

HOUSE BILL 595

A1

3lr2399
CF SB 448

By: **Delegate Qi**

Introduced and read first time: February 3, 2023

Assigned to: Economic Matters

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 24, 2023

CHAPTER _____

1 AN ACT concerning

2 **Alcoholic Beverages – Manufacturer’s Licenses ~~and Off-Site Permits~~ – Direct**
3 **Shipments**

4 FOR the purpose of ~~extending the termination date for certain provisions of law relating to~~
5 ~~the authorization of holders of certain manufacturer’s licenses to sell and deliver and~~
6 ~~to directly ship their own alcoholic beverages products to certain individuals under~~
7 ~~certain circumstances; delaying a certain effective date for the authorization of~~
8 ~~certain manufacturer off-site permits; authorizing certain holders of manufacturer’s~~
9 ~~licenses to sell and deliver certain products produced under a holder’s license to~~
10 ~~certain individuals located in the State under certain circumstances; and generally~~
11 ~~relating to alcoholic beverages, manufacturer’s licenses, and ~~off-site permits~~ direct~~
12 ~~shipments.~~

13 ~~BY repealing and reenacting, with amendments,~~
14 ~~Chapter 359 of the Acts of the General Assembly of 2021, as amended by Chapters~~
15 ~~477 and 478 of the Acts of the General Assembly of 2022~~
16 ~~Section 4~~

17 ~~BY repealing and reenacting, with amendments,~~
18 ~~Chapter 360 of the Acts of the General Assembly of 2021, as amended by Chapters~~
19 ~~477 and 478 of the Acts of the General Assembly of 2022~~
20 ~~Section 4~~

21 ~~BY repealing and reenacting, without amendments,~~
22 ~~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.



~~Section 2-130(e)
Annotated Code of Maryland
(2016 Volume and 2022 Supplement)
(As enacted by Chapters 477 and 478 of the Acts of the General Assembly of 2022)~~

~~BY repealing and reenacting, with amendments,
Chapter 477 of the Acts of the General Assembly of 2022
Section 3~~

~~BY repealing and reenacting, with amendments,
Chapter 478 of the Acts of the General Assembly of 2022
Section 3~~

~~SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
That the Laws of Maryland read as follows:~~

~~**Chapter 359 of the Acts of 2021, as amended by Chapters 477 and 478 of the Acts
of 2022**~~

~~SECTION 4. 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 shall take effect from the date it is
enacted. Section 3 of this Act shall remain effective through June 30, [2023] **2025**, and, at
the end of June 30, [2023] **2025**, Section 3 of this Act, with no further action required by
the General Assembly, shall be abrogated and of no further force and effect.~~

~~**Chapter 360 of the Acts of 2021, as amended by Chapters 477 and 478 of the Acts
of 2022**~~

~~SECTION 4. 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 shall take effect from the date it is
enacted. Section 3 of this Act shall remain effective through June 30, [2023] **2025**, and, at
the end of June 30, [2023] **2025**, Section 3 of this Act, with no further action required by
the General Assembly, shall be abrogated and of no further force and effect.~~

~~Article Alcoholic Beverages~~

~~2-130.~~

~~(e) (1) During an event listed in subsection (e) of this section, the permit holder
may:~~

~~(i) provide samples and sell products to a consumer that are
manufactured by the permit holder under the permit holder's license;~~

(ii) ~~provide to a consumer a sample that may not exceed:~~

~~1. 1 fluid ounce for each offering of wine;~~

~~2. 1 fluid ounce for each offering of beer; or~~

~~3. 0.25 fluid ounce for each offering of liquor;~~

(iii) ~~sell to a consumer for on-premises consumption; and~~

(iv) ~~subject to paragraph (2) of this subsection, sell to a consumer for off-premises consumption.~~

~~(2) The holder of a Class 5 brewery license, a Class 7 micro-brewery license, or a Class 8 farm brewery license may sell to each consumer at an approved off-site permitted event under the permit up to 288 ounces of beer for off-premises consumption.~~

~~Chapter 477 of the Acts of 2022~~

~~SECTION 3. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take effect July 1, [2023] 2025.~~

~~Chapter 478 of the Acts of 2022~~

~~SECTION 3. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take effect July 1, [2023] 2025.~~

~~SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2023.~~

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That:

(a) This section applies only to a holder of a manufacturer’s license that received authorization from the Alcohol and Tobacco Commission on or before February 1, 2023, to sell and deliver a product produced under the holder’s license to an individual located in the State in accordance with § 2-219 of the Alcoholic Beverages Article, as enacted by Chapters 359 and 360 of the Acts of 2021, as amended by Chapters 477 and 478 of the Acts of 2022.

(b) Subject to subsection (d) of this section, a holder of a manufacturer’s license may sell and deliver a product produced under the holder’s license to an individual located in the State if:

(1) the delivery is made by an employee who is:

1 (i) at least 18 years old; and

2 (ii) certified by an approved alcohol awareness program;

3 (2) the purchaser, or another individual at least 21 years old designated by
4 the purchaser, is physically present to receive the alcoholic beverages at the time and place
5 of delivery;

6 (3) the purchaser pays for the purchase at the time of the order; and

7 (4) the deliverer and the individual receiving the delivery each endorse a
8 delivery form that the Commission approves at the time of delivery certifying that:

9 (i) the individual receiving the delivery claimed to be at least 21
10 years old and the claim was supported by documentary evidence;

11 (ii) the individual receiving the delivery knew that it is a criminal
12 offense for alcoholic beverages to be given to an individual under the age of 21 years; and

13 (iii) the deliverer examined the recipient's identification.

14 (c) A holder of a manufacturer's license may directly ship alcohol to a consumer
15 on request, if the Commission authorizes the direct shipment after determining that:

16 (1) the shipment can be completed safely using a common carrier in
17 accordance with other applicable laws; and

18 (2) all applicable sales and excise taxes are paid.

19 (d) A holder of a manufacturer's license may not directly ship to a consumer
20 during a calendar year:

21 (1) an amount of liquor that exceeds the equivalent of 18 standard size
22 750-milliliter bottles; or

23 (2) an amount of beer that exceeds 3,456 ounces.

24 (e) On or before December 1, 2023, and on or before June 1, 2024, each holder of
25 a manufacturer's license that has sold and delivered a product produced under the holder's
26 license to an individual located in the State in accordance with this section shall submit a
27 report to the Alcohol and Tobacco Commission specifying the amount of liquor or beer
28 shipped and delivered to individuals in the State in accordance with this section.

29 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect on
30 the taking effect of the termination provisions specified in Section 4 of Chapters 359 and
31 360 of the Acts of the General Assembly of 2021, as amended by Chapters 477 and 478 of

1 the Acts of the General Assembly of 2022. This Act may not be interpreted to have any
2 effect on those termination provisions.

3 SECTION 3. AND BE IT FURTHER ENACTED, That, subject to the provisions of
4 Section 2 of this Act, this Act shall take effect July 1, 2023. It shall remain effective for a
5 period of 1 year and, at the end of June 30, 2024, this Act, with no further action required
6 by the General Assembly, shall be abrogated and of no further force and effect.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.