
By: **Delegate Fulton**

Introduced and read first time: March 3, 1998
Assigned to: Rules and Executive Nominations
Re-referred to: Economic Matters, March 9, 1998

Committee Report: Favorable with amendments
House action: Adopted
Read second time: March 27, 1998

CHAPTER _____

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,

1 Article 2B - Alcoholic Beverages
2 Section 9-102(a)
3 Annotated Code of Maryland
4 (1996 Replacement Volume and 1997 Supplement)

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 6-701.

9 (A) THIS SECTION APPLIES THROUGHOUT THE STATE.

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

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

13 (2) MEETS ALL STATE AND LOCAL REQUIREMENTS, AND HOLDS ALL
14 REQUISITE LICENSES RELATING TO THE CATERING BUSINESS CONDUCTED;

15 (3) HOLDS ANY CATERING LICENSE THAT MAY BE REQUIRED UNDER
16 THIS ARTICLE IN THE LOCAL POLITICAL SUBDIVISION IN WHICH THE PERSON'S
17 PRINCIPAL OFFICE IS LOCATED;

18 (4) (I) HOLDS AN EXISTING PERMANENT RETAIL ALCOHOLIC
19 BEVERAGES LICENSE, OTHER THAN A CLASS C LICENSE; OR

20 (II) DOES NOT HOLD AN ALCOHOLIC BEVERAGES LICENSE BUT
21 WHO HAS A PERMANENT OFFICE AND STORAGE FACILITY FOR ALCOHOLIC
22 BEVERAGES IN THE STATE; AND

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

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

25 (1) IF THE HOLDER OPERATES UNDER A PERMANENT RETAIL
26 ALCOHOLIC BEVERAGES LICENSE, THROUGH A LICENSED WHOLESALER; OR

27 (2) EXCEPT AS PROVIDED IN § 15-204 OF THIS ARTICLE, THROUGH A
28 LICENSED RETAIL DEALER LOCATED IN THE STATE THAT HAS OFF-SALE
29 PRIVILEGES.

30 (D) THE ANNUAL LICENSE FEE FOR A SCAT LICENSE IS ~~\$2,000~~ \$750.

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

32 (I) MAY SERVE ALCOHOLIC BEVERAGES AT A CATERED EVENT
33 THROUGHOUT THE STATE TO INDIVIDUALS 21 YEARS OF AGE OR OLDER ON AN

1 UNLICENSED PREMISES OR ON A PREMISES FOR WHICH A TEMPORARY ALCOHOLIC
2 BEVERAGES LICENSE HAS BEEN ISSUED BY THE LOCAL BOARD OF LICENSE
3 COMMISSIONERS; AND

4 (II) MAY STORE UNUSED ALCOHOLIC BEVERAGES AT THE
5 HOLDER'S PRINCIPAL PLACE OF BUSINESS FOR USE AT FUTURE CATERED EVENTS.

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

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

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

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

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

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

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

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

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

30 (I) AT EACH CATERED EVENT AT WHICH ALCOHOLIC BEVERAGES PRODUCTS
31 ARE SERVED:

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

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

1 (J) EXCEPT WHEN OPERATING UNDER A PERMANENT ON-PREMISES RETAIL
2 ALCOHOLIC BEVERAGES LICENSE ISSUED BY A LOCAL LICENSING AUTHORITY, A
3 HOLDER OF A SCAT LICENSE MAY NOT SERVE ALCOHOLIC BEVERAGES AT ~~THEIR~~ THE
4 HOLDER'S PRINCIPAL OFFICE AND MAY NOT SERVE ALCOHOLIC BEVERAGES AT ANY
5 EVENT FOR WHICH THE HOLDER IS A SPONSOR OR PROMOTER.

6 (K) THE HOLDER OF A SCAT LICENSE MAY SELL AND SERVE ALCOHOLIC
7 BEVERAGES ONLY DURING THE HOURS AND DAYS THAT THE HOLDER OF A CLASS B
8 LICENSE MAY OPERATE IN THE JURISDICTION WHERE THE CATERED EVENT IS
9 CONDUCTED.

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

12 9-102.

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

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