HOUSE BILL 433

A2 4lr1605
CF SB 619

By: **Frederick County Delegation**
Introduced and read first time: January 27, 2014
Assigned to: Economic Matters

Committee Report: Favorable with amendments
House action: Adopted
Read second time: March 7, 2014

CHAPTER _____

AN ACT concerning

Frederick County – Alcoholic Beverages ~~– Organizational Licenses~~ Act of 2014

FOR the purpose of authorizing the Board of License Commissioners of Frederick County to issue a certain alcoholic beverages license to certain organizations located in the county; requiring the net proceeds of the sale of alcoholic beverages under certain licenses to be used solely for certain purposes; altering a certain restriction on the number of bottles of wine that may remain open at any one time at a wine sampling or tasting event in the County; prohibiting a single individual at an event from consuming more than a certain amount of wine from all brands in a single day; requiring the Board to adopt certain regulations; and generally relating to alcoholic beverages licenses in Frederick County.

BY repealing and reenacting, without amendments,
Article 2B – Alcoholic Beverages
Section 7–101(g) and 8–211(a), (b), (c), and (d–1)
Annotated Code of Maryland
(2011 Replacement Volume and 2013 Supplement)

BY adding to
Article 2B – Alcoholic Beverages
Section 8–211(g–1)
Annotated Code of Maryland
(2011 Replacement Volume and 2013 Supplement)

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.

BY repealing and reenacting, with amendments,
Article 2B – Alcoholic Beverages
Section 8–406
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

7–101.

(g) The special licenses provided for in this section may not be issued in any county or in Baltimore City, or in this State in case of application for statewide license, if the issuance of a regular license of the same class is not authorized by this article.

8–211.

(a) The provisions of this section apply only in Frederick County.

(b) A license for the sale of alcoholic beverages authorized by this article may not be issued for any place of business located in any of the following election districts:

(1) Catoctin (6th);

(2) Hauvers (10th);

(3) Jackson (16th);

(4) Linganore (19th); and

(5) Ballenger (23rd).

(c) Class A, B, and C licenses for the sale of beer only, as authorized by this article, shall be issued for places of business located in any of the following election districts:

(1) Jefferson (14th);

(2) Johnsville (17th); and

(3) Burkittsville (22nd).

(d–1) (1) The Board of License Commissioners may issue within the municipal boundaries of the municipal corporation of Middletown:

(i) Class A, B, or C beer licenses;

(ii) Class B beer, wine and liquor (on–sale) licenses if the licensed premises derive at least 70% of its monthly gross revenue from the sale of food; or

(iii) Middletown Wine Festival licenses.

(2) In all other areas of the Middletown (3rd) election district, the Board of License Commissioners may only issue:

(i) Class A, B, or C beer licenses; or

(ii) Middletown Wine Festival licenses.

(G–1) (1) THE RESTRICTIONS IN THIS SECTION AND IN § 7–101(G) OF THIS ARTICLE DO NOT APPLY TO LICENSES ISSUED UNDER THIS SUBSECTION.

(2) THE BOARD OF LICENSE COMMISSIONERS MAY ISSUE A LICENSE FOR THE SALE OF BEER, WINE, AND LIQUOR <u>FOR CONSUMPTION ON THE PREMISES ONLY</u> TO AN ORGANIZATION LOCATED IN THE COUNTY THAT IS A BONA FIDE:

(I) RELIGIOUS ORGANIZATION;

(II) FRATERNAL ORGANIZATION;

(III) CIVIC ORGANIZATION;

(IV) WAR VETERANS' ORGANIZATION; OR

(V) PATRIOTIC ORGANIZATION.

(3) ALL NET PROCEEDS FROM THE SALE OF ALCOHOLIC BEVERAGES BY AN ORGANIZATION LICENSED UNDER PARAGRAPH (2) OF THIS SUBSECTION SHALL BE USED SOLELY FOR CHARITABLE PURPOSES OR OTHERWISE TO FURTHER THE PURPOSES OF THE ORGANIZATION.

<u>8–406.</u>

<u>(a) This section applies only in Frederick County.</u>

<u>(b) A beer and wine sampling or tasting (BWST) license may only be issued to a holder of a Class A license.</u>

(c) The annual license fee is $200.

(d) (1) Applications for a BWST license shall be made on forms supplied by the Board of License Commissioners.

(2) Renewals of the license may be made at the time the regular license is renewed.

(3) A license may be granted without a hearing.

(4) If application for a license is denied, the applicant may request a public hearing before the Board.

(e) (1) A holder of a BWST license may allow consumption by a single individual for sampling or tasting purposes of:

(i) Not more than 1 ounce of a given brand of light wine; and

(ii) Not more than 3 ounces of a given brand of beer.

[(2) A maximum of six bottles of wine may be opened at any one time.**]**

(2) THE BOTTLES OF WINE THAT MAY BE OPENED AT ANY ONE TIME AT A WINE SAMPLING OR TASTING EVENT ARE:

(I) ALL OF THE BOTTLES IN A WINE PRESERVATION SYSTEM THAT THE BOARD APPROVES; AND

(II) NOT MORE THAN SIX OTHER BOTTLES OF WINE OPENED BY A HOLDER OF A SOLICITOR'S PERMIT, THE HOLDER OF THE BWST LICENSE, OR AN EMPLOYEE OF THE LICENSE HOLDER.

(3) A SINGLE INDIVIDUAL MAY NOT CONSUME MORE THAN 6 OUNCES OF WINE FROM ALL BRANDS IN A SINGLE DAY.

[(3)**] (4)** The licensee shall notify the Board in writing at least 5 days prior to each event.

[(4)**] (5)** Once opened, each bottle used for the beer and wine sampling or tasting event shall be marked that it is to be used for that purpose only.

[(5)**] (6)** The contents of each bottle may not be mixed with any other bottle and all bottles shall be destroyed once they are empty.

(f) (1) A BWST license is for on–premises consumption only.

(2) Sampling or tasting of beer or wine may not be conducted from a drive–through window.

(G) THE BOARD SHALL ADOPT REGULATIONS TO CARRY OUT THIS SECTION.

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

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.