



Maryland State Licensed Beverage Association

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ALCOHOL RELATED LEGISLATION THAT PASSED IN 2026

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STATEWIDE ALCOHOL RELATED LEGISLATION THAT PASSED IN 2026

Excerpts from: THE 90 DAY REPORT, A Review of the 2026 Legislative Session

By: Department of Legislative Services, Maryland General Assembly

https://dls.maryland.gov/pubs/prod/RecurRpt/26rs_90_Day_Report.pdf

[Added notes in brackets]

Alcoholic Beverages (Statewide) [The 90 Day Report, Part H-41 – H-42]

Manufacturer's Licenses

Class 9 Limited Distilleries

Generally, a Class 9 limited distillery license may be issued by the Alcohol, Tobacco, and Cannabis Commission (ATCC) to holders of Class B or Class D beer, wine, and liquor licenses where sales for both on- and off-premises consumption are permitted for use on the premises for which the licenses were issued. **House Bill 999 (passed)** repeals the requirements that a holder of a Class 9 limited distillery license must (1) maintain only one brand at any one time for each product of brandy, rum, whiskey, alcohol, and neutral spirits that is distilled, rectified, and sold and (2) not manufacture or rectify product of any other brand for another entity. The bill also limits the holder of a Class 9 limited distillery license to manufacturing or rectifying up to 31,000 gallons of product each calendar year for any other brand or entity. [Effective Date: July 1, 2026]

Class 3 Wineries and Class 4 Limited Wineries

Generally, Class 3 winery and Class 4 limited winery license holders may ferment and bottle wine and sell and deliver wine to a wholesaler and other specified entities. A Class 4 license holder may also distill, bottle, sell, and deliver pomace brandy, as specified. **Senate Bill 803 (passed)** authorizes (1) a holder of a Class 3 winery license to acquire bulk wine from the holder of a Class 4 limited winery license and (2) a holder of a Class 4 limited winery license to sell and deliver bulk wine to the holder of a Class 3 winery license. The bill also modifies the definition of pomace brandy to include a brandy, not exceeding 80 proof, that is distilled by a Class 4 limited winery license from wine produced with ingredients that include at least 51% Maryland-grown agricultural products. Pomace brandy distilled and bottled by the Class 4 limited winery license holder must be reported as a distilled spirit for purposes of the alcoholic beverage tax. The bill also authorizes the Montgomery County Board of License Commissioners, to issue a Class D beer, wine, and liquor license to the holder of a Class 3 winery license in Silver Spring, Maryland, as specified. [Effective Date: July 1, 2026]

Class 8 Farm Breweries

Generally, a Class 8 farm brewery license holder may brew, bottle, or contract for up to 15,000 barrels of beer each year, as specified. **Senate Bill 807 (passed)** requires the licensed farm of a Class 8 farm brewery to be (1) an agribusiness engaged in the production, showcasing, preparation, and sale of farm products and (2) actively engaged in agritourism by exposing the public to farming and value-added farming practices. The bill establishes that ATCC has *exclusive* regulatory authority over the operation of a Class 8 farm brewery. The bill also expands

a Class 8 license holder’s authorization to sell and serve food and allows a Class 8 license to hold and host public events related to agribusiness and agritourism. *[Effective Date: July 1, 2026]*

Unauthorized Consumable Products

Senate Bill 820/House Bill 1523 (both passed) authorize the Field Enforcement Division of ATCC to issue a citation or other charging document to a person who has committed a violation of specified provisions of the Health – General Article. The bills authorize the Executive Director of ATCC to seize, confiscate, or destroy an unauthorized consumable product that is offered, advertised, or displayed for sale to a consumer in the State, as specified. The bills also prohibit a retailer from distributing, selling, or advertising an unauthorized consumable product, and expand the prohibitions against retailers advertising kratom and phenibut products to minors. *[Effective Date: July 1, 2026]*

Business Occupations and Regulations *[The 90 Day Report, Part H-6]*

Miscellaneous

Rounding Cash Transactions

Senate Bill 893/House Bill 1026 (both passed) authorize a merchant to round the portion of the price of certain cash transactions for which a customer pays using cash in a certain manner or round the amount of change due to a customer up or down to the nearest cent divisible by five, as specified. The definition of the term “taxable price” is altered for purposes of law governing the State sales and use tax to clarify the exclusion from the tax of a certain amount collected due to rounding the price for a good or service in accordance with the provisions of the bills. The bills preempt any existing regulations, rules, and ordinances that conflict. *[Effective Date: May 12, 2026]*

Commercial Law *[The 90 Day Report, Part I-5 to I-6]*

Consumer Protection

Use of Dynamic Pricing and Personal Data

House Bill 895 (passed) prohibits a food retailer or a third-party delivery service provider from engaging in the practice of “dynamic pricing” or using personal data to set a higher price for food that is exempt from the sales and use tax in accordance with the Tax-General Article. “Dynamic pricing” means the discriminatory practice of offering or setting a personalized price for a good or service that is specific to a consumer based on the consumer’s personal data, regardless of whether the seller collected or purchased the personal data. The bill includes a list of numerous actions to which these prohibitions do not apply, such as (1) setting a different price based on costs associated with the availability or supply of the good or service; (2) offering a price to a consumer through a loyalty, membership, or rewards program in which any consumer may voluntarily enroll or consent to participate; and (3) setting a different price based

on objective costs attributable to providing consumer goods or services to different consumers, such as a difference in price caused by shipping costs based on a consumer's physical location.

A food retailer or third-party delivery service provider may not use protected class data to offer, advertise, or sell a consumer good or service to a consumer for whom the protected class data pertains if the use of such data has the effect of withholding or denying from the consumer an accommodation, an advantage, or a privilege provided to others.

Before initiating an applicable enforcement action under the Maryland Consumer Protection Act (MCPA) for a violation of the bill, the Office of the Attorney General (OAG) must issue a notice of violation to the alleged violator and provide the alleged violator 45 days after the notice is received to cure the violation. If the violation is cured within that period, OAG may not initiate an enforcement action. The bill's enforcement provisions may not be construed to authorize a private right of action. [*Effective Date: October 1, 2026*]

Retail Transactions [*The 90 Day Report, Part I-7*]

House Bill 191 (passed) establishes that, for certain transactions between the hours of 6:00 a.m. and 10:00 p.m., a merchant may not (1) prohibit a person from making a cash payment to purchase an essential consumer good; (2) require a person to use a credit or debit card to purchase an essential consumer good; or (3) charge or collect a higher price than charged or collected for an equivalent cashless transaction (whether or not the difference in price is described as a fee) for making a cash payment for the purchase of an essential consumer good. The bill includes specified exceptions and limits on applicability, such as excluding a transaction with a merchant that primarily sells food or beverages for on-premises consumption. Although a violation of the bill is an unfair, abusive, or deceptive trade practice under MCPA, certain enforcement provisions (including criminal penalties) under MCPA are not applicable; the bill instead establishes a unique penalty structure for violations. [*Effective Date: June 1, 2026*]

[Additional Statewide Alcoholic Related Legislation that Passed but is not included in the 90 Day Report]

Senate Bill 13 (passed) Altering certain alcoholic beverages license fee refund requirements to allow for certain members of the National Oceanic and Atmospheric Administration and the Public Health Service to be eligible for a refund of a portion of the license fee; etc. [*Effective Date: July 1, 2026*]

LOCAL ALCOHOL RELATED LEGISLATION THAT PASSED IN 2026

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By: Department of Legislative Services, Maryland General Assembly

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[Added notes in brackets]

Alcoholic Beverages (Local) [The 90 Day Report, Part H-43to H-48]

Anne Arundel County [The 90 Day Report, Part H-43 to H-44]

Board of License Commissioners

Senate Bill 398/House Bill 874 (both passed) increase the number of members of the Anne Arundel County Board of License Commissioners from three to five. No more than three of the members may be part of the same political party and no more than two of the members may reside in the same legislative district. The bills also require the board to adopt and publish a written policy related to conflicts of interest and the recusal of board members from board matters. ***Senate Bill 396 (passed)*** raises the chief inspector's annual salary schedule from nonrepresented pay schedule NR-05 to NR-12. ***Senate Bill 401/House Bill 512 (both passed)*** increase the annual salary of the chair of the board from a maximum of \$18,000 to a minimum of \$21,240 and the annual salary of other board members from a maximum of \$15,000 to a minimum of \$17,700. The bills also specify that the annual salary of the part-time deputy chief inspector must be at least \$18,000 and increase the annual salaries of 18 part-time inspectors from \$7,000 to a minimum of \$8,260. The annual salaries of the board and inspectors must include any cost-of-living increase available to nonrepresented county employees. [Effective Date: July 1, 2026]

Barbershop and Beauty Salon License

With the enactment of Chapter 551 of 2020, the General Assembly authorized a barbershop and beauty salon beer and wine license in the county. ***Senate Bill 852/House Bill 1286 (both passed)*** expand the license privileges to include the service of liquor. A license holder may provide not more than 12 ounces of beer, 5 ounces of wine, or 1.7 ounces of liquor to a customer during a visit for services. [Effective Date: July 1, 2026]

Veterans' Organization Eligibility

Senate Bill 76/House Bill 727 (both passed) alter the criteria for a Class C (veterans' organization) license in the county to include the local unit of a nationwide nonprofit organization or club that is composed only of members who served in the uniformed services, rather than the armed forces, thereby incorporating veterans' organizations with members who served in the National Oceanic and Atmospheric Administration and the Public Health Service. [Effective Date: July 1, 2026]

Nonprofit Swim Club License

Senate Bill 414 (passed) establishes a consumption-only nonprofit swim club license that allows club members and guests to bring their own alcoholic beverages onto the licensed premises. The bill limits alcohol consumption to a designated area of the swim club, during a designated event, and up to 5 days per year, unless the board authorizes additional days. A licensed nonprofit swim club must notify the board at least 10 days before hosting a designated event. *[Effective Date: July 1, 2026]*

Entertainment Permits

Under current law, the holder of an alcoholic beverages license in the county generally may not play music, operate a karaoke machine, or allow dancing without an additional permit. ***Senate Bill 400/House Bill 519 (both passed)*** revise and rename various alcoholic beverages entertainment permits as follows: (1) a music permit is renamed a background entertainment permit; (2) an entertainment permit is renamed a general entertainment permit; and (3) a dancing permit is renamed a full entertainment permit. The bills also authorize each type of entertainment permit holder to allow dancing. *[Effective Date: July 1, 2026]*

Golf Course License and Sports Activity Venue License

Senate Bill 441/House Bill 682 (both passed) establish a Class GC (golf course) license, a sports activity venue beer and wine license, and a sports activity beer, wine, and liquor license. For each type of license, alcoholic beverages may be sold and consumed on the premises between 6:00 a.m. and 2:00 a.m. *[Effective Date: July 1, 2026]*

Class C Per Diem License Fees

Senate Bill 399/House Bill 522 (both passed) alter the fee structure for Class C per diem alcoholic beverages licenses to vary based on the estimated attendance of a licensed event and the number of points of sale at an event. *[Effective Date: July 1, 2026]*

Population Ratio Quota

Generally, a Class A (off-sale) or Class D (off-sale) license may not be issued to a business within an assessment district that already has a ratio of one license per 3,500 residents. ***Senate Bill 442 (passed)*** excludes license applications submitted and approved by the board between January 1, 2023, and June 30, 2025, from this population ratio quota. *[Effective Date: July 1, 2026]*

Baltimore City *[The 90 Day Report, Part H-44 to H-45]*

Related Event Promoter's Permits

Senate Bill 17/House Bill 20 (Chs. 3 and 74) reauthorize the Baltimore City Board of License Commissioners to issue a related event promoter's permit for a third-party social event

related to the Central Intercollegiate Athletic Association (CIAA) basketball tournament. The CIAA basketball tournament is scheduled to be hosted in Baltimore City each year through 2029. Similarly, ***Senate Bill 927 (passed)*** establishes a related event promoter's permit for a social event related to the Kappa Alpha Psi 2027 Conclave. [*Effective Date: April 14, 2026*]

License Alterations and Revisions

Senate Bill 636/House Bill 1425 (both passed) repeal the deadline by which a holder of a Class A beer and light wine license or a Class A beer, wine, and liquor license must pay a supplementary license fee to exercise certain Sunday sales privileges. The bills also alter the annual deadline from October 30 to March 30 for an alcoholic beverages license holder to present a certificate showing the holder has paid all property taxes owed to the city or State. ***Senate Bill 361/House Bill 348 (both passed)*** extend the termination date of a racetrack license issued to the Pimlico Race Course until July 1, 2029, for the purpose of completing a transfer of ownership and renewal and completing renovations at the location. [*Effective Date: July 1, 2026*]

40th Alcoholic Beverages District

Senate Bill 972 (passed) authorizes the board to issue a Class B beer, wine, and liquor license to restaurants in specified areas of the 40th alcoholic beverages district if the applicants execute a memorandum of understanding with the relevant community association and the board waives a minimum seating requirement. The bill specifies that a Class C beer, wine, and liquor license maybe be issued in a certain location if alcoholic beverage sales are only made to members and guests of members. The bill also alters the boundary in which license holders in a specified area of the 40th alcoholic beverages district are authorized to sell alcoholic beverages from 10:00 a.m. to 10:00 p.m. [*Effective Date: July 1, 2026*]

46th Alcoholic Beverages District

Senate Bill 642/House Bill 998 (both passed) authorize the transfer of a Class B-D-7 license between certain locations within the 46th alcoholic beverages district and delay the expiration deadline of specified licenses for the purpose of being transferred or renewed. The bills authorize the board to issue a Class 7 micro-brewery license to a Class B-D-7 license holder in the 46th alcoholic beverages district, as specified, and authorize a Class D license holder to apply for a seven-day license privilege. The bills also authorize the consumption of alcoholic beverages donated by a manufacturer or wholesaler for an event at the Baltimore Convention Center. Furthermore, the bills require the board to adopt regulations that establish tiered penalties for violations of the city's alcoholic beverages laws and adopt a template for memoranda of understanding between license applicants and local neighborhood associations. [*Effective Date: June 1, 2026*]

Baltimore County [*The 90 Day Report, Part H-45 to H-46*]

License Transfers and Conversions

House Bill 1474 (passed) repeals provisions that prohibit the transfer of a Class B license to another election district if that license was previously converted from a Class D license transferred from another election district. The bill also repeals existing provisions that prohibit the board from transferring or converting (1) a new license issued by the board based on population increases under the board's population-based license limits or (2) a license that has been revoked and reissued by the board. Finally, the bill requires the conversion of specified Class B beer, wine, and liquor licenses to Class B hotel and restaurant licenses. [*Effective Date: July 1, 2026*]

Off-premises Sales

Senate Bill 72/House Bill 121 (both passed) authorize specified Class B or Class D alcoholic beverages license holders to obtain a permit from the board that authorizes the license holder to sell mixed drinks or cocktails in closed containers for off-premises consumption, if the board has adopted regulations authorizing the sale of alcoholic beverages for off-premises consumption. [*Effective Date: July 1, 2026*]

Caroline County [*The 90 Day Report, Part H-46*]

Senate Bill 974 (passed) establishes that the inspector for the Caroline County Board of License Commissioners must be either an individual appointed by the board or the county codes administrator. [*Effective Date: July 1, 2026*]

Carroll County [*The 90 Day Report, Part H-46*]

Class 1 Distillery On-site Consumption Permit

House Bill 1526 (passed) establishes a Class 1 distillery on-site consumption permit. The permit authorizes the holder to sell, prepare, and serve food, nonalcoholic beverages, and alcoholic beverages, including brandy, rum, whiskey, and neutral spirits that are distilled, rectified, blended, and bottled at the distillery for on-premises and off-premises consumption to the extent the permit holder is authorized under the Class 1 distillery license. [*Effective Date: July 1, 2026*]

Cecil County [*The 90 Day Report, Part H-46*]

Class A License Quotas

Senate Bill 897/House Bill 664 (both passed) alter the quota on the number of alcoholic beverages licenses that may be issued by the board to only apply to Class A licenses. The board may not issue (1) in the aggregate, more than one Class A license for every 2,000 registered voters or major fraction in the county, as determined by the current registration of voters or (2) fewer than two Class A licenses in each election district of the county. [*Effective Date: July 1, 2026*]

Garrett County [*The 90 Day Report, Part H-46*]

Senate Bill 802/House Bill 1203 (both passed) (1) establish a Special Event Permit, (2) add a salaried substitute member to the Garrett County Board of License Commissioners, (3) authorize the holders of specified alcoholic beverages licenses with a catering option to sell alcoholic beverages on premises that do not have an alcoholic beverages license, and (4) require applicants for a license to include the applicant's citizenship status. [*Effective Date: July 1, 2026*]

Harford County [*The 90 Day Report, Part H-47*]

Class HC (Health Club) License

Senate Bill 684/House Bill 991 (both passed) extend the hours of sale for a holder of a six-day or seven-day Class HC (health club) beer and wine license to be 1:00 p.m. to 11:00 p.m., rather than 1:00 p.m. to 9:00 p.m. [*Effective Date: July 1, 2026*]

Howard County [*The 90 Day Report, Part H-47*]

Gift Basket Permit

House Bill 456 (passed) establishes a gift basket permit which may be issued to an individual whose business does not hold another alcoholic beverages license or permit and whose primary business is the sale and delivery of flowers and includes the sale and delivery of gift baskets. The board may not issue a permit for use in conjunction with or on the premises of a chain store, supermarket, or discount house. [*Effective Date: July 1, 2026*]

Prince George's County [*The 90 Day Report, Part H-47*]

Class B-SEC (Special Event Center) License Establishment

House Bill 443 (passed) establishes a Class B-SEC (small event center) beer, wine, and liquor license. A license holder may sell alcoholic beverages for on-premises consumption to individuals attending an event at the event center. No more than 24 Class B-SEC licenses may be issued in a year and no more than 3 licenses in each legislative district. [*Effective Date: July 1, 2026*]

Wine Festival Licenses

House Bill 558 (passed) renames the Prince George's County Wine Festival license to be the wine festival license, repeals a limit of one wine festival license that can be issued annually, and repeals a prohibition on the issuance of a wine festival license in the 24th legislative district. [*Effective Date: July 1, 2026*]

Multiple Licenses

House Bill 406 (passed) repeals a prohibition on the issuance of multiple Class B (on-sale) beer and wine or Class B (on-sale), beer, wine, and liquor licenses to the same person or premises. [Effective Date: July 1, 2026]

Notice of Issuance of Class C Per Diem Licenses

House Bill 583 (passed) clarifies the board must provide notice to the director of the Department of Permitting, Inspections, and Enforcement, rather than the director of the County Department of Environmental Resources, when the board issues a Class C per diem beer, wine, and liquor license. [Effective Date: July 1, 2026]

Wicomico County [The 90 Day Report, Part H-48]

Class B (Golf Course) License

Senate Bill 700/House Bill 754 (both passed) extend the hours of sale the holder of a Class B beer, wine, and liquor (golf course) license can sell alcoholic beverages on Monday through Saturday to 7:00 a.m. to 2:00 a.m. and on Sunday to 7:00 a.m. to midnight. [Effective Date: July 1, 2026]

Worcester County [The 90 Day Report, Part H-48]

Board of License Commissioners

Senate Bill 681/House Bill 914 (both passed) increase, from three to five, the number of members that the Governor must appoint to the Worcester County Board of License Commissioners. [Effective Date: June 1, 2026]

Class C Per Diem Municipal To-go License

Senate Bill 846/House Bill 1101 (both passed) establish a Class C per diem municipal to-go beer, wine, and liquor license and a related temporary to-go event permit. The license may only be issued to Pocomoke City, the Town of Berlin, and the Town of Snow Hill. The to-go event permit may be issued to the holder of a Class B or Class D alcoholic beverages license located within or immediately adjacent to a special event area identified in and for use in conjunction with a Class C per diem municipal to-go beer, wine, and liquor license. [Effective Date: July 1, 2026]