

Department of Legislative Services
Maryland General Assembly
2026 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

House Bill 1526 (Carroll County Delegation)
Government, Labor, and Elections

Finance

**Carroll County - Alcoholic Beverages - Class 1 Distillery On-Premises
Consumption Permit**

This bill establishes a Class 1 distillery on-site consumption permit in Carroll County and authorizes the Carroll County Board of License Commissioners to issue the permit to a holder of a Class 1 distillery license. 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. The Carroll County Health Department must approve the authorization to sell, prepare, and serve food and nonalcoholic beverages. The permit holder is authorized to use the licensed premises for events, as specified. The application for a permit must include a diagram of the proposed area for consumption under the permit and show clear delineation from the manufacturing and processing facilities. The board must adopt regulations to carry out the requirements of the bill including setting the annual permit fee. **The bill takes effect July 1, 2026.**

Fiscal Summary

State Effect: The bill is not expected to materially affect State finances or operations.

Local Effect: Carroll County revenues may increase minimally beginning FY 2027 to the extent permits are issued under the bill at the permit fee set by the board.

Small Business Effect: Minimal.

Analysis

Current Law: A Class 1 distillery license authorizes the establishment and operation of a plant for distilling brandy, rum, whiskey, alcohol, and neutral spirits at the location described in the license. It also authorizes the sale and delivery of those alcoholic beverages, with specified restrictions. The annual license fee is \$2,000.

Local licensing boards may grant an on-site consumption permit to a holder of a Class 1 distillery license, which authorizes the license holder to use up to 7,750 gallons of liquor annually for mixed drinks sold through an on-premises consumption permit.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: SB 959 (Carroll County Senators) - Rules.

Information Source(s): Carroll County; Department of Legislative Services

Fiscal Note History: First Reader - February 19, 2026
caw/tso Third Reader - March 30, 2026
Revised - Amendment(s) - March 30, 2026

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