

HOUSE BILL 1526

A2

6lr3204
CF SB 959

By: **Carroll County Delegation**

Introduced and read first time: February 13, 2026

Assigned to: Government, Labor, and Elections

A BILL ENTITLED

1 AN ACT concerning

2 **Carroll County – Alcoholic Beverages – Class 1 Distillery On–Premises**
3 **Consumption Permit**

4 FOR the purpose of establishing in Carroll County a Class 1 distillery on–premises
5 consumption permit; authorizing the Board of License Commissioners for Carroll
6 County to issue the permit to a holder of a Class 1 distillery license; authorizing the
7 holder of the permit to sell certain food, nonalcoholic beverages, and alcoholic
8 beverages for on–premises consumption; and generally relating to Class 1 distillery
9 on–premises consumption permits in Carroll County.

10 BY repealing and reenacting, without amendments,
11 Article – Alcoholic Beverages and Cannabis
12 Section 2–202(a), (e), and (i) and 16–102
13 Annotated Code of Maryland
14 (2024 Replacement Volume and 2025 Supplement)

15 BY repealing and reenacting, with amendments,
16 Article – Alcoholic Beverages and Cannabis
17 Section 16–401
18 Annotated Code of Maryland
19 (2024 Replacement Volume and 2025 Supplement)

20 BY adding to
21 Article – Alcoholic Beverages and Cannabis
22 Section 16–406
23 Annotated Code of Maryland
24 (2024 Replacement Volume and 2025 Supplement)

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

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



Article – Alcoholic Beverages and Cannabis

2–202.

(a) There is a Class 1 distillery license.

(e) Subject to subsection (f) of this section, a license holder may conduct the activities specified in subsections (c)(5) and (i)(2) of this section from 10 a.m. to 10 p.m. each day.

(i) (1) A local licensing board may grant an on–site consumption permit for use at the location of the Class 1 distillery license to a holder of a Class 1 distillery license.

(2) (i) The permit authorizes the holder to sell mixed drinks made from liquor that the holder produces that is mixed with other nonalcoholic ingredients for on–premises consumption.

(ii) The holder may not use more than an aggregate of 7,750 gallons annually of liquor the holder produces for mixed drinks sold under subparagraph (i) of this paragraph.

(3) A local licensing board:

(i) may establish and charge a permit fee; and

(ii) shall require the permit holder to:

1. comply with the alcohol awareness requirements under § 4–505 of this article; and

2. abide by all applicable trade practice restrictions.

16–102.

This title applies only in Carroll County.

16–401.

(a) The following sections of Title 2, Subtitle 2 (“Manufacturer’s Licenses”) of Division I of this article apply in the county without exception or variation:

(1) § 2–201 (“Issuance by Comptroller”);

(2) [§ 2–202 (“Class 1 distillery license”);

(3)] § 2–203 (“Class 9 limited distillery license”);

1 [(4)] (3) § 2–204 (“Class 2 rectifying license”);

2 [(5)] (4) § 2–205 (“Class 3 winery license”);

3 [(6)] (5) § 2–207 (“Class 5 brewery license”);

4 [(7)] (6) § 2–210 (“Class 8 farm brewery license”);

5 [(8)] (7) § 2–211 (“Residency requirement”);

6 [(9)] (8) § 2–212 (“Additional licenses”);

7 [(10)] (9) § 2–213 (“Additional fees”);

8 [(11)] (10) § 2–214 (“Sale or delivery restricted”);

9 [(12)] (11) § 2–216 (“Interaction between manufacturing entities and
10 retailers”);

11 [(13)] (12) § 2–217 (“Distribution of alcoholic beverages — Prohibited
12 practices”); and

13 [(14)] (13) § 2–218 (“Restrictive agreements between producers and
14 retailers — Prohibited”).

15 (b) Section 2–215 (“Beer sale on credit to retail dealer prohibited”) of Division I of
16 this article does not apply in the county.

17 (c) The following sections of Title 2, Subtitle 2 (“Manufacturer’s Licenses”) of
18 Division I of this article apply in the county:

19 (1) **§ 2–202 (“CLASS 1 DISTILLERY LICENSE”), SUBJECT TO § 16–406**
20 **OF THIS SUBTITLE;**

21 (2) § 2–206 (“Class 4 limited winery license”), subject to § 16–403 of this
22 subtitle;

23 [(2)] (3) § 2–208 (“Class 6 pub–brewery license”), subject to § 16–404 of
24 this subtitle; and

25 [(3)] (4) § 2–209 (“Class 7 micro–brewery license”), subject to § 16–405 of
26 this subtitle.

27 **16–406.**

1 **(A) THERE IS A CLASS 1 DISTILLERY ON-SITE CONSUMPTION PERMIT.**

2 **(B) THE PERMIT MAY BE ISSUED TO A HOLDER OF A CLASS 1 DISTILLERY**
3 **LICENSE.**

4 **(C) THE PERMIT SERVES AS THE ON-PREMISES CONSUMPTION PERMIT**
5 **REQUIRED UNDER § 2-202(E) AND (I) OF THIS ARTICLE.**

6 **(D) THE PERMIT AUTHORIZES THE HOLDER TO SELL:**

7 **(1) FOOD;**

8 **(2) NONALCOHOLIC BEVERAGES; AND**

9 **(3) ALCOHOLIC BEVERAGES, INCLUDING BRANDY, RUM, WHISKEY,**
10 **AND NEUTRAL SPIRITS THAT ARE DISTILLED, RECTIFIED, BLENDED, AND BOTTLED**
11 **AT THE DISTILLERY FOR ON- AND OFF-PREMISES CONSUMPTION TO THE EXTENT**
12 **THE PERMIT HOLDER IS AUTHORIZED UNDER THE CLASS 1 DISTILLERY LICENSE.**

13 **(E) THE AUTHORIZATION TO SELL FOOD AND NONALCOHOLIC BEVERAGES**
14 **UNDER THIS SECTION IS SUBJECT TO APPROVAL BY THE CARROLL COUNTY HEALTH**
15 **DEPARTMENT.**

16 **(F) AN APPLICATION FOR A PERMIT UNDER THIS SECTION SHALL INCLUDE**
17 **A DIAGRAM OF THE PROPOSED AREA FOR CONSUMPTION UNDER THE PERMIT AND**
18 **SHOW CLEAR DELINEATION FROM THE MANUFACTURING AND PROCESSING**
19 **FACILITIES.**

20 **(G) THE BOARD SHALL ADOPT REGULATIONS TO CARRY OUT THIS SECTION**
21 **AND TO SET THE ANNUAL PERMIT FEE.**

22 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
23 1, 2026.