COUNTY COUNCIL

OF

TALBOT COUNTY, MARYLAND

2020 Legislative Session, Legislative Day No.: June 9, 2020

Bill No.: 1447

Expiration Date: August 13, 2020

Introduced by: Mr. Callahan, Mr. Divilio, Mr. Lesher, Mr. Pack, Ms. Price

A BILL TO AMEND CHAPTER 11 OF THE TALBOT COUNTY CODE (ALCOHOLIC BEVERAGES) TO ALLOW THE BOARD OF LIQUOR LICENSE COMMISSIONERS TO ISSUE A LICENSE FOR ON-PREMISES CONSUMPTION OF BEER TO CLASS 5 BREWERIES AND ALLOW FOR LOCAL LICENSURE FOR CLASS 6 PUB-BREWERIES AND CLASS 7 MICRO-BREWERIES

By the Council: June 9, 2020

Introduced, read first time, ordered posted, and public hearing scheduled on Tuesday, July 14, 2020 at 6:30 p.m. in the Bradley Meeting Room, South Wing, Talbot County Courthouse, 11 North Washington Street, Easton, Maryland 21601.

By Order Susan W. Moran
Susan W. Moran, Secretary

A BILL TO AMEND CHAPTER 11 OF THE TALBOT COUNTY CODE (ALCOHOLIC BEVERAGES) TO ALLOW THE BOARD OF LIQUOR LICENSE COMMISSIONERS TO ISSUE A LICENSE FOR ON-PREMISES CONSUMPTION OF BEER TO CLASS 5 BREWERIES AND ALLOW FOR LOCAL LICENSURE FOR CLASS 6 PUB-BREWERIES AND CLASS 7 MICRO-BREWERIES

WHEREAS, Maryland Code Ann. Alcoholic Beverages § 2-207(f) authorizes local licensing boards to issue licenses to holders of state-issued Class 5 Brewery licenses to sell beer brewed at the brewery for on-premises consumption; and

WHEREAS, the County Council believes that it is appropriate to allow the Talbot County Board of Liquor License Commissioners to issue such licenses, as stated herein; and

WHEREAS, Maryland Code Ann. Alcoholic Beverages § 2-208 and § 2-209 detail the process to allow holders of state-issued Class 6 Pub-Brewery licenses and Class 7 Micro-Brewery licenses to serve the beer they brew on-premises through application for a Class B beer and light wine license or Class F-A beer, light wine and liquor license pursuant to Talbot County Code § 11-4(B) and 11-5(C); and

WHEREAS, it is the desire of the County Council to amend the County Code to ensure that Class 6 Pub-Breweries and Class 7 Micro-Breweries may be able to operate in Talbot County and to serve the beer they brew on-premises in Talbot County.

NOW, THEREFORE, BE IT ENACTED BY THE COUNTY COUNCIL OF TALBOT COUNTY, MARYLAND, that:

SECTION ONE: Chapter 11 of the *Talbot County Code* is hereby amended as follows:

KEY

Boldface.....Heading or defined term

Underlining .....Added by Bill

~~Strikethrough~~.....Deleted from law by Bill

* * * .....Existing law unaffected

* * *

Chapter 11 Alcoholic Beverages

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§ 11-4.1 Beer License

(A) Beer On-Premises License, Class DBR

(1) General provisions. A Class DBR On-Premises License shall be issued only to the holder of a State of Maryland issued Class 5 Brewery License, and shall authorize the holder thereof to sell beer fermented and brewed by the license holder at the brewery for on-premises consumption, in addition to those privileges granted to the holder by the State.

(2) On-Site Consumption Permit. A Class DBR On-Premises License shall serve as the on-site consumption permit and the license equivalent to a Class D license specified under §2-207(f) of the Alcoholic Beverages Article of the Code of Maryland.

(3) The total amount of beer sold each year for on-premises consumption under the Class DBR On-Premises License must not exceed 5,000 beer barrels annually. The holder must provide information related to the number of beer barrels sold upon request by enforcement authorities.

(4) Hours. The hours during which the privileges conferred by a Class DBR On-Premises License may be exercised shall be from 10:00 a.m. to 10:00 p.m.

(5) No alcoholic beverages are to be sold for off-premises consumption except as allowed by the holder's State-issued Class 5 Brewery License.

(6) If the holder's State-issued Class 5 Brewery License expires or is suspended or revoked by the State of Maryland, the Class DBR On-Premises License shall also automatically be suspended or revoked, as the case may be.

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§ 11-6 Endorsements

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B. Special festival endorsement.

(1) Special festival defined. In this section "special festival" means a special event held on an irregularly scheduled basis for the purpose of promoting wines or beers produced by one or more wineries, vintners or microbreweries.

(2) General provisions. A special festival endorsement shall be issued only to holders of Class A, B, E, ~~or~~ F, or F-A licenses. The endorsement shall authorize the holder thereof to sell or serve beer or wine by the glass to patrons on the site of the

special festival during the specified hours of the event and to sell at retail, in any quantity, to patrons of the event, wines or beer offered for tasting at the event, in sealed packages or containers, which packages or containers shall not be opened nor the contents thereof consumed on the site of the festival. Other provisions of this chapter to the contrary notwithstanding, the holder of a Class A, B, E, ~~or~~ F, or F-A license shall not be prohibited from simultaneously holding a special festival endorsement, if otherwise approved. The Board shall be authorized to utilize an abbreviated procedure for the issuance of a special festival endorsement to holders of a Class A, B, E, ~~or~~ F, or F-A license who are in good standing at the time of the application.

* * *

§ 11-9 License application filing requirements.

Every application for a new license shall be made to the Board and shall be accompanied by the specified application and license fees. The application shall contain the following:

* * *

M. A statement that no manufacturer, brewer, distiller or wholesaler of alcoholic beverages has any financial interest, directly or indirectly, in the premises or business of the applicant and that the applicant will not thereafter convey or grant to any such manufacturer, brewer, distiller or wholesaler any such interest, except as otherwise permitted in this chapter, and that the applicant, at the time of making the application, has no indebtedness or other financial obligations and will not thereafter incur any such indebtedness or other financial obligations, directly or indirectly, to any manufacturer, brewer, distiller or wholesaler of alcoholic beverages other than for the purchase of alcoholic beverages. Applicants for a Class K Distillery On-Premises License, and a Class DBR On-Premises License shall be exempt from this requirement. Applicants for a Class B Beer and light wine license or Class F-A beer, light wine and liquor license may also hold a State-issued Class 6 pub-brewery or Class 7 micro-brewery license that operates out of the same premises as their local license, but otherwise shall meet the requirements of this sub-section.

* * *

P. Proof of a valid food service facility permit from the Talbot County Health Department must be shown for those classes of licenses ~~(Class F and Class F-A~~) which require the serving of food as a condition of the license or where the applicant is engaged in a business which requires such a permit.

SECTION TWO: In accordance with § 11-10(B) of the Talbot County Code, the County Council shall establish the fee for a Class DBR On-Premises License in the Annual Budget and Appropriations Ordinance. Until such time as the County Council has done so, the fee for a Class DBR On-Premises License shall be Seven Hundred Fifty Dollars ($750.00).

SECTION THREE: If any provision of this Ordinance or the application thereof to any person or circumstance is held invalid for any reason in a court of competent jurisdiction, the invalidity does not affect other provisions or any other application of this Ordinance which can be given

effect without the invalid provision or application, and for this purpose the provisions of this Ordinance are declared severable.

SECTION FOUR: The Publishers of the Talbot County Code, the Talbot County Office of Law, or the Talbot County Department of Planning and Zoning, in consultation with and subject to the approval of the County Manager, shall be authorized to make non-substantive corrections to codification, style, capitalization, punctuation, grammar, spelling, and any internal or external reference or citation to the Code that is incorrect or obsolete, with no further action required by the County Council. All such corrections shall be adequately referenced and described in an editor's note following the section affected.

SECTION FIVE: This Ordinance shall take effect sixty (60) days from the date of its passage.

PUBLIC HEARING

Having been posted and Notice of time, date, and place of hearing, and Title of Bill No. 1447 having been published, a public hearing was held on Tuesday, July 14, 2020 at 6:30 p.m. in the Bradley Meeting Room, South Wing, Talbot County Courthouse, 11 N. Washington St., Easton, Maryland.

BY THE COUNCIL

Read the third time.

ENACTED: **July 14, 2020**

By Order Susan W. Moran
Susan W. Moran, Secretary

Pack - Aye

Divilio - Aye (via absentee ballot)

Callahan - Aye

Price - Aye

Lesher - Aye

EFFECTIVE DATE: **August 12, 2020**