

SENATE BILL 115

A2

71r1153

By: **Senator Britt**

Introduced and read first time: January 24, 2007

Assigned to: Education, Health, and Environmental Affairs

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 23, 2007

CHAPTER _____

1 AN ACT concerning

2 **Prince George's County – Alcoholic Beverages – Class B–DD (Development**
3 **District) License**

4 FOR the purpose of creating in Prince George's County a Class B–DD (development
5 district) 7–day beer, wine and liquor license for on–sale consumption; specifying
6 a certain annual license fee; specifying that a Class B–DD license be issued only
7 for restaurants within ~~certain areas~~ a certain area; specifying certain
8 restrictions on the transfer of a Class B–DD license; requiring the Board of
9 License Commissioners to determine the number of Class B–DD licenses to be
10 issued, the persons to whom Class B–DD licenses are to be issued, and the
11 number of licenses each recipient may hold; authorizing a holder of a Class
12 B–DD license to hold any other alcoholic beverages license; limiting the number
13 of Class B–DD licenses that may be issued in a certain area; limiting the
14 number of Class B–DD licenses that a license holder in a certain area may hold
15 for restaurants in that area; authorizing the Board of License Commissioners to
16 revoke a license to enforce certain provisions; requiring certain restaurants to
17 submit a certain monthly report to the Board of License Commissioners;
18 ~~repealing the provisions that establish a Class B–RD license~~; exempting holders
19 of Class B–DD licenses from certain qualifications for licensees and restrictions
20 on holding multiple licenses; specifying ~~certain areas, including in~~
21 Plaza commercial ~~area~~, area as the area in which Class B–DD licenses may be

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.



1 issued; ~~repealing certain provisions allowing the holding of certain multiple~~
 2 ~~Class B licenses under certain circumstances~~; making certain stylistic changes;
 3 and generally relating to alcoholic beverages licenses in Prince George's County.

4 BY repealing and reenacting, without amendments,
 5 Article 2B – Alcoholic Beverages
 6 Section 6–201(r)(1)(i) and 9–217(a)
 7 Annotated Code of Maryland
 8 (2005 Replacement Volume and 2006 Supplement)

9 BY adding to
 10 Article 2B – Alcoholic Beverages
 11 Section 6–201(r)(15) and 9–217(f)(7)
 12 Annotated Code of Maryland
 13 (2005 Replacement Volume and 2006 Supplement)

14 ~~BY repealing~~
 15 ~~Article 2B – Alcoholic Beverages~~
 16 ~~Section 8–1001 and the Subtitle “Subtitle 10. Revitalization Districts”~~
 17 ~~Annotated Code of Maryland~~
 18 ~~(2005 Replacement Volume and 2006 Supplement)~~

19 BY repealing and reenacting, with amendments,
 20 Article 2B – Alcoholic Beverages
 21 Section 9–101(d)(6), 9–102(a), ~~and~~ 9–217(d), (e)(5), and (f)(1)(i), (2), and (5), and
 22 10–401(g)(5)
 23 Annotated Code of Maryland
 24 (2005 Replacement Volume and 2006 Supplement)

25 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
 26 MARYLAND, That the Laws of Maryland read as follows:

27 **Article 2B – Alcoholic Beverages**

28 6–201.

29 (r) (1) (i) This subsection applies only in Prince George's County.

30 **(15) (I) THERE IS A CLASS B-DD (DEVELOPMENT DISTRICT)**
 31 **7-DAY BEER, WINE AND LIQUOR LICENSE.**

32 **(II) ONLY ON-SALE CONSUMPTION IS PERMITTED.**

1 (III) THE ANNUAL LICENSE FEE IS ~~\$1,000~~ \$2,750.

2 (IV) A CLASS B-DD LICENSE MAY BE ISSUED ONLY FOR A
3 RESTAURANT WITHIN AN AREA DESIGNATED IN ~~§ 9-217(F)(5)~~ § 9-217(F)(7) OF
4 THIS ARTICLE.

5 (V) OWNERSHIP OF A CLASS B-DD LICENSE MAY BE
6 TRANSFERRED FROM ONE LICENSE HOLDER TO ANOTHER IF THE LICENSE IS TO
7 BE USED AT THE SAME LOCATION BUT MAY NOT BE TRANSFERRED FOR USE AT A
8 DIFFERENT LOCATION.

9 (VI) 1. THE BOARD OF LICENSE COMMISSIONERS SHALL
10 DETERMINE THE NUMBER OF CLASS B-DD LICENSES TO BE ISSUED, THE
11 PERSONS TO WHOM CLASS B-DD LICENSES ARE TO BE ISSUED, AND THE
12 NUMBER OF LICENSES EACH RECIPIENT MAY HOLD.

13 2. NOTWITHSTANDING SUBSUBPARAGRAPH 1 OF
14 THIS SUBPARAGRAPH, THE BOARD OF LICENSE COMMISSIONERS MAY NOT
15 ISSUE A CLASS B-DD LICENSE TO ANY RESTAURANT LOCATED WITHIN THE
16 AREA DESCRIBED IN § 9-217(F)(7) OF THIS ARTICLE, IF, AT THE TIME OF
17 ISSUANCE:

18 A. THERE ARE FOUR RESTAURANTS OPERATING
19 WITH A CLASS B-DD LICENSE WITHIN THAT AREA; OR

20 B. THE APPLICANT FOR THAT LICENSE IS THE
21 LICENSE HOLDER OF THREE CLASS B-DD LICENSES FOR RESTAURANTS
22 OPERATING WITHIN THAT AREA.

23 (VII) NOTWITHSTANDING ANY OTHER PROVISION OF THIS
24 ARTICLE, A LICENSE HOLDER MAY HOLD A CLASS B-DD LICENSE IN ADDITION
25 TO ANY OTHER LICENSE ISSUED UNDER THIS ARTICLE.

26 (VIII) A CLASS B-DD LICENSE MAY NOT BE ISSUED TO A
27 RESTAURANT LOCATED WITHIN A CHAIN STORE, SUPERMARKET, DISCOUNT
28 HOUSE, DRUG STORE, OR CONVENIENCE STORE.

1 (IX) 1. A RESTAURANT IN THE CAPITAL PLAZA
 2 COMMERCIAL AREA DESCRIBED IN § 9-217(F)(7) OF THIS ARTICLE IS NOT
 3 ELIGIBLE FOR A CLASS B-DD LICENSE UNLESS:

4 A. IT SATISFIES ALL OF THE REQUIREMENTS SET
 5 FORTH IN PARAGRAPH (1)(II)3 OF THIS SUBSECTION; AND

6 B. ITS AVERAGE DAILY RECEIPTS FROM THE SALE OF
 7 FOOD AND NONALCOHOLIC BEVERAGES EXCEED ITS AVERAGE DAILY RECEIPTS
 8 FROM THE SALE OF ALCOHOLIC BEVERAGES.

9 2. THE BOARD OF LICENSE COMMISSIONERS MAY
 10 REVOKE A LICENSE IN ORDER TO ENFORCE THE PROVISIONS OF THIS
 11 SUBPARAGRAPH.

12 3. A LICENSE HOLDER FOR A RESTAURANT
 13 DESCRIBED IN SUBSUBPARAGRAPH 1 OF THIS SUBPARAGRAPH SHALL SUBMIT A
 14 MONTHLY REPORT TO THE BOARD OF LICENSE COMMISSIONERS OF THE
 15 RESTAURANT'S AVERAGE DAILY RECEIPTS FROM THE SALE OF FOOD AND
 16 NONALCOHOLIC BEVERAGES AND THE RESTAURANT'S AVERAGE DAILY
 17 RECEIPTS FROM THE SALE OF ALCOHOLIC BEVERAGES TO VERIFY THAT THE
 18 RESTAURANT HAS MET THE REQUIREMENTS OF SUBSUBPARAGRAPH 1 OF THIS
 19 SUBPARAGRAPH.

20 ~~[Subtitle 10. Revitalization Districts.]~~

21 ~~[§ 1001.~~

22 ~~(a) In this section, "district" means:~~

23 ~~(1) A designated Maryland main street with a local management~~
 24 ~~authority;~~

25 ~~(2) A designated revitalization area; or~~

26 ~~(3) An area with a revitalization plan that has been adopted locally.~~

27 ~~(b) This section applies only in Prince George's County.~~

28 ~~(c) There is a Class B-RD license.~~

1 ~~(d) (1) A Class B RD (revitalization district) license shall be issued by the~~
2 ~~office where Class B licenses are issued in the county.~~

3 ~~(2) The license authorizes the holder to keep for sale and sell liquor at~~
4 ~~retail in any premises licensed for Class B RD sales.~~

5 ~~(3) Only on-sale consumption is permitted.~~

6 ~~(e) The annual license fee is \$660.~~

7 ~~(f) All applicants for this license shall:~~

8 ~~(1) Be located and remain within a district;~~

9 ~~(2) Have gross sales:~~

10 ~~(i) That do not exceed \$150,000 per year; and~~

11 ~~(ii) Of which at least 80 percent are derived from the sale of~~
12 ~~food; and~~

13 ~~(3) Be primarily a restaurant at which patrons are seated to eat.~~

14 ~~(g) The hours and days for sale are as provided in § 11-517 of this article.~~

15 ~~(h) The Board of License Commissioners shall determine the number of~~
16 ~~Class B RD (revitalization district) licenses to be issued.~~

17 9-101.

18 (d) (6) This section does not apply to racetrack licenses, Class BLX
19 licenses, arena licenses, Class BCE (catering) licenses, Class B/ECF (educational
20 conference facility) licenses, **ISSUANCE, RENEWAL, OR TRANSFER OF CLASS B-DD**
21 **(DEVELOPMENT DISTRICT) LICENSES**, or to businesses whose sales of stock or
22 interests are authorized for sale by the Securities and Exchange Commission of the
23 United States.

24 9-102.

25 (a) No more than one license provided by this article, except by way of
26 renewal or as otherwise provided in this section, shall be issued in any county or
27 Baltimore City, to any person, or for the use of any partnership, corporation,

1 unincorporated association, or limited liability company, in Baltimore City or any
 2 county of the State, and no more than one license shall be issued for the same
 3 premises except as provided in §§ 2-201 through 2-208, 2-301, and 6-701, and
 4 nothing herein shall be construed to apply to § **6-201(R)(15)**, § 7-101(b) and (c), §
 5 8-202(g)(2)(ii) and (iii), § 8-508, or § 12-202 of this article.

6 9-217.

7 (a) This section applies only in Prince George's County.

8 (d) This section does not apply to [licenses] **A LICENSE** issued under the
 9 provisions of § 6-201(r)(2) [or], (5), **OR (15)** or § 7-101 of this article.

10 (e) (5) This ~~subsection~~ **SUBSECTION** does not apply [to any licenses or] to
 11 any license issued under § 6-201(r)(2) [or], (5), **OR (15)** or § 7-101 of this article.

12 (f) (1) (i) **[A] EXCEPT AS PROVIDED IN § 6-201(R)(15) OF THIS**
 13 **ARTICLE, A** person, whether acting on that person's behalf or on the behalf of another
 14 person or entity, corporation, association, partnership, limited partnership or other
 15 combination of persons (natural or otherwise) for whatever reason formed, may not
 16 have an interest in more than one license authorizing the retail or wholesale sale of
 17 alcoholic beverages.

18 (2) This subsection does not apply to licenses issued under the
 19 provisions of § 6-201(r)(2), (3), (5), (7), [or] (10), **OR (15)**, § 7-101, or § 8-505 of this
 20 article or to club licenses.

21 (5) (i) This paragraph does not apply to a [licensed premises]
 22 **RESTAURANT** located [in] **WITHIN** a chain store, supermarket, discount house, drug
 23 store, or convenience store.

24 (ii) ~~[Notwithstanding any other provision of this article, the]~~
 25 ~~THE~~ Board of License Commissioners may ~~allow~~ an individual, partnership,
 26 corporation, unincorporated association, or limited liability company to hold or have
 27 an interest in more than one Class B beer, wine and liquor license, if the restaurant
 28 for which the license is sought is located] ~~ISSUE A CLASS B-DD (DEVELOPMENT~~
 29 ~~DISTRICT) LICENSE FOR A RESTAURANT~~ within:

30 1. Any of the following areas that are underserved by
 31 restaurants:

1 A. Suitland business district, consisting of properties
2 fronting on or having access to Silver Hill Road between Suitland Parkway and Sunset
3 Lane, and on Suitland Road between Arnold Road and Eastern Lane;

4 B. Part of the Port Towns business district, consisting of
5 properties fronting on or having access to Rhode Island Avenue, Bladensburg Road,
6 Annapolis Road, or 38th Street, in legislative district 22; ~~for~~

7 C. Largo area, consisting of properties within the area
8 bounded by the Capital Beltway (I-495) on the west, Central Avenue and Landover
9 Road on the south and southeast, Campus Way North on the east and Route 214 and
10 Landover Road on the north and northwest; or

11 ~~D. CAPITAL PLAZA COMMERCIAL AREA, CONSISTING~~
12 ~~OF COMMERCIAL PROPERTIES WITHIN THE AREA BOUNDED BY THE~~
13 ~~BALTIMORE WASHINGTON PARKWAY ON THE WEST AND NORTHWEST,~~
14 ~~MARYLAND ROUTE 450 ON THE SOUTH, AND COOPER LANE ON THE EAST AND~~
15 ~~NORTHEAST; OR~~

16 2. A. A waterfront entertainment retail complex as
17 defined by a county zoning ordinance; or

18 B. A commercial establishment on 100 or more acres
19 that is designated by the County Executive as a recreational, destination, or
20 entertainment attraction.

21 ~~(iii)~~ 1. Except as provided in sub-subparagraphs 2 and 3 of
22 this subparagraph, a license holder may not hold more than 4 Class B beer, wine and
23 liquor licenses within all of the underserved areas described in subparagraph (ii)1 of
24 this paragraph.

25 2. A license holder may be issued or transferred a fifth
26 Class B beer, wine and liquor license only if the date of the application for the fifth
27 license is at least 1 year after the date the license holder was issued or transferred the
28 fourth license.

29 3. A license holder may be issued or transferred a sixth
30 Class B beer, wine and liquor license only if the date of the application for the sixth
31 license is at least 1 year after the date the license holder was issued or transferred the
32 fifth license.

1 (iv) An individual, partnership, corporation, unincorporated
 2 association, or limited liability company that holds or has an interest in a license
 3 located in an underserved area described in subparagraph (ii)1 of this paragraph may
 4 not hold or have an interest in more than one license located outside of all the
 5 underserved areas.

6 (v) An individual, partnership, corporation, unincorporated
 7 association, or limited liability company may not hold or have an interest in more than
 8 one license in a commercial establishment described in subparagraph (ii)2 of this
 9 paragraph.

10 (vi) The annual license fee for a Class B license obtained under
 11 this paragraph is \$2,500.

12 (vii) A Class B license obtained under this paragraph does not
 13 confer off-sale privileges.

14 (viii) The residency requirements under § 9-101 of this title apply
 15 to an applicant for a Class B license under this paragraph.

16 (ix) The limit on the maximum number of Class B beer, wine
 17 and liquor licenses in the county under subsection (b) of this section applies to the
 18 issuance of licenses under this paragraph.‡

19 **(7) SUBJECT TO § 6-201(R)(15) OF THIS ARTICLE, THE BOARD OF**
 20 **LICENSE COMMISSIONERS MAY ISSUE UP TO FOUR CLASS B-DD**
 21 **(DEVELOPMENT DISTRICT) LICENSES FOR RESTAURANTS LOCATED WITHIN THE**
 22 **CAPITAL PLAZA COMMERCIAL AREA, CONSISTING OF COMMERCIAL**
 23 **PROPERTIES WITHIN THE AREA BOUNDED BY THE BALTIMORE-WASHINGTON**
 24 **PARKWAY ON THE WEST AND NORTHWEST, MARYLAND ROUTE 450 ON THE**
 25 **SOUTH, AND COOPER LANE ON THE EAST AND NORTHEAST.**

26 10-401.

27 (g) (5) In addition to the above, the Board may revoke the license of a
 28 licensee for:

29 (i) A felony conviction of a licensee or any stockholder of a
 30 corporation having the use of an alcoholic beverages license; [or]

31 (ii) **FAILURE TO COMPLY WITH § 6-201(R)(15)(IX) OF THIS**
 32 **ARTICLE; OR**

1 (III) Closing the licensed premises for more than 30 days without
2 the Board's permission. The Board may allow a closing of the licensed premises for a
3 reasonable period of time.

4 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
5 July 1, 2007.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.