

SENATE BILL 579

A1

(2lr2383)

ENROLLED BILL

— *Education, Health, and Environmental Affairs/Economic Matters* —

Introduced by **Senators Glassman, Brinkley, Colburn, Jacobs, Kelley, Middleton, Montgomery, Robey, ~~and Rosapepe~~ Rosapepe, Dyson, Jennings, Pinsky, and Young**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this _____ day of _____ at _____ o'clock, _____ M.

President.

CHAPTER _____

1 AN ACT concerning

2 **Alcoholic Beverages – Farm Brewery Manufacturer’s License**

3 FOR the purpose of creating a Class 8 farm brewery manufacturer’s license; specifying
4 a certain annual fee for the license; authorizing a licensee to sell and deliver
5 beer manufactured in a facility on the licensed farm or in another facility to
6 certain persons; requiring that the beer be manufactured in a certain manner;
7 requiring that a farm brewery be located only at the place stated on the license;
8 providing that a licensee may exercise the privileges of the license,
9 notwithstanding local law; specifying the privileges that may be exercised by a
10 licensee, including providing samples of beer, selling certain foods, storing beer,
11 brewing beer, bottling beer, or contracting for a certain number of barrels of
12 beer each calendar year; specifying the times during which a licensee may
13 exercise the privileges of the license; specifying the days of operation for a

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.

Italics indicate opposite chamber/conference committee amendments.



1 **(2) SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, A CLASS 8**
2 **FARM BREWERY LICENSE ALLOWS THE LICENSEE TO SELL AND DELIVER BEER**
3 **MANUFACTURED IN A FACILITY ON THE LICENSED FARM OR IN A FACILITY**
4 **OTHER THAN ONE ON THE LICENSED FARM TO:**

5 **(I) A WHOLESALER LICENSED TO SELL AND DELIVER BEER**
6 **IN THE STATE; OR**

7 **(II) A PERSON IN ANOTHER STATE AUTHORIZED TO**
8 **ACQUIRE BEER.**

9 **(3) THE BEER TO BE SOLD AND DELIVERED UNDER PARAGRAPH**
10 **(2) OF THIS SUBSECTION SHALL BE MANUFACTURED WITH AN INGREDIENT**
11 **~~MOSTLY~~ FROM ~~AN~~ A MARYLAND AGRICULTURAL PRODUCT, INCLUDING HOPS,**
12 **GRAIN, AND FRUIT, PRODUCED ON THE LICENSED FARM.**

13 **(4) A CLASS 8 FARM BREWERY MAY BE LOCATED ONLY AT THE**
14 **PLACE STATED ON THE LICENSE.**

15 **(5) NOTWITHSTANDING ANY LOCAL LAW, A LICENSEE MAY**
16 **EXERCISE THE PRIVILEGES OF A CLASS 8 FARM BREWERY LICENSE.**

17 **(6) A LICENSEE MAY:**

18 **(I) SELL BEER PRODUCED BY THE LICENSEE FOR**
19 **CONSUMPTION ON THE LICENSED FARM;**

20 **(II) IN AN AMOUNT NOT EXCEEDING 6 FLUID OUNCES PER**
21 **BRAND, PROVIDE SAMPLES OF BEER THAT THE LICENSEE PRODUCES TO A**
22 **CONSUMER:**

23 1. **AT NO CHARGE; OR**

24 2. **FOR A FEE; AND**

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

26 1. **BREAD AND OTHER BAKED GOODS;**

27 2. **CHILI;**

28 3. **CHOCOLATE;**

SENATE BILL 579

- 1 4. **CRACKERS;**
- 2 5. **CURED MEAT;**
- 3 6. **FRUITS (WHOLE AND CUT);**
- 4 7. **SALADS AND VEGETABLES (WHOLE AND CUT);**
- 5 8. **HARD AND SOFT CHEESE (WHOLE AND CUT);**
- 6 9. **ICE CREAM;**
- 7 10. **JELLY;**
- 8 11. **JAM;**
- 9 12. **VINEGAR;**
- 10 13. **PIZZA;**
- 11 14. **PREPACKAGED SANDWICHES AND OTHER**
12 **PREPACKAGED FOODS READY TO BE EATEN;**
- 13 15. **SOUP; AND**
- 14 16. **CONDIMENTS.**

15 **(7) SUBJECT TO SUBSECTIONS (D) AND (E) OF THIS SECTION, A**
16 **LICENSEE MAY EXERCISE THE PRIVILEGES OF THE LICENSE EACH DAY DURING**
17 **THE FOLLOWING TIMES:**

18 **(I) FROM 10 A.M. TO 6 P.M., FOR CONSUMPTION OF BEER**
19 **AND SALES AND SERVICE OF FOOD AT THE LICENSED FARM; AND**

20 **(II) FROM 10 A.M. TO 10 P.M., FOR:**

- 21 1. **SAMPLING OF BEER;**
- 22 2. **CONSUMPTION OF BEER OFF THE LICENSED FARM**
23 **IF THE BEER IS PACKAGED IN SEALED OR RESEALABLE CONTAINERS, SUCH AS**
24 **GROWLERS; AND**
- 25 3. **GUESTS WHO ATTEND A PLANNED PROMOTION**
26 **EVENT OR OTHER ORGANIZED ACTIVITY AT THE LICENSED FARM.**

1 **(8) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS**
2 **PARAGRAPH, A CLASS 8 FARM BREWERY LICENSE ALLOWS THE LICENSEE TO**
3 **OPERATE 7 DAYS A WEEK.**

4 **(II) IN GARRETT COUNTY, A LICENSEE MAY OPEN ON**
5 **SUNDAYS DURING THE HOURS ALLOWED UNDER § 11-512(C)(3) OF THIS**
6 **ARTICLE TO ENGAGE IN THE ACTIVITIES LISTED IN PARAGRAPH (3) OF THIS**
7 **SUBSECTION ONLY IN AN ELECTION DISTRICT WHERE THE VOTERS, IN A**
8 **REFERENDUM AUTHORIZED BY LAW, HAVE APPROVED SUNDAY SALES AT A**
9 **FARM.**

10 **(9) EXCEPT AS PROVIDED UNDER SUBSECTION (D) OF THIS**
11 **SECTION, A LICENSEE MAY NOT SELL OR ALLOW TO BE CONSUMED AT THE**
12 **LOCATION OF THE FARM BREWERY ANY ALCOHOLIC BEVERAGE OTHER THAN**
13 **THE BEER PRODUCED BY THE LICENSEE UNDER THE AUTHORITY OF THIS**
14 **SECTION.**

15 **(10) NOTHING IN THIS SUBSECTION LIMITS THE APPLICATION OF**
16 **RELEVANT PROVISIONS OF TITLE 21 OF THE HEALTH – GENERAL ARTICLE, AND**
17 **REGULATIONS ADOPTED UNDER THAT TITLE, TO A LICENSEE.**

18 **(B) THE PLACE LISTED ON THE CLASS 8 FARM BREWERY LICENSE**
19 **SHALL BE IN COMPLIANCE WITH § 9-103 OF THIS ARTICLE.**

20 **(C) A LICENSEE MAY:**

21 **(1) STORE ON ITS LICENSED FARM, IN A SEGREGATED AREA**
22 **APPROVED BY THE COMPTROLLER, BEER PRODUCED AT THE LICENSED FARM**
23 **FOR SALE AND DELIVERY TO A WHOLESALER LICENSED IN THE STATE OR A**
24 **PERSON OUTSIDE OF THE STATE AUTHORIZED TO ACQUIRE THE BEER;**

25 **(2) BREW, BOTTLE, OR CONTRACT FOR NOT MORE THAN 15,000**
26 **BARRELS OF BEER EACH CALENDAR YEAR;**

27 **(3) CONTRACT WITH THE HOLDER OF A CLASS 5 BREWERY**
28 **LICENSE OR A CLASS 2 RECTIFYING LICENSE TO BREW AND BOTTLE BEER FROM**
29 **INGREDIENTS PRODUCED ON THE LICENSED FARM;**

30 **(4) IMPORT, EXPORT, AND TRANSPORT ITS BEER IN ACCORDANCE**
31 **WITH THIS SECTION; AND**

32 **(5) STORE BEER AT A WAREHOUSE FOR WHICH THE LICENSEE**
33 **HAS BEEN ISSUED AN INDIVIDUAL STORAGE PERMIT, FOR SALE AND DELIVERY**
34 **TO A WHOLESALER LICENSED IN THE STATE OR A PERSON OUTSIDE OF THE**

1 STATE AUTHORIZED TO ACQUIRE THE BEER, OR SHIPMENT BACK TO THE
2 LICENSED FARM, IF:

3 (I) THE LICENSEE DOES NOT SERVE OR SELL BEER AT THE
4 WAREHOUSE; AND

5 (II) THE COMPTROLLER HAS FULL ACCESS AT ALL TIMES
6 TO THE WAREHOUSE TO ENFORCE THIS ARTICLE.

7 (D) (1) A LICENSEE MAY SPONSOR A MULTIBREWERY ACTIVITY AT
8 THE LICENSED FARM THAT:

9 (I) INCLUDES THE PRODUCTS OF OTHER MARYLAND
10 BREWERIES; AND

11 (II) PROVIDES FOR THE SALE OF BEER BY THE GLASS FOR
12 CONSUMPTION ON THE PREMISES ONLY.

13 (2) IN A SEGREGATED AREA APPROVED BY THE COMPTROLLER
14 ON THE LICENSED FARM, A LICENSEE MAY STORE THE PRODUCTS OF OTHER
15 MARYLAND BREWERIES FOR THE MULTIBREWERY ACTIVITY.

16 (3) THE MULTIBREWERY ACTIVITY:

17 (I) MAY BE HELD FROM 10 A.M. TO 10 P.M. EACH DAY; AND

18 (II) MAY NOT EXCEED 3 CONSECUTIVE DAYS.

19 (E) (1) THE OFFICE OF THE COMPTROLLER MAY ISSUE A SPECIAL
20 BREWERY PROMOTIONAL EVENT PERMIT TO A LICENSEE.

21 (2) AT LEAST 15 DAYS BEFORE HOLDING A PLANNED
22 PROMOTIONAL EVENT, THE LICENSEE SHALL OBTAIN A PERMIT FROM THE
23 COMPTROLLER BY FILING A NOTICE OF THE PROMOTIONAL EVENT ON THE
24 FORM THAT THE COMPTROLLER PROVIDES.

25 (3) THE PERMIT AUTHORIZES THE LICENSEE TO CONDUCT AT
26 THE LICENSED FARM A PROMOTIONAL EVENT AT WHICH THE LICENSEE MAY:

27 (I) PROVIDE SAMPLES OF NOT MORE THAN 6 FLUID
28 OUNCES PER BRAND TO CONSUMERS; AND

29 (II) SELL BEER PRODUCED BY THE LICENSEE TO PERSONS
30 WHO PARTICIPATE IN THE EVENT.

1 **(4) THE BEER AT THE EVENT SHALL BE SOLD BY THE GLASS AND**
2 **FOR CONSUMPTION ON THE PREMISES ONLY.**

3 **(5) THE LICENSEE MAY NOT BE ISSUED MORE THAN 12 PERMITS**
4 **IN A CALENDAR YEAR.**

5 **(6) A SINGLE PROMOTIONAL EVENT:**

6 **(I) MAY BE HELD FROM 10 A.M. TO 10 P.M. EACH DAY; AND**

7 **(II) MAY NOT EXCEED 3 CONSECUTIVE DAYS.**

8 **(7) THE PERMIT FEE IS \$25 PER EVENT.**

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

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.