

HOUSE BILL 798

A2
HB 239/22 – ECM

4lr0871

By: **Montgomery County Delegation**

Introduced and read first time: January 31, 2024

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Montgomery County – Alcoholic Beverages – Class D Beer and Wine License**
3 **– Farm Breweries and Limited Wineries**

4 **MC 17–24**

5 FOR the purpose of authorizing the Board of License Commissioners for Montgomery
6 County to issue a certain number of Class D beer and wine licenses to a holder of a
7 Class 8 farm brewery license and a holder of a Class 4 limited winery license to sell
8 certain products; and generally relating to alcoholic beverages licenses in
9 Montgomery County.

10 BY repealing and reenacting, without amendments,
11 Article – Alcoholic Beverages and Cannabis
12 Section 25–102
13 Annotated Code of Maryland
14 (2016 Volume and 2023 Supplement)

15 BY repealing and reenacting, with amendments,
16 Article – Alcoholic Beverages and Cannabis
17 Section 25–401, 25–407, and 25–805
18 Annotated Code of Maryland
19 (2016 Volume and 2023 Supplement)

20 BY adding to
21 Article – Alcoholic Beverages and Cannabis
22 Section 25–408
23 Annotated Code of Maryland
24 (2016 Volume and 2023 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

25–102.

This title applies only in Montgomery County.

25–401.

(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) § 2–204 (“Class 2 rectifying license”);

(4) § 2–207 (“Class 5 brewery license”);

(5) [§ 2–210 (“Class 8 farm brewery license”);

(6)] § 2–211 (“Residency requirement”);

[(7)] (6) § 2–212 (“Additional licenses”);

[(8)] (7) § 2–213 (“Additional fees”);

[(9)] (8) § 2–214 (“Sale or delivery restricted”);

[(10)] (9) § 2–217 (“Distribution of alcoholic beverages — Prohibited practices”); and

[(11)] (10) § 2–218 (“Restrictive agreements between producers and retailers — Prohibited”).

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

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

(1) § 2–203 (“Class 9 limited distillery license”), subject to § 25–406 of this subtitle;

(2) § 2–205 (“Class 3 winery license”), subject to § 25–403 of this subtitle;

(3) § 2–206 (“Class 4 limited winery license”), subject to § 25–407 of this subtitle;

(4) § 2–208 (“Class 6 pub–brewery license”), subject to § 25–404 of this subtitle;

(5) § 2–209 (“Class 7 micro–brewery license”), subject to § 25–405 of this subtitle; [and]

(6) § 2–210 (“CLASS 8 FARM BREWERY LICENSE”), SUBJECT TO § 25–408 OF THIS SUBTITLE; AND

[(6)] (7) § 2–216 (“Interaction between manufacturing entities and retailers”), subject to § 25–405 of this subtitle.

25–407.

(a) **(1)** A holder of a Class B–BWL (clubhouse/lodge) license may be issued a Class 4 limited winery license to sell and serve the fermented and distilled products that the holder manufactures for on– and off–premises consumption.

[(b)] (2) The restrictions under § 2–206(b)(5)(iii), (6)(ii), and (9) and the notice requirement under § 2–206(b)(9) of this article do not apply to a license issued under this [section] **SUBSECTION.**

(B) A HOLDER OF A CLASS 4 LIMITED WINERY LICENSE MAY BE ISSUED ONE CLASS D BEER AND WINE LICENSE TO SELL:

(1) PRODUCTS THAT THE HOLDER MANUFACTURES FOR ON– AND OFF–PREMISES CONSUMPTION;

(2) PRODUCTS MANUFACTURED BY THE HOLDER OF A CLASS 8 FARM BREWERY LICENSE; OR

(3) PRODUCTS MANUFACTURED BY THE HOLDER OF ANOTHER CLASS 4 LIMITED WINERY LICENSE.

25–408.

A HOLDER OF A CLASS 8 FARM BREWERY LICENSE MAY BE ISSUED ONE CLASS D BEER AND WINE LICENSE TO SELL:

(1) PRODUCTS THAT THE HOLDER MANUFACTURES FOR ON– AND OFF–PREMISES CONSUMPTION;

(2) PRODUCTS MANUFACTURED BY THE HOLDER OF A CLASS 4 LIMITED WINERY LICENSE; OR

(3) PRODUCTS MANUFACTURED BY THE HOLDER OF ANOTHER CLASS 8 FARM BREWERY LICENSE.

25–805.

(a) There is a Class D beer and wine license.

(b) The license authorizes the license holder to sell beer and wine, at retail, at the place described in the license, for on– and off–premises consumption.

(C) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE LICENSE HOLDER MAY ALSO HOLD:

(I) A CLASS 8 FARM BREWERY LICENSE; OR

(II) A CLASS 4 LIMITED WINERY LICENSE.

(2) THE HOLDER OF A CLASS 8 FARM BREWERY LICENSE OR A CLASS 4 LIMITED WINERY LICENSE MAY NOT HOLD MORE THAN ONE CLASS D BEER AND WINE LICENSE.

[(c)] (D) The license may not be issued for use by a drugstore.

[(d)] (E) The annual license fee is \$400.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2024.