HOUSE BILL 269

A2 4lr1314
CF 4lr2191

By: **Montgomery County Delegation**
Introduced and read first time: January 20, 2014
Assigned to: Economic Matters

A BILL ENTITLED

AN ACT concerning

Montgomery County – Alcoholic Beverages – Class B Beer, Wine and Liquor (Clubhouse/Lodge) License

MC 20–14

FOR the purpose of establishing in Montgomery County a special Class B beer, wine and liquor (BWL) (clubhouse/lodge) license; specifying the type of facility to which the Board of License Commissioners may issue a Class B–BWL (clubhouse/lodge) license; specifying that a Class B–BWL (clubhouse/lodge) license authorizes a holder to serve certain alcoholic beverages on the licensed premises, off the licensed premises, or for tasting purposes at no charge or for a fee; specifying that certain restrictions do not apply to the issuance of a Class B–BWL (clubhouse/lodge) license; specifying an annual license fee; authorizing the Executive Director of the Montgomery County Revenue Authority to hold more than one Class B–BWL (clubhouse/lodge) license for the use of certain public golf courses; and generally relating to alcoholic beverages in Montgomery County.

BY repealing and reenacting, without amendments,
Article 2B – Alcoholic Beverages
Section 6–201(q)(1) and (2)
Annotated Code of Maryland
(2011 Replacement Volume and 2013 Supplement)

BY adding to
Article 2B – Alcoholic Beverages
Section 6–201(q)(5)
Annotated Code of Maryland
(2011 Replacement Volume and 2013 Supplement)

BY repealing and reenacting, with amendments,

EXPLANATION: **CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.**
[Brackets**]** indicate matter deleted from existing law.

Article 2B – Alcoholic Beverages
Section 9–102.2
Annotated Code of Maryland
(2011 Replacement Volume and 2013 Supplement)

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

Article 2B – Alcoholic Beverages

6–201.

(q) (1) (i) This subsection applies only in Montgomery County.

(ii) 1. In this subsection the following words have the meanings indicated.

2. "Board" means the Board of License Commissioners.

3. "Dining area" means the area occupied by patrons for the consumption of food and includes a cocktail area where food need not be served if there is no separate outdoor entrance to the cocktail area.

(2) (i) 1. The Board may issue this license only to the owner of any restaurant or hotel.

2. The restaurant shall be located in the second, third, fourth, sixth, seventh, eighth, ninth, tenth, or thirteenth election districts.

3. The licensee may not be located in the Towns of Poolesville, Takoma Park, and Kensington.

(ii) 1. As a prerequisite for the initial issuance of a license under this subsection, the owner shall attest in a sworn statement that gross receipts from food sales in the restaurant or hotel will be at least equal to the gross receipts from the sale of alcoholic beverages.

2. As a prerequisite for each renewal of a license issued under this subsection, the owner shall attest in a sworn statement that the gross receipts from food sales in the restaurant or hotel for the 12–month period immediately preceding the application for renewal have been at least equal to the gross receipts from the sale of alcoholic beverages.

3. The Board by regulation shall provide for periodic inspection of the premises and for audits to determine the ratio of gross receipts from the sale of food to gross receipts from the sale of alcoholic beverages.

4. Any regulations adopted by the Board shall include a requirement of at least monthly physical inspections of the premises during the initial license year of any licensee and the submission by the licensee to the Board, during the initial license year, of monthly statements showing gross receipts from the sale of food and gross receipts from the sale of alcoholic beverages for the immediately preceding month.

5. In the event that a licensee, during the initial license year, fails to maintain the sales ratio requirement provided in this paragraph for a period of three consecutive months or after the initial license year for each license or calendar year, the Board, in its discretion, may revoke the license. The Board may require any licensee to provide supporting data as it, in its discretion, deems necessary, in order to establish that the requirements of this section relating to the ratio of gross receipts from the sale of food to those from the sale of alcoholic beverages have been met.

(iii) A license issued under this subsection authorizes its holder to keep for sale and sell alcoholic beverages for consumption on the premises only, and alcoholic beverages may not be served to patrons or consumed at any bar, counter without seats, or other room but in the dining area. However, the seats in the cocktail area may not exceed 25 percent of the seats normally available for the general public in the dining area, including the cocktail area portion, but excluding special banquet and private party facilities.

(iv) Signs visible from the exterior of the building, advertising the sale of alcoholic beverages, are not permitted in connection with any restaurant or hotel holding a license issued under the provisions of this section except for the display of the menu then in use by the licensee.

(v) 1. The annual license fee is $2,500.

2. For the third license that is not restricted by location and is obtained by a licensee under § 9–102.1 of this article, the annual fee is $5,000.

(5) (I) THERE IS A SPECIAL CLASS B LICENSE KNOWN AS A CLASS B–BWL (CLUBHOUSE/LODGE) LICENSE.

(II) THE BOARD MAY ISSUE A CLASS B–BWL (CLUBHOUSE/LODGE) LICENSE ONLY TO A MULTI–USE FACILITY THAT ACCOMMODATES A GOLF COURSE, A RESTAURANT, A CLUBHOUSE, A TASTING BAR, AND THE CATERING OF EVENTS ANYWHERE ON THE PROPERTY.

(III) A CLASS B–BWL (CLUBHOUSE/LODGE) LICENSE AUTHORIZES THE HOLDER TO:

1. SELL BEER AND WINE FOR CONSUMPTION OFF THE LICENSED PREMISES;

2. SELL BEER, WINE, AND LIQUOR FOR CONSUMPTION ON THE LICENSED PREMISES; AND

3. OFFER SAMPLES OF ALCOHOLIC BEVERAGES AT NO CHARGE OR FOR A FEE.

(IV) THE RESTRICTIONS CONTAINED IN PARAGRAPH (2) OF THIS SUBSECTION DO NOT APPLY TO THE ISSUANCE OF A CLASS B–BWL (CLUBHOUSE/LODGE) LICENSE.

(V) THE ANNUAL LICENSE FEE FOR A CLASS B–BWL (CLUBHOUSE/LODGE) LICENSE IS $1,000.

9–102.2.

(a) (1) The Director or Deputy Director of the Montgomery County Parks Department of the Maryland–National Capital Park and Planning Commission may hold more than one of the following alcoholic beverages licenses for the limited use of public golf courses that are under the Commission's jurisdiction in Montgomery County:

(i) A Class H beer (on–sale) license; or

(ii) A Class H beer and light wine (on–sale) license.

(2) The Executive Director of the Montgomery County Revenue Authority or the Executive Director's designee may hold more than one of the following alcoholic beverages licenses for the limited use of public golf courses that are under the jurisdiction of the Revenue Authority:

(i) A Class H beer (on–sale) license; **[**or**]**

(ii) A Class H beer and light wine (on–sale) license**; OR**

(III) A CLASS B–BWL (CLUBHOUSE/LODGE) (BEER AND WINE OFF–SALE; BEER, WINE, AND LIQUOR ON–SALE) LICENSE.

(3) A license issued under paragraph (2) of this subsection shall be signed by the Revenue Authority's Executive Director or the Executive Director's designee.

(b) (1) As a condition to holding any license under this section, the Director or Deputy Director of the Montgomery County Parks Department of the Maryland–National Capital Park and Planning Commission or the Executive Director of the Montgomery County Revenue Authority or the Executive Director's designee, respectively, shall designate an individual with respect to each golf course to complete training in an alcohol awareness program approved under § 13–101 of this article.

(2) The individual designated to complete training in an alcohol awareness program under paragraph (1) of this subsection shall:

(i) Represent the concessionaire; and

(ii) Be involved with the management of the sale of beer or light wine by the concessionaire at the golf course.

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