HOUSE BILL 789

A2

EMERGENCY BILL

0lr2013

By: **Washington County Delegation** Introduced and read first time: February 3, 2020 Assigned to: Economic Matters

Committee Report: Favorable with amendments House action: Adopted Read second time: March 11, 2020

CHAPTER _____

1 AN ACT concerning

2 Washington County - Alcoholic Beverages - Wineries - Special Event Permits

3 FOR the purpose of establishing a special event permit in Washington County; authorizing 4 a holder of a Class 3 winery license or a Class 4 limited winery license in the county to sell beer, wine produced by the holder, certain sparkling wine, and liquor for $\mathbf{5}$ 6 on-premises consumption at certain events under the permit; requiring a license 7 holder to purchase certain alcoholic beverages from a licensed retailer; requiring the permit a license holder to keep certain receipts for a certain period of time; requiring 8 9 the permit a license holder to notify the Board of License Commissioners for 10 Washington County on or before a certain time before using the permit; establishing 11 a certain limit on the number of times the permit may be used; establishing an 12annual permit fee; making conforming changes; making this Act an emergency 13measure; and generally relating to alcoholic beverages in Washington County.

- 14 BY repealing and reenacting, without amendments,
- 15 Article Alcoholic Beverages
- 16 Section 31–102
- 17 Annotated Code of Maryland
- 18 (2016 Volume and 2019 Supplement)
- 19 BY repealing and reenacting, with amendments,
- 20 Article Alcoholic Beverages
- 21 Section 31–401
- 22 Annotated Code of Maryland
- 23 (2016 Volume and 2019 Supplement)

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.



| $1 \\ 2 \\ 3 \\ 4 \\ 5$ | BY adding to Article – Alcoholic Beverages Section 31–402.1 Annotated Code of Maryland (2016 Volume and 2019 Supplement) | | | |
|--|--|-----------------------------|--|--|
| $6 \\ 7$ | SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows: | | | |
| 8 | Article – Alcoholic Beverages | | | |
| 9 | 31–102. | | | |
| 10 | This title applies only in Washington County. | | | |
| 11 | 31–401. | | | |
| $\begin{array}{c} 12\\ 13 \end{array}$ | | | | |
| 14 | | (1) § 2–2 | 01 ("Issuance by Comptroller"); | |
| 15 | | (2) § 2–2 | 02 ("Class 1 distillery license"); | |
| 16 | | (3) § 2–2 | 03 ("Class 9 limited distillery license"); | |
| 17 | | (4) § 2–2 | 04 ("Class 2 rectifying license"); | |
| 18 | | (5) [§ 2– | 205 ("Class 3 winery license"); | |
| 19 | | (6) § 2–2 | 06 ("Class 4 limited winery license"); | |
| 20 | | (7)] § 2–2 | 07 ("Class 5 brewery license"); | |
| 21 | | [(8)] (6) | § 2–210 ("Class 8 farm brewery license"); | |
| 22 | | [(9)] (7) | § 2–211 ("Residency requirement"); | |
| 23 | | [(10)] (8) | § 2–212 ("Additional licenses"); | |
| 24 | | [(11)] (9) | § 2–213 ("Additional fees"); | |
| 25 | | [(12)] (10) | § 2–214 ("Sale or delivery restricted"); | |

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| $\frac{1}{2}$ | [(13)] (11) § 2–216 ("Interaction between manufacturing entities and retailers"); | | | |
|---|--|--|--|--|
| $\frac{3}{4}$ | [(14)] (12) § 2–217 ("Distribution of alcoholic beverages — Prohibited practices"); and | | | |
| $5 \\ 6$ | [(15)] (13) § 2–218 ("Restrictive agreements between producers and retailers — Prohibited"). | | | |
| 7 8 | (b) The following sections of Title 2, Subtitle 2 ("Manufacturer's Licenses") of Division I of this article apply in the county: | | | |
| 9 10 | (1) § 2–205 ("CLASS 3 WINERY LICENSE"), SUBJECT TO § 31–402.1 OF THIS SUBTITLE; | | | |
| $\begin{array}{c} 11 \\ 12 \end{array}$ | | | | |
| 13 14 | [(1)] (3) § 2–208 ("Class 6 pub–brewery license"), subject to § 31–403 of this subtitle; | | | |
| $\begin{array}{c} 15\\ 16 \end{array}$ | [(2)] (4) § $2-209$ ("Class 7 micro-brewery license"), subject to § $31-404$ of this subtitle; and | | | |
| 17 18 | [(3)] (5) § 2–215 ("Beer sale on credit to retail dealer prohibited"), subject to § $31-405$ of this subtitle. | | | |
| 19 | 31-402.1. | | | |
| 20 | (A) THERE IS A SPECIAL EVENT PERMIT. | | | |
| $\begin{array}{c} 21 \\ 22 \end{array}$ | (B) THE BOARD MAY ISSUE THE PERMIT TO A HOLDER OF A CLASS 3 WINERY LICENSE OR A CLASS 4 LIMITED WINERY LICENSE. | | | |
| $\begin{array}{c} 23\\ 24 \end{array}$ | (C) THE PERMIT AUTHORIZES THE HOLDER TO SELL FOR ON–PREMISES CONSUMPTION BEER, WINE PRODUCED BY THE HOLDER, <u>SPARKLING WINE THAT IS</u> | | | |
| 25 | NATURALLY OR ARTIFICIALLY CARBONATED, AND LIQUOR AT AN EVENT FOR WHICH | | | |
| 26 | THE ENTIRE LICENSED PREMISES HAS BEEN RENTED. | | | |
| 27 | (D) <u>THE LICENSE HOLDER SHALL PURCHASE BEER, SPARKLING WINE THAT</u> | | | |
| 28 | IS NATURALLY OR ARTIFICIALLY CARBONATED, OR LIQUOR INTENDED FOR SALE | | | |
| 29 | UNDER THE PERMIT FROM A LICENSED RETAILER. | | | |
| 30 | (E) THE LICENSE HOLDER SHALL KEEP ALL RECEIPTS OF PURCHASE OF | | | |

31 ALCOHOLIC BEVERAGES FOR 1 YEAR AFTER THE DATE OF PURCHASE.

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1(E)(F)THE LICENSE HOLDER THAT INTENDS TO USE THE PERMIT SHALL2NOTIFY THE BOARD AT LEAST 1 WEEK BEFORE THE EVENT IS TO OCCUR.

3 (F) (G) THE LICENSE HOLDER MAY USE THE PERMIT NOT MORE THAN 60 4 TIMES IN A YEAR.

5 (G) (H) THE ANNUAL PERMIT FEE IS \$1,000.

6 SECTION 2. AND BE IT FURTHER ENACTED, That this Act is an emergency 7 measure, is necessary for the immediate preservation of the public health or safety, has 8 been passed by a yea and nay vote supported by three-fifths of all the members elected to 9 each of the two Houses of the General Assembly, and shall take effect from the date it is 10 enacted.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.