## HOUSE BILL 633

By: Calvert County Delegation

Introduced and read first time: February 1, 2008
Assigned to: Economic Matters

## A BILL ENTITLED

AN ACT concerning

## Calvert County - Alcoholic Beverages

FOR the purpose of altering certain alcoholic beverages license fees in Calvert County; imposing certain requirements for restaurants in the county for which certain Class B licenses have been issued; creating a special beer and wine tasting license in the county; providing for an annual fee, application procedures, and certain requirements for the license; specifying certain conditions under which a protest to a renewal of an alcoholic beverages license in the county may occur; altering the time during which a penalty may be imposed for late renewal of an alcoholic beverages license in the county; imposing a certain fine for the sale of alcoholic beverages to an underage individual in the county; altering the salaries for the chairman, members, and alternate member of the Calvert County Board of License Commissioners; making certain stylistic changes; and generally relating to alcoholic beverages in Calvert County.

BY repealing and reenacting, without amendments,
Article 2B - Alcoholic Beverages
Section 3-401(a), 5-101(a), 5-201(a)(1), 6-101(a)(1), 6-201(a)(1), 6-401(a)(1), 10-301(n)(1), and 12-108(a)(1)
Annotated Code of Maryland (2005 Replacement Volume and 2007 Supplement)

BY repealing and reenacting, with amendments, Article 2B - Alcoholic Beverages
Section 3-401(f), 5-101(f), 5-201(f), 6-101(f), 6-201(f), 6-401(f), 10-301(a)(1)(iii) and (n)(2), 12-108(a)(3)(i), and 15-109(f)
Annotated Code of Maryland
(2005 Replacement Volume and 2007 Supplement)
BY adding to
Article 2B - Alcoholic Beverages

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.
[Brackets] indicate matter deleted from existing law.

Section 8-404.1A
Annotated Code of Maryland
(2005 Replacement Volume and 2007 Supplement)
SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

## Article 2B - Alcoholic Beverages

3-401.
(a) (1) A Class D beer license shall be issued by the license issuing authority of the county in which the place of business is located. The holder of the license may keep for sale and sell beer at retail at the place described in the license. The beer may be consumed on the premises or elsewhere, but a license may not be issued for any drugstore.
(2) The annual fee for the license shall be paid to the local collecting agent before any license is issued, for distribution as provided.
(f) In Calvert County the annual license fee is [\$100] \$1,000. 5-101.
(a) (1) A Class A beer and light wine license shall be issued by the license issuing authority of the county in which the place of business is located. The holder of the license may keep for sale and sell beer and light wines at retail, in any quantity to any consumers, at the place described in the license. The holder shall deliver the beer and light wines in a sealed package or container, which package or container may not be opened nor its contents consumed on the premises where sold.
(2) The annual fee for the license shall be paid to the local collecting agent before any license is issued, for distribution as provided.
(f) In Calvert County the annual license fee is [\$150] \$300.

5-201.
(a) (1) A Class B beer and light wine license shall be issued by the license issuing authority of the county in which the place of business is located. The holder may keep for sale and sell beer and light wines at retail at any hotel or restaurant, at the place described in the license, for consumption on the premises or elsewhere.
(f) (1) In Calvert County the annual license fee is $\$ 250$.
(2) TO QUALIFY FOR A CLASS B LICENSE, THE PLACE OF BUSINESS SHALL:
(I) HAVE A REGULAR SEATING CAPACITY FOR AT LEAST 35 PERSONS; AND
(II) BE OPERATED IN A FACILITY IN WHICH THERE HAS BEEN A CAPITAL INVESTMENT OF AT LEAST \$200,000.

6-101.
(a) (1) A Class A beer, wine and liquor license shall be issued by the license issuing authority of the county in which the place of business is located. The license authorizes the holder to keep for sale and to sell all alcoholic beverages at retail, in any quantity, at the place described in the license. The licensee shall deliver the alcoholic beverages in a sealed package or container and the package or container may not be opened nor its contents consumed on the premises where sold.
(f) In Calvert County the annual license fee is [\$500] \$1,000.

6-201.
(a) (1) A Class B beer, wine and liquor license shall be issued by the license issuing authority of the county in which the place of business is located, and the license authorizes its holder to keep for sale and sell all alcoholic beverages at retail at any hotel or restaurant at the place described, for consumption on the premises or elsewhere, or as provided in this section.
(f) (1) This subsection applies only in Calvert County.
(2) The annual fee for a Class B license is [\$1,000]:
(I) $\$ 1,250$, IF THE PLACE OF BUSINESS REMAINS OPEN UNTIL MIDNIGHT; OR
(II) \$2,250, IF THE PLACE OF BUSINESS REMAINS OPEN UNTIL 2 A.M.
(3) TO QUALIFY FOR A CLASS B LICENSE, THE PLACE OF BUSINESS SHALL:
(I) HAVE A REGULAR SEATING CAPACITY FOR AT LEAST 50 PERSONS; AND
(II) BE OPERATED IN A FACILITY IN WHICH THERE HAS BEEN A CAPITAL INVESTMENT OF AT LEAST \$250,000.
[(3)](4) (i) There is a Class BR beer, wine and liquor license which authorizes licensees to sell beer, wine, and liquor in restaurants for on-sale consumption with meals only.
(ii) The annual license fee for each license is $\$ 500$.
(iii) Hours and days for sale are those for other Calvert County Class B licensees.
[(4)](5) (i) In the 27th Legislative District of Calvert County, there is a Class BLX license for luxury-type restaurants.
(ii) The Class BLX license shall be applied for in the same manner as are other classes of licenses.
(iii) The license fee is $\$ 2,400$.
(iv) A luxury-type restaurant shall be defined by the County Liquor Board.
(v) To qualify for a Class BLX license, a restaurant shall have:

1. A minimum capital investment of $\$ 500,000$ for the dining room facilities and kitchen equipment, not including the cost of land, buildings, or leases; and
2. A seating capacity of at least 150 persons.
(vi) Notwithstanding any other provision of this article, an individual, corporation, limited liability company, partnership, limited partnership, joint venture, association, or other person or combination of persons may not have a direct or indirect interest in any combination in more than 3 Class B and Class BLX licenses.
(vii) An indirect interest is presumed to exist between any combination of individuals, corporations, limited liability companies, partnerships, limited partnerships, joint ventures, associations, or other persons if any of the following conditions exist between them:
3. A common parent company;
4. A franchise agreement;
5. A licensing agreement;
6. A concession agreement;
7. Dual membership in a chain of businesses commonly owned and operated;
8. A sharing of directors, stockholders, partners, or members, or a sharing of directors, stockholders, partners, or members of parents or subsidiaries;
9. Common direct or indirect sharing of profit from the sale of alcoholic beverages; or
10. A sharing of a common trade name, trademark, logo or theme, or mode of operation identifiable by the public.

6-401.
(a) (1) A Class D 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 the place described in it, for consumption on the premises or elsewhere. A license may not be issued for any drugstore.
(f) (1) This subsection applies only in Calvert County.
(2) This license may be issued in the entire county.
(3) The annual license fee is [\$1,000]:
(I) $\$ 1,250$, IF THE PLACE OF BUSINESS REMAINS OPEN UNTIL MIDNIGHT; OR
(II) $\$ 2,250$, IF THE PLACE OF BUSINESS REMAINS OPEN UNTIL 2 A.M.

8-404.1A.
(A) THIS SECTION APPLIES ONLY IN CALVERT COUNTY.
(B) A SPECIAL BEER AND WINE TASTING (BWT) LICENSE MAY BE ISSUED TO A HOLDER OF A CLASS A BEER AND WINE OR BEER, WINE AND LIQUOR LICENSE.
(C) THE ANNUAL FEE FOR A BWT LICENSE IS $\$ \mathbf{3 0 0}$.
(D) (1) AN APPLICATION FOR A BWT LICENSE SHALL BE MADE ON THE FORM THAT THE BOARD OF LICENSE COMMISSIONERS PROVIDES.
(2) A BWT LICENSE MAY BE ISSUED WITHOUT A HEARING.
(E) A BWT LICENSE IS EFFECTIVE FOR 365 DAYS IN A LICENSING PERIOD.
(F) A RENEWAL OF A BWT LICENSE SHALL BE MADE WHEN THE CLASS A BEER AND WINE OR BEER, WINE AND LIQUOR LICENSE IS RENEWED.
(G) A TASTING EVENT MAY NOT EXCEED 3 HOURS.
(H) A HOLDER OF A BWT LICENSE MAY NOT:
(1) SERVE MORE THAN 1 OUNCE FROM EACH PARTICULAR BRAND TO ANY ONE INDIVIDUAL; OR
(2) CHARGE A FEE FOR THE TASTING EVENT.

10-301.
(a) (1) (iii) 1. Subject to subsubparagraph [2] 3 of this subparagraph, a license by way of renewal may not be approved without a hearing before such official if a protest has been filed against the granting of the new license at least 30 days before the expiration of the license for which renewal is sought.
2. In CALVERT COUNTY AND Charles County:
A. A protest shall specify the basis on which the protest is made; AND
B. The protest shall be filed under oath[; and].
[C.] 3. [The] In Charles County, THE Board of License Commissioners may approve the renewal of the license without a hearing if the Board makes a finding that the basis of the protest lacks substance.
(n) (1) This subsection applies only in Calvert County.
(2) (i) The term of a license is 1 year.
(ii) To renew a license, a licensee shall file an application for license renewal with the Board of License Commissioners at any time beginning on April 1 and ending on May 1.
(iii) A license renewal application received by the Board ON OR after [May 1] JULY 1 is subject to a late fine of $\$ 50$ for each day the application is late.
(iv) A late fine may not exceed $\$ 500$.

12-108.
(a) (1) A licensee licensed under this article, or any employee of the licensee, may not sell or furnish any alcoholic beverages at any time:
(i) To a person under 21 years of age for the underage person's own use or for the use of any other person; or
(ii) To any person who, at the time of the sale, or delivery, is visibly under the influence of any alcoholic beverage.
(3) (i) A licensee or employee of the licensee violating any of the provisions of this subsection is guilty of a misdemeanor and, upon conviction, [suffers the] IS SUBJECT TO:

1. THE penalties provided by § $16-503$ of this article; AND

## 2. IF THE LICENSEE HOLDS A LICENSE ISSUED BY THE BOARD OF LICENSE COMIMISSIONERS OF CALVERT COUNTY, A FINE NOT EXCEEDING \$200.

15-109.
(f) In Calvert County:
(1) The chairman of the Board shall receive [\$2,100] \$4,200 annually for expenses incurred while carrying on the duties of the office;
(2) The regular members of the Board shall receive $[\$ 1,800] \mathbf{\$ 3 , 6 0 0}$ annually for expenses incurred while carrying on the duties of the office; and
(3) The alternate Board member shall receive [\$75] \$200 compensation for each meeting of the Board attended as an acting regular member to compensate for expenses incurred while carrying on the duties of the office.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2008.

