

HOUSE BILL 503

A2

(7lr0470)

ENROLLED BILL

— *Economic Matters / Education, Health, and Environmental Affairs* —

Introduced by **Prince George's County Delegation**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

_____ day of _____ at _____ o'clock, _____ M.

Speaker.

CHAPTER _____

1 AN ACT concerning

2 **Prince George's County – Alcoholic Beverages – Class B-DD (Development**
3 **District) License**

4 **PG 304-07**

5 FOR the purpose of creating in Prince George's County a Class B-DD (Development
6 District) 7-day beer, wine and liquor license for on-sale consumption; specifying
7 a certain annual license fee; specifying that a Class B-DD license be issued only
8 for restaurants within ~~certain areas~~ a certain area; specifying certain
9 restrictions on the transfer of a Class B-DD license; requiring the Board of
10 License Commissioners to determine the number of Class B-DD licenses to be

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike-out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.

Italics indicate opposite chamber / conference committee amendments.



issued, the persons to whom Class B-DD licenses are to be issued, and the number of licenses each recipient may hold; authorizing a holder of a Class B-DD license to hold any other alcoholic beverages license; limiting the number of Class B-DD licenses that may be issued in a certain area; ~~repealing the provisions that establish a Class B-DD license; limiting the number of Class B-DD licenses that a license holder in a certain area may hold for restaurants in that area; authorizing the Board of License Commissioners to revoke a license to enforce certain provisions; requiring certain restaurants to submit a certain monthly report to the Board of License Commissioners;~~ exempting holders of Class B-DD licenses from certain qualifications for licensees and restrictions on holding multiple licenses; specifying ~~certain areas, including in the Capital Plaza commercial area;~~ area as the area in which Class B-DD licenses may be issued; ~~repealing certain provisions allowing the holding of certain multiple Class B licenses under certain circumstances;~~ making certain stylistic changes; and generally relating to alcoholic beverages licenses in Prince George's County.

BY repealing and reenacting, without amendments,
 Article 2B – Alcoholic Beverages
 Section 6-201(r)(1)(i) and 9-217(a)
 Annotated Code of Maryland
 (2005 Replacement Volume and 2006 Supplement)

BY adding to
 Article 2B – Alcoholic Beverages
 Section 6-201(r)(15) and 9-217(f)(7)
 Annotated Code of Maryland
 (2005 Replacement Volume and 2006 Supplement)

~~BY repealing~~
~~Article 2B – Alcoholic Beverages~~
~~Section 8-1001~~
~~Annotated Code of Maryland~~
~~(2005 Replacement Volume and 2006 Supplement)~~

BY repealing and reenacting, with amendments,
 Article 2B – Alcoholic Beverages
 Section 9-101(d)(6), 9-102(a), ~~and~~ 9-217(d), (e)(5), and (f)(1)(i), (2), and (5), and 10-401(g)(5)
 Annotated Code of Maryland
 (2005 Replacement Volume and 2006 Supplement)

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

1 **Article 2B – Alcoholic Beverages**

2 6–201.

3 (r) (1) (i) This subsection applies only in Prince George’s County.

4 **(15) (I) THERE IS A CLASS B-DD (DEVELOPMENT DISTRICT)**
5 **7-DAY BEER, WINE AND LIQUOR LICENSE.**

6 **(II) ONLY ON-SALE CONSUMPTION IS PERMITTED.**

7 **(III) THE ANNUAL LICENSE FEE IS ~~\$1,000~~ \$2,750.**

8 **(IV) A CLASS B-DD LICENSE MAY BE ISSUED ONLY FOR A**
9 **RESTAURANT WITHIN AN AREA DESIGNATED IN ~~§ 9-217(F)(5)~~ § 9-217(F)(7) OF**
10 **THIS ARTICLE.**

11 **(V) OWNERSHIP OF A CLASS B-DD LICENSE MAY BE**
12 **TRANSFERRED FROM ONE LICENSE HOLDER TO ANOTHER IF THE LICENSE IS TO**
13 **BE USED AT THE SAME LOCATION BUT MAY NOT BE TRANSFERRED FOR USE AT A**
14 **DIFFERENT LOCATION.**

15 **(VI) 1. THE BOARD OF LICENSE COMMISSIONERS SHALL**
16 **DETERMINE THE NUMBER OF CLASS B-DD LICENSES TO BE ISSUED, THE**
17 **PERSONS TO WHOM CLASS B-DD LICENSES ARE TO BE ISSUED, AND THE**
18 **NUMBER OF LICENSES EACH RECIPIENT MAY HOLD.**

19 **2. NOTWITHSTANDING SUBSUBPARAGRAPH 1 OF**
20 **THIS SUBPARAGRAPH, THE BOARD OF LICENSE COMMISSIONERS MAY NOT**
21 **ISSUE A CLASS B-DD LICENSE TO ANY RESTAURANT LOCATED WITHIN THE**
22 **AREA DESCRIBED IN ~~§ 9-217(F)(5)(II)1D~~ § 9-217(F)(7) OF THIS ARTICLE, IF, AT**
23 **THE TIME OF ISSUANCE, THERE ARE FIVE ISSUANCE:**

24 **A. THERE ARE FOUR RESTAURANTS OPERATING**
25 **WITH A CLASS B-DD LICENSE WITHIN THAT AREA, AREA; OR**

26 **B. THE APPLICANT FOR THAT LICENSE IS THE**
27 **LICENSE HOLDER OF THREE CLASS B-DD LICENSES FOR RESTAURANTS**
28 **OPERATING WITHIN THAT AREA.**

(VII) NOTWITHSTANDING ANY OTHER PROVISION OF THIS ARTICLE, A LICENSE HOLDER MAY HOLD A CLASS B-DD LICENSE IN ADDITION TO ANY OTHER LICENSE ISSUED UNDER THIS ARTICLE.

(VIII) A CLASS B-DD LICENSE MAY NOT BE ISSUED TO A RESTAURANT LOCATED WITHIN A CHAIN STORE, SUPERMARKET, DISCOUNT HOUSE, DRUG STORE, OR CONVENIENCE STORE.

(IX) 1. A RESTAURANT IN THE CAPITAL PLAZA COMMERCIAL AREA DESCRIBED IN § 9-217(F)(7) OF THIS ARTICLE IS NOT ELIGIBLE FOR A CLASS B-DD LICENSE UNLESS:

A. IT SATISFIES ALL OF THE REQUIREMENTS SET FORTH IN PARAGRAPH (1)(II)3 OF THIS SUBSECTION; AND

B. ITS AVERAGE DAILY RECEIPTS FROM THE SALE OF FOOD AND NONALCOHOLIC BEVERAGES EXCEED ITS AVERAGE DAILY RECEIPTS FROM THE SALE OF ALCOHOLIC BEVERAGES.

2. THE BOARD OF LICENSE COMMISSIONERS MAY REVOKE A LICENSE IN ORDER TO ENFORCE THE PROVISIONS OF THIS SUBPARAGRAPH.

3. A LICENSE HOLDER FOR A RESTAURANT DESCRIBED IN SUBSUBPARAGRAPH 1 OF THIS SUBPARAGRAPH SHALL SUBMIT A MONTHLY REPORT TO THE BOARD OF LICENSE COMMISSIONERS OF THE RESTAURANT'S AVERAGE DAILY RECEIPTS FROM THE SALE OF FOOD AND NONALCOHOLIC BEVERAGES AND THE RESTAURANT'S AVERAGE DAILY RECEIPTS FROM THE SALE OF ALCOHOLIC BEVERAGES TO VERIFY THAT THE RESTAURANT HAS MET THE REQUIREMENTS OF SUBSUBPARAGRAPH 1 OF THIS SUBPARAGRAPH.

~~§ 1001.~~

~~(a) In this section, "district" means:~~

~~(1) A designated Maryland main street with a local management authority;~~

~~(2) A designated revitalization area; or~~

~~(3) An area with a revitalization plan that has been adopted locally.~~

~~(b) This section applies only in Prince George's County.~~

~~(c) There is a Class B RD license.~~

~~(d) (1) A Class B RD (revitalization district) license shall be issued by the office where Class B licenses are issued in the county.~~

~~(2) The license authorizes the holder to keep for sale and sell liquor at retail in any premises licensed for Class B RD sales.~~

~~(3) Only on-sale consumption is permitted.~~

~~(e) The annual license fee is \$660.~~

~~(f) All applicants for this license shall:~~

~~(1) Be located and remain within a district;~~

~~(2) Have gross sales:~~

~~(i) That do not exceed \$150,000 per year; and~~

~~(ii) Of which at least 80 percent are derived from the sale of food; and~~

~~(3) Be primarily a restaurant at which patrons are seated to eat.~~

~~(g) The hours and days for sale are as provided in § 11-517 of this article.~~

~~(h) The Board of License Commissioners shall determine the number of Class B RD (revitalization district) licenses to be issued.]~~

9-101.

(d) (6) This section does not apply to racetrack licenses, Class BLX licenses, arena licenses, Class BCE (catering) licenses, Class B/ECF (educational conference facility) licenses, **ISSUANCE, RENEWAL, OR TRANSFER OF CLASS B-DD (DEVELOPMENT DISTRICT) LICENSES**, or to businesses whose sales of stock or

interests are authorized for sale by the Securities and Exchange Commission of the United States.

9-102.

(a) No more than one license provided by this article, except by way of renewal or as otherwise provided in this section, shall be issued in any county or Baltimore City, to any person, or for the use of any partnership, corporation, unincorporated association, or limited liability company, in Baltimore City or any county of the State, and no more than one license shall be issued for the same premises except as provided in §§ 2-201 through 2-208, 2-301, and 6-701, and nothing herein shall be construed to apply to § ~~6-201(R)(15)~~, § 7-101(b) and (c), § 8-202(g)(2)(ii) and (iii), § 8-508, or § 12-202 of this article.

9-217.

(a) This section applies only in Prince George's County.

(d) This section does not apply to [licenses] **A LICENSE** issued under the provisions of § 6-201(r)(2) [or], (5), **OR (15)** or § 7-101 of this article.

(e) (5) This SUBSECTION does not apply [to any licenses or] to any license issued under § 6-201(r)(2) [or], (5), **OR (15)** or § 7-101 of this article.

(f) (1) (i) **[A] EXCEPT AS PROVIDED IN § 6-201(R)(15) OF THIS ARTICLE, A** person, whether acting on that person's behalf or on the behalf of another person or entity, corporation, association, partnership, limited partnership or other combination of persons (natural or otherwise) for whatever reason formed, may not have an interest in more than one license authorizing the retail or wholesale sale of alcoholic beverages.

(2) This subsection does not apply to licenses issued under the provisions of § 6-201(r)(2), (3), (5), (7), [or] (10), **OR (15)**, § 7-101, or § 8-505 of this article or to club licenses.

(5) (i) This paragraph does not apply to a [licensed premises] **RESTAURANT** located [in] **WITHIN** a chain store, supermarket, discount house, drug store, or convenience store.

(ii) ~~¶~~Notwithstanding any other provision of this article, the~~]~~ ~~THE~~ Board of License Commissioners may ~~¶~~allow an individual, partnership,

1 corporation, unincorporated association, or limited liability company to hold or have
2 an interest in more than one Class B beer, wine and liquor license, if the restaurant
3 for which the license is sought is located ~~ISSUE A CLASS B- DD LICENSE FOR A~~
4 ~~RESTAURANT~~ within:

5 1. Any of the following areas that are underserved by
6 restaurants:

7 A. Suitland business district, consisting of properties
8 fronting on or having access to Silver Hill Road between Suitland Parkway and Sunset
9 Lane, and on Suitland Road between Arnold Road and Eastern Lane;

10 B. Part of the Port Towns business district, consisting of
11 properties fronting on or having access to Rhode Island Avenue, Bladensburg Road,
12 Annapolis Road, or 38th Street, in legislative district 22; ~~for~~

13 C. Largo area, consisting of properties within the area
14 bounded by the Capital Beltway (I-495) on the west, Central Avenue and Landover
15 Road on the south and southeast, Campus Way North on the east and Route 214 and
16 Landover Road on the north and northwest; or

17 ~~D. CAPITAL PLAZA COMMERCIAL AREA, CONSISTING~~
18 ~~OF COMMERCIAL PROPERTIES WITHIN THE AREA BOUNDED BY THE~~
19 ~~BALTIMORE WASHINGTON PARKWAY ON THE WEST AND NORTHWEST,~~
20 ~~MARYLAND ROUTE 450 ON THE SOUTH, AND COOPER LANE ON THE EAST AND~~
21 ~~NORTHEAST; OR~~

22 2. A. A waterfront entertainment retail complex as
23 defined by a county zoning ordinance; or

24 B. A commercial establishment on 100 or more acres
25 that is designated by the County Executive as a recreational, destination, or
26 entertainment attraction.

27 ~~[(iii)~~ 1. Except as provided in sub-subparagraphs 2 and 3 of
28 this subparagraph, a license holder may not hold more than 4 Class B beer, wine and
29 liquor licenses within all of the underserved areas described in subparagraph (ii)1 of
30 this paragraph.

31 2. A license holder may be issued or transferred a fifth
32 Class B beer, wine and liquor license only if the date of the application for the fifth

1 license is at least 1 year after the date the license holder was issued or transferred the
2 fourth license.

3 3. A license holder may be issued or transferred a sixth
4 Class B beer, wine and liquor license only if the date of the application for the sixth
5 license is at least 1 year after the date the license holder was issued or transferred the
6 fifth license.

7 (iv) An individual, partnership, corporation, unincorporated
8 association, or limited liability company that holds or has an interest in a license
9 located in an underserved area described in subparagraph (ii)1 of this paragraph may
10 not hold or have an interest in more than one license located outside of all the
11 underserved areas.

12 (v) An individual, partnership, corporation, unincorporated
13 association, or limited liability company may not hold or have an interest in more than
14 one license in a commercial establishment described in subparagraph (ii)2 of this
15 paragraph.

16 (vi) The annual license fee for a Class B license obtained under
17 this paragraph is \$2,500.

18 (vii) A Class B license obtained under this paragraph does not
19 confer off-sale privileges.

20 (viii) The residency requirements under § 9-101 of this title apply
21 to an applicant for a Class B license under this paragraph.

22 (ix) The limit on the maximum number of Class B beer, wine
23 and liquor licenses in the county under subsection (b) of this section applies to the
24 issuance of licenses under this paragraph.‡

25 **(7) SUBJECT TO § 6-201(R)(15) OF THIS ARTICLE, THE BOARD OF**
26 **LICENSE COMMISSIONERS MAY ISSUE UP TO FOUR CLASS B-DD**
27 **(DEVELOPMENT DISTRICT) LICENSES FOR RESTAURANTS LOCATED WITHIN THE**
28 **CAPITAL PLAZA COMMERCIAL AREA, CONSISTING OF COMMERCIAL PROPERTIES**
29 **WITHIN THE AREA BOUNDED BY THE BALTIMORE-WASHINGTON PARKWAY ON**
30 **THE WEST AND NORTHWEST, MARYLAND ROUTE 450 ON THE SOUTH, AND**
31 **COOPER LANE ON THE EAST AND NORTHEAST.**

32 10-401.

1 (g) (5) In addition to the above, the Board may revoke the license of a
2 licensee for:

3 (i) A felony conviction of a licensee or any stockholder of a
4 corporation having the use of an alcoholic beverages license; [or]

5 (ii) FAILURE TO COMPLY WITH § 6-201(R)(15)(IX) OF THIS
6 ARTICLE; OR

7 (III) Closing the licensed premises for more than 30 days without
8 the Board's permission. The Board may allow a closing of the licensed premises for a
9 reasonable period of time.

10 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
11 July 1, 2007.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.