

---

By: **Montgomery County Delegation**  
Introduced and read first time: February 3, 2004  
Assigned to: Economic Matters

---

Committee Report: Favorable  
House action: Adopted  
Read second time: March 16, 2004

---

CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Montgomery County - Alcoholic Beverages - Restaurants - East County**  
3 **License**  
4 **MC 403-04**

5 FOR the purpose of creating in Montgomery County an East County Class B  
6 (restaurant) beer, wine and liquor (on-sale) license; allowing a licensee to hold  
7 an East County license in combination with certain other alcoholic beverages  
8 licenses; specifying the boundaries of the area in which a restaurant with an  
9 East County license may be located; making a certain licensing requirement  
10 inapplicable to the holder of an East County license; and generally relating to  
11 alcoholic beverages licenses in Montgomery County.

12 BY repealing and reenacting, with amendments,  
13 Article 2B - Alcoholic Beverages  
14 Section 9-102.1  
15 Annotated Code of Maryland  
16 (2001 Replacement Volume and 2003 Supplement)

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

19 **Article 2B - Alcoholic Beverages**

20 9-102.1.

21 (a) This section applies only in Montgomery County.

1 (b) (1) In this section the following words have the meanings indicated.

2 (2) "Board" means the Board of License Commissioners.

3 (3) "Enterprise zone" has the meaning specified in Article 83A, § 5-401(f)  
4 of the Code.

5 (4) "License" means a Class B beer, wine and liquor on-sale only license.

6 (5) "Original license" means a Class B license as set forth in § 6-201(q) of  
7 this article.

8 (c) After making an application and paying the fees, the holder of an original  
9 license may obtain the additional license or licenses authorized by this section.

10 (d) (1) A licensee may obtain additional licenses for premises operated as a  
11 public hotel.

12 (2) An applicant for this additional license shall:

13 (i) Meet the minimum requirements set forth in § 6-201(a)(3) of  
14 this article. If the capital investment in the hotel exceeds \$3,000,000, the building  
15 height and elevator requirements required by that section do not apply; and

16 (ii) Have a minimum restaurant seating capacity, as specified in §  
17 6-201(a)(3) of this article, of 100 persons.

18 (e) (1) A licensee may obtain one additional license for premises which meet  
19 the qualifications specified in this subsection. For identification purposes, the  
20 additional license may be referred to as a "1-year" license.

21 (2) An applicant for this additional license shall:

22 (i) Have the applicant's place of business located in this State;

23 (ii) Have been the holder of a license for at least 1 year;

24 (iii) Operate a restaurant, as defined by regulations of the Board;

25 (iv) Have a capital investment of at least \$250,000 for restaurant  
26 facilities, excluding the cost of land and buildings; and

27 (v) Have a seating capacity of at least 125 persons.

28 (3) This is an on-sale license only.

29 (f) (1) A licensee may obtain not more than two additional licenses for  
30 premises which meet the qualifications specified in this subsection. For identification  
31 purposes, this additional license may be referred to as an enterprise zone license.

1           (2)     Each restaurant shall be located within one of two designated  
2 enterprise zones, with not more than one restaurant in each enterprise zone.

3           (3)     The requirement that the holder have been a licensee for 1 year does  
4 not apply to this subsection.

5       (g)     (1)     A licensee may obtain one additional license for premises which meet  
6 the qualifications specified in this subsection. For identification purposes, this  
7 additional license may be referred to as a "Rockville" license.

8           (2)     The restaurant shall be located within the Rockville Town Center  
9 zoned property.

10          (3)     The requirement that the holder have been a licensee for 1 year does  
11 not apply to this subsection.

12       (h)     (1)     A licensee may obtain one additional license for premises that meet  
13 the qualifications specified in this subsection. For identification purposes, each  
14 additional license may be referred to as a "Germantown" license.

15          (2)     The restaurant shall be located within the Germantown Town Center  
16 district.

17          (3)     The requirement that the holder have been a licensee for 1 year does  
18 not apply to this subsection.

19       (i)     (1)     A licensee may obtain up to one additional license for premises that  
20 meet the qualifications specified in this subsection. For identification purposes, each  
21 additional license may be referred to as a "Gaithersburg" license.

22          (2)     The restaurant shall be located within the City of Gaithersburg.

23          (3)     The requirement that the holder have been a licensee for 1 year does  
24 not apply to this subsection.

25       (j)     (1)     A licensee may obtain up to one additional license for premises that  
26 meet the qualifications specified in this subsection. For identification purposes, each  
27 additional license may be referred to as a "Montgomery Village" license.

28          (2)     The restaurant shall be located within the town sector zoned area  
29 called Montgomery Village.

30          (3)     The requirement that the holder have been a licensee for 1 year does  
31 not apply to this subsection.

32       (k)     (1)     A LICENSEE MAY OBTAIN ONE ADDITIONAL LICENSE FOR PREMISES  
33 THAT MEET THE QUALIFICATIONS SPECIFIED IN THIS SUBSECTION. FOR  
34 IDENTIFICATION PURPOSES, EACH ADDITIONAL LICENSE MAY BE REFERRED TO AS  
35 AN "EAST COUNTY" LICENSE.

1           (2)     THE RESTAURANT SHALL BE LOCATED IN AN AREA BOUNDED BY  
2 THE HOWARD COUNTY-MONTGOMERY COUNTY LINE ON THE NORTH, THE PRINCE  
3 GEORGE'S COUNTY-MONTGOMERY COUNTY LINE ON THE EAST, THE CAPITAL  
4 BELTWAY (I-495) ON THE SOUTH, AND A LINE 3,000 FEET WEST OF THE CENTER OF  
5 COLUMBIA PIKE ON THE WEST.

6           (3)     THE REQUIREMENT THAT THE HOLDER HAVE BEEN A LICENSEE FOR  
7 1 YEAR DOES NOT APPLY TO THIS SUBSECTION.

8     (L)     (1)     A licensee may obtain a maximum of two additional licenses for  
9 premises which meet the qualifications specified in this subsection. For identification  
10 purposes, each additional license may be referred to as an "incentive" license.

11           (2)     An applicant for an additional license shall:

12                   (i)     Have the applicant's place of business located in this State;

13                   (ii)    Operate a restaurant, as defined by regulations of the Board;  
14 and

15                   (iii)   Hold an enterprise zone license, a Rockville license, a  
16 Germantown license, a Gaithersburg license, [or] a Montgomery Village license, OR  
17 AN EAST COUNTY LICENSE.

18           (3)     A maximum of one incentive license may be issued for each enterprise  
19 zone license, Rockville license, Germantown license, Gaithersburg license, [or]  
20 Montgomery Village license, OR EAST COUNTY LICENSE.

21           (4)     The requirement that the holder have been a licensee for 1 year does  
22 not apply to this subsection.

23           (5)     This is an on-sale license only.

24     [(L)]   (M)     (1)     A licensee may obtain one additional license for premises which  
25 meet the qualifications specified in this subsection. For identification purposes, the  
26 additional license may be referred to as a "5-year" license.

27           (2)     An applicant for an additional license shall:

28                   (i)     Have the applicant's place of business located in this State;

29                   (ii)    Have been for at least 5 years the holder of two licenses under  
30 this section that are not restricted by location; and

31                   (iii)   Operate a restaurant, as defined by regulations of the Board.

32           (3)     This is an on-sale license only.

33     [(m)]   (N)     (1)     Subsection [(n)] (O) of this section excludes additional licenses  
34 issued pursuant to subsection (d) of this section, which relates to public hotels.

1           (2)       This section does not permit the issuance to a person or for the use of  
2 any partnership, corporation, unincorporated association, or limited liability company  
3 of more than the number of licenses specified.

4       [(n)]   (O)   (1)       A licensee that holds an original license, may obtain a  
5 maximum of five additional licenses and may not hold more than six licenses  
6 altogether.

7           (2)       Subject to the requirements of subsections (e) through [(l)] (M) of this  
8 section, a licensee may hold any combination of the following licenses:

9                   (i)       One 1-year license under subsection (e) of this section;

10                  (ii)       One 5-year license under subsection [(l)] (M) of this section;

11                  (iii)       One enterprise zone license in each of two enterprise zones  
12 under subsection (f) of this section;

13                  (iv)       One Rockville license under subsection (g) of this section;

14                  (v)       One Germantown license under subsection (h) of this section;

15                  (vi)       One Gaithersburg license under subsection (i) of this section;

16                  (vii)       One Montgomery Village license under subsection (j) of this  
17 section; [and]

18                  (viii)       ONE EAST COUNTY LICENSE UNDER SUBSECTION (K) OF THIS  
19 SECTION; AND

20                  (IX)       Two incentive licenses under subsection [(k)] (L) of this section.

21       SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
22 June 1, 2004.