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**By: Delegates Crumlin and Love**

Introduced and read first time: February 10, 1997

Assigned to: Economic Matters

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A BILL ENTITLED

1 AN ACT concerning

2           **Alcoholic Beverages - Retail Stores**  
3           **(Size Limitation)**

4 FOR the purpose of imposing a statewide limitation on the amount of floor space that a  
5       retail alcoholic beverages licensee may devote to the sale of alcoholic beverages;  
6       providing restrictions and exceptions; deleting a current requirement that is  
7       operable only in Prince George's County; and generally relating to the sale of  
8       alcoholic beverages.

9 BY repealing and reenacting, without amendments,  
10       Article 2B - Alcoholic Beverages  
11       Section 9-217(a)  
12       Annotated Code of Maryland  
13       (1996 Replacement Volume)

14 BY repealing  
15       Article 2B - Alcoholic Beverages  
16       Section 9-217(m)  
17       Annotated Code of Maryland  
18       (1996 Replacement Volume)

19 BY adding to  
20       Article 2B - Alcoholic Beverages  
21       Section 9-108  
22       Annotated Code of Maryland  
23       (1996 Replacement Volume)

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

26           **Article 2B - Alcoholic Beverages**

27 9-217.

28       (a) This section applies only in Prince George's County.

29       [(m) (1) (i) In this section the following words have the meanings indicated.

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1 (ii) "Board" means the Board of License Commissioners.

2 (iii) "Food stores" includes supermarkets.

3 (iv) "Off-sale" means the sale of alcoholic beverages that are to be  
4 consumed off the licensed premises.

5 (v) "On-sale" means the sale of alcoholic beverages that are to be  
6 consumed only on the licensed premises.

7 (2) Without regard to its class of license, a licensee may not devote more  
8 than 10,000 square feet of floor space to off-sale use.

9 (3) Except as to food stores that had an alcoholic beverages license on or  
10 before January 1, 1995, floor space shall be considered the space devoted to the retail sale  
11 of alcoholic beverages for off-sale consumption which, in the case of all licenses without  
12 on-premises consumption privileges, is located within the four walls of the building from  
13 which the licensed business operates or, in the case of licenses with on-sale and off-sale  
14 privileges, is actually used for the sale, display or storage of those beverages. In all cases,  
15 floor space includes:

16 (i) Basements on licensed premises; and

17 (ii) Whatever other area off the licensed premises upon which the  
18 beverages are at any time lawfully stored.

19 (4) (i) This subsection does not prohibit the renewal or transfer of  
20 ownership or location of a license issued in conjunction with any business that on or  
21 before January 1, 1995, has in excess of 10,000 square feet devoted to off-sale use.

22 (ii) The square footage of floor space used for the sale, display, or  
23 storage of the beverages may not be expanded beyond 10,000 square feet.

24 (iii) Food stores having an alcoholic beverages license on or before  
25 January 1, 1995, may not expand the actual square footage of their alcoholic beverages  
26 departments, including sales, display, and storage areas, beyond a total of 10,000 square  
27 feet. This size shall be determined without regard to the total area available within the  
28 four walls of the business premises.

29 (iv) There is no presumption in favor of or which otherwise requires  
30 the Board to approve requests by licensees to expand the amount of space devoted to the  
31 retail sale of beverages for off-sale consumption up to 10,000 square feet unless the  
32 Board finds, based upon the evidence presented to them, that:

33 1. The expansion is necessary to accommodate the public; and

34 2. The licensee otherwise continues to meet the criteria for  
35 issuance or transfer of a license and whatever other conditions are imposed by the  
36 Board.]

37 9-108.

38 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS  
39 INDICATED.

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1 (2) "BOARD" MEANS THE BOARD OF LICENSE COMMISSIONERS OF EACH  
2 COUNTY AND BALTIMORE CITY.

3 (3) "FOOD STORES" INCLUDES SUPERMARKETS.

4 (4) "OFF-SALE" MEANS THE SALE OF ALCOHOLIC BEVERAGES THAT  
5 ARE TO BE CONSUMED OFF THE LICENSED PREMISES.

6 (5) "ON-SALE" MEANS THE SALE OF ALCOHOLIC BEVERAGES THAT ARE  
7 TO BE CONSUMED ONLY ON THE LICENSED PREMISES.

8 (B) WITHOUT REGARD TO ITS CLASS OF LICENSE, A LICENSEE MAY NOT  
9 DEVOTE MORE THAN 10,000 SQUARE FEET OF FLOOR SPACE TO OFF-SALE USE.

10 (C) EXCEPT AS TO FOOD STORES THAT HAD AN ALCOHOLIC BEVERAGES  
11 LICENSE ON OR BEFORE OCTOBER 1, 1997, FLOOR SPACE SHALL BE CONSIDERED THE  
12 SPACE DEVOTED TO THE RETAIL SALE OF ALCOHOLIC BEVERAGES FOR OFF-SALE  
13 CONSUMPTION WHICH, IN THE CASE OF ALL LICENSES WITHOUT ON-PREMISES  
14 CONSUMPTION PRIVILEGES, IS LOCATED WITHIN THE FOUR WALLS OF THE  
15 BUILDING FROM WHICH THE LICENSED BUSINESS OPERATES OR, IN THE CASE OF  
16 LICENSES WITH ON-SALE AND OFF-SALE PRIVILEGES, IS ACTUALLY USED FOR THE  
17 SALE, DISPLAY, OR STORAGE OF THOSE BEVERAGES. IN ALL CASES, FLOOR SPACE  
18 INCLUDES:

19 (1) BASEMENTS ON LICENSED PREMISES; AND

20 (2) WHATEVER OTHER AREA OFF THE LICENSED PREMISES UPON  
21 WHICH THE BEVERAGES ARE AT ANY TIME LAWFULLY STORED.

22 (D) (1) THIS SECTION DOES NOT PROHIBIT THE RENEWAL OR TRANSFER OF  
23 OWNERSHIP OR LOCATION OF A LICENSE ISSUED IN CONJUNCTION WITH ANY  
24 BUSINESS THAT ON OR BEFORE OCTOBER 1, 1997, HAS IN EXCESS OF 10,000 SQUARE  
25 FEET DEVOTED TO OFF-SALE USE.

26 (2) THE SQUARE FOOTAGE OF FLOOR SPACE USED FOR THE SALE,  
27 DISPLAY, OR STORAGE OF THE BEVERAGES MAY NOT BE EXPANDED BEYOND 10,000  
28 SQUARE FEET.

29 (3) FOOD STORES HAVING AN ALCOHOLIC BEVERAGES LICENSE ON OR  
30 BEFORE OCTOBER 1, 1997, MAY NOT EXPAND THE ACTUAL SQUARE FOOTAGE OF  
31 THEIR ALCOHOLIC BEVERAGES DEPARTMENTS, INCLUDING SALES, DISPLAY, AND  
32 STORAGE AREAS, BEYOND A TOTAL OF 10,000 SQUARE FEET. THIS SIZE SHALL BE  
33 DETERMINED WITHOUT REGARD TO THE TOTAL AREA AVAILABLE WITHIN THE  
34 FOUR WALLS OF THE BUSINESS PREMISES.

35 (4) THERE IS NO PRESUMPTION IN FAVOR OF OR WHICH OTHERWISE  
36 REQUIRES THE BOARD TO APPROVE REQUESTS BY LICENSEES TO EXPAND THE  
37 AMOUNT OF SPACE DEVOTED TO THE RETAIL SALE OF BEVERAGES FOR OFF-SALE  
38 CONSUMPTION UP TO 10,000 SQUARE FEET, UNLESS THE BOARD FINDS, BASED UPON  
39 THE EVIDENCE PRESENTED TO IT, THAT:

40 (I) THE EXPANSION IS NECESSARY TO ACCOMMODATE THE  
41 PUBLIC; AND

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1                    (II) THE LICENSEE OTHERWISE CONTINUES TO MEET THE  
2 CRITERIA FOR ISSUANCE OR TRANSFER OF A LICENSE AND WHATEVER OTHER  
3 CONDITIONS ARE IMPOSED BY THE BOARD.

4                    SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
5 October 1, 1997.