

SENATE BILL 518

A2

9lr2597
CF HB 217

By: ~~Senator Miller~~ **Senators Miller and Dyson**

Introduced and read first time: February 5, 2009

Assigned to: Education, Health, and Environmental Affairs

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 27, 2009

CHAPTER _____

1 AN ACT concerning

2 **Calvert County – Alcoholic Beverages**

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

19 BY repealing and reenacting, without amendments,
20 Article 2B – Alcoholic Beverages
21 Section 3–401(a), 5–101(a), 5–201(a)(1) and (f), 6–101(a)(1), 6–201(a)(1),
22 6–401(a)(1), 10–301(n)(1), and 12–108(a)(1)
23 Annotated Code of Maryland
24 (2005 Replacement Volume and 2008 Supplement)

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.



1 BY repealing and reenacting, with amendments,
 2 Article 2B – Alcoholic Beverages
 3 Section 2–101(u), 3–401(f), 5–101(f), 6–101(f), 6–201(f), 6–401(f),
 4 10–301(a)(1)(iii) and (n)(2), 12–108(a)(3)(i), and 15–109(f)
 5 Annotated Code of Maryland
 6 (2005 Replacement Volume and 2008 Supplement)

7 BY adding to
 8 Article 2B – Alcoholic Beverages
 9 Section 8–404.1A
 10 Annotated Code of Maryland
 11 (2005 Replacement Volume and 2008 Supplement)

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

14 **Article 2B – Alcoholic Beverages**

15 2–101.

16 (u) (1) The Office of the Comptroller may issue a winery special event
 17 permit to a licensed Class 4 Maryland limited winery, provided that:

18 (i) [No] EXCEPT AS PROVIDED IN PARAGRAPH (5) OF THIS
 19 SUBSECTION, NO more than 12 winery special event permits are issued to the Class 4
 20 Maryland limited winery in any given calendar year;

21 (ii) The permit does not exceed 3 consecutive days; and

22 (iii) [No] EXCEPT AS PROVIDED IN PARAGRAPH (5) OF THIS
 23 SUBSECTION, NO more than three winery special event permits are issued in any
 24 calendar year to any given limited winery for use in the same political subdivision.

25 (2) The winery special event permit may only be issued for an event
 26 which:

27 (i) Has as its major purpose an activity other than the sale and
 28 promotion of alcoholic beverages and for which the participation of the winery is a
 29 subordinate activity;

30 (ii) Is approved by the Department of Agriculture and the Office
 31 of the Comptroller; and

32 (iii) Is held on a nonlicensed premises or a premises on which a
 33 person may obtain a temporary alcoholic beverages license.

34 (3) A winery special event permit shall authorize the holder to:

1 (i) Provide samples not to exceed 1 fluid ounce per brand to
2 consumers;

3 (ii) Sell not more than four 750 ml bottles of wine to a consumer
4 at any given event or festival for off-premises consumption; and

5 (iii) Sell by the glass wine produced by the licensee to persons
6 participating in any event or festival and for on-premises consumption.

7 (4) The winery special event permit application shall be filed with the
8 Office of the Comptroller not less than 15 days prior to any event.

9 **(5) A CLASS 4 MARYLAND LIMITED WINERY IN CALVERT COUNTY**
10 **MAY BE ISSUED A WINERY SPECIAL EVENT PERMIT FOR UNLIMITED USE FOR**
11 **ONE NIGHT EACH WEEK FROM JUNE THROUGH NOVEMBER AT THE NORTH**
12 **BEACH FRIDAY NIGHT FARMERS' MARKET.**

13 3-401.

14 (a) (1) A Class D beer license shall be issued by the license issuing
15 authority of the county in which the place of business is located. The holder of the
16 license may keep for sale and sell beer at retail at the place described in the license.
17 The beer may be consumed on the premises or elsewhere, but a license may not be
18 issued for any drugstore.

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

21 (f) In Calvert County the annual license fee is [~~\$100~~] **\$1,000.**

22 5-101.

23 (a) (1) A Class A beer and light wine license shall be issued by the license
24 issuing authority of the county in which the place of business is located. The holder of
25 the license may keep for sale and sell beer and light wines at retail, in any quantity to
26 any consumers, at the place described in the license. The holder shall deliver the beer
27 and light wines in a sealed package or container, which package or container may not
28 be opened nor its contents consumed on the premises where sold.

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

31 (f) In Calvert County the annual license fee is [~~\$150~~] **\$300.**

32 5-201.

1 (a) (1) A Class B beer and light wine license shall be issued by the license
 2 issuing authority of the county in which the place of business is located. The holder
 3 may keep for sale and sell beer and light wines at retail at any hotel or restaurant, at
 4 the place described in the license, for consumption on the premises or elsewhere.

5 (f) In Calvert County the annual license fee is \$250.

6 6–101.

7 (a) (1) A Class A beer, wine and liquor license shall be issued by the
 8 license issuing authority of the county in which the place of business is located. The
 9 license authorizes the holder to keep for sale and to sell all alcoholic beverages at
 10 retail, in any quantity, at the place described in the license. The licensee shall deliver
 11 the alcoholic beverages in a sealed package or container and the package or container
 12 may not be opened nor its contents consumed on the premises where sold.

13 (f) In Calvert County the annual license fee is [~~\$500~~] **\$1,000**.

14 6–201.

15 (a) (1) A Class B beer, wine and liquor license shall be issued by the
 16 license issuing authority of the county in which the place of business is located, and
 17 the license authorizes its holder to keep for sale and sell all alcoholic beverages at
 18 retail at any hotel or restaurant at the place described, for consumption on the
 19 premises or elsewhere, or as provided in this section.

20 (f) (1) This subsection applies only in Calvert County.

21 (2) The annual fee for a Class B license is [~~\$1,000~~]:

22 (I) **\$1,250, IF THE PLACE OF BUSINESS REMAINS OPEN**
 23 **UNTIL MIDNIGHT; OR**

24 (II) **\$2,250, IF THE PLACE OF BUSINESS REMAINS OPEN**
 25 **UNTIL 2 A.M.**

26 (3) (i) There is a Class BR beer, wine and liquor license which
 27 authorizes licensees to sell beer, wine, and liquor in restaurants for on-sale
 28 consumption with meals only.

29 (ii) The annual license fee for each license is \$500.

30 (iii) Hours and days for sale are those for other Calvert County
 31 Class B licensees.

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

1 (ii) The Class BLX license shall be applied for in the same
2 manner as are other classes of licenses.

3 (iii) The license fee is \$2,400.

4 (iv) A luxury-type restaurant shall be defined by the County
5 Liquor Board.

6 (v) To qualify for a Class BLX license, a restaurant shall have:

7 1. A minimum capital investment of \$500,000 for the
8 dining room facilities and kitchen equipment, not including the cost of land, buildings,
9 or leases; and

10 2. A seating capacity of at least 150 persons.

11 (vi) Notwithstanding any other provision of this article, an
12 individual, corporation, limited liability company, partnership, limited partnership,
13 joint venture, association, or other person or combination of persons may not have a
14 direct or indirect interest in any combination in more than 3 Class B and Class BLX
15 licenses.

16 (vii) An indirect interest is presumed to exist between any
17 combination of individuals, corporations, limited liability companies, partnerships,
18 limited partnerships, joint ventures, associations, or other persons if any of the
19 following conditions exist between them:

20 1. A common parent company;

21 2. A franchise agreement;

22 3. A licensing agreement;

23 4. A concession agreement;

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

26 6. A sharing of directors, stockholders, partners, or
27 members, or a sharing of directors, stockholders, partners, or members of parents or
28 subsidiaries;

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

31 8. A sharing of a common trade name, trademark, logo
32 or theme, or mode of operation identifiable by the public.

1 6-401.

2 (a) (1) A Class D beer, wine and liquor license shall be issued by the
3 license issuing authority of the county in which the place of business is located. It
4 authorizes the holder to keep for sale and sell all alcoholic beverages at retail at the
5 place described in it, for consumption on the premises or elsewhere. A license may not
6 be issued for any drugstore.

7 (f) (1) This subsection applies only in Calvert County.

8 (2) This license may be issued in the entire county.

9 (3) The annual license fee is [\$1,000]:

10 (I) **\$1,250, IF THE PLACE OF BUSINESS REMAINS OPEN**
11 **UNTIL MIDNIGHT; OR**

12 (II) **\$2,250, IF THE PLACE OF BUSINESS REMAINS OPEN**
13 **UNTIL 2 A.M.**

14 **8-404.1A.**

15 (A) **THIS SECTION APPLIES ONLY IN CALVERT COUNTY.**

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

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

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

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

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

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

29 (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 subparagraph [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.

1 (n) (1) This subsection applies only in Calvert County.

2 (2) (i) The term of a license is 1 year.

3 (ii) To renew a license, a licensee shall file an application for
4 license renewal with the Board of License Commissioners at any time beginning on
5 April 1 and ending on May 1.

6 (iii) A license renewal application received by the Board **ON OR**
7 after [May 1] **JULY 1** is subject to a late fine of \$50 for each day the application is
8 late.

9 (iv) A late fine may not exceed \$500.

10 12–108.

11 (a) (1) A licensee licensed under this article, or any employee of the
12 licensee, may not sell or furnish any alcoholic beverages at any time:

13 (i) To a person under 21 years of age for the underage person's
14 own use or for the use of any other person; or

15 (ii) To any person who, at the time of the sale, or delivery, is
16 visibly under the influence of any alcoholic beverage.

17 (3) (i) A licensee or employee of the licensee violating any of the
18 provisions of this subsection is guilty of a misdemeanor and, upon conviction, [suffers
19 the] **IS SUBJECT TO:**

20 1. **THE** penalties provided by § 16–503 of this article;

21 **AND**

22 2. **IN CALVERT COUNTY, IF THE VIOLATOR IS:**

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

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

26 15–109.

27 (f) In Calvert County:

28 (1) The chairman of the Board shall receive [\$2,100] **\$4,200** annually
29 for expenses incurred while carrying on the duties of the office;

1 (2) The regular members of the Board shall receive [\$1,800] **\$3,600**
2 annually for expenses incurred while carrying on the duties of the office; and

3 (3) The alternate Board member shall receive [\$75] **\$200**
4 compensation for each meeting of the Board attended as an acting regular member to
5 compensate for expenses incurred while carrying on the duties of the office.

6 SECTION 2. AND BE IT FURTHER ENACTED, That, pursuant to Article III, §
7 35 of the Maryland Constitution, this Act may not be construed to extend or apply to
8 the salary or compensation of the chairman, members, and alternate member of the
9 Calvert County Board of License Commissioners in office on the effective date of this
10 Act, but the provisions of this Act concerning the salary or compensation of the
11 chairman, members, and alternate member of the Calvert County Board of License
12 Commissioners shall take effect at the beginning of the next following term of office.

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

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.