fee, serve to an individual who has attained the ag age and participated in a guided tour of the licensed premises, not more than
3 4		eroducts, with each product sample consisting of not more than one-half ounce product manufactured by the license holder;
5 6	license hold	(iii) serve samples blended with other products manufactured by the er or nonalcoholic ingredients; and
7 8	licon and need	(iv) sell [not more than 2.25 liters of] products manufactured on the mises, for off-premises consumption, and related merchandise to an individual
9	-	ained the legal drinking age fand participated in a guided tour of the licensed
10	premises];	
11 12	license hold	(6) subject to subsection (i) of this section, sell liquor manufactured by the or that is mixed with other nonalcoholic ingredients; AND
13 14	HOLDER T	(7) SELL AND DELIVER PRODUCTS MANUFACTURED BY THE LICENSE AN INDIVIDUAL IN ACCORDANCE WITH § 2-219 OF THIS SUBTITLE.
15	(k)	The annual license fee [is]:
16		(1) SHALL BE DETERMINED BY THE COMMISSION; AND
17		(2) MAY NOT EXCEED \$2,000.
18	2–203.	
19	(a)	There is a Class 9 limited distillery license.
20	(c)	A holder of the limited distillery license:
21		(6) may conduct guided tours of that portion of the licensed premises used
22	for the limi	ed distillery operation; [and]
23		(7) may serve not more than three samples of products manufactured at
24		premises, with each sample consisting of not more than one-half ounce from a
25	single prod	et, to persons who:
26		(i) have attained the legal drinking age;
27		(ii) participated in a guided tour; and
28		(iii) are present on that portion of the premises used for the limited
29	distillery or	eration; AND

1 2 3	LICENSE I	(8) IOLDI	MAY SELL AND DELIVER PRODUCTS MANUFACTURED BY THE R TO AN INDIVIDUAL IN ACCORDANCE WITH § 2-219 OF THIS
4	(g)	The	annual license fee [is]:
5		(1)	SHALL BE DETERMINED BY THE COMMISSION; AND
6		(2)	MAY NOT EXCEED \$500.
7	2–204.		
8	(a)	Ther	e is a Class 2 rectifying license.
9	(i)	The	annual license fee [is]:
10		(1)	SHALL BE DETERMINED BY THE COMMISSION; AND
11		(2)	MAY NOT EXCEED \$600.
12	2–205.		
13	(a)	Ther	e is a Class 3 winery license.
14	(d)	The	annual license fee [is]:
15		(1)	SHALL BE DETERMINED BY THE COMMISSION; AND
16		(2)	MAY NOT EXCEED \$750.
17	2–206.		
18	(a)	Ther	e is a Class 4 limited winery license.
19	(b)	(1)	A license holder may:
20 21	Maryland a	gricul	(i) subject to paragraph (2) of this subsection, from available ural products:
22			1. ferment and bottle wine; and
23			2. distill and bottle pomace brandy; and
24			(ii) sell and deliver the wine and pomace brandy to:
25			1. a holder of a wholesaler's license;

1 2	pomace brar	ıdy; [e	2. r]	a holder of a permit that is authorized to acquire wine or
3 4	wine or pom	ace br	3. andy ; OR	a person outside the State that is authorized to acquire
5 6	THIS SUBTI	TLE.	4.	AN INDIVIDUAL IN ACCORDANCE WITH § 2-219 OF
7	(h)	The a	ınnual licen	se fee [is]:
8		(1)	SHALL BE	E DETERMINED BY THE COMMISSION; AND
9		(2)	MAY NOT	EXCEED \$200.
10	2–207.			
11	(b)	There	e is a Class	5 brewery license.
12	(e)	A lice	ense holder	may:
13		(4)	sell and de	eliver beer to:
14 15	beer; [or]		(i) a h	older of a wholesaler's license that is authorized to acquire
16 17	OR		(ii) a pe	erson outside of the State that is authorized to acquire beer;
18 19	SUBTITLE;		(III) AN	INDIVIDUAL IN ACCORDANCE WITH § 2-219 OF THIS
20 21	(d) individual[:	An ir	dividual m	ay purchase beer under subsection (c)(6) of this section if the
22		(1)	purchases	not more than 288 ounces of beer per visit; and
23		(2)]	has attain	ed the legal drinking age.
24	(e)	The a	ınnual licen	se fee [is]:
25		(1)	SHALL BE	E DETERMINED BY THE COMMISSION; AND
26		(2)	MAY NOT	EXCEED \$1,500.

1 The Comptroller may issue a brewery promotional event permit to a (g) (1)2 holder of a Class 5 brewery license. 3 Subject to subsection (i) of this section, the permit authorizes the holder to conduct on the premises of the brewery a promotional event at which the holder may, 4 5 with respect to individuals who have attained the legal drinking age: 6 provide samples consisting of a total of not more than 18 fluid 7 ounces to a consumer; and 8 (ii) sell beer to individuals who participate in the event. 9 Subject to subsection (i) of this section, the beer at the event shall be sold by the glass for on-premises consumption only. 10 11 To obtain a permit, an applicant, at least 15 days before the event, shall 12 file with the Comptroller an application that the Comptroller provides. 13 A holder of a Class 5 brewery license may not be issued more than 12 (5)14 permits in a calendar year. 15 (6) A single promotional event may not exceed 3 consecutive days. 16 The permit fee is \$25 per event. (7)17 (h) (1) This subsection does not apply to: 18 the holder of a Class 5 brewery license that held an on-site (i) 19 consumption permit and a Class D license or an equivalent license on or before April 1, 20 2017, and any transferee of those licenses; 21(ii) an individual who held a minority interest in an on-site 22 consumption permit and a Class D license or an equivalent license on or before April 1, 23 2017, and then obtains by transfer a majority interest in the same license or permit; 24a location in the State for which a completed brewer's notice form (iii) was filed with the U. S. Department of Treasury on or before April 1, 2017; 2526 a [promotional event conducted under subsection (g) of this (iv) 27 section PERMIT ISSUED UNDER § 2–140 OF THIS TITLE; and a guided tour during which: 28(v) 29 1. samples of beer are served under subsection (c)(5) of this 30 section; or

beer is sold for off-premises consumption under

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may be conducted.

1	subsection (c)(6) of this section.
2	(2) This subsection applies to:
3	(i) a holder of a Class 5 brewery license who:
4 5	1. after April 1, 2017, obtains an on–site consumption permit and a Class D beer license or equivalent license for on–premises consumption; or
6 7 8 9	2. not holding a minority interest in an on–site consumption permit and a Class D license or an equivalent license on or before April 1, 2017, obtains a majority interest by transfer in an on–site consumption permit and a Class D license or an equivalent license; and
$egin{array}{c} 10 \\ 11 \\ 2 \end{array}$	(ii) notwithstanding paragraph (1)(iii) of this subsection, a manufacturer of beer with more than 1,000,000 barrels of finished production annually alone or in combination with its affiliates.
13 14 15	(3) Notwithstanding any provision in Division II of this article, the sales and serving privileges of an on–site consumption permit and a Class D license or an equivalent license may be exercised only from 10 a.m. to 10 p.m. Monday through Sunday.
16 17	[(i)] (H) All beer offered, served, or sold to a consumer under subsection (c)(5) or (6) [or (g)] of this section shall be:
18	(1) fermented and brewed entirely at the Class 5 brewery; or
19 20	(2) beer of which the license holder or an affiliate of the license holder is the brand owner.
21 22 23	[(j)] (I) (i) The [Comptroller] COMMISSION may issue a refillable container permit for draft beer under § 4–1104 or Subtitle 11 of the various titles in Division II of this article to a holder of a Class 5 brewery license:
24 25	1. on completion of an application form that the [Comptroller] COMMISSION provides; and
26	2. at no cost to the holder of the Class 5 brewery license.
27 28	(ii) A refillable container permit may be renewed each year concurrently with the renewal of the Class 5 brewery license.
29 30	(2) The hours of sale for a refillable container permit issued under this subsection are the same as the hours when a guided tour, a promotional event, or other

organized activity at the licensed premises authorized under subsection (c) of this section

1 2 3 4 5	Committee and th	e Hous	On or before October 1 each year, the [Comptroller] ort to the Senate Education, Health, and Environmental Affairs see Economic Matters Committee, in accordance with § 2–1257 of ticle, on the following, identified by jurisdiction and Class 5 license
6 7	fiscal year; and	(i)	the total beer production of the license holder in the preceding
8 9 10	under an on–site of the preceding fisca		the total sales of the license holder for on—site consumption aption permit, a Class D beer license, or an equivalent license in
11 12	(2) COMMISSION the		holder of a Class 5 license shall report to the [Comptroller] nation needed to prepare the annual report under this subsection.
13 14	(3) reported under this		[Comptroller] COMMISSION shall include the information ection in the annual report submitted under § 1–316 of this article.
15	2–209.		
16	(a) There	e is a C	lass 7 micro-brewery license.
17	(e) A lice	nse ho	lder may:
18 19	(4) licensed public sto		the finished product under an individual storage permit or at a cility for subsequent sale and delivery:
20			
		(i)	to a holder of a wholesaler's license;
21		(ii)	to a holder of a wholesaler's license; to an authorized person outside the State; [or]
21 22 23	retail premises; OI	(ii) (iii)	,
22	retail premises; OI SUBTITLE;	(ii) (iii)	to an authorized person outside the State; [or]
22 23 24	-	(iii) (iii) (IV)	to an authorized person outside the State; [or] for shipment back to the micro-brewery location for sale on the
22 23 24 25	SUBTITLE;	(iii) (iii) (IV)	to an authorized person outside the State; [or] for shipment back to the micro-brewery location for sale on the TO AN INDIVIDUAL IN ACCORDANCE WITH § 2-219 OF THIS
22 23 24 25 26	SUBTITLE;	(iii) (iii) (IV) A lice	to an authorized person outside the State; [or] for shipment back to the micro-brewery location for sale on the TO AN INDIVIDUAL IN ACCORDANCE WITH § 2-219 OF THIS nse holder may sell and deliver beer brewed under the license to:

1	(i)	The a	ınnual	license fee [is]:
2		(1)	SHAL	L BE DETERMINED BY THE COMMISSION; AND
3		(2)	MAY	NOT EXCEED \$500.
4	2–210.			
5	(a)	There	e is a C	lass 8 farm brewery license.
6 7 8	(b) and deliver one on the l		ianufa	et to paragraph (2) of this subsection, a license holder may sell etured in a facility on the licensed farm or in a facility other than to:
9			(i)	a wholesaler licensed to sell and deliver beer in the State; [or]
10			(ii)	a person in another state authorized to acquire beer; OR
11 12	SUBTITLE.		(III)	AN INDIVIDUAL AS AUTHORIZED UNDER § 2–219 OF THIS
13	(c)	A lice	ense ho	lder may:
14 15	OFF-PREM	(1) ISES c	(i) onsum	sell beer produced by the license holder for on-premises AND ption;
16 17	(f) § 2–140 OF	(1) THIS '		SUBSECTION DOES NOT APPLY TO A PERMIT ISSUED UNDER
18 19 20	the location a.m. to 10 p	listed		ect to subsections (i) and (j) of this section, a] A license holder at license may exercise the privileges of the license each day from 10
21 22	(i) issued on th	(1) ne licen		ense holder may sponsor a multibrewery activity at the location to:
23			(i)	includes the products of other Maryland breweries; and
24 25	consumption	n only]	(ii) PROD	provides for the sale of [beer by the glass for on-premises OUCTS IN THE MANNER AUTHORIZED UNDER THE LICENSE.
26 27 28			on the	segregated area approved by the [Comptroller] COMMISSION at license, a license holder may store the products of other Maryland rewery activity.

1	(3)	The multibrewery activity:
2		(i) may be held from 10 a.m. to 10 p.m. each day; and
3		(ii) may not exceed 3 consecutive days.
4 5	[(j) (1) license holder.	The Comptroller may issue a brewery promotional event permit to a
6 7 8		At least 15 days before holding a planned promotional event, the license a permit from the Comptroller by filing a notice of the promotional event the Comptroller provides.
9	(3) listed on the licens	The permit authorizes the license holder to conduct at the location e a promotional event at which the license holder may:
$\frac{1}{2}$	consumers; and	(i) provide samples of not more than 6 fluid ounces per brand to
13 14	participate in the e	(ii) sell beer produced by the license holder to persons who event.
15 16	(4) consumption only.	The beer at the event shall be sold by the glass and for on-premises
17 18	(5) calendar year.	The license holder may not be issued more than 12 permits in a
9	(6)	A single promotional event:
20		(i) may be held from 10 a.m. to 10 p.m. each day; and
21		(ii) may not exceed 3 consecutive days.
22	(7)	The permit fee is \$25 per event.]
23	[(k)] (J)	The annual license fee [is]:
24	(1)	SHALL BE DETERMINED BY THE COMMISSION; AND
25	(2)	MAY NOT EXCEED \$200.
26 27	[(l)] (K) COMMISSION sha	(1) On or before October 1 each year, the [Comptroller] ll report to the Senate Education, Health, and Environmental Affairs

Committee and the House Economic Matters Committee, in accordance with § 2–1257 of

the State Government Article, the total beer production of each Class 8 license holder in

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(c)

A license holder may:

1 the preceding fiscal year, identified by jurisdiction and license holder. 2 (2)Each holder of a Class 8 license shall report to the [Comptroller] 3 **COMMISSION** the information needed to prepare the annual report required under this 4 subsection. 5 The [Comptroller] COMMISSION shall include the information (3)6 reported under this subsection in the annual report submitted under § 1-3106 of this 7 article. 8 2-212.9 The holder of a Class 5 brewery license or Class 7 micro-brewery 10 license may apply for and obtain a Class 7 limited beer wholesaler's license in accordance with this paragraph. 11 12 A holder of a Class 5 brewery license that was selling the holder's own beer at wholesale in the State as of January 1, 2013, may obtain a Class 7 limited beer 13 14 wholesaler's license to continue to sell the holder's own beer at wholesale in the same 15 location in an amount that is not more than [3,000] **5,000** barrels annually. 16 (iii) A holder of a Class 5 brewery license that produces in aggregate 17 from all its locations not more than [22,500] **45,000** barrels of beer annually may obtain a Class 7 limited beer wholesaler's license and distribute not more than [3,000] **5,000** barrels 18 19 of its own beer annually. 20 A holder of one or two Class 7 micro-brewery licenses that produces in 21aggregate from all of its locations not more than [22,500] **45,000** barrels of beer annually 22may obtain a Class 7 limited beer wholesaler's license and distribute beer that: 23 totals annually not more than [3,000] **5,000** barrels in aggregate (i) 24from all of its locations; and 25(ii) has been brewed at the location from where it is distributed. 26 SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland read 27 as follows: Article - Alcoholic Beverages 2829 2-202.There is a Class 1 distillery license. 30 (a)

1	(5) (i) conduct guided tours of the licensed premises;
2 3 4 5	(ii) at no cost or for a fee, serve to an individual who has attained the legal drinking age and participated in a guided tour of the licensed premises, not more than 2 ounces of products, with each product sample consisting of not more than one—half ounce from a single product manufactured by the license holder;
6 7	(iii) serve samples blended with other products manufactured by the license holder or nonalcoholic ingredients; and
8 9 10	(iv) sell [not more than 2.25 liters of] products manufactured on the licensed premises, for off—premises consumption, and related merchandise to an individual who has attained the legal drinking age [and participated in a guided tour of the licensed premises]; [and]
12 13	(6) subject to subsection (i) of this section, sell liquor manufactured by the license holder that is mixed with other nonalcoholic ingredients; AND
14 15	(7) SELL AND DELIVER PRODUCTS MANUFACTURED BY THE LICENSE HOLDER TO AN INDIVIDUAL IN ACCORDANCE WITH § 2–219 OF THIS SUBTITLE.
6	<u>2–203.</u>
.7	(a) There is a Class 9 limited distillery license.
18	(c) A holder of the limited distillery license:
9	(6) may conduct guided tours of that portion of the licensed premises used for the limited distillery operation; [and]
21 22 23	(7) may serve not more than three samples of products manufactured at the licensed premises, with each sample consisting of not more than one—half ounce from a single product, to persons who:
24	(i) have attained the legal drinking age;
25	(ii) participated in a guided tour; and
26 27	(iii) are present on that portion of the premises used for the limited distillery operation; AND
28 29 30	(8) MAY SELL AND DELIVER PRODUCTS MANUFACTURED BY THE LICENSE HOLDER TO AN INDIVIDUAL IN ACCORDANCE WITH § 2–219 OF THIS SUBTITLE.

<u>2–206.</u>

1	<u>(a)</u>	There	is a C	lass 4 limited winery license.
2	<u>(b)</u>	<u>(1)</u>	A lice:	nse holder may:
3 4	Maryland ag	gricult	<u>(i)</u> ural pr	subject to paragraph (2) of this subsection, from available roducts:
5				1. ferment and bottle wine; and
6				2. distill and bottle pomace brandy; and
7			<u>(ii)</u>	sell and deliver the wine and pomace brandy to:
8				1. a holder of a wholesaler's license;
9 10	pomace brar	ndy; [o	<u>r]</u>	2. a holder of a permit that is authorized to acquire wine or
11 12	wine or pom	ace bra	andy ; (3. a person outside the State that is authorized to acquire OR
13 14	THIS SUBTI	TLE.		4. AN INDIVIDUAL IN ACCORDANCE WITH § 2–219 OF
15	<u>2–207.</u>			
16	<u>(b)</u>	There	is a C	lass 5 brewery license.
17	<u>(c)</u>	A lice	nse ho	lder may:
18		<u>(4)</u>	sell ar	nd deliver beer to:
19 20	beer; [or]		<u>(i)</u>	a holder of a wholesaler's license that is authorized to acquire
21 22	OR		<u>(ii)</u>	a person outside of the State that is authorized to acquire beer;
23 24	SUBTITLE;		<u>(III)</u>	AN INDIVIDUAL IN ACCORDANCE WITH § 2–219 OF THIS
25 26	(d) individual[:	An in	dividua	al may purchase beer under subsection (c)(6) of this section if the
27		<u>(1)</u>	purch	ases not more than 288 ounces of beer per visit; and

1		<u>(2)</u>]	has a	ttained the legal drinking age.
2	<u>2–209.</u>			
3	<u>(a)</u>	There	e is a C	class 7 micro-brewery license.
4	<u>(c)</u>	A lice	ense ho	lder may:
5 6	licensed pub	$\frac{(4)}{\text{olic sto}}$	_	the finished product under an individual storage permit or at a cility for subsequent sale and delivery:
7			<u>(i)</u>	to a holder of a wholesaler's license;
8			<u>(ii)</u>	to an authorized person outside the State; [or]
9 10	retail premi	ses; O	<u>(iii)</u> <u>R</u>	for shipment back to the micro-brewery location for sale on the
11 12	SUBTITLE;		<u>(IV)</u>	TO AN INDIVIDUAL IN ACCORDANCE WITH § 2–219 OF THIS
13	<u>(f)</u>	<u>(2)</u>	A lice	ense holder may sell and deliver beer brewed under the license to:
14			<u>(i)</u>	a holder of a wholesaler's license; [or]
15			<u>(ii)</u>	a person outside the State that is authorized to acquire beer; OR
16 17	SUBTITLE.		<u>(III)</u>	AN INDIVIDUAL IN ACCORDANCE WITH § 2–219 OF THIS
18	<u>2–210.</u>			
19	<u>(a)</u>	There	e is a C	lass 8 farm brewery license.
20 21 22	(b) and deliver one on the l		nanufa	ect to paragraph (2) of this subsection, a license holder may sell ctured in a facility on the licensed farm or in a facility other than to:
23			<u>(i)</u>	a wholesaler licensed to sell and deliver beer in the State; [or]
24			<u>(ii)</u>	a person in another state authorized to acquire beer; OR
25 26	SUBTITLE.		<u>(III)</u>	AN INDIVIDUAL AS AUTHORIZED UNDER § 2–219 OF THIS

1	2–219.	
2	(A)	THIS SECTION DOES NOT APPLY TO THE HOLDER OF A:
3		(1) CLASS 2 RECTIFYING LICENSE;
4		(2) CLASS 3 WINERY LICENSE; OR
5		(3) CLASS 6 PUB-BREWERY LICENSE.
6 7 8	` '	A HOLDER OF A MANUFACTURER'S LICENSE MAY SELL AND DELIVER A RODUCED UNDER THE HOLDER'S LICENSE TO AN INDIVIDUAL LOCATED TE IF:
9		(1) THE DELIVERY IS MADE BY AN EMPLOYEE WHO IS:
10		(I) AT LEAST 18 YEARS OLD; AND
11 12	PROGRAM;	(II) CERTIFIED BY AN APPROVED ALCOHOL AWARENESS
13 14 15	OLD DESIGN	(2) THE PURCHASER, OR ANOTHER INDIVIDUAL AT LEAST 21 YEARS NATED BY THE PURCHASER, IS PHYSICALLY PRESENT TO RECEIVE THE BEVERAGES AT THE TIME AND PLACE OF DELIVERY;
16 17	ORDER; ANI	(3) THE PURCHASER PAYS FOR THE PURCHASE AT THE TIME OF THE
18 19 20	EACH ENDO	(4) THE DELIVERER AND THE INDIVIDUAL RECEIVING THE DELIVERY RSE A DELIVERY FORM THAT THE COMMISSION APPROVES AT THE TIME BY CERTIFYING THAT:
21 22 23	AT LEAST 2 EVIDENCE;	(I) THE INDIVIDUAL RECEIVING THE DELIVERY CLAIMED TO BE 21 YEARS OLD AND THE CLAIM WAS SUPPORTED BY DOCUMENTARY
24 25 26		(II) THE INDIVIDUAL RECEIVING THE DELIVERY KNEW THAT IT NAL OFFENSE FOR ALCOHOLIC BEVERAGES TO BE GIVEN TO AN UNDER THE AGE OF 21 YEARS; AND
27 28	IDENTIFICA	(III) THE DELIVERER EXAMINED THE RECIPIENT'S TION.

(C) A HOLDER OF A MANUFACTURER'S LICENSE MAY DIRECTLY SHIP

1 2	ALCOHOL TO A CONSUMER ON REQUEST, IF THE COMMISSION AUTHORIZES THE DIRECT SHIPMENT AFTER DETERMINING THAT:
3 4	(1) THE SHIPMENT CAN BE COMPLETED SAFELY USING A COMMON CARRIER IN ACCORDANCE WITH OTHER APPLICABLE LAWS; AND
5	(2) ALL APPLICABLE SALES AND EXCISE TAXES ARE PAID.
6 7	SECTION 4. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:
8	Article - Alcoholic Beverages
9	<u>2–212.</u>
10 11 12 13 14 15 16 17 18 19 20 21 22 23 24	(C) THE HOLDER OF A CLASS 5 BREWERY LICENSE, A CLASS 7 MICRO-BREWERY LICENSE, OR A CLASS 8 FARM BREWERY LICENSE THAT OBTAINS A MANUFACTURER OFF-SITE PERMIT UNDER § 2–130 OF THIS TITLE MAY SELL TO EACH CONSUMER AT AN APPROVED OFF-SITE PERMITTED EVENT UP TO 288 OUNCES OF BEER. SECTION 5. AND BE IT FURTHER ENACTED, That Section 4 of this Act shall take effect January 1, 2023. SECTION 2. 6. AND BE IT FURTHER ENACTED, That this Act is an emergency measure, is necessary for the immediate preservation of the public health or safety, has been passed by a yea and nay vote supported by three-fifths of all the members elected to each of the two Houses of the General Assembly, and except as provided in Section 5 of this Act, shall take effect from the date it is enacted. Section 3 of this Act shall remain effective until December 31, 2022, and, at the end of that date, Section 3 of this Act, with no further action required by the General Assembly, shall be abrogated and of no further force and effect.
	Approved:
	Governor.
	President of the Senate.
	Speaker of the House of Delegates.