

# HOUSE BILL 1551

A1

5lr3653  
CF SB 1039

---

By: **Delegate McCaskill**

Introduced and read first time: February 25, 2025

Assigned to: Rules and Executive Nominations

---

## A BILL ENTITLED

1 AN ACT concerning

2 **Alcoholic Beverages – Class 5 Breweries – On-Premises Consumption**

3 FOR the purpose of increasing the percentage of beer not produced by the holder of a Class  
4 5 brewery license that the license holder is permitted to sell for on-premises  
5 consumption under certain circumstances; and generally relating to Class 5  
6 breweries and on-site consumption.

7 BY repealing and reenacting, without amendments,  
8 Article – Alcoholic Beverages and Cannabis  
9 Section 2–207(b) and (f)(1)(i)  
10 Annotated Code of Maryland  
11 (2024 Replacement Volume)

12 BY repealing and reenacting, with amendments,  
13 Article – Alcoholic Beverages and Cannabis  
14 Section 2–207(f)(2)  
15 Annotated Code of Maryland  
16 (2024 Replacement Volume)

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

19 **Article – Alcoholic Beverages and Cannabis**

20 2–207.

21 (b) There is a Class 5 brewery license.

22 (f) (1) (i) A local licensing board may grant an on-site consumption permit  
23 to an applicant that holds a Class 5 brewery license and, subject to paragraph (5) of this  
24 subsection, a Class D beer license.

---

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1                   (2) Subject to the maximum volume limit under paragraph (4) of this  
2 subsection, a Class D beer license or an equivalent license under paragraph (5) of this  
3 subsection entitles the holder to sell to an individual who has attained the legal drinking  
4 age, for on-premises consumption at the brewery:

5                   (i) beer:

6                   1. of which the holder of the Class 5 license is the brand  
7 owner; and

8                   2. that is fermented and brewed entirely by the license  
9 holder at a location authorized by this section;

10                  (ii) beer that is fermented and brewed entirely at the brewery under  
11 contract with a brand owner who does not possess a Class 5 license; and

12                  (iii) subject to paragraph (3) of this subsection, beer brewed at a  
13 location other than the Class 5 brewery if:

14                   1. the brand owner of the beer is the holder of the Class 5  
15 license or an affiliate of the holder of the Class 5 license;

16                   2. the number of barrels of the beer sold for on-premises  
17 consumption under the Class D beer license or an equivalent license or an on-site  
18 consumption permit in a calendar year does not exceed the greater of:

19                   A. ~~[25%]~~ **35%** of the total number of barrels of beer sold for  
20 on-premises consumption under the Class D license or an equivalent license or an on-site  
21 consumption permit in that calendar year; or

22                   B. 1.2% of total finished production under the Class 5  
23 brewery license; and

24                   3. A. the license holder contracts with or on behalf of a  
25 holder of a manufacturer's license or nonresident dealer's permit; or

26                   B. the beer is manufactured by an affiliate of the license  
27 holder.

28                  SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
29 1, 2025.