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By: **Delegate Fulton**

Introduced and read first time: March 3, 1998

Assigned to: Rules and Executive Nominations

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A BILL ENTITLED

1 AN ACT concerning

2 **Alcoholic Beverages - Statewide Caterer's License**

3 FOR the purpose of establishing a statewide caterer's (SCAT) license to be issued by  
4 the State Comptroller to certain caterers for use throughout the State;  
5 establishing certain qualifications for license holders; requiring that license  
6 holders pay a certain annual license fee; authorizing license holders to acquire  
7 alcoholic beverages in certain ways and to serve alcoholic beverages on certain  
8 premises; authorizing boards of license commissioners to make certain  
9 investigations; requiring boards of license commissioners to report certain  
10 violations to the State Comptroller for certain disposition; requiring license  
11 holders to supply certain service personnel at catered events and to return full  
12 containers of alcoholic beverages products to their principal places of business;  
13 requiring that the sale of food must represent at least a certain percentage of the  
14 total cost at a catered event; prohibiting a license holder from catering events at  
15 a certain location or for which the license holder is the promoter or sponsor  
16 except under certain conditions; authorizing a license holder to sell and serve  
17 alcoholic beverages only during the hours and days that certain alcoholic  
18 beverages licensees may operate; authorizing the State Comptroller to issue  
19 certain regulations; and generally relating to caterer's licenses in the State.

20 BY adding to

21 Article 2B - Alcoholic Beverages

22 Section 6-701

23 Annotated Code of Maryland

24 (1996 Replacement Volume and 1997 Supplement)

25 BY repealing and reenacting, with amendments,

26 Article 2B - Alcoholic Beverages

27 Section 9-102(a)

28 Annotated Code of Maryland

29 (1996 Replacement Volume and 1997 Supplement)

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

1 **Article 2B - Alcoholic Beverages**

2 6-701.

3 (A) THIS SECTION APPLIES THROUGHOUT THE STATE.

4 (B) THE STATE COMPTROLLER MAY ISSUE A STATEWIDE CATERER'S (SCAT)  
5 LICENSE TO A PERSON WHO:

6 (1) IS ENGAGED IN THE BUSINESS OF CATERING;

7 (2) MEETS ALL STATE AND LOCAL REQUIREMENTS, AND HOLDS ALL  
8 REQUISITE LICENSES RELATING TO THE CATERING BUSINESS CONDUCTED;9 (3) HOLDS ANY CATERING LICENSE THAT MAY BE REQUIRED UNDER  
10 THIS ARTICLE IN THE LOCAL POLITICAL SUBDIVISION IN WHICH THE PERSON'S  
11 PRINCIPAL OFFICE IS LOCATED;12 (4) (I) HOLDS AN EXISTING PERMANENT RETAIL ALCOHOLIC  
13 BEVERAGES LICENSE, OTHER THAN A CLASS C LICENSE; OR14 (II) DOES NOT HOLD AN ALCOHOLIC BEVERAGES LICENSE BUT  
15 WHO HAS A PERMANENT OFFICE AND STORAGE FACILITY FOR ALCOHOLIC  
16 BEVERAGES IN THE STATE; AND

17 (5) MEETS ALL OTHER REQUIREMENTS UNDER THIS SECTION.

18 (C) THE HOLDER OF A SCAT LICENSE MAY ACQUIRE ALCOHOLIC BEVERAGES:

19 (1) IF THE HOLDER OPERATES UNDER A PERMANENT RETAIL  
20 ALCOHOLIC BEVERAGES LICENSE, THROUGH A LICENSED WHOLESALER; OR21 (2) EXCEPT AS PROVIDED IN § 15-204 OF THIS ARTICLE, THROUGH A  
22 LICENSED RETAIL DEALER LOCATED IN THE STATE THAT HAS OFF-SALE  
23 PRIVILEGES.

24 (D) THE ANNUAL LICENSE FEE FOR A SCAT LICENSE IS \$2,000.

25 (E)(1) THE HOLDER OF A SCAT LICENSE:

26 (I) MAY SERVE ALCOHOLIC BEVERAGES AT A CATERED EVENT  
27 THROUGHOUT THE STATE TO INDIVIDUALS 21 YEARS OF AGE OR OLDER ON AN  
28 UNLICENSED PREMISES OR ON A PREMISES FOR WHICH A TEMPORARY ALCOHOLIC  
29 BEVERAGES LICENSE HAS BEEN ISSUED BY THE LOCAL BOARD OF LICENSE  
30 COMMISSIONERS; AND31 (II) MAY STORE UNUSED ALCOHOLIC BEVERAGES AT THE  
32 HOLDER'S PRINCIPAL PLACE OF BUSINESS FOR USE AT FUTURE CATERED EVENTS.

1 (2) A LICENSED RETAILER WHO OPERATES SOLELY IN THE POLITICAL  
2 SUBDIVISION UNDER AUTHORITY OF THE LOCAL BOARD OF LICENSE  
3 COMMISSIONERS NEED NOT ACQUIRE A SCAT LICENSE.

4 (F)(1) TO ENFORCE THE PROHIBITIONS UNDER § 12-108 OF THIS ARTICLE  
5 AGAINST SELLING OR FURNISHING ALCOHOLIC BEVERAGES TO PERSONS WHO ARE  
6 UNDER 21 YEARS OF AGE OR VISIBLY UNDER THE INFLUENCE OF AN ALCOHOLIC  
7 BEVERAGE, THE LOCAL BOARD OF LICENSE COMMISSIONERS MAY CONDUCT  
8 INVESTIGATIONS AT CATERED EVENTS.

9 (2) IF A LOCAL BOARD OF LICENSE COMMISSIONERS DETERMINES THAT  
10 SALES HAVE BEEN MADE UNLAWFULLY, THE BOARD SHALL REPORT ITS FINDINGS  
11 TO THE STATE COMPTROLLER, WHO SHALL TAKE THE ACTION THAT THE STATE  
12 COMPTROLLER DETERMINES IS APPROPRIATE.

13 (G)(1) A HOLDER OF A SCAT LICENSE:

14 (I) SHALL SUPPLY SERVICE PERSONNEL, INCLUDING  
15 BARTENDERS AND WAITERS, AT THE EVENTS THAT THE HOLDER CATERES;

16 (II) SHALL ENSURE THAT THE SERVICE PERSONNEL ARE PRESENT  
17 AT ALL TIMES DURING THE EVENTS; AND

18 (III) MAY NOT DELIVER ALCOHOLIC BEVERAGES UNDER THE SCAT  
19 LICENSE TO A CATERED EVENT WITHOUT SERVICE PERSONNEL ON THE PREMISES.

20 (2) AT THE END OF A CATERED EVENT, ALL FULL CONTAINERS OF  
21 ALCOHOLIC BEVERAGES MUST BE RETURNED TO THE PRINCIPAL PLACE OF  
22 BUSINESS OF THE HOLDER OF THE SCAT LICENSE.

23 (H) TO ENSURE PRODUCT INTEGRITY, A PARTIAL KEG OF MALT BEVERAGE  
24 MAY NOT BE USED AT ANOTHER CATERED EVENT.

25 (I) AT EACH CATERED EVENT AT WHICH ALCOHOLIC BEVERAGES PRODUCTS  
26 ARE SERVED:

27 (1) A HOLDER OF A SCAT LICENSE SHALL HAVE AT LEAST ONE  
28 INDIVIDUAL ON-SITE WHO HAS BEEN CERTIFIED BY AN ALCOHOLIC AWARENESS  
29 PROGRAM THAT IS LICENSED BY THE STATE COMPTROLLER; AND

30 (2) THE SALE OF FOOD SHALL REPRESENT AT LEAST 70% OF THE TOTAL  
31 COST OF THE EVENT.

32 (J) EXCEPT WHEN OPERATING UNDER A PERMANENT ON-PREMISES RETAIL  
33 ALCOHOLIC BEVERAGES LICENSE ISSUED BY A LOCAL LICENSING AUTHORITY, A  
34 HOLDER OF A SCAT LICENSE MAY NOT SERVE ALCOHOLIC BEVERAGES AT THEIR  
35 PRINCIPAL OFFICE AND MAY NOT SERVE ALCOHOLIC BEVERAGES AT ANY EVENT  
36 FOR WHICH THE HOLDER IS A SPONSOR OR PROMOTER.

1 (K) THE HOLDER OF A SCAT LICENSE MAY SELL AND SERVE ALCOHOLIC  
2 BEVERAGES ONLY DURING THE HOURS AND DAYS THAT THE HOLDER OF A CLASS B  
3 LICENSE MAY OPERATE IN THE JURISDICTION WHERE THE CATERED EVENT IS  
4 CONDUCTED.

5 (L) THE STATE COMPTROLLER MAY ADOPT REGULATIONS TO ESTABLISH  
6 REPORTING REQUIREMENTS AND TO CARRY OUT THIS SECTION.

7 9-102.

8 (a) No more than one license provided by this article, except by way of renewal  
9 or as otherwise provided in this section, shall be issued in any county or Baltimore  
10 City, to any person, or for the use of any partnership, corporation, unincorporated  
11 association, or limited liability company, in Baltimore City or any county of the State,  
12 and no more than one license shall be issued for the same premises except as provided  
13 in §§ 2-201 through 2-208, [and] 2-301, AND 6-701, and nothing herein shall be  
14 construed to apply to subsections (b) and (c) of § 7-101 or to § 12-202 (pertaining to  
15 special music or dancing licenses for Anne Arundel County) of this article.

16 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
17 October 1, 1998.