

Chapter 391

(House Bill 717)

AN ACT concerning

Alcoholic Beverages – Distilleries – Tours, Samples, and Sales

FOR the purpose of expanding the privileges of a distillery license so that the holder of the license may conduct guided tours of the licensed premises, serve not more than a certain number of samples of products manufactured at the licensed premises, ~~sell certain foods and beverages~~, sell products manufactured on the licensed premises for consumption off the licensed premises under certain circumstances, and sell related merchandise; prohibiting a license holder or entity in which a license holder has a pecuniary interest from acting as a caterer of food; specifying the times when certain activities may be conducted; providing that a Class 1 manufacturer's license allows the holder to operate a certain number of days a week, with a certain exception; requiring a license holder to file with the Comptroller a notice of a promotional event at least a certain time before the event is held; prohibiting a license holder from selling or allowing to be consumed at the licensed premises certain products, with a certain exception; providing that this Act does not limit the application of certain laws and regulations; and generally relating to the privileges of alcoholic beverages and distillery licenses.

BY repealing and reenacting, with amendments,
 Article 2B – Alcoholic Beverages
 Section 2–202
 Annotated Code of Maryland
 (2011 Replacement Volume)

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

Article 2B – Alcoholic Beverages

2–202.

(A) A Class 1 manufacturer's license:

- (1) Is a distillery license;
- (2) Authorizes the:

(i) Establishment and operation in this State of a plant for distilling brandy, rum, whiskey, alcohol and neutral spirits;

(ii) Sale and delivery of those alcoholic beverages in bulk to persons authorized in this State to acquire them; and

(iii) Sale and delivery of those alcoholic beverages to persons located outside this State;

(3) Shall be obtained for each trade name and for each distillery in this State;

(4) Permits a distiller to manufacture alcoholic beverages in the name of another person or under a trade name, provided a distillery license has been issued to that other person or under that trade name, as the case may be; [and]

(5) Permits the holder of [such a] **THE** license to acquire bulk alcoholic beverages from the holder of a distillery, rectifying, or winery license in this State or from the holder of a nonresident dealer's permit; **AND**

(6) PERMITS THE HOLDER OF THE LICENSE TO:

(I) CONDUCT GUIDED TOURS OF THE LICENSED PREMISES;

(II) SERVE NOT MORE THAN THREE SAMPLES OF PRODUCTS MANUFACTURED AT THE LICENSED PREMISES, WITH EACH SAMPLE CONSISTING OF NOT MORE THAN ONE-HALF OUNCE FROM A SINGLE PRODUCT, TO PERSONS WHO HAVE ATTAINED THE LEGAL DRINKING AGE AND PARTICIPATED IN A GUIDED TOUR OF THE LICENSED PREMISES; AND

~~**(III) SELL OR SERVE:**~~

~~**1. NONALCOHOLIC BEVERAGES;**~~

~~**2. BREAD AND OTHER BAKED GOODS;**~~

~~**3. CHILI;**~~

~~**4. CHOCOLATE;**~~

~~**5. CRACKERS;**~~

~~**6. CURED MEAT;**~~

~~**7. FRUITS (WHOLE AND CUT);**~~

- ~~8. SALADS AND VEGETABLES (WHOLE AND CUT);~~
- ~~9. HARD AND SOFT CHEESE (WHOLE AND CUT);~~
- ~~10. ICE CREAM;~~
- ~~11. JELLY AND JAM;~~
- ~~12. VINEGAR;~~
- ~~13. PIZZA;~~
- ~~14. PREPACKAGED SANDWICHES AND OTHER PREPACKAGED FOODS READY TO BE EATEN;~~
- ~~15. SOUP; AND~~
- ~~16. CONDIMENTS; AND~~

~~(IV) SELL~~ (III) SUBJECT TO SUBSECTION (B) OF THIS SUBSECTION, SELL NOT MORE THAN THREE 750-MILLILITER BOTTLES OF PRODUCTS MANUFACTURED ON THE LICENSED PREMISES, FOR CONSUMPTION OFF THE LICENSED PREMISES, AND RELATED MERCHANDISE TO PERSONS WHO HAVE ATTAINED THE LEGAL DRINKING AGE AND PARTICIPATED IN A GUIDED TOUR OF THE LICENSED PREMISES.

(B) A HOLDER OF THE LICENSE MAY SELL BOTTLES OF PRODUCTS UNDER SUBSECTION (A)(6)(III) OF THIS SECTION ONLY IF THE HOLDER MANUFACTURES NOT MORE THAN 27,500 GALLONS OF PRODUCTS ANNUALLY.

(C) A HOLDER OF A CLASS 1 MANUFACTURER'S LICENSE OR ENTITY IN WHICH A HOLDER HAS A PECUNIARY INTEREST MAY NOT ACT AS A CATERER OF FOOD.

(D) SUBJECT TO SUBSECTION (E) OF THIS SECTION, A LICENSE HOLDER MAY CONDUCT THE ACTIVITIES SPECIFIED IN SUBSECTION (A)(6) OF THIS SECTION:

(1) FOR CONSUMPTION OFF THE LICENSED PREMISES OF PRODUCTS MANUFACTURED AT THE LICENSED PREMISES AND FOR SAMPLING, EACH DAY FROM 10 A.M. TO 10 P.M.; AND

(2) FOR CONSUMPTION ON THE LICENSED PREMISES OF PRODUCTS MANUFACTURED AT THE LICENSED PREMISES:

(I) FROM 10 A.M. TO 6 P.M. EACH DAY; OR

(II) IF GUESTS ARE ATTENDING A PLANNED PROMOTIONAL EVENT OR OTHER ORGANIZED ACTIVITY ON THE LICENSED PREMISES, FROM 10 A.M. TO 10 P.M. EACH DAY.

(E) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, A CLASS 1 MANUFACTURER'S LICENSE ALLOWS THE HOLDER TO OPERATE 7 DAYS A WEEK.

(2) IN GARRETT COUNTY, A LICENSE HOLDER MAY OPEN ON SUNDAYS TO ENGAGE IN THE ACTIVITIES LISTED IN SUBSECTION (A)(6) OF THIS SECTION ONLY IN AN ELECTION DISTRICT WHERE THE VOTERS, IN A REFERENDUM AUTHORIZED BY LAW, HAVE APPROVED SUNDAY SALES AT A DISTILLERY.

(F) AT LEAST 14 DAYS BEFORE HOLDING A PLANNED PROMOTIONAL EVENT AFTER 6 P.M., A LICENSE HOLDER SHALL FILE A NOTICE OF THE PROMOTIONAL EVENT WITH THE COMPTROLLER ON THE FORM THAT THE COMPTROLLER PROVIDES.

(G) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, A LICENSE HOLDER MAY NOT SELL OR ALLOW TO BE CONSUMED AT THE LICENSED PREMISES ANY PRODUCT OTHER THAN PRODUCTS PRODUCED BY THE LICENSE HOLDER UNDER THE AUTHORITY OF THIS SECTION.

(2) A HOLDER OF A CATERER'S LICENSE OR PRIVILEGE UNDER TITLE 6, SUBTITLE 7 OF THIS ARTICLE MAY EXERCISE THE PRIVILEGES OF THE LICENSE OR PRIVILEGE ON THE LICENSED PREMISES OF THE LICENSE HOLDER.

(H) NOTHING IN THIS SECTION LIMITS THE APPLICATION OF RELEVANT PROVISIONS OF TITLE 21 OF THE HEALTH - GENERAL ARTICLE, AND REGULATIONS ADOPTED UNDER THAT TITLE, TO A LICENSE HOLDER.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2012.

Approved by the Governor, May 2, 2012.