

# HOUSE BILL 217

A2

9lr1762  
CF SB 518

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By: **Calvert County Delegation**

Introduced and read first time: January 28, 2009

Assigned to: Economic Matters

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Committee Report: Favorable

House action: Adopted with floor amendments

Read second time: March 19, 2009

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

### 2 **Calvert County – Alcoholic Beverages**

3 FOR the purpose of ~~altering certain alcoholic beverages license fees in Calvert County;~~  
4 creating a special beer, wine, and spirits tasting (BWST) license in ~~the county~~  
5 Calvert County; providing for annual fees, application procedures, and certain  
6 requirements for the license; specifying certain conditions under which a protest  
7 to a renewal of an alcoholic beverages license in the county may occur; altering  
8 the time during which a penalty may be imposed for late renewal of an alcoholic  
9 beverages license in the county; imposing certain fines for the sale of alcoholic  
10 beverages to an underage individual in the county; altering the salaries for the  
11 chairman, members, and alternate member of the Calvert County Board of  
12 License Commissioners; providing that this Act does not apply to the salary or  
13 compensation of the incumbent chairman, members, and alternate member of  
14 the Calvert County Board of License Commissioners; making certain stylistic  
15 changes; and generally relating to alcoholic beverages in Calvert County.

16 BY repealing and reenacting, without amendments,

17 Article 2B – Alcoholic Beverages

18 Section ~~3-401(a), 5-101(a), 5-201(a)(1) and (f), 6-101(a)(1), 6-201(a)(1),~~  
19 ~~6-401(a)(1), 10-301(n)(1), 10-301(n)(1) and 12-108(a)(1)~~

20 Annotated Code of Maryland

21 (2005 Replacement Volume and 2008 Supplement)

22 BY repealing and reenacting, with amendments,

23 Article 2B – Alcoholic Beverages

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#### 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.



Section ~~3-401(f), 5-101(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 2008 Supplement)

BY adding to  
Article 2B – Alcoholic Beverages  
Section 8-404.1A  
Annotated Code of Maryland  
(2005 Replacement Volume and 2008 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) In Calvert County the annual license fee is \$250.~~

~~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) (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) (i) In the 27th Legislative District of Calvert County, there is a Class BLX license for luxury type restaurants.~~

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~~(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:~~

~~1. A common parent company;~~

~~2. A franchise agreement;~~

~~3. A licensing agreement;~~

~~4. A concession agreement;~~

~~5. Dual membership in a chain of businesses commonly owned and operated;~~

~~6. A sharing of directors, stockholders, partners, or members, or a sharing of directors, stockholders, partners, or members of parents or subsidiaries;~~

~~7. Common direct or indirect sharing of profit from the sale of alcoholic beverages; or~~

~~8. 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) THE BOARD OF LICENSE COMMISSIONERS MAY ISSUE A SPECIAL BEER, WINE AND SPIRITS TASTING (BWST) LICENSE TO A HOLDER OF A CLASS A BEER AND WINE LICENSE OR A CLASS A BEER, WINE AND LIQUOR LICENSE.**

**(C) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, A BWST LICENSE ENTITLES A HOLDER OF:**

**(I) A CLASS A BEER AND WINE LICENSE TO ALLOW TASTINGS OF WINE OR BEER AND WINE; AND**

**(II) A CLASS A BEER, WINE AND LIQUOR LICENSE TO HOLD TASTINGS OF WINE, BEER AND WINE, OR BEER, WINE AND LIQUOR.**

**(2) TO HOLD A TASTING, A HOLDER OF A BWST LICENSE SHALL PROVIDE ALCOHOLIC BEVERAGES TO CONSUMERS AT NO CHARGE.**

**(D) A PERSON MAY CONSUME ALCOHOLIC BEVERAGES COVERED BY A BWST LICENSE IN A QUANTITY NOT EXCEEDING:**

**(1) 1 OUNCE FROM A SINGLE BRAND OF BEER OR WINE; AND**

1                   (2)    **ONE-HALF OUNCE FROM A SINGLE BRAND OF ANY OTHER**  
2   **ALCOHOLIC BEVERAGE.**

3                   (E)    **A BWST LICENSE ENTITLES THE HOLDER TO HOLD TASTINGS 365**  
4   **DAYS PER YEAR.**

5                   (F)    **A SINGLE TASTING HELD UNDER A BWST LICENSE MAY NOT**  
6   **EXCEED 3 HOURS.**

7                   (G)    (1)   **AN APPLICANT FOR A BWST LICENSE SHALL SUBMIT TO THE**  
8   **BOARD OF LICENSE COMMISSIONERS AN APPLICATION ON THE FORM THAT THE**  
9   **BOARD OF LICENSE COMMISSIONERS PROVIDES.**

10                   (2)   **THE BOARD OF LICENSE COMMISSIONERS MAY ISSUE A**  
11   **BWST LICENSE WITHOUT A HEARING.**

12                   (3)    **A RENEWAL OF A BWST LICENSE SHALL BE MADE AT THE**  
13   **TIME THAT THE CLASS A BEER AND WINE OR CLASS A BEER, WINE AND LIQUOR**  
14   **LICENSE IS RENEWED.**

15                   (H)    **THE ANNUAL FEE FOR A BWST LICENSE IS:**

16                           (1)    **\$200, IF THE LICENSE IS USED FOR WINE;**

17                           (2)    **\$250, IF THE LICENSE IS USED FOR BEER OR WINE; AND**

18                           (3)    **\$300, IF THE LICENSE IS USED FOR BEER, WINE AND LIQUOR.**

19   10-301.

20                   (a)    (1)    (iii)   1.   Subject to subsubparagraph [2] **3** of this  
21   subparagraph, a license by way of renewal may not be approved without a hearing  
22   before such official if a protest has been filed against the granting of the new license at  
23   least 30 days before the expiration of the license for which renewal is sought.

24                                   2.    In **CALVERT COUNTY AND** Charles County:

25                                   A.    A protest shall specify the basis on which the protest  
26   is made; **AND**

27                                   B.    The protest shall be filed under oath[; and].

28                                   [C.] **3.**       [The] **IN CHARLES COUNTY, THE** Board of  
29   License Commissioners may approve the renewal of the license without a hearing if  
30   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. IN CALVERT COUNTY, IF THE VIOLATOR IS:**

**A. A LICENSEE, A FINE NOT EXCEEDING \$200; OR**

**B. AN EMPLOYEE OF A LICENSEE, A FINE NOT EXCEEDING \$250.**

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] **\$3,600** 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, pursuant to Article III, § 35 of the Maryland Constitution, this Act may not be construed to extend or apply to the salary or compensation of the chairman, members, and alternate member of the Calvert County Board of License Commissioners in office on the effective date of this Act, but the provisions of this Act concerning the salary or compensation of the chairman, members, and alternate member of the Calvert County Board of License Commissioners shall take effect at the beginning of the next following term of office.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2009.

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.