

HOUSE BILL 463

A2

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By: **Montgomery County Delegation**

Introduced and read first time: January 27, 2014

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Montgomery County – Alcoholic Beverages – Beer, Wine and Liquor Licenses**

3 **MC 16-14**

4 FOR the purpose of establishing in Montgomery County a Class D beer, wine and
5 liquor (on-sale) license; requiring an applicant for a Class D beer, wine and
6 liquor (on-sale) license to attest to a certain proportion of future food and
7 alcoholic beverages sales, based on gross receipts, as a prerequisite to obtaining
8 the license; requiring an applicant for a Class D beer, wine and liquor (on-sale)
9 license to attest to a certain proportion of future food and alcoholic beverages
10 sales, based on gross receipts from sales during a certain time, as a prerequisite
11 to renewing the license; requiring the Board of License Commissioners to adopt
12 certain regulations providing for the inspection of certain premises; authorizing
13 the Board to revoke a Class D beer, wine and liquor (on-sale) license under
14 certain circumstances; requiring an applicant to pay a certain fee in order to
15 obtain a Class D beer, wine and liquor (on-sale) license; altering the hours that
16 a holder of a Class B-BWL or Class B-BWL (H-M) license may sell alcoholic
17 beverages on a Sunday; authorizing a holder of a Class D beer, wine and liquor
18 license to sell alcoholic beverages during certain hours on a Sunday; altering the
19 hours that a holder of a Class B-BWL or Class B-BWL (H-M) license may sell
20 alcoholic beverages on Friday, Saturday, and certain Sundays; authorizing a
21 holder of a Class D beer, wine and liquor license to sell alcoholic beverages
22 during certain hours on Friday, Saturday, and certain Sundays; making
23 stylistic changes; and generally relating to alcoholic beverages in Montgomery
24 County.

25 BY repealing and reenacting, without amendments,
26 Article 2B – Alcoholic Beverages
27 Section 6-401(a)
28 Annotated Code of Maryland
29 (2011 Replacement Volume and 2013 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 BY repealing and reenacting, with amendments,
 2 Article 2B – Alcoholic Beverages
 3 Section 6–401(q) and 11–516(a) and (c)
 4 Annotated Code of Maryland
 5 (2011 Replacement Volume and 2013 Supplement)

6 BY repealing and reenacting, without amendments,
 7 Article 2B – Alcoholic Beverages
 8 Section 11–303(b)
 9 Annotated Code of Maryland
 10 (2011 Replacement Volume and 2013 Supplement)
 11 (As enacted by Chapters 302 and 303 of the Acts of the General Assembly of
 12 2010)

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

15 **Article 2B – Alcoholic Beverages**

16 6–401.

17 (a) (1) A Class D beer, wine and liquor license shall be issued by the
 18 license issuing authority of the county in which the place of business is located. It
 19 authorizes the holder to keep for sale and sell all alcoholic beverages at retail at the
 20 place described in it, for consumption on the premises or elsewhere. A license may not
 21 be issued for any drugstore.

22 (2) The annual license fee shall be paid to the local collecting agent
 23 before any license is issued, for distribution as provided.

24 (3) In this section, “Board” means the Board of License Commissioners
 25 for the jurisdiction to which the subsection applies.

26 (q) (1) This [section does not apply in] **SUBSECTION APPLIES ONLY IN**
 27 **Montgomery County.**

28 (2) **A CLASS D BEER, WINE AND LIQUOR (ON–SALE) LICENSE MAY**
 29 **BE ISSUED FOR ON–PREMISES CONSUMPTION.**

30 (3) (1) **AS A PREREQUISITE FOR THE INITIAL ISSUANCE OF A**
 31 **LICENSE UNDER THIS SUBSECTION, THE OWNER SHALL ATTEST IN A SWORN**
 32 **STATEMENT THAT GROSS RECEIPTS FROM FOOD SALES WILL BE AT LEAST**
 33 **EQUAL TO 40% OF THE GROSS RECEIPTS FROM THE SALE OF FOOD AND**
 34 **ALCOHOLIC BEVERAGES.**

1 **(II) AS A PREREQUISITE FOR EACH RENEWAL OF A LICENSE**
2 **ISSUED UNDER THIS SUBSECTION, THE OWNER SHALL ATTEST IN A SWORN**
3 **STATEMENT THAT THE GROSS RECEIPTS FROM FOOD SALES FOR THE 12-MONTH**
4 **PERIOD IMMEDIATELY PRECEDING THE APPLICATION FOR RENEWAL HAVE**
5 **BEEN AT LEAST EQUAL TO 40% OF THE GROSS RECEIPTS FROM THE SALE OF**
6 **FOOD AND ALCOHOLIC BEVERAGES.**

7 **(III) THE BOARD BY REGULATION SHALL PROVIDE FOR**
8 **PERIODIC INSPECTION OF THE PREMISES AND FOR AUDITS TO DETERMINE THE**
9 **RATIO OF GROSS RECEIPTS FROM THE SALE OF FOOD TO GROSS RECEIPTS FROM**
10 **THE SALE OF ALCOHOLIC BEVERAGES.**

11 **(IV) REGULATIONS ADOPTED BY THE BOARD SHALL**
12 **INCLUDE A REQUIREMENT OF:**

13 **1. AT LEAST MONTHLY PHYSICAL INSPECTIONS OF**
14 **THE PREMISES DURING THE INITIAL LICENSE YEAR OF ANY LICENSEE; AND**

15 **2. THE SUBMISSION BY THE LICENSEE TO THE**
16 **BOARD, DURING THE INITIAL LICENSE YEAR, OF MONTHLY STATEMENTS**
17 **SHOWING GROSS RECEIPTS FROM THE SALE OF FOOD AND GROSS RECEIPTS**
18 **FROM THE SALE OF ALCOHOLIC BEVERAGES FOR THE IMMEDIATELY**
19 **PRECEDING MONTH.**

20 **(V) 1. IF A LICENSEE DURING THE INITIAL LICENSE**
21 **YEAR FAILS TO MAINTAIN THE SALES RATIO REQUIREMENT PROVIDED IN THIS**
22 **PARAGRAPH FOR 3 CONSECUTIVE MONTHS OR AFTER THE INITIAL LICENSE**
23 **YEAR FOR EACH LICENSE OR CALENDAR YEAR, THE BOARD MAY REVOKE THE**
24 **LICENSE.**

25 **2. THE BOARD MAY REQUIRE A LICENSEE TO**
26 **PROVIDE SUPPORTING DATA AS THE BOARD CONSIDERS NECESSARY TO**
27 **ESTABLISH THAT THE REQUIREMENTS OF THIS SECTION RELATING TO THE**
28 **RATIO OF GROSS RECEIPTS FROM THE SALE OF FOOD TO THOSE FROM THE SALE**
29 **OF ALCOHOLIC BEVERAGES HAVE BEEN MET.**

30 **(4) THE ANNUAL LICENSE FEE IS \$3,000.**

31 11-303.

32 (b) (1) The hours during which the privileges conferred by a Class B beer,
33 wine and liquor license may be exercised are from 6 a.m. to 2 a.m. on the following
34 day.

1 (2) In Annapolis, the hours shall be as fixed by the Mayor, Counselor,
2 and Aldermen of the City of Annapolis.

3 (3) In Montgomery County, except as provided in § 11-516 of this
4 article, the hours are from 9 a.m. on any day to 1 a.m. on the following day.

5 (4) In the 47th alcoholic beverages district in Baltimore City, the
6 hours for off-sales under a Class B beer, wine and liquor license for use in a
7 restaurant are as provided for in § 6-201(d) of this article.

8 (5) In the Park Heights Redevelopment Area that is specified in the
9 Park Heights Master Plan adopted by Baltimore City in 2006, the hours of sale begin
10 at 9 a.m. each day.

11 11-516.

12 (a) In Montgomery County, notwithstanding any other provisions of this
13 subtitle, a holder of an alcoholic beverage license may not sell any alcoholic beverages
14 [between]:

15 (1) **BETWEEN** the hours of 1 a.m. and 10 a.m. on Sunday, except
16 holders of Class A (off-sale) beer licenses and Class A (off-sale) beer and light wine
17 licenses and [Class B-BWL, Class B-BWL (H-M) and] Class C, beer, wine and liquor
18 licenses; Class B and Class D beer licenses and Class B and Class D beer and light
19 wine licenses; **AND**

20 (2) **BETWEEN THE HOURS OF 3 A.M. AND 10 A.M. ON SUNDAY,**
21 **EXCEPT HOLDERS OF CLASS B-BWL, CLASS B-BWL (H-M), AND CLASS D**
22 **BEER, WINE AND LIQUOR LICENSES.**

23 (c) The privileges conferred by a Class B beer, wine and liquor license
24 (on-sale generally), [and] a Class B beer, wine and liquor (H-M) license, **AND A**
25 **CLASS D BEER, WINE AND LIQUOR (ON-SALE) LICENSE** may be exercised during
26 the following hours, provided that the licensed establishment sells or makes available
27 food for consumption on the premises during the hours that alcoholic beverages are
28 permitted to be served:

29 (1) [On Monday, Tuesday, Wednesday, and Thursday sales are
30 permitted from 9 a.m. to 1 a.m. on the following day] **FROM 9 A.M. TO 1 A.M. THE**
31 **FOLLOWING DAY, ON MONDAY, TUESDAY, WEDNESDAY, AND THURSDAY;**

32 (2) [On Friday and Saturday, sales are permitted from 9 a.m. to 2 a.m.
33 on the following day] **FROM 9 A.M. TO 3 A.M. THE FOLLOWING DAY, ON FRIDAY**
34 **AND SATURDAY;**

1 (3) [On Sunday, sales are permitted from 10 a.m. to 1 a.m. on the
2 following day; provided, however, that sales are permitted until 2 a.m. on the following
3 day when the following day (Monday) has been designated by the federal government
4 as one of the following holidays: Washington's Birthday, Memorial Day, Independence
5 Day, Labor Day, Veterans Day and Christmas] **FROM 10 A.M. TO 3 A.M. THE**
6 **FOLLOWING DAY, ON SUNDAY WHEN THE FOLLOWING DAY HAS BEEN**
7 **DESIGNATED BY THE FEDERAL GOVERNMENT AS ONE OF THE FOLLOWING**
8 **HOLIDAYS:**

9 (I) **WASHINGTON'S BIRTHDAY;**

10 (II) **MEMORIAL DAY;**

11 (III) **INDEPENDENCE DAY;**

12 (IV) **LABOR DAY;**

13 (V) **VETERANS DAY; OR**

14 (VI) **CHRISTMAS; OR**

15 (4) **FROM 10 A.M. TO 1 A.M. THE FOLLOWING DAY, ON A SUNDAY**
16 **THAT IS NOT REFERENCED IN ITEM (3) OF THIS SUBSECTION.**

17 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
18 July 1, 2014.