A1 3lr1458 CF SB 431

By: Washington County Delegation

Introduced and read first time: February 3, 2023

Assigned to: Economic Matters

## A BILL ENTITLED

1 AN ACT concerning

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## Alcoholic Beverages - Class 9 Limited Distillery License - Self-Distribution

- FOR the purpose of authorizing a holder of a Class 9 limited distillery license to sell and deliver alcoholic beverages manufactured under the license in bulk to a person in the State that is authorized to acquire them and to a person outside the State that is authorized to acquire them; repealing the prohibition against a holder of a Class 9 limited distillery license applying for or possessing a wholesaler's license; and generally relating to Class 9 limited distillery licenses.
- 9 BY repealing and reenacting, with amendments,
- 10 Article Alcoholic Beverages
- 11 Section 2–203
- 12 Annotated Code of Maryland
- 13 (2016 Volume and 2022 Supplement)
- 14 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
- 15 That the Laws of Maryland read as follows:

## 16 Article - Alcoholic Beverages

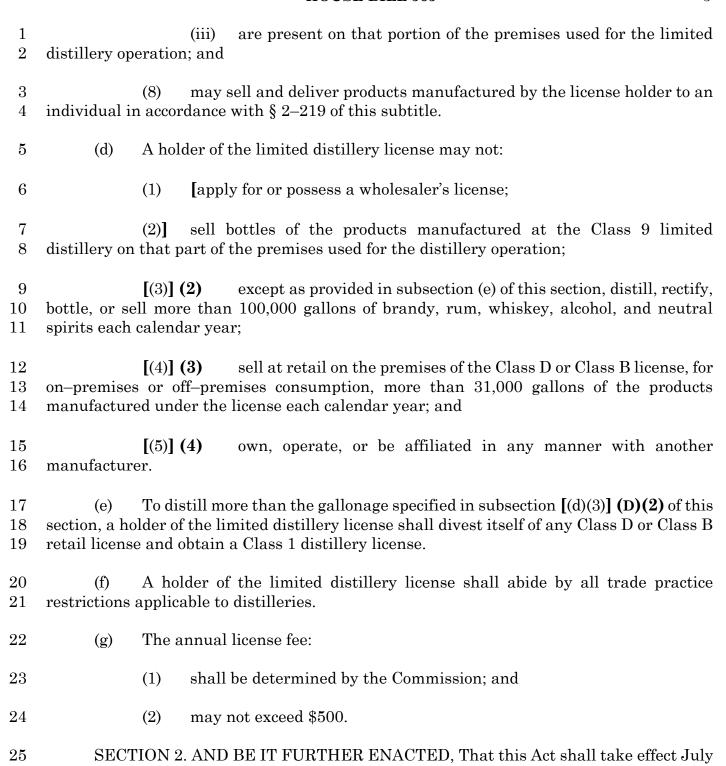
- 17 2–203.
- 18 (a) There is a Class 9 limited distillery license.
- 19 (b) The limited distillery license may be issued only to a holder of a:
- 20 (1) Class D beer, wine, and liquor license where sales for both on— and 21 off—premises consumption are permitted for use on the premises for which the Class D
- 22 license was issued: or

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(ii)

1 Class B beer, wine, and liquor license where sales for both on- and (2) 2 off-premises consumption are permitted for use on the premises for which the Class B 3 license was issued. 4 (c) A holder of the limited distillery license: 5 may establish and operate a plant in the State for distilling, rectifying, and bottling brandy, rum, whiskey, alcohol, and neutral spirits if the holder: 6 7 maintains only one brand at any one time for each product of brandy, rum, whiskey, alcohol, and neutral spirits that is distilled, rectified, and sold; and 8 9 (ii) does not manufacture or rectify product of any other brand for 10 another entity; may acquire bulk alcoholic beverages from the holder of a distillery or 11 12 rectifying license in the State or from the holder of a nonresident dealer's permit; 13 after acquiring an individual storage permit, may store on the licensed (3)premises those products manufactured under the license; 14 15 may sell and deliver those products manufactured under the license 16 only to a licensed wholesaler in the State or person authorized to acquire distilled spirits 17 in another state and not to a county dispensary]: IN BULK TO A PERSON IN THE STATE THAT IS AUTHORIZED 18 **(I)** 19 TO ACQUIRE THEM; AND 20 TO A PERSON OUTSIDE THE STATE THAT IS AUTHORIZED TO (II)21ACQUIRE THEM; 22may sell the products manufactured under the license at retail in a (5)23manner consistent with the underlying Class D or Class B license; 24may conduct guided tours of that portion of the licensed premises used (6)for the limited distillery operation; 2526 may serve not more than three samples of products manufactured at 27 the licensed premises, with each sample consisting of not more than one-half ounce from a 28 single product, to persons who: 29 have attained the legal drinking age; (i)

participated in a guided tour; and



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1, 2023.