SENATE BILL 448

A1 3lr2546 CF HB 595

By: Senators Gile and Hester

Introduced and read first time: February 2, 2023

Assigned to: Finance

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 5, 2023

CHAPTER

1 AN ACT concerning

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

- 3 FOR the purpose of extending the termination date for certain provisions of law relating to the authorization of holders of certain manufacturer's licenses to sell and deliver and 4 5 to directly ship their own alcoholic beverages products to certain individuals under 6 certain circumstances; establishing the maximum amount of beer and liquor that 7 holders of certain manufacturer's licenses may directly ship to consumers in a calendar year; delaying a certain effective date for the authorization of certain 8 9 manufacturer off-site permits; and generally relating to alcoholic beverages, 10 manufacturer's licenses, and off-site permits.
- 11 BY repealing and reenacting, with amendments,
- 12 Chapter 359 of the Acts of the General Assembly of 2021, as amended by Chapters
- 13 477 and 478 of the Acts of the General Assembly of 2022
- 14 Section 4
- 15 BY repealing and reenacting, with amendments,
- 16 Chapter 360 of the Acts of the General Assembly of 2021, as amended by Chapters
- 17 477 and 478 of the Acts of the General Assembly of 2022
- 18 Section 4
- 19 BY repealing and reenacting, without amendments,
- 20 Article Alcoholic Beverages
- 21 Section 2–130(c)
- 22 Annotated Code of Maryland

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.



1	(2016 Volume and 2022 Supplement)
2	(As enacted by Chapters 477 and 478 of the Acts of the General Assembly of 2022)
3	BY repealing and reenacting, with amendments,
4	<u>Article – Alcoholic Beverages</u>
5	Section 2–219
6	Annotated Code of Maryland
7	(2016 Volume and 2022 Supplement)
8	BY repealing and reenacting, with amendments,
9	Chapter 477 of the Acts of the General Assembly of 2022
10	Section 3
11	BY repealing and reenacting with amendments

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Chapter 478 of the Acts of the General Assembly of 2022

13 Section 3

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14 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, 15 That the Laws of Maryland read as follows:

16 Chapter 359 of the Acts of 2021, as amended by Chapters 477 and 478 of the Acts 17 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

2-130.35

$\begin{array}{c} 1 \\ 2 \end{array}$	(c) may:	(1)	Durir	ng an event listed in subsection (e) of this section, the permit holder
3 4	manufactur	ed by 1	(i) the per	provide samples and sell products to a consumer that are mit holder under the permit holder's license;
5			(ii)	provide to a consumer a sample that may not exceed:
6				1. 1 fluid ounce for each offering of wine;
7				2. 1 fluid ounce for each offering of beer; or
8				3. 0.25 fluid ounce for each offering of liquor;
9			(iii)	sell to a consumer for on-premises consumption; and
10 11	off-premise	s cons	(iv) umptio	subject to paragraph (2) of this subsection, sell to a consumer for n.
12 13 14 15		ff-site	perm	holder of a Class 5 brewery license, a Class 7 r a Class 8 farm brewery license may sell to each consumer at an itted event under the permit up to 288 ounces of beer for n.
16	<u>2–219.</u>			
17	<u>(a)</u>	This	section	does not apply to the holder of a:
18		<u>(1)</u>	Class	2 rectifying license;
19		<u>(2)</u>	Class	3 winery license; or
20		<u>(3)</u>	Class	6 pub-brewery license.
21 22 23		er's lic	ense m	CT TO SUBSECTION (D) OF THIS SECTION, A holder of a pay sell and deliver a product produced under the holder's license in the State if:
24		<u>(1)</u>	the de	elivery is made by an employee who is:
25			<u>(i)</u>	at least 18 years old; and
26			<u>(ii)</u>	certified by an approved alcohol awareness program;
27 28 29	the purchas	<u>(2)</u> er, is <u>p</u>		urchaser, or another individual at least 21 years old designated by lly present to receive the alcoholic beverages at the time and place

1	(3) the purchaser pays for the purchase at the time of the order; and
2 3	(4) the deliverer and the individual receiving the delivery each endorse a delivery form that the Commission approves at the time of delivery certifying that:
$\frac{4}{5}$	(i) the individual receiving the delivery claimed to be at least 21 years old and the claim was supported by documentary evidence;
6 7	(ii) the individual receiving the delivery knew that it is a criminal offense for alcoholic beverages to be given to an individual under the age of 21 years; and
8	(iii) the deliverer examined the recipient's identification.
9 10	(c) A holder of a manufacturer's license may directly ship alcohol to a consumer on request, if the Commission authorizes the direct shipment after determining that:
11 12	(1) the shipment can be completed safely using a common carrier in accordance with other applicable laws; and
13	(2) all applicable sales and excise taxes are paid.
14 15	(D) A HOLDER OF A MANUFACTURER'S LICENSE MAY NOT DIRECTLY SHIP TO A CONSUMER DURING A CALENDAR YEAR:
16 17	(1) AN AMOUNT OF LIQUOR THAT EXCEEDS THE EQUIVALENT OF 18 STANDARD SIZE 750 MILLILITER BOTTLES; OR
18	(2) AN AMOUNT OF BEER THAT EXCEEDS 3,456 OUNCES.
19	Chapter 477 of the Acts of 2022
20 21	SECTION 3. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take effect July 1, $[2023]$ 2025 .
22	Chapter 478 of the Acts of 2022
23 24	SECTION 3. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take effect July 1, $[2023]$ 2025 .
$\frac{25}{26}$	SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2023 .