By: Harford County Delegation
Introduced and read first time: February 10, 2005
Assigned to: Economic Matters
Committee Report: Favorable
House action: Adopted
Read second time: March 15, 2005

## CHAPTER

$\qquad$
1 AN ACT concerning
2
Harford County - Alcoholic Beverages - License Fees
3 FOR the purpose of altering the fees for certain alcoholic beverages licenses in 4 Harford County; repealing certain alcoholic beverages licenses in the county and establishing certain new alcoholic beverages licenses to replace them; providing for the applicability of the provisions of this Act; and generally relating to alcoholic beverages licenses in Harford County.

8 BY repealing and reenacting, without amendments,
9 Article 2B - Alcoholic Beverages
10 Section 5-101(a), 5-201(a) and (n)(1), (4), and (5), 6-201(n)(1) and (4), and 7-101(b)(1) and (d)(1)
Annotated Code of Maryland
(2001 Replacement Volume and 2004 Supplement)
BY repealing and reenacting, with amendments, Article 2B - Alcoholic Beverages Section 4-201, 5-101(n), 5-201(n)(2), (3), and (7), 5-301(a), 6-101(n), 6-201(n)(2), (3), and (5), 6-301(a), 6-704, 7-101(b)(8), (d)(9), and (v), $8-309$, and 8-503
Annotated Code of Maryland
(2001 Replacement Volume and 2004 Supplement)
BY repealing
Article 2B - Alcoholic Beverages
Section 5-301(n) and 6-301(n)

1 Annotated Code of Maryland
2 (2001 Replacement Volume and 2004 Supplement)

3 BY adding to
4 Article 2B - Alcoholic Beverages
5 Section 5-301(n) and 6-301(n)
6 Annotated Code of Maryland
7 (2001 Replacement Volume and 2004 Supplement)
8 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF 9 MARYLAND, That the Laws of Maryland read as follows:

## Article 2B - Alcoholic Beverages

11 4-201.
12 (a) A Class A light wine license may be issued only in:
(1) Baltimore County;
(2) Calvert County;
(3) Carroll County;
(4) Dorchester County;
(5) Frederick County;
(6) Garrett County;
(7) Harford County;
(8) Montgomery County;
(9) Queen Anne's County;
(10) St. Mary's County;
(11) Somerset County;
(12) Talbot County; and
(13) Washington County.
(b) (1) The annual fee for this license is $\$ 50$.
(2) In Montgomery County the annual license fee is $\$ 100$.
(3) In Garrett County, the issuing fee for this license is $\$ 50$.
(4) IN HARFORD COUNTY, THE ANNUAL FEE FOR THIS LICENSE IS $\$ 100$.
(c) A Class A light wine license may be issued by the license issuing authority 3 of the county in which the place of business is located to any holder of a Class 4
4 manufacturer's license.
5 (d) (1) The license authorizes the holder to keep for sale and to sell light 6 wines produced at the winery in any quantity to any consumer at retail at the place 7 described in the license. The light wine shall be delivered in a sealed package or 8 container which may not be opened or the contents consumed on the licensed 9 premises.

10 (2) In Montgomery County the licensee may not make more than 20,000 11 gallons of on-premises sales per year.

12 (3) In Frederick County and Baltimore County, the licensee may keep for 13 sale and sell light wines and ports that contain not in excess of 21 percent of alcohol 14 by volume produced at the winery in any quantity to any consumer at retail at the 15 place described in the license.


1 2 manufacturer's license, who makes wine from agricultural products grown in
3 Maryland. 5 exempt from quotas established by the Baltimore County Liquor Board as to the 6 number of licenses in that election district.

7 5-101.
8 (a) (1) A Class A beer and light wine license shall be issued by the license 9 issuing authority of the county in which the place of business is located. The holder of 0 the license may keep for sale and sell beer and light wines at retail, in any quantity to 1 any consumers, at the place described in the license. The holder shall deliver the beer 2 and light wines in a sealed package or container, which package or container may not 13 be opened nor its contents consumed on the premises where sold.

14 (2) The annual fee for the license shall be paid to the local collecting 15 agent before any license is issued, for distribution as provided.

16 (n) (1) This subsection applies in Harford County.
17
(2) (i)
(i) The annual license fee for a six day, Monday through Saturday, 18 license is [\$125] \$625.

27 Brewed beverages sold in bottles or cans for consumption off the premises may be sold 28 individually.

## 5-201.

30 (a) (1) A Class B beer and light wine license shall be issued by the license 1 issuing authority of the county in which the place of business is located. The holder 2 may keep for sale and sell beer and light wines at retail at any hotel or restaurant, at 3 the place described in the license, for consumption on the premises or elsewhere.
(2) The annual fee shall be paid to the local collecting agent before any 35 license is issued.
(1) This subsection applies only in Harford County.

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4 through Saturday, license which may be issued by the Liquor Control Board to bona
2. A Class B-2 6-day restaurant license is a 6-day, Monday 16 through Saturday, license which may be issued by the Liquor Control Board to 17 restaurants.
(ii) 1. The annual license fee for a Class B-2 7-day restaurant 19 license is [\$425] \$700.

21 which may be issued by the Liquor Control Board to bona fide restaurants.

26 comply with the food sale requirement set forth in § 1-102(a)(22) of this article.
(4) (i) As to any Class B-1 or B-2 restaurant license issued prior to 8 July 1, 1984, "off-sales" of licensees shall be limited to fermented beverages including 9 split bottles and brewed beverages. However, brewed beverages sold in bottles or cans
30 exceeding 12 ounces in weight or size, for consumption off the premises, may be sold
31 in a numerical quantity of less than six. If brewed beverages are sold in a
32 containerized package, the package shall hold a minimum of 6 bottles or containers.
(ii) As to any Class B-1 or B-2 restaurant license issued on or after 34 July 1, 1984, "off-sales" by Class B-1 and B-2 licensees are prohibited.
(5) Provisions relating to Class B-3 licenses are found in § 6-201(n)(3) of 36 this article.

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(7) (i) There is a 7-day Class B-4 on-sale seafood restaurant license.
(ii) The annual license fee is [\$350] \$500.
(iii) The Liquor Control Board may issue this license only to an 3 applicant who is the operator of and who has been the operator of a seafood 4 restaurant in existence prior to January 1, 1995, at the same location for which this 5 license is requested.

1 3 THROUGH SATURDAY, OR A 7-DAY CLASS C-1 BEER AND LIGHT WINE LICENSE FOR 4 THE SALE OF BEER AND LIGHT WINE FOR CONSUMPTION ON THE PREMISES ONLY TO 5 A BONA FIDE NOT FOR PROFIT ASSOCIATION OR CORPORATION THAT:

6
7 PURPOSES; AND

1. IS ORGANIZED FOR PATRIOTIC OR WAR VETERANS
(II) 1. THE ANNUAL FEE FOR A 6-DAY LICENSE UNDER THIS 12 PARAGRAPH IS $\$ 150$.
2. IS ORGANIZED FOR SOCIAL, EDUCATIONAL, OR ATHLETIC
3. HAS HELD REGULAR MEETINGS AT AN ESTABLISHED HEADQUARTERS FOR A PERIOD OF 1 YEAR PRIOR TO THE APPLICATION FOR THE LICENSE.

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2 PARAGRAPH IS $\$ 450$.

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4 PARAGRAPH IS $\$ 525$.
(II) 1. THE ANNUAL FEE FOR A 6-DAY LICENSE UNDER THIS

5 6-101.
6 (n) (1) This subsection applies only in Harford County.
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9 and liquor license is $[\$ 1,250] \$ 1,470$.
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11 Class A-2 off-sale beer, wine and liquor license is [\$800] \$980.
12 (3) Any license issued under the provisions of this section shall be issued 13 by the Liquor Control Board.
(4) Each license issued under this section is subject to:
(i) The regulations of the Board;
(ii) The provisions of this section; and
(iii) Section 5-101(n) of this article.
(5) Any licensee who holds a Class B beer, wine and liquor license under 9 § 6-201(n) of this article or a Class B beer and wine license under § 5-201(n) of this 0 article, and who has been granted an option to the existing license that allows for 1 off-sale liquor is subject to $\S 6-201(\mathrm{n})(3)$ of this article.

27 other retail items. The Board may require partitions if deemed conducive to the intent
28 of this paragraph.
29
(7) Any licensee having the off-sale option provided for in this section 30 shall continually maintain a minimum stock of $\$ 8,000$ wholesale value in beer, wine,
31 and liquor.
32 6-201.
33 (n) (1) This subsection applies only in Harford County.
34
(2) (i) The annual license fee is:

1. For a 6-day, Monday through Saturday, license:
A. $[\$ 1,600] \$ 1,720$ for a restaurant; and
B. $[\$ 2,100] \$ 2,260$ for a hotel; and
2. For a 7-day license:
A. $[\$ 1,975] \$ 2,145$ for a restaurant; and
B. $[\$ 2,475] \$ 2,685$ for a hotel.
(ii) 1. The license permits the sale of liquor for consumption 8 inside the premises only.
3. As to any 6- or 7-day restaurant or hotel license issued

10 prior to July 1,1984 , beer and wine may be sold for consumption on- and off-sale
11 pursuant to § 5-201(n) of this article.
3. As to any 6- or 7-day restaurant license issued on or after 13 July 1, 1984, beer and wine may be sold for consumption on the premises only.

14
15 Board

16 (iii) This license may be issued to an applicant for a bona fide hotel 17 which:

1. Is an establishment for the accommodation of the public, 19 providing services ordinarily found in hotels; and

22 full-course meals at least twice daily.
2. As to any such license issued prior to July 1, 1984, beer 26 and wine may be sold for consumption on- and off-sale pursuant to §5-201(n) of this
27 article.
(v) This license may be issued to an applicant for a restaurant 29 which meets the following requirements and conditions:

1. Serves full-course meals at least twice daily;
2. Has a regular seating capacity of tables, not including

32 seats at bars or counters for 60 or more persons;
(3) (i) 1 .

1. There is a "Class B-3 restaurant/hotel license", which may 10 be issued by the Liquor Control Board to a licensee who has been operating his 11 business establishment under the Class B beer, wine and liquor license for 1 year 12 prior to the application for this license and who is, in the judgment of the Board, 13 equipped and stocked for the continued regular sale of food to customers and guests 14 and does at least 25 percent of his business in the sale of food.
(ii) 1. The restaurant or hotel may purchase liquor or spirituous

21 beverages from licensed suppliers.
2. The annual license fee:
A. For a six-day, Monday through Saturday, license is [ $\$ 2,000] \$ 2,050$ for a restaurant and $[\$ 2,500] \$ 2,620$ for a hotel.
B. For a seven-day license is $[\$ 2,375] \$ 2,435$ for a restaurant
2. This subsection may not be construed to limit the powers of the Liquor Control Board to control the number of licensees under §§ 9-201 and 16-301 of this article.
3. This subsection may not contravene the provisions of §§ 10-103, 10-104, and 11-513 of this article, as the several sections may be amended from time to time.
(4) (i) Any Class B licensee who was granted an option that authorizes

1. Six-day restaurant - $\$ 350$; and
2. Seven-day restaurant - $\$ 450$.
(ii) Any licensee who has been previously granted an option under the provision of $\S 6-101(\mathrm{n})(5)$ of this article shall apply that option only to the area described in the application and that area may not exceed 20 percent of the area normally used in the operation of the restaurant business. This area shall be separate and distinct from the restaurant seating area, unless sales are merely from behind the bar. The 20 percent area limitation does not apply to additions or extensions. If

1 the application indicates that off-sale of liquor will be more extensive than from 2 behind the bar, a separate outside entrance for the use of off-sale customers shall be 3 provided.

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6 this article. However, for the purposes of meeting food sale requirements, off-sale 7 liquor receipts may not be included in the calculation of sales.

8 (5) (i) There is a special Class B on-sale license known as Class BNR
9 which may be issued only to newly opened restaurants that:

1. Have a minimum capital investment of $\$ 250,000$ for new dining room facilities and newly installed kitchen equipment, which sum may not include the cost of land, buildings, or a lease;
2. Comply with paragraph (2)(v)1 and 2 of this subsection;
(ii) The annual license fee is $[\$ 2,000] \$ 3,000$.
(iii) The licensee may serve alcoholic beverages on Monday through Sunday and only between $8 \mathrm{a} . \mathrm{m}$. and $2 \mathrm{a} . \mathrm{m}$. the following morning.
(iv) The Liquor Control Board has complete discretion as to:
3. The number of licenses to be issued; and
4. To whom these licenses shall be issued.
(v) A BNR license is restricted to the purpose of providing alcoholic beverages for consumption on the licensed premises only and provides no off-sale privileges.

6-301.
(a) (1) [A] EXCEPT AS PROVIDED IN SUBSECTION (N) OF THIS SECTION, A Class C beer, wine and liquor license shall be issued by the license issuing authority of the county in which the place of business is located. It authorizes the holder to keep for sale and sell all alcoholic beverages at retail at any club, at the place described in the license, for consumption on the premises only.
[(n) (1) This subsection applies only in Harford County.
33 34 "club and organization license" covering "on-sales" of beer, wine and liquor to the 5 members and the guests of these clubs and organizations.

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(3) The annual fee for a 6-day license is:
(i) $\$ 350$ annually for a club with from 50 to 99 bona fide 3 dues-paying members;
(iv) $\$ 1,000$ annually for a club with 451 or more such members.
(4) The license fee shall be established on the maximum number of 9 dues-paying members during the calendar year immediately preceding the 10 application for a license.

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(v) A racquet club, regardless of whether the club is operated for 2 profit, that has 75 or more bona fide members paying dues of not less than $\$ 50$ each
3 per year, which has at the time of application and continues to maintain a minimum
4 of 6 playing courts, with facilities for preparing food. No license may be issued if the
5 licensee is within 300 feet of any existing licensed establishment of any kind;
(vi) A bona fide nonprofit topiary garden that operates a public 7 museum and garden for its membership and the general public as its guests, and is 8 open to the general public for at least 6 days a week for at least 6 hours a day during 95 months a year and that has food preparation facilities on the topiary garden
10 premises for the convenience of visiting guests; or
11 (vii) A box lacrosse and indoor soccer ball club, regardless of whether 12 the club is operated for profit, if the club:

13 1. Has at the time of application and continues to maintain 14 facilities for playing box lacrosse and indoor soccer;
15 2. Has 75 or more bona fide members paying dues of not less

16 than $\$ 50$ each per year;
3. Has a facility for preparing food;
4. Is not located within 300 feet of an existing licensed

19 establishment; and
5. Permits the sale of beer, wine, and liquor only from the

21 hours of 11:30 a.m. to 12:00 a.m.]
22 (N) (1) THIS SUBSECTION APPLIES ONLY IN HARFORD COUNTY.
(2) THE LIQUOR CONTROL BOARD MAY ISSUE 6-DAY (MONDAY 4 THROUGH SATURDAY) AND 7-DAY CLASS C-1, CLASS C-2, AND CLASS C-3 (ON-SALE) ORGANIZATION OR CLUB BEER, WINE AND LIQUOR LICENSES IN ACCORDANCE WITH THIS SECTION. 27 (3) A LICENSE ISSUED UNDER THIS SUBSECTION AUTHORIZES THE 29 ON-PREMISES CONSUMPTION BY THE MEMBERS AND GUESTS OF THE CLUB OR 30 ORGANIZATION.
31
32 A BONA FIDE NATIONALLY CHARTERED NONPROFIT ORGANIZATION OR CLUB THAT:
33 1. HAS BEEN INCORPORATED FOR A PERIOD OF NOT FEWER
34 THAN 5 YEARS IMMEDIATELY BEFORE THE FILING OF THE APPLICATION FOR A
35 LICENSE UNDER THIS PARAGRAPH;

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2 ARMED FORCES OF THE UNITED STATES IN ANY WAR IN WHICH THE UNITED STATES
3 WAS ENGAGED;

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6
7 AND

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9 PUBLIC BUSINESS.
3. OPERATES SOLELY FOR THE USE OF ITS OWN MEMBERS AND ITS GUESTS WHEN ACCOMPANIED BY SUCH MEMBERS;
4. MEETS IN A CLUBHOUSE PRINCIPALLY USED FOR A CLUB;
5. IS NEITHER DIRECTLY NOR INDIRECTLY OPERATED AS A 0 (II) A CLASS C-1 LICENSE MAY BE ISSUED ONLY TO A WAR 1 VETERANS ORGANIZATION.

17 C-1 LICENSE UNDER THIS PARAGRAPH AND HAS A MEMBERSHIP OF 50 TO 99 BONA 18 FIDE MEMBERS, THE ANNUAL FEE FOR A 7-DAY (ON-SALE) CLASS C-1 LICENSE IS $19 \$ 450$.

1 (X) FOR A CLUB OR ORGANIZATION THAT QUALIFIES FOR A CLASS 2 C-1 LICENSE UNDER THIS PARAGRAPH AND HAS A MEMBERSHIP OF 451 OR MORE 3 BONA FIDE MEMBERS, THE ANNUAL FEE FOR A 7-DAY (ON-SALE) CLASS C-1 LICENSE 4 IS $\$ 1,100$. 6 LODGE OR CHAPTER OF A BONA FIDE NATIONALLY CHARTERED FRATERNAL 7 ORGANIZATION THAT IS:

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(VII) FOR A CLUB OR ORGANIZATION THAT QUALIFIES FOR A CLASS C-2 LICENSE UNDER THIS PARAGRAPH AND HAS A MEMBERSHIP OF 451 OR MORE BONA FIDE MEMBERS, THE ANNUAL FEE FOR A 6-DAY, MONDAY THROUGH SATURDAY, (ON-SALE) CLASS C-2 LICENSE IS \$1,200. 6 C-2 LICENSE UNDER THIS PARAGRAPH AND HAS A MEMBERSHIP OF 451 OR MORE 7 BONA FIDE MEMBERS, THE ANNUAL FEE FOR A 7-DAY (ON-SALE) CLASS C-2 LICENSE 8 IS \$1,300.

9 (6) (I) IN THIS PARAGRAPH THE FOLLOWING WORDS HAVE THE
10 MEANINGS INDICATED.
1 1. "MISCELLANEOUS ORGANIZATION OR CLUB" MEANS A 2 COUNTRY CLUB, RACQUET CLUB, INDOOR SOCCER BOX LACROSSE CLUB, A YACHT OR 3 BOAT CLUB, OR TOPIARY GARDEN.

14 2. "BOX LACROSSE AND INDOOR SOCCER CLUB" MEANS A 5 CLUB OR ORGANIZATION THAT:
A. MAY BE OPERATED FOR PROFIT OR NOT FOR PROFIT;
B. HAS AT THE TIME OF APPLICATION FOR THE LICENSE AND 8 CONTINUES TO MAINTAIN FACILITIES FOR PLAYING BOX LACROSSE AND INDOOR 9 SOCCER;

1
2
3 PROFIT;
4. "RACQUET CLUB" MEANS A CLUB OR ORGANIZATION:
A. THAT MAY BE OPERATED FOR PROFIT OR NOT FOR 4 5 WHOM PAYS DUES OF NOT LESS THAN \$50 PER YEAR;
(a) (1) This section applies only in Harford County.
(2) The annual license fee is [ $\$ 750$ ] $\$ 1,500$, which shall be paid to the Board before the license is issued and which shall be distributed as provided.
(3) In this section, "caterer" means an establishment that owns or leases 41 or more banquet rooms suitable for public gatherings, with food preparation
5 facilities on the premises, which contracts to provide food and alcoholic beverages to 6 sponsors of public or private events.

7 (b) (1) A Class H beer, wine and liquor license may be issued upon the 8 approval of the Liquor Control Board and authorizes the owner or operator of a 9 catering establishment to keep for sale and sell all alcoholic beverages at retail at the 10 premises described therein for consumption on the premises during the catered event.

11 (2) Notwithstanding the provisions of § 12-107 of this article or any 2 other contrary provision of this article, a caterer licensed under this section also may contract with patrons to permit them to bring personal alcoholic beverages onto the premises of the caterer for consumption at catered events.

5 (3) A caterer licensed under this section may contract to provide alcoholic 16 beverages at events held off the premises, provided that:

17 (i) The caterer contracts to provide food, as well as alcoholic 18 beverages, for consumption at the catered event; and 19 (ii) The event is held in Harford County.
(4) A caterer licensed under this section may provide food and keep and sell at retail alcoholic beverages, for consumption only on the premises of the caterer, at a self-sponsored event held once during a calendar year on a day selected by the caterer.
(c) (1) This section does not require a hotel or restaurant which presently holds a Class B beer, wine and liquor license to obtain a Class H license if catering is, or has been, a part of the service provided by the hotel or restaurant.
(2) If a holder of an existing hotel or restaurant Class B beer, wine and liquor license provides catering services on or off the licensed premises, the holder is subject to the requirements of subsection (b)(3) of this section.
(d) A beer, wine and liquor license may be issued to a caterer who has entered into an exclusive lease with a volunteer fire company for a banquet facility owned by that volunteer fire company.

7-101.
(b) (1) (i) Subject to subsection (a) of this section, a special Class C beer license or a special Class $C$ beer and wine license entitles the holder to exercise any of 6 the privileges conferred by the respective classes of licenses for the use of any person 7 holding any bona fide entertainment conducted by any club, society or association at

1 the place described in the license, for a period not exceeding seven consecutive days
2 from the effective date thereof.

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7 any person holding a bona fide entertainment conducted by a club, society, or 8 association at the place described for a period not exceeding seven consecutive days, 9 upon the payment of a fee of $\$ 15$ per day.

10
(ii) The provisions of § 11-517 of this article do not apply to holders 11 of this license. Alcoholic beverages sold under this special license shall be purchased 12 by such special license holder from retail dealers.
(9) In Harford County the fee is [\$20] $\$ 30$ per day.

14 (v) (1) This subsection applies only in Harford County.
(2) The Liquor Control Board may grant a special Class C beer and wine 16 license which entitles the holder to exercise any of the privileges conferred by that 17 class of license at any bona fide entertainment held or conducted by any county fire 18 department.

19 (3) The Board shall prescribe the form for the application and the 20 applicant shall sign it. The fee shall be paid before the license is issued.

21 (4) The annual license fees are as follows for up to:
(7) A licensee shall notify the Board in writing at least 7 days prior to 1 each event.
(8) This subsection does not preclude a fire department from obtaining a 3 single event special Class C license under other provisions of this section.

1 8-309.
2 (a) The Harford County Liquor Control Board may issue a special wine 3 festival (WF) license. 5 special WF hice shall be a 6 license, State Class 3 winery license, or State Class 4 winery license issued pursuant 7 to this article.
(c) A special WF licensee shall only display and sell wine that is produced and 9 processed in Maryland.
(d) A special WF license entitles the holder to display and sell at retail wine
(2) Shall choose a location in Harford County for this festival which does not hold an alcoholic beverages license.
(h) The Harford County Liquor Control Board shall adopt regulations for implementing this section.

## 8-503.

(a) This section applies only in Harford County.
(b) There is a Class GC (golf course) beer, wine and liquor license.
(c) The licensee shall own or operate a golf course that:
(1) Is open to the public;
(2) Is operated for profit; and
(3) Has a minimum of 18 holes.
(d) The annual license fee is $[\$ 2,200] \$ 3,500$.

1 (e) The licensee may sell beer, wine and liquor for consumption only on the 2 land and in the buildings, including the clubhouse, used for golfing purposes.
(f) A patron need not be seated to be served.
(g) The hours and days for sale are as specified in § 11-513(b)(1) of this article.
(h) The prohibition on the distance a licensee must remain from a church or 6 school specified in § 9-213 of this article does not apply to Class GC (golf course)
7 licensees.

SECTION 2. AND BE IT FURTHER ENACTED, That the provisions of Section 91 of this Act shall apply to licenses issued or renewed by the Harford County Liquor
10 Control Board as of the licensing period that begins on May 1, 2006. Nothing in this
11 Act may be construed to affect the license fees in effect during the May 1, 2005
12 through April 30, 2006 licensing period in Harford County.
13 SECTION 3. AND BE IT FURTHER ENACTED, That, subject to the provisions 14 of Section 2 of this Act, this Act shall take effect October 1, 2005.

