

HOUSE BILL 786

A2

0lr2406
CF SB 643

By: **Delegate Beitzel**

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 **Garrett County – Alcoholic Beverages Act of 2020**

3 FOR the purpose of altering, in Garrett County, the days on which the holder of a
4 manufacturer's license may sell or deliver alcoholic beverages; ~~authorizing the Board~~
5 ~~of License Commissioners for Garrett County to issue an on-premises consumption~~
6 ~~permit to the holder of a Class 1 distillery license; providing that the permit~~
7 ~~authorizes a certain license holder to sell certain mixed drinks in accordance with~~
8 ~~certain requirements; providing that the permit exempts a certain license holder~~
9 ~~from certain limitations on the amount of alcohol the license holder may serve;~~
10 ~~establishing certain permit fees; requiring the Board to charge certain issuing fees~~
11 ~~in a certain manner; authorizing the Board to issue certain deluxe restaurant~~
12 ~~licenses to the holders of certain licenses issued by the Board or other certain licenses~~
13 ~~issued by other local licensing boards; altering the amount of required seating in a~~
14 ~~restaurant for a Class BDR beer, wine, and liquor license; authorizing the Board to~~
15 ~~issue a refillable container permit for wine in the county under certain~~
16 ~~circumstances; making conforming changes; and generally relating to alcoholic~~
17 ~~beverages in Garrett County.~~

18 BY renumbering

19 Article – Alcoholic Beverages

20 Section 21–1104.1

21 to be Section 21–1104.2

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.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



BY repealing and reenacting, without amendments,
Article – Alcoholic Beverages
Section 2–202(c)(5), 4–1105, 21–102, 21–804(a), and 21–903(a)
Annotated Code of Maryland
(2016 Volume and 2019 Supplement)

BY repealing and reenacting, with amendments,
Article – Alcoholic Beverages
Section 21–402, ~~21–403~~, 21–804(b), 21–903(b) and (c), and 21–1101
Annotated Code of Maryland
(2016 Volume and 2019 Supplement)

BY adding to
Article – Alcoholic Beverages
Section 21–1104.1
Annotated Code of Maryland
(2016 Volume and 2019 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
That Section(s) 21–1104.1 of Article – Alcoholic Beverages of the Annotated Code of
Maryland be renumbered to be Section(s) 21–1104.2.

SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read
as follows:

Article – Alcoholic Beverages

2–202.

(c) A license holder may:

(5) (i) conduct guided tours of the licensed premises;

(ii) at no cost or for a fee, serve to an individual who has attained the
legal drinking age and participated in a guided tour of the licensed premises, not more than
2 ounces of products, with each product sample consisting of not more than one-half ounce
from a single product manufactured by the license holder;

(iii) serve samples blended with other products manufactured by the
license holder or nonalcoholic ingredients; and

(iv) sell not more than 2.25 liters of products manufactured on the
licensed premises, for off-premises consumption, and related merchandise to an individual
who has attained the legal drinking age and participated in a guided tour of the licensed
premises; and

4–1105.

1 (a) There is a refillable container permit.

2 (b) A refillable container permit authorizes the permit holder to:

3 (1) sell wine for off-premises consumption in a refillable container that
4 meets the standards set out in subsection (d) of this section; and

5 (2) sell and refill a refillable container that meets the standards set out in
6 subsection (d) of this section.

7 (c) (1) The term of a refillable container permit is the same as that of the
8 underlying license.

9 (2) The hours of sale for a refillable container permit are the same as those
10 for the underlying license.

11 (3) An applicant who holds an underlying license without an off-sale
12 privilege shall meet the same advertising, posting of notice, and public hearing
13 requirements as those for the underlying license.

14 (d) (1) To be used as a refillable container for wine under the authority of a
15 refillable container permit, a container shall:

16 (i) have a capacity of not less than 17 ounces and not more than 34
17 ounces;

18 (ii) be sealable;

19 (iii) be branded with an identifying mark of the seller of the
20 container;

21 (iv) bear the federal health warning statement required for
22 containers of alcoholic beverages under 27 C.F.R. 16.21;

23 (v) display instructions for cleaning the container; and

24 (vi) bear a label stating that cleaning the container is the
25 responsibility of the consumer.

26 (2) The Comptroller may adopt standards regarding containers that
27 qualify for use as refillable containers for wine, including containers originating from
28 outside the State.

29 (3) The holder of a refillable container permit may refill a refillable
30 container originating from inside or outside the State that meets the standards adopted by
31 the Comptroller under paragraph (2) of this subsection.

1 21-102.

2 This title applies only in Garrett County.

3 21-402.

4 A holder of a manufacturer's license may sell or deliver alcoholic beverages to a
5 holder of a retail license **ON MONDAY THROUGH SATURDAY** from 6 a.m. to midnight [on
6 every day except Sunday or an election day].

7 ~~21-403.~~

8 ~~(a) This section applies to a Class 1 distillery license in the county.~~

9 ~~(b) A license holder may open on Sundays to engage in the activities listed in §~~
10 ~~2-202(c)(5) of this article only in an election district or a precinct in an election district~~
11 ~~where the voters, in a referendum authorized by law, have approved Sunday sales at a~~
12 ~~distillery.~~

13 ~~(c) THE BOARD MAY ISSUE AN ON PREMISES CONSUMPTION PERMIT TO~~
14 ~~THE HOLDER OF A CLASS 1 DISTILLERY LICENSE.~~

15 ~~(d) (1) THE PERMIT AUTHORIZES THE LICENSE HOLDER TO SELL MIXED~~
16 ~~DRINKS MADE FROM LIQUOR THAT THE LICENSE HOLDER PRODUCES THAT IS MIXED~~
17 ~~WITH OTHER NONALCOHOLIC INGREDIENTS FOR ON PREMISES CONSUMPTION AT~~
18 ~~THE LOCATION OF THE CLASS 1 DISTILLERY.~~

19 ~~(2) THE PERMIT EXEMPTS THE LICENSE HOLDER FROM THE LIMITS~~
20 ~~ON AMOUNTS OF ALCOHOL SERVED UNDER § 2-202(c)(5)(ii) OF THIS ARTICLE.~~

21 ~~(e) (1) THE ANNUAL PERMIT FEE IS \$1,750.~~

22 ~~(2) THE BOARD SHALL CHARGE A ONE TIME ISSUING FEE FOR A NEW~~
23 ~~PERMIT IN AN AMOUNT EQUAL TO THE ANNUAL PERMIT FEE.~~

24 21-804.

25 (a) There is a Class BDR (deluxe restaurant) beer and wine license.

26 (b) The license may be issued to a holder of:

27 (1) ~~a Class B beer license [or];~~

28 ~~(2) a Class B beer and wine license; OR~~ ANY CLASS B ALCOHOLIC
29 BEVERAGES LICENSE ISSUED BY THE BOARD; OR

~~(3)~~ **(2)** AN EQUIVALENT LICENSE THAT THE LOCAL LICENSING BOARD OF A DIFFERENT JURISDICTION ISSUES ONLY FOR USE BY A RESTAURANT.

21-903.

(a) There is a Class BDR (deluxe restaurant) beer, wine, and liquor license.

(b) The Board may issue the license to a holder of:

(1) ~~a Class B beer and wine license;~~ ANY CLASS B ALCOHOLIC BEVERAGES LICENSE ISSUED BY THE BOARD; OR

(2) ~~a Class B beer, wine, and liquor license; [or]~~

~~(3) a Class B Resort beer, wine, and liquor license; OR~~

~~(4)~~ **(4)** AN EQUIVALENT LICENSE THAT THE LOCAL LICENSING BOARD OF A DIFFERENT JURISDICTION ISSUES ONLY FOR USE BY A RESTAURANT.

(c) (1) The Board may issue the license for use by a deluxe restaurant as defined by the Board with:

(i) seating at tables, not including seats at bars or counters, for at least ~~[85]~~ **20** individuals; and

(ii) a capital investment of at least \$250,000 for the restaurant facilities, not including the cost of land or buildings.

(2) If an applicant purchases or leases an existing building, the capital investment attributable to the cost of the land and improvements shall be based on the assessed value of the land and improvements in accordance with the records of the State Department of Assessments and Taxation at the time of purchase or lease.

(3) The license authorizes the license holder to sell, at retail, at the place described in the license:

(i) beer, wine, and liquor for on-premises consumption; and

(ii) beer for off-premises consumption.

21-1101.

(a) Section 4-1103 ("Removal of partially consumed bottle of wine from licensed premises") of Division I of this article applies in the county without exception or variation.

(b) [Section 4–1105 (“Refillable container permit — Wine”) of Division I of this article does not apply in the county.

(c)] The following sections of Title 4, Subtitle 11 (“Additional License Privileges”) of Division I of this article apply in the county:

(1) § 4–1102 (“Corkage — Consuming wine not purchased from license holder on licensed premises”), in addition to § 21–1102 of this subtitle;

(2) § 4–1104 (“Refillable container permit — Draft beer”), subject to § 21–1104 of this subtitle; [and]

(3) **§ 4–1105 (“REFILLABLE CONTAINER PERMIT – WINE”), SUBJECT TO § 21–1104.1 OF THIS SUBTITLE; AND**

(4) § 4–1106 (“Nonrefillable container permit — Draft beer”), subject to [§ 21–1104.1] **§ 21–1104.2** of this subtitle.

21–1104.1.

(A) THE BOARD MAY ISSUE A REFILLABLE CONTAINER PERMIT FOR WINE TO A HOLDER OF A LICENSE THAT ENTITLES THE HOLDER TO SELL WINE FOR OFF–PREMISES CONSUMPTION.

(B) (1) THE ANNUAL PERMIT FEE IS \$75.

(2) THE BOARD SHALL CHARGE A ONE–TIME ISSUING FEE FOR A NEW PERMIT IN AN AMOUNT EQUAL TO THE ANNUAL PERMIT FEE.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2020.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.