
By: **Delegates Bozman and Conway**
Introduced and read first time: February 1, 2006
Assigned to: Economic Matters

Committee Report: Favorable
House action: Adopted
Read second time: March 24, 2006

CHAPTER_____

1 AN ACT concerning

2 **Worcester County - Alcoholic Beverages - Class D Licenses**

3 FOR the purpose of clarifying obsolete descriptions of the boundaries of certain areas
4 in Worcester County in which Class D beer, wine and liquor licenses may be
5 issued; specifying that certain license fees set by the Worcester County
6 Commissioners may not be less than certain amounts; and generally relating to
7 alcoholic beverages in Worcester County.

8 BY repealing and reenacting, without amendments,
9 Article 2B - Alcoholic Beverages
10 Section 6-401(y)(1)
11 Annotated Code of Maryland
12 (2005 Replacement Volume)

13 BY repealing and reenacting, with amendments,
14 Article 2B - Alcoholic Beverages
15 Section 6-401(y)(2)
16 Annotated Code of Maryland
17 (2005 Replacement Volume)

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

Article 2B - Alcoholic Beverages

1 6-401.

2 (y) (1) This subsection applies only in Worcester County.

3 (2) (i) A Class D beer, wine and liquor license may be issued only
4 within:

5 1. The corporate limits of Ocean City;

6 2. The boundary lines of the 10th [election] TAXING district;

7 3. The [boundary lines of the 2nd precinct of the 3rd election
8 district; and] AREA BOUNDED BY U.S. ROUTE 50 TO THE SOUTH, TURVILLE CREEK
9 AND HERRING CREEK TO THE EAST, ST. MARTIN RIVER TO THE NORTH, AND
10 MARYLAND ROUTE 589 TO THE WEST;

11 4. The area bounded by Maryland Route 589 to the north and
12 east, U.S. Route 50 to the south, and U.S. Route 113 to the west[, all of which lie
13 within the 1st precinct of the 3rd election district]; AND

14 5. FROM THE INTERSECTION OF MARYLAND ROUTE 589 AND
15 U.S. ROUTE 50, AN AREA BOUNDED BY A LINE THAT EXTENDS 1,500 FEET SOUTH OF
16 U.S. ROUTE 50, EAST TO THE BOUNDARY OF THE 10TH TAXING DISTRICT, NORTH
17 ALONG THE 10TH TAXING DISTRICT BOUNDARY TO U.S. ROUTE 50, AND WEST TO THE
18 INTERSECTION OF MARYLAND ROUTE 589 AND U.S. ROUTE 50.

19 (ii) The annual license fee for the six-day license [is] SET BY THE
20 WORCESTER COUNTY COMMISSIONERS MAY NOT BE LESS THAN \$3,000.

21 (iii) The annual license fee for the seven-day license [is] SET BY
22 THE WORCESTER COUNTY COMMISSIONERS MAY NOT BE LESS THAN \$3,500.

23 (iv) Seven-day license holders may sell beer, wine and liquor
24 (on-sale) and beer and light wine (off-sale).

25 (v) All license fees shall go to the general funds of the county.
26 However, if the licensed premises are in a municipal corporation, 75 percent of the
27 fees shall go to that municipal corporation.

28 (vi) All licensees shall purchase all wines and liquors, except light
29 wine and beer, from the Liquor Control Board for Worcester County. They shall be
30 charged 85 percent of the retail price or any special sale price or discount price,
31 whichever is lower, set by the Board for wines and liquors. However, the price the
32 Board charges to the licensees may not be lower than 10 percent above the cost the
33 Liquor Board must pay for the merchandise to wholesalers. All licensees may
34 purchase beer and light wine from licensed wholesalers.

35 (vii) The hours for sale are as provided in § 11-524 of this article.

1 (viii) With respect to the Ocean City Convention Hall, only the
2 Convention Hall Commission and its successors may be issued an alcoholic beverages
3 license. The Commission may permit its vendors to dispense alcoholic beverages
4 pursuant to whatever license the Commission is granted. Further, the Commission
5 may contract to receive some proportion of the revenue derived from the vendor's sale
6 of alcoholic beverages. This license shall be subject to the following restrictions:

- 7 1. This monopoly may not impinge upon the provisions of §
8 7-101(u)(5) of this article;
- 9 2. Only on-sale transactions shall be permitted; and
- 10 3. Consumption of alcoholic beverages shall be restricted to
11 the premises.

12 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
13 July 1, 2006.