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**By: Montgomery County Delegation**

Introduced and read first time: January 31, 1997

Assigned to: Economic Matters

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A BILL ENTITLED

1 AN ACT concerning

2 **Montgomery County - Alcoholic Beverages**  
3 **(Dispensary System)**  
4 **MC 723-97**

5 FOR the purpose of terminating in Montgomery County the alcoholic beverages  
6 dispensary system and the Department of Liquor Control; repealing certain powers,  
7 duties, and obligations of the Department of Liquor Control and the Liquor Control  
8 Board; providing for a certain termination date for the retail dispensary system,  
9 subject to a certain contingency; providing for a certain termination date for the  
10 wholesale dispensary system, subject to a certain contingency; authorizing the  
11 Department of Liquor Control to terminate the dispensary system, liquidate the  
12 stock, and distribute the profits; providing for a delayed effective date; and  
13 generally relating to the termination of the alcoholic beverages dispensary system  
14 and the control of sales of alcoholic beverages in Montgomery County.

15 BY repealing

16 Article 2B - Alcoholic Beverages  
17 Section 12-216, 15-205(k), 15-206(d), 15-207(e), and 15-209  
18 Annotated Code of Maryland  
19 (1996 Replacement Volume)

20 BY repealing and reenacting, without amendments,

21 Article 2B - Alcoholic Beverages  
22 Section 15-207(a)  
23 Annotated Code of Maryland  
24 (1996 Replacement Volume)

25 BY repealing and reenacting, with amendments,

26 Article 2B - Alcoholic Beverages  
27 Section 15-201 through 15-204, 15-205(a), 15-208, and 15-210  
28 Annotated Code of Maryland  
29 (1996 Replacement Volume)

30 BY adding to

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1 Article 2B - Alcoholic Beverages  
2 Section 18-202 to be under the amended subtitle "Subtitle 2. Local Transitions"  
3 Annotated Code of Maryland  
4 (1996 Replacement Volume)

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

7 **Article 2B - Alcoholic Beverages**

8 [12-216.

9 (a) In Montgomery County the holders of beer licenses, Classes A, B, C, and D  
10 and beer and light wine licenses, Classes B, C, and D and beer, wine and liquor licenses,  
11 Classes B and C, shall not be authorized to sell any alcoholic beverages, except those  
12 purchased from the Board of Liquor Control for Montgomery County.

13 (b) It shall be unlawful for any druggist or apothecary using or dispensing  
14 alcoholic beverages under the provisions of this article to use or dispense any such  
15 beverages except those purchased from the Liquor Control Board for Montgomery  
16 County. If any person, persons, house, company, association or body corporate shall  
17 violate any of the provisions of this subsection, he, she, it or they shall, upon each and  
18 every conviction, forfeit and pay a fine of not less than one hundred dollars (\$100.00) nor  
19 more than two thousand dollars (\$2,000.00), and the cost of prosecution and be confined  
20 in the Maryland House of Correction for not less than three months nor more than two  
21 years or both fine and imprisonment in the discretion of the court.]

22 15-201.

23 (a) There is hereby constituted and established in each county a liquor control  
24 board, to be appointed and to have the tenure, compensation, powers and duties as  
25 provided in this subtitle[; provided that in Montgomery County there is hereby  
26 constituted and established, effective July 1, 1951, a Department of Liquor Control, which  
27 shall be a department of the County government under the general supervision of the  
28 chief administrative officer, and which shall have the powers of a liquor control board as  
29 defined in § 15-205 of this subtitle. Whenever used in this subtitle the words "liquor  
30 control board" or "board" shall be construed to apply to the Department of Liquor  
31 Control in Montgomery County whenever such construction would be reasonable].

32 (b) Except in Harford County, the liquor control board shall consist of three  
33 members in each county. Those persons who are members of the respective boards on  
34 June 1, 1947, shall continue as such for the balance of the period for which they may have  
35 been appointed or elected, according to the terms and conditions of their original  
36 appointment or election. [Provided that in Montgomery County, effective July 1, 1951,  
37 there is hereby created the position of Director of the Department of Liquor Control,  
38 who shall be the chief administrative officer of said Department of Liquor Control.] In  
39 Harford County, the Liquor Control Board consists of 5 members.

40 (c) (1) The members of the respective boards shall be appointed by the  
41 Governor with the advice and consent of the Senate.

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1 (2) In Somerset County Board members shall be appointed by the  
2 Governor.

3 (3) (i) Nominees shall be selected for vacancies on the Harford County  
4 Liquor Control Board with consideration given to geographical representation.

5 (ii) The appointment process to fill vacancies on the Harford County  
6 Liquor Control Board is as follows:

7 1. The County executive shall present a list of nominees to the  
8 Harford County Delegation to the Maryland General Assembly for their advice and  
9 consent. The list shall contain a minimum of 3 names for each vacancy and be presented  
10 60 days prior to the occurrence of the vacancy;

11 2. Within 7 working days from the receipt of the list from the  
12 County executive, the Harford County Delegation shall consent by approving the  
13 nominees or by deleting names from the list of nominees. If the delegation fails to act on  
14 the list within the 7 working day period, all of the nominees are, by operation of the law,  
15 automatically consented to as originally submitted by the County executive;

16 3. Within 7 working days of the receipt of the list that was acted  
17 upon by the delegation, the County executive may replace any nominee that was deleted  
18 by the delegation and may resubmit the list for delegation approval in accord with  
19 subparagraph 2 of this paragraph;

20 4. The County executive shall submit 1 of the nominees for each  
21 vacancy to the County Council for its advice and consent.

22 (4) In Garrett County, the members of the Board shall be appointed by the  
23 Governor. He shall appoint two members of the Board who are members of that political  
24 party which has elected a majority of the members of the Board of County Commissioners  
25 and one member of the Board from that political party other than the one electing a  
26 majority of the Board of County Commissioners. The appointments shall be confirmed by  
27 the House of Delegates if there is no resident Senator elected from the County.

28 [(6)] (5) In Garrett and Harford Counties the Board shall also be known as  
29 the Board of License Commissioners of these respective Counties, upon which shall be  
30 devolved all the duties and rights given elsewhere in this article.

31 [(7) In Montgomery County, the director of the Department of Liquor  
32 Control shall be appointed by the County executive with the approval of the County  
33 Council. The director of the Department of Liquor Control serves at the pleasure of the  
34 County executive. There is also an advisory board which consists of five members who  
35 shall be appointed and removed by the County executive with the approval of the County  
36 Council. All members shall be residents of Montgomery County, and of the five members,  
37 only one shall be a bona fide holder of either a Class B or C beer, wine and liquor license  
38 in Montgomery County and only one shall be a bona fide license holder of any other class  
39 license in Montgomery County. The members of the Board may not receive any  
40 compensation, but are entitled to necessary expenses in connection with their duties. Of  
41 the members first appointed, one shall serve a term of two years from June 1, 1976, two  
42 shall serve a term of three years from June 1, 1976, two shall serve a term of four years  
43 from June 1, 1976, and their successors shall fill the unexpired portion of the term or four

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1 years for the new term as the case may be. The Board shall have three ex officio members  
2 including the director of the Department of Liquor Control, the superintendent of police  
3 and the chairman of the Board of License Commissioners. The advisory board shall  
4 report to the County executive periodically but at least quarterly on recommendations for  
5 the improvement of the alcoholic beverages control and enforcement activities of the  
6 County and of the operations of the dispensary and distribution systems from the  
7 standpoint of efficiency, service and convenience to the public.]

8 (d) In computing the time at which appointments to the several boards normally  
9 expire, and when new terms of office begin, the following dates shall be used:

10 (1) Harford County -- First Monday in April, 1941. One appointment shall  
11 expire each year.

12 [(2) Montgomery County -- May 1, 1945. Provided that the members whose  
13 terms expire on May 1, 1951, shall continue in office until July 1, 1951, or until the  
14 Department of Liquor Control is established.]

15 [(3)] (2) Somerset County -- June 1, 1943.

16 [(4)] (3) Wicomico County -- July 1, 1977.

17 [(5)] (4) Worcester County -- June 1, 1975. Initial appointments shall be  
18 for two, three and four years. Their successors shall be appointed to regular four-year  
19 terms.

20 [(6)] (5) Garrett County -- June 1, 1966. Initial appointments shall be for  
21 two, four and six years.

22 (e) (1) Except as provided in paragraph (2) of this subsection, members of the  
23 boards shall serve for a term of two years.

24 (2) Members of the boards in the following counties shall serve for terms as  
25 specified:

- 26 (i) Garrett County.....6 years
- 27 (ii) Harford County.....3 years
- 28 (iii) Somerset County.....4 years
- 29 (iv) Worcester County.....4 years

30 (f) Members appointed to the several boards shall be residents and voters of the  
31 county in which appointed, and shall be persons of high character, integrity, and  
32 recognized business capacity. In Harford County they shall also be taxpayers of said  
33 County. [In Montgomery County, qualifications of the director of the Department of  
34 Liquor Control shall be determined by the County executive.] In Garrett County no  
35 person may be appointed to the Board who is then serving as a County Commissioner for  
36 the County and no person may be appointed to the Board who is receiving any other  
37 compensation from the County.

38 (g) The board in each county shall organize by electing its own chairman.

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1 (h) Members of the several boards shall receive compensation as follows:

2 (1) Garrett County -- The salary of the members of the Liquor Control  
3 Board of Garrett County shall be set by the County Commissioners in accordance with  
4 Chapter 91 of the Public Local Laws of Garrett County. Each member is entitled to a  
5 mileage fee in amounts equal to the mileage fees provided for in the Standard State  
6 Travel Regulations when attending meetings.

7 (2) In Harford County:

8 (i) The Chairman of the Board shall receive an annual compensation  
9 of \$4,500;

10 (ii) Each member of the Board shall receive an annual compensation  
11 of \$4,000; and

12 (iii) The Chairman and each member of the Board shall receive any  
13 additional compensation that the County Council deems appropriate.

14 [(4) Montgomery County -- The salary of the Director of the Department of  
15 Liquor Control shall be fixed by the County Executive with the approval of the County  
16 Council.]

17 [(5)] (3) In Somerset County:

18 (i) The chairman \$2,500 annually; and

19 (ii) Each member \$2,000 annually.

20 [(6)] (4) Wicomico County -- \$2,000 per annum, and a salary of \$2,500 per  
21 annum for the Chairman of the Board.

22 [(7)] (5) Worcester County -- The Worcester County Liquor Control Board  
23 shall receive the salary set by the Worcester County Commissioners, but which may not be  
24 less than \$2,500, and a mileage fee when attending meetings of the Board.

25 (i) (1) Except as otherwise provided in this subsection, the Board shall meet as  
26 frequently as in their respective opinions may be necessary for the public business.

27 (2) In Worcester County they shall meet at least once each week; in  
28 Somerset County they shall meet at least twice each month.

29 (3) In Harford County they shall meet at least fifty times each year, but the  
30 chairman may cancel any of those meetings for lack of an agenda.

31 (4) [In Montgomery County, the director of the Department of Liquor  
32 Control shall devote all his time to the duties of his office.

33 (5)] In Garrett County the Board shall meet at least once each month.

34 (j) In case of a vacancy on an appointive board for any reason whatever, it shall  
35 be filled for the unexpired term in the same manner as the original appointment; except  
36 that in Worcester County the vacancy shall be filled by the Governor with the advice and  
37 consent of the Senate.

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1 (k) In Harford County the members of the Board shall each give a bond to the  
2 County in an amount to be prescribed from time to time by the County Executive and  
3 County Council for the faithful performance of the duties of their office, the premium on  
4 said bonds to be paid by the Board from the gross receipts derived from the operation of  
5 the dispensaries.

6 15-202.

7 (a) For the purpose of providing the liquor control board with an adequate  
8 working capital for acquiring, establishing and operating a county dispensary, or branch  
9 dispensaries, together with warehouse facilities, as found necessary under this subtitle,  
10 the board of county commissioners of each county is hereby authorized and empowered  
11 from time to time to advance a sum of money to the liquor control board of such county.  
12 Said board of county commissioners is hereby authorized and empowered to borrow upon  
13 the credit of the county in order to advance such moneys to said liquor control board,  
14 issuing therefor such notes, certificates of indebtedness and/or bonds as in the discretion  
15 of the board of county commissioners are found necessary.

16 (b) (1) The liquor control board may borrow money from time to time from any  
17 banking institution on its own credit.

18 (2) The aggregate sum advanced to or borrowed by the liquor control board  
19 may not exceed the following amounts:

20 (i) Harford County - \$75,000

21 (ii) Somerset County - \$50,000

22 (iii) Wicomico County - \$25,000

23 (iv) Worcester County - \$500,000.

24 (c) (1) The interest rate limitation provided in paragraph (2) of this subsection  
25 does not apply in the following jurisdictions:

26 (i) Harford County;

27 (ii) Somerset County; and

28 (iii) Worcester County.

29 (2) All funds advanced to the liquor control board by the county  
30 commissioners, and all funds borrowed by the county commissioners or the liquor control  
31 board for the purposes of this subtitle, shall bear interest at the lowest rate possible, not  
32 exceeding 6 percent a year. All these sums advanced or borrowed, together with the  
33 interest on them, shall be repaid from the receipts from sales made at the county liquor  
34 dispensary, or branch dispensaries.

35 (3) In Worcester County, any borrowed funds expended for the use of  
36 supplies or equipment are to be amortized over a term of five years.

37 [(d) The provisions of this section shall not apply to the Department of Liquor  
38 Control of Montgomery County, provided that nothing herein shall be construed to affect  
39 the validity of any notes, certificates of indebtedness and/or bonds, or obligations of any

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1 kind which may have been heretofore incurred by the Liquor Control Board of  
2 Montgomery County.]

3 15-203.

4 (a) (1) The liquor control boards may establish and maintain stores to be known  
5 as "county liquor dispensaries", for the sale of any sparkling or fortified wine and any  
6 other alcoholic beverages containing more than 14 percent of alcohol by volume, in sealed  
7 packages or containers. These packages or containers may not be opened nor their  
8 contents consumed upon the premises where sold.

9 [(2) In Montgomery County they may sell any alcoholic beverages.

10 (3)] (2) In the following counties they may sell any alcoholic beverages  
11 except beer:

12 (i) Somerset; and

13 (ii) Worcester.

14 (a-1) In Garrett County liquor dispensaries may be established and maintained in  
15 Grantsville (district No. 3) and in Oakland (district No. 7). The dispensaries are  
16 authorized to make Class A or "off-sales" of wine and liquor. All liquor and wines sold by  
17 Class B and C (on-sale) beer, wine and liquor licenses may be purchased from a Garrett  
18 County liquor dispensary or any licensed wholesale supplier. If the Garrett County Liquor  
19 Control Board maintains County liquor dispensaries, any licensee, except the holders of  
20 special Class D licenses, having wine or liquor in his possession on the licensed premises  
21 which is not purchased from a Garrett County liquor dispensary shall suffer a revocation  
22 of his license for the sale of beer, wine and liquor unless the licensee reports these  
23 purchases, and pays to the Liquor Control Board that sum of money which the Board  
24 would charge the licensee for similar purchases, less the actual amount paid for the  
25 purchases. The Board is authorized to inspect the premises of all holders of Class B and  
26 C licenses in the County to determine their compliance with all laws applicable to the sale  
27 of beer, wines and liquors in the County.

28 [(d) In Montgomery County the County liquor dispensaries may be established at  
29 one or more locations determined by the Director of the Department of Liquor Control  
30 with the approval of the County Executive.

31 (e)] (B) In Somerset County the County liquor dispensaries may be established  
32 and maintained only at Crisfield, in the West Princess Anne election district, and in  
33 Dublin election district.

34 [(f)] (C) In Worcester County the County liquor dispensaries may be established  
35 and maintained only at Pocomoke City, Snow Hill, Berlin and Ocean City, and in any  
36 rural areas that may be approved by the Liquor Control Board and the County  
37 Commissioners of Worcester County.

38 15-204.

39 (a) The liquor control board in each county shall have an absolute monopoly of  
40 the sale and distribution of the particular alcoholic beverages which elsewhere in this  
41 subtitle it is empowered to sell.

1 [(b) Provided, that in Montgomery County no person, firm, or corporation shall  
2 keep for sale any alcoholic beverage not purchased from the Department of Liquor  
3 Control for Montgomery County, provided, however, that nothing in this subsection shall  
4 apply to holders of Class F licenses, to the holder of a wholesaler's license or a beer  
5 wholesaler's license who shall not sell or deliver any alcoholic beverage in Montgomery  
6 County for resale except to a County liquor dispensary.]

7 [(d)] (B) In Wicomico County, the County dispensaries shall make wholesale sales  
8 of all liquors at a markup of not more than 15 percent above the operating cost to the  
9 dispensary to any licensee of a Class A, B, or C beer, wine and liquor license.

10 15-205.

11 The liquor control board of each county shall have full power and authority within  
12 its county:

13 (a) (1) [(i)] To appoint such employees as may be necessary to conduct such  
14 county liquor dispensary or branch dispensaries, fix their compensation and require such  
15 bonds for the faithful performance of their duties as the board may in each case  
16 determine.

17 [(ii) In Montgomery County, effective July 1, 1951, the positions of  
18 General Manager and Treasurer of the Liquor Control Board are hereby abolished. All  
19 existing employees of the Board, except those whose positions are abolished herein, shall  
20 be entitled to continue to be employed on probation of six months duration at their  
21 existing salaries subject to passing qualifying examinations and regulations of the County  
22 Personnel Board. All employees of the Department except the Director shall be  
23 appointed and hold their positions subject to the regulations. The office of the County  
24 Attorney shall furnish legal services to the Department.]

25 (2) This paragraph applies only to Garrett County. The position of clerk of  
26 the Board of License Commissioners is abolished as of July 1, 1987. The County  
27 Commissioners shall provide administrative, clerical, and accounting services to the  
28 Board of License Commissioners as are needed in the execution of their duties under the  
29 provisions of this article. The County Commissioners shall provide legal counsel to the  
30 Board of License Commissioners through the office of the County Attorney or bear the  
31 expense of competent private legal counsel for the Board.

32 [(k) (1) In Montgomery County, in addition to the powers already enumerated in  
33 this section, which powers are subject to the approval of the County Executive, the  
34 director of the Department of Liquor Control shall have power to acquire, with the  
35 approval of the County Executive, by lease, purchase or otherwise, such real or personal  
36 property as may be deemed necessary by the director to operate dispensaries, stores or  
37 warehouses. He may acquire, by purchase or otherwise, any alcoholic beverages from any  
38 source for resale. Except for purchases of merchandise for resale, all purchases shall be  
39 made through the County purchasing office.

40 (2) Effective July 1, 1951, the title to all real and personal property now  
41 used by or in the name of the Liquor Control Board, including money in banks, credits,  
42 accounts receivable, trucks, automobiles, equipment, stock in trade, leases, franchises,  
43 contracts and the title to the liquor dispensary building located in Silver Spring,

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1 Maryland, more particularly described in a deed dated July 27, 1943, and recorded among  
2 the land records of Montgomery County in Liber 917, folio 156, shall be and is hereby  
3 vested in Montgomery County, Maryland. Nothing in this subtitle shall be construed to  
4 impair the validity of any outstanding contracts or obligations of any nature to which the  
5 Liquor Control Board has heretofore become a party.]

6 15-206.

7 [(d) In Montgomery County the Department of Finance shall keep accurate  
8 records of all purchases of alcoholic beverages, and also shall prepare and forward to the  
9 County Council and the County Executive of Montgomery County an annual report for  
10 the prior fiscal year.]

11 15-207.

12 (a) Profits and reserves shall be accounted for as follows:

13 [(e) All moneys derived from the sale of alcoholic beverages shall be deposited in  
14 a bank or banks located within Montgomery County in the name of Montgomery County,  
15 Maryland, and such money shall be disbursed by the Director of Finance in the same  
16 manner as other County funds. There shall be an adequate balance of working capital  
17 within the County's Liquor Control Fund as determined by the Director of the  
18 Department of Liquor Control and the Director of Finance and shall be subject to the  
19 approval of the County Executive. The amount of the working capital shall be adequate to  
20 provide for the continued operation of the dispensary system. The net profits derived  
21 from the sale of alcoholic beverages shall be applied in the first instance toward the  
22 payment of current interest and retirement charges on such notes, certificates of  
23 indebtedness and/or bonds as may be issued by the County Council for the purpose of  
24 raising funds for the establishment and operation of the dispensary system. Secondly, the  
25 net proceeds shall be applied to the maintenance of adequate working capital. Thirdly,  
26 the balance of the net proceeds shall be deposited as general funds of Montgomery  
27 County.]

28 15-208.

29 (a) No member or employee of a liquor control board shall have any financial  
30 interest, directly or indirectly, in the manufacture of any alcoholic beverage, or in any  
31 alcoholic beverage purchased or sold under the provisions of this article or derive any  
32 profit or remuneration from the purchase or sale of any such beverage other than the  
33 salary or wages payable for the discharge of the duties of the office or position, as herein  
34 prescribed or authorized.

35 (B) Any member of the board, or any employee of said board, violating the  
36 provisions of this subsection shall, upon conviction, be subject to a fine not exceeding  
37 [two thousand dollars (\$2,000.00)] \$2,000 or to imprisonment, not exceeding three years,  
38 or both fine and imprisonment, in the discretion of the court.

39 [(b) (1) In Montgomery County, an employee of the Department of Liquor  
40 Control for Montgomery County, a member of the Montgomery County Council, or the  
41 Montgomery County Executive may not have any financial interest, directly or indirectly,  
42 in the sale, manufacture, blending, brewing, distilling, rectifying or wholesaling of any  
43 alcoholic beverage purchased or sold under the provisions of this article. An employee of

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1 the Department of Liquor Control may not have any interest in any license issued under  
2 the provisions of this article. An employee of the Department of Liquor Control may not  
3 solicit or receive directly or indirectly, any fee, commission, gratuity, emolument,  
4 remuneration, reward, present or sample of any alcoholic beverage, from any person,  
5 partnership, firm or corporation, agents, servants or employees, engaged in the sale,  
6 manufacture, blending, brewing, distilling, rectifying, wholesaling or distribution of  
7 alcoholic beverages, or any licensee licensed under the provisions of this article, or to  
8 derive any profit or remuneration from the purchase or sale of any such beverage other  
9 than the salary or wages payable by the County for the discharge of the duties as herein  
10 prescribed or authorized.

11 (2) In Montgomery County, a person, firm, association or corporation,  
12 engaged in the manufacture, sale, blending, brewing, distilling, rectifying, wholesaling or  
13 distribution of alcoholic beverages (or any agent, servant, or employee thereof), and a  
14 licensee (or employee thereof) licensed under the provisions of this article, may not  
15 directly or indirectly offer, pay or give any fee, emolument, remuneration, reward,  
16 present, commission, gratuity, or sample of any alcoholic beverages or make any gift of  
17 any value whatever to any employee of the Department of Liquor Control for  
18 Montgomery County, or any member of the Montgomery County Council, or the  
19 Montgomery County Executive.

20 (3) This subsection does not prevent any manufacturer, brewer, wholesaler  
21 or dealer in alcoholic beverages now selling or in the future attempting to sell or selling  
22 alcoholic beverages to the Department of Liquor Control from giving and delivering  
23 samples of alcoholic beverages to the Department. Any person, firm or corporation  
24 delivering samples of alcoholic beverages to the Department shall obtain an official  
25 receipt, signed by the Director of the Department of Liquor Control, stating in detail the  
26 amount and description of the sample, which samples, when so received, shall be  
27 inventoried and sold as are other beverages purchased by the Department.

28 (4) Subject to the provisions of the Montgomery County Public Ethics Law,  
29 the Department of Liquor Control may grant exceptions to the restrictions of this  
30 subsection relating to dual employment by employees of the Department of Liquor  
31 Control whose employment by an alcoholic beverages licensee directly relates to the  
32 performing arts.

33 (5) Any person, firm, association, corporation or licensee violating the  
34 provisions of this subsection shall be fined not more than \$5,000 or imprisoned not more  
35 than 12 years, or both.]

36 [15-209.

37 The Department of Liquor Control for Montgomery County shall have the  
38 immunity from liability described under § 5-318 of the Courts and Judicial Proceedings  
39 Article.]

40 15-210.

41 This subtitle shall apply to Garrett, Harford, [Montgomery,] Kent, Somerset,  
42 Wicomico and Worcester Counties.

11

1 Subtitle 2. [Dorchester County Transition] LOCAL TRANSITIONS.

2 18-202.

3 (A) THIS SECTION APPLIES ONLY IN MONTGOMERY COUNTY.

4 (B) THE RETAIL DISPENSARY SYSTEM SHALL REMAIN IN OPERATION UNTIL  
5 SUCH TIME AS THE MONTGOMERY COUNTY COUNCIL ENACTS A COMPREHENSIVE  
6 PLAN OF LEGISLATION THAT CREATES A RATIONAL SYSTEM OF RETAIL ALCOHOLIC  
7 BEVERAGES LICENSES FOR THE COUNTY.

8 (C) (1) IF THE MONTGOMERY COUNTY COUNCIL HAS NOT ENACTED A  
9 COMPREHENSIVE PLAN FOR PRIVATE RETAIL ALCOHOLIC BEVERAGES LICENSES  
10 FOR THE COUNTY PRIOR TO APRIL 1, 2000, THE BOARD OF LICENSE COMMISSIONERS  
11 SHALL PROPOSE A PLAN OF DISPOSITION.

12 (2) IF MONTGOMERY COUNTY STILL OWNS OR OPERATES RETAIL  
13 DISPENSARY SYSTEMS ON APRIL 1, 2000, THE BOARD OF LICENSE COMMISSIONERS  
14 SHALL AUCTION THE RETAIL DISPENSARY SYSTEMS AND DEVISE A PLAN FOR  
15 AWARDDING A NEW CLASS OF LICENSES FOR THE RETAIL SALE OF DISTILLED SPIRITS.

16 (3) THE BOARD OF LICENSE COMMISSIONERS SHALL SUBMIT ITS PLAN  
17 OF DISPOSITION UNDER THIS SUBSECTION TO THE GENERAL ASSEMBLY BY  
18 OCTOBER 1, 2000.

19 (4) UNDER THE PLAN OF DISPOSITION, PREFERENCE SHALL BE GIVEN  
20 TO:

21 (I) HOLDERS OF EXISTING BEER AND WINE LICENSES;

22 (II) EMPLOYEES OF THE DEPARTMENT OF LIQUOR CONTROL WHO  
23 SEEK LICENSES FOR THEMSELVES; AND

24 (III) ORGANIZATIONS THAT COMMIT TO HIRING EMPLOYEES OF  
25 THE DEPARTMENT OF LIQUOR CONTROL.

26 (D) THE WHOLESALE DISPENSARY SYSTEM SHALL REMAIN IN OPERATION  
27 UNTIL SUCH TIME AS THE MONTGOMERY COUNTY COUNCIL ENACTS A  
28 COMPREHENSIVE PLAN OF LEGISLATION THAT CREATES A RATIONAL SYSTEM OF  
29 WHOLESALE ALCOHOLIC BEVERAGES LICENSES FOR THE COUNTY.

30 (E) (1) IF THE MONTGOMERY COUNTY COUNCIL HAS NOT ENACTED A  
31 COMPREHENSIVE PLAN FOR PRIVATE WHOLESALE ALCOHOLIC BEVERAGES  
32 LICENSES FOR THE COUNTY PRIOR TO APRIL 1, 2000, THE BOARD OF LICENSE  
33 COMMISSIONERS SHALL PROPOSE A PLAN OF DISPOSITION.

34 (2) THE BOARD OF LICENSE COMMISSIONERS SHALL SUBMIT ITS PLAN  
35 OF DISPOSITION UNDER THIS SUBSECTION TO THE GENERAL ASSEMBLY BY  
36 OCTOBER 1, 2000.

37 (3) UNDER THE PLAN OF DISPOSITION, PREFERENCE SHALL BE GIVEN  
38 TO:

39 (I) HOLDERS OF EXISTING BEER AND WINE LICENSES;

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1 (II) EMPLOYEES OF THE DEPARTMENT OF LIQUOR CONTROL WHO  
2 SEEK LICENSES FOR THEMSELVES; AND

3 (III) ORGANIZATIONS THAT COMMIT TO HIRING EMPLOYEES OF  
4 THE DEPARTMENT OF LIQUOR CONTROL.

5 SECTION 2. AND BE IT FURTHER ENACTED, That on October 1, 2001,  
6 subject to the provisions of Article 2B, § 18-202 of the Code as enacted by this Act, the  
7 retail dispensary system in Montgomery County shall be terminated.

8 SECTION 3. AND BE IT FURTHER ENACTED, That on October 1, 2000,  
9 subject to the provisions of Article 2B, § 18-202 of the Code as enacted by this Act, the  
10 wholesale dispensary system in Montgomery County shall be terminated.

11 SECTION 4. AND BE IT FURTHER ENACTED, That the Department of Liquor  
12 Control for Montgomery County shall terminate on October 1, 2001, but shall remain in  
13 effect after its termination only for purposes of terminating the dispensary system,  
14 liquidating the stock, and distributing the profits after payment of expenses and debts.  
15 Any reserve fund shall be distributed and deposited into the general funds of  
16 Montgomery County. Once these purposes have been met, the Department of Liquor  
17 Control for Montgomery County shall cease to exist, subject to the provisions of Article  
18 2B, § 18-202 of the Code, as enacted by this Act.

19 SECTION 5. AND BE IT FURTHER ENACTED, That this Act shall take effect  
20 October 1, 1997.