Chapter 62

## (House Bill 89)

AN ACT concerning

### Montgomery County - Alcoholic Beverages - Class BD-BWL License

#### MC 18-15

FOR the purpose of establishing a Class BD-BWL alcoholic beverages license in Montgomery County; authorizing the Board to issue a refillable container permit to a holder of a Class BD-BWL license; authorizing a refillable container permit to be renewed each year concurrently with the renewal of a Class BD-BWL license; providing that the terms and hours of sale of a refillable container permit are the same as the underlying license; providing that the Class BD-BWL license authorizes the sale of beer and wine for consumption on or off the licensed premises and the sale of liquor for consumption only on the licensed premises; requiring an applicant for a Class BD-BWL license to attest to a certain proportion of future food and alcoholic beverages sales during certain hours, based on gross receipts, as a prerequisite to obtaining the license; requiring an applicant for a Class BD-BWL license to attest to a certain proportion of future food and alcoholic beverages sales during certain hours, based on gross receipts from sales during a certain time, as a prerequisite to renewing the license; requiring the Board of License Commissioners to adopt certain regulations providing for the inspection of certain premises; authorizing the Board to revoke a Class BD-BWL license under certain circumstances; authorizing a holder of a Class BD-BWL license to hold a certain other license; authorizing a license holder to hold not more than a certain number of one Class BD-BWL licenses; specifying the hours of sale; setting an annual license fee; authorizing the Board to issue, renew, and transfer and otherwise provide for a Class BD-BWL license in Takoma Park; and generally relating to Class BD-BWL licenses in Montgomery County.

BY repealing and reenacting, with amendments,

<u>Article 2B – Alcoholic Beverages</u>

Section 5–201(q) and 8–216(d)(1)

Annotated Code of Maryland

(2011 Replacement Volume and 2014 Supplement)

BY repealing and reenacting, without amendments,

Article 2B – Alcoholic Beverages

Section 6-201(q)(1)(i)

Annotated Code of Maryland

(2011 Replacement Volume and 2014 Supplement)

BY adding to

Article 2B – Alcoholic Beverages

Section 6–201(q)(7) Annotated Code of Maryland (2011 Replacement Volume and 2014 Supplement)

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

# Article 2B - Alcoholic Beverages

### <u>5–201.</u>

- (q) (1) This subsection applies only in Montgomery County.
  - (2) The annual license fee is \$400.
- (3) (i) The Board of License Commissioners may issue a refillable container permit to a holder of a Class B beer and light wine license OR A CLASS BD-BWL LICENSE issued by the Board of License Commissioners:
- <u>1.</u> On completion of an application form that the Board provides; and
  - <u>2.</u> At no cost to the [Class B] license holder.
- (ii) A refillable container permit may be renewed each year concurrently with the renewal of a Class B beer and light wine license OR A CLASS BD-BWL LICENSE.
- (4) A refillable container permit entitles the holder to sell draft beer for consumption off the licensed premises in a refillable container that:
- (i) Has a capacity of not less than 32 ounces and not more than 128 ounces; and
  - (ii) Meets the requirements under paragraph (5) of this subsection.
- (5) To be used as a refillable container under paragraph (4) of this subsection, a container shall meet the standards under § 21–107 of this article.
- (6) The term of and hours of sale for a refillable container permit issued under this subsection are as specified for the permit holder's Class B beer and light wine license OR CLASS BD-BWL LICENSE.
- (7) A holder of a refillable container permit may refill only a refillable container that meets the standards under § 21–107 of this article.

- (8) The Board of License Commissioners may adopt regulations to implement the provisions of this subsection relating to the issuance of a refillable container permit.
- (9) (i) In this paragraph, "establishment" means a bowling alley, billiard hall, or drugstore or a restaurant located within these businesses.
- (ii) A license may not be issued to, or for use in conjunction with, or upon the premises of any establishment or for use upon any premises which has a door, archway, opening or other passageway providing direct public access to any establishment.

  6–201.
  - (q) (1) (i) This subsection applies only in Montgomery County.
    - (7) (I) THERE IS A CLASS BD-BWL LICENSE.
- (II) A CLASS BD-BWL LICENSE AUTHORIZES THE HOLDER TO SELL:
- 1. BEER AND WINE FOR CONSUMPTION ON OR OFF THE LICENSED PREMISES; AND
- 2. LIQUOR FOR CONSUMPTION ONLY ON THE LICENSED PREMISES.
- (III) 1. AS A PREREQUISITE FOR THE INITIAL ISSUANCE OF A LICENSE UNDER THIS PARAGRAPH, THE OWNER SHALL ATTEST IN A SWORN STATEMENT THAT GROSS RECEIPTS FROM FOOD SALES WILL BE AT LEAST EQUAL TO 40% OF THE GROSS RECEIPTS FROM THE SALE OF FOOD AND ALCOHOLIC BEVERAGES:
- A. FROM 9 A.M. TO 9 P.M. ON MONDAY, TUESDAY, WEDNESDAY, THURSDAY, FRIDAY, AND SATURDAY; AND
  - B. From 10 A.M. TO 9 P.M. ON SUNDAY.
- 2. As a prerequisite for each renewal of a License issued under this paragraph, the owner shall attest in a sworn statement that the gross receipts from food sales for the 12-month period immediately preceding the application for renewal have been at Least equal to 40% of the gross receipts from the sale of food and alcoholic beverages:

A. FROM 9 A.M. TO 9 P.M. ON MONDAY, TUESDAY, WEDNESDAY, THURSDAY, FRIDAY, AND SATURDAY; AND

- B. From 10 a.m. to 9 p.m. on Sunday.
- 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.
- A. AT LEAST MONTHLY PHYSICAL INSPECTIONS OF THE PREMISES DURING THE INITIAL LICENSE YEAR OF ANY LICENSEE; AND
- B. 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. A. IF A LICENSEE DURING THE INITIAL LICENSE YEAR FAILS TO MAINTAIN THE SALES RATIO REQUIREMENT PROVIDED IN THIS PARAGRAPH FOR 3 CONSECUTIVE MONTHS OR, AFTER THE INITIAL LICENSE YEAR, FOR EACH LICENSE OR CALENDAR YEAR, THE BOARD MAY REVOKE THE LICENSE.
- B. THE BOARD MAY REQUIRE A LICENSEE TO PROVIDE SUPPORTING DATA AS THE BOARD CONSIDERS NECESSARY TO ESTABLISH THAT THE REQUIREMENTS OF THIS SUBPARAGRAPH RELATING TO THE RATIO OF GROSS RECEIPTS FROM THE SALE OF FOOD TO THOSE FROM THE SALE OF ALCOHOLIC BEVERAGES HAVE BEEN MET.
- $\frac{\text{(HI)}}{\text{(IV)}}$  A holder of a Class BD-BWL license may also hold a Class 7 micro-brewery license issued for a location in the County.
- $\frac{\text{(IV)}}{\text{(V)}}$  A LICENSE HOLDER MAY NOT HOLD MORE THAN  $\frac{10}{2}$  Class BD–BWL  $\frac{1}{\text{LICENSES}}$  LICENSE.
  - $\frac{\text{(V)}}{\text{(VI)}}$  ON ANY DAY OF THE WEEK, THE HOURS OF SALE ARE:
- $1. \hspace{0.5cm} \textbf{FOR} \hspace{0.1cm} \textbf{CONSUMPTION} \hspace{0.1cm} \textbf{ON} \hspace{0.1cm} \textbf{THE} \hspace{0.1cm} \textbf{LICENSED} \hspace{0.1cm} \textbf{PREMISES,} \\ \textbf{FROM} \hspace{0.1cm} \textbf{10} \hspace{0.1cm} \textbf{a.m.} \hspace{0.1cm} \textbf{TO} \hspace{0.1cm} \textbf{2} \hspace{0.1cm} \textbf{a.m.} \hspace{0.1cm} \textbf{THE} \hspace{0.1cm} \textbf{FOLLOWING} \hspace{0.1cm} \textbf{DAY;} \hspace{0.1cm} \textbf{AND} \\ \\$

2. FOR CONSUMPTION OFF THE LICENSED PREMISES, FROM 6 A.M. TO 1 A.M. THE FOLLOWING DAY.

(VI) (VII) THE ANNUAL FEE FOR A CLASS BD-BWL LICENSE IS \$3,500.

<u>8–216.</u>

- (d) (1) The Montgomery County Board of License Commissioners may issue, renew, and transfer and otherwise provide for [8] THE FOLLOWING classes of alcoholic beverages licenses in the City of Takoma Park [as follows]:
- (i) Class B (on- and off-sale) beer and light wine, hotel and restaurant licenses;
  - (ii) Class H (on-sale) beer and light wine, hotel and restaurant

licenses;

(iii) Class B (on-sale) beer, wine and liquor, hotel and restaurant

<u>licenses;</u>

- (iv) Class H-TP (on-sale) beer license;
- (v) Class D-TP (on– and off–sale) beer and light wine license;
- (vi) Class A–TP (off–sale) beer, wine and liquor license;
- (vii) Class C-TP (on-sale) beer, wine and liquor license; [and]
- (viii) Beer and wine sampling or tasting (BWST) licenses issued under § 8–408.3 of this title; AND

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  $1,\,2015.$ 

Approved by the Governor, April 14, 2015.