

SENATE BILL 654

A2

EMERGENCY BILL

2lr2412
CF 2lr2818

By: **Senator Klausmeier (By Request – Baltimore County Administration)**

Introduced and read first time: February 3, 2012

Assigned to: Education, Health, and Environmental Affairs

A BILL ENTITLED

1 AN ACT concerning

2 **Baltimore County – Alcoholic Beverages Licenses**

3 FOR the purpose of authorizing the Baltimore County Board of License
4 Commissioners to approve the transfer of certain alcoholic beverages licenses in
5 existence in a certain election district on a certain date to certain election
6 districts based on a certain rule; establishing a certain limit on the number of
7 licenses that may be transferred during a certain period; requiring the Board to
8 create and issue a certain number of Class B Service Bar (SB) beer and wine
9 licenses during certain time periods under certain circumstances; requiring a
10 Class B Service Bar (SB) beer and wine license to comply with certain
11 provisions of law relating to the operation of restaurants; establishing a certain
12 fee; requiring the conversion of a Class D license to a Class B license that is
13 transferred from a certain election district to any other election district and
14 prohibiting its transfer or conversion to another class of license; prohibiting the
15 transfer from a licensed premises or conversion to another class of license of any
16 new license issued by the Board based on a certain increase in population;
17 requiring the issuance of a license for a partnership to be issued to at least two
18 general partners, at least one of whom is a registered voter of any county or
19 Baltimore City and resides in the county or Baltimore City at the time of
20 application; requiring the Board to issue a license to only one partner of a
21 partnership as an individual under certain circumstances; altering the
22 maximum number of certain licenses an individual or a sole proprietorship,
23 partnership, corporation, unincorporated association, or limited liability
24 company may obtain a certain interest in; repealing certain provisions of law
25 relating to minimum seating capacity for dining and a maximum percentage of
26 sales in alcoholic beverages; altering a certain residency requirement for
27 certain license applicants to require residency in the State for a certain period of
28 time; repealing a certain provision of law requiring that a certain certificate be
29 signed by a certain number of citizens regarding the length of time each has
30 been acquainted with a certain applicant; requiring the Board to allow a certain
31 reduction of certain square footage requirements applicable to certain buildings

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 under a certain rule; requiring the County Executive for Baltimore County to
 2 appoint a certain task force to study certain issues relating to the distribution of
 3 alcoholic beverages licenses in Baltimore County; providing for the construction
 4 of certain provisions of this Act; making this Act an emergency measure; and
 5 generally relating to the transfer and issuance of alcoholic beverages licenses in
 6 Baltimore County.

7 BY adding to

8 Article 2B – Alcoholic Beverages
 9 Section 8–204.7 and 8–204.8
 10 Annotated Code of Maryland
 11 (2011 Replacement Volume)

12 BY repealing and reenacting, with amendments,

13 Article 2B – Alcoholic Beverages
 14 Section 9–101(a)(1), 9–102(b–3B)(1) and (b–3C)(1), and 10–103(b)(4) and (18)
 15 Annotated Code of Maryland
 16 (2011 Replacement Volume)

17 BY repealing

18 Article 2B – Alcoholic Beverages
 19 Section 10–104(e)
 20 Annotated Code of Maryland
 21 (2011 Replacement Volume)

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

24 **Article 2B – Alcoholic Beverages**

25 **8–204.7.**

26 **(A) THIS SECTION APPLIES ONLY IN BALTIMORE COUNTY.**

27 **(B) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, FROM**
 28 **MAY 1, 2012, TO APRIL 30, 2017, BOTH INCLUSIVE, THE BOARD OF LICENSE**
 29 **COMMISSIONERS MAY AUTHORIZE THE TRANSFER OF A CLASS B OR CLASS D**
 30 **LICENSE IN EXISTENCE IN ELECTION DISTRICT 15 ON MAY 1, 2012, TO AN**
 31 **ELECTION DISTRICT IN WHICH THE NUMBER OF LICENSES IN EXISTENCE, ON**
 32 **THE DATE OF APPROVAL OF THE TRANSFER, IS NOT GREATER THAN 25% MORE**
 33 **THAN THE NUMBER OF LICENSES THAT WOULD OTHERWISE EXIST IN THAT**
 34 **ELECTION DISTRICT, BASED ON THE RULE OF THE BOARD OF LICENSE**
 35 **COMMISSIONERS THAT LIMITS THE TOTAL NUMBER OF LICENSES AVAILABLE IN**
 36 **AN ELECTION DISTRICT BY POPULATION.**

1 **(2) NOT MORE THAN TWO LICENSES MAY BE TRANSFERRED**
2 **UNDER THIS SUBSECTION INTO ANY SINGLE ELECTION DISTRICT EACH YEAR**
3 **FROM MAY 1, 2012, TO APRIL 30, 2017, BOTH INCLUSIVE.**

4 **(C) IF FEWER THAN FIVE CLASS B OR CLASS D LICENSES TRANSFER**
5 **FROM ELECTION DISTRICT 15 TO ANOTHER ELECTION DISTRICT WITHIN ANY 1**
6 **YEAR FROM MAY 1 TO APRIL 30, BOTH INCLUSIVE, OF THE FOLLOWING YEAR,**
7 **DURING THE PERIOD FROM MAY 1, 2012, THROUGH APRIL 30, 2017, UNDER ANY**
8 **APPLICABLE SECTION OF LAW OR THE RULES OF THE BOARD OF LICENSE**
9 **COMMISSIONERS, THE BOARD OF LICENSE COMMISSIONERS SHALL CREATE**
10 **AND ISSUE A NEW CLASS B SERVICE BAR (SB) BEER AND WINE LICENSE TO**
11 **ACHIEVE A REQUIREMENT OF NOT FEWER THAN FIVE NEW LICENSES EACH YEAR**
12 **AS FOLLOWS:**

13 **(1) BY APRIL 30, 2013, 5 LICENSES SHALL HAVE TRANSFERRED**
14 **OR BEEN CREATED;**

15 **(2) BY APRIL 30, 2014, 10 LICENSES SHALL HAVE TRANSFERRED**
16 **OR BEEN CREATED;**

17 **(3) BY APRIL 30, 2015, 15 LICENSES SHALL HAVE TRANSFERRED**
18 **OR BEEN CREATED;**

19 **(4) BY APRIL 30, 2016, 20 LICENSES SHALL HAVE TRANSFERRED**
20 **OR BEEN CREATED; AND**

21 **(5) BY APRIL 30, 2017, 25 LICENSES SHALL HAVE TRANSFERRED**
22 **OR BEEN CREATED WITH THE LAST CLASS B SERVICE BAR (SB) BEER AND WINE**
23 **LICENSE REQUIRED TO HAVE BEEN CREATED ON OR BEFORE MAY 1, 2018.**

24 **(D) (1) A CLASS B SERVICE BAR (SB) BEER AND WINE LICENSE**
25 **ISSUED UNDER THIS SECTION SHALL COMPLY WITH PARAGRAPHS (2) THROUGH**
26 **(6) OF THIS SUBSECTION.**

27 **(2) THE LICENSE MAY BE USED ONLY WITH THE OPERATION OF A**
28 **RESTAURANT, AS DEFINED BY THE BOARD OF LICENSE COMMISSIONERS AND**
29 **THIS ARTICLE, THAT MAINTAINS AVERAGE DAILY RECEIPTS FROM THE SALE OF**
30 **FOOD OF AT LEAST 60% OF THE TOTAL DAILY RECEIPTS OF THE**
31 **ESTABLISHMENT.**

32 **(3) THE LICENSE SHALL ALLOW ON-PREMISES SALES ONLY.**

1 **(4) THE LICENSE SHALL BE RESTRICTED TO RESTAURANTS THAT**
2 **HAVE TABLE SERVICE, EXCLUDING ANY TYPE OF SERVICE PROVIDED TO A**
3 **CUSTOMER WHO IS STANDING OR ACCEPTING DELIVERY OF THE PURCHASED**
4 **FOOD ITEMS OTHER THAN WHILE SEATED AT A TABLE.**

5 **(5) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS**
6 **PARAGRAPH, THE PROPOSED LOCATION SHALL COMPLY WITH THE ZONING**
7 **ORDINANCES OF BALTIMORE COUNTY, INCLUDING ALLOWING SEATING FOR**
8 **NOT FEWER THAN 30 CUSTOMERS AND NOT MORE THAN 100 CUSTOMERS.**

9 **(II) THE LICENSE MAY NOT BE USED IN CONJUNCTION WITH**
10 **THE USE OF LIVE BANDS, DISC JOCKEYS, KARAOKE, OR ANY OTHER FORM OF**
11 **LIVE ENTERTAINMENT.**

12 **(6) A LICENSE TRANSFERRED UNDER SUBSECTION (B) OF HIS**
13 **SECTION OR ISSUED UNDER SUBSECTION (C) OF THIS SECTION AND THIS**
14 **SUBSECTION MAY NOT THEREAFTER BE TRANSFERRED FROM THE LICENSED**
15 **PREMISES OR CONVERTED TO ANOTHER CLASS OF LICENSE.**

16 **(E) THE ANNUAL FEE FOR A CLASS B SERVICE BAR (SB) BEER AND**
17 **WINE LICENSE ISSUED UNDER THIS SECTION IS \$5,000.**

18 **(F) (1) WHEN A LICENSE IS TRANSFERRED FROM ELECTION**
19 **DISTRICT 15 TO ANOTHER ELECTION DISTRICT UNDER THIS SECTION, THE**
20 **LICENSE MAY NOT BE CONSTRUED TO EXIST IN ELECTION DISTRICT 15.**

21 **(2) SUBJECT TO THE 25% ALLOWANCE AUTHORIZED IN**
22 **SUBSECTION (B) OF THIS SECTION, A LICENSE TRANSFERRED UNDER THIS**
23 **SECTION SHALL BE CONSIDERED BY THE BOARD OF LICENSE COMMISSIONERS**
24 **AS A REGULAR LICENSE AND NOT AN EXCEPTION LICENSE FOR DETERMINING**
25 **THE TOTAL NUMBER OF LICENSES AVAILABLE IN ANY ELECTION DISTRICT**
26 **BASED ON THE RULE OF THE BOARD OF LICENSE COMMISSIONERS THAT LIMITS**
27 **THE TOTAL NUMBER OF LICENSES AVAILABLE BY POPULATION.**

28 **8-204.8.**

29 **(A) THIS SECTION APPLIES ONLY IN BALTIMORE COUNTY.**

30 **(B) THE BOARD OF LICENSE COMMISSIONERS:**

31 **(1) SHALL CONVERT A CLASS D LICENSE THAT IS TRANSFERRED**
32 **FROM ELECTION DISTRICT 15 TO ANY OTHER ELECTION DISTRICT TO A CLASS**
33 **B LICENSE; AND**

1 **(2) MAY NOT THEREAFTER TRANSFER THE CLASS B LICENSE**
2 **FROM THE LICENSED PREMISES OR CONVERT THE LICENSE TO ANOTHER CLASS**
3 **OF LICENSE.**

4 **(C) THE BOARD OF LICENSE COMMISSIONERS MAY NOT TRANSFER**
5 **FROM A LICENSED PREMISES OR CONVERT A LICENSE TO ANOTHER CLASS OF**
6 **LICENSE:**

7 **(1) A NEW LICENSE ISSUED BY THE BOARD BASED ON AN**
8 **INCREASE IN POPULATION UNDER THE RULE OF THE BOARD LIMITING THE**
9 **TOTAL NUMBER OF LICENSES AVAILABLE BY POPULATION; AND**

10 **(2) A LICENSE THAT HAS BEEN REVOKED AND REISSUED BY THE**
11 **BOARD.**

12 9–101.

13 (a) A license may not be issued to a partnership, to a corporation, or to a
14 limited liability company, but only to individuals authorized to act for a partnership,
15 corporation, or limited liability company who shall assume all responsibilities as
16 individuals, and be subject to all of the penalties, conditions and restrictions imposed
17 upon licensees under the provisions of the Tax – General Article that relate to the
18 alcoholic beverage tax and the provisions of this article. If the application is made for a
19 partnership, the license shall be applied for and be issued to all the partners as
20 individuals, all of whom shall have resided in the city or county in which the place of
21 business is located for at least 2 years prior to the application.

22 (1) (i) [Subject to subparagraph (ii) of this paragraph, in Baltimore
23 and] **IN Montgomery [counties] COUNTY**, if the application is made for a partnership,
24 the license shall be applied for and issued to at least 2 general partners as individuals,
25 at least one of whom is a registered voter of the county where the application is made
26 and resides there at the time of the application. If there is only one general partner,
27 the license shall be issued to that partner as an individual, if that partner is a
28 registered voter of the county where the application is made and resides there at the
29 time of application.

30 (ii) **1. In Baltimore County, IF THE APPLICATION IS MADE**
31 **FOR A PARTNERSHIP, THE LICENSE SHALL BE APPLIED FOR AND ISSUED TO AT**
32 **LEAST TWO GENERAL PARTNERS AS INDIVIDUALS, AT LEAST ONE OF WHOM IS A**
33 **REGISTERED VOTER OF ANY COUNTY OF THE STATE OR OF THE CITY OF**
34 **BALTIMORE AND RESIDES THERE AT THE TIME OF APPLICATION.**

35 **2. IF THERE IS ONLY ONE GENERAL PARTNER, THE**
36 **BOARD OF LICENSE COMMISSIONERS SHALL ISSUE THE LICENSE TO THAT**

1 PARTNER AS AN INDIVIDUAL, IF THE PARTNER IS A REGISTERED VOTER OF ANY
2 COUNTY OR OF THE CITY OF BALTIMORE AND RESIDES THERE AT THE TIME OF
3 THE APPLICATION.

4 3. [the] THE provisions of this [paragraph]
5 SUBPARAGRAPH may not be construed to waive any of the requirements under §§
6 9–102, 9–102.2, and 9–301 of this article.

7 9–102.

8 (b–3B) (1) Notwithstanding any other provision of this section or §
9 8–204(l) of this article, in Baltimore County, an individual or a sole proprietorship,
10 partnership, corporation, unincorporated association, or limited liability company in
11 the county, may obtain a direct or indirect interest in:

12 (i) Not more than [six] 12 Class B (on–sale — hotels and
13 restaurants) beer, wine and liquor licenses under this article; or

14 (ii) If one of the restaurants for which a license is issued is
15 located in the Liberty Road Commercial Revitalization District in accordance with
16 subsection (b–3C) of this section, not more than [seven] 13 Class B (on–sale — hotels
17 and restaurants) beer, wine and liquor licenses under this article.

18 (b–3C) (1) Notwithstanding any other provision of this section or §
19 8–204(l) of this article, in Baltimore County, an individual or a sole proprietorship,
20 partnership, corporation, unincorporated association, or limited liability company in
21 the county, may obtain a direct or indirect interest in not more than [seven] 13 Class
22 B (on–sale — hotels and restaurants) beer, wine and liquor licenses under this article,
23 by making application in the regular manner and paying the usual fee if the
24 restaurant for which the additional license is sought:

25 (i) Meets the requirements of the rules and regulations of the
26 Board of License Commissioners regarding the availability and issuance of licenses;

27 (ii) Meets the definition requirements of “restaurant”
28 established under the regulations of the Board of License Commissioners;

29 (iii) [Has a minimum seating capacity of 190 persons for dining;

30 (iv)] Has a cocktail lounge or bar area seating capacity that does
31 not exceed 10% of the seating capacity for dining;

32 [(v) Has no more than 20% of sales in alcoholic beverages in
33 connection with the business;] and

1 [(vi)] (IV) Is located in the Liberty Road Commercial
2 Revitalization District as defined by the County Council on October 18, 1999.

3 10–103.

4 (b) (4) (i) Except as provided in [subparagraph] SUBPARAGRAPHS
5 (ii) AND (IV) of this paragraph, a statement that the applicant has been for two years
6 next preceding the filing of the application a resident of the county or of the City of
7 Baltimore in which the applicant proposes to operate under the license applied for.
8 The Board of License Commissioners of Prince George’s County shall apply the
9 residency requirements as specified in § 9–101 of this article;

10 (ii) In Dorchester County the residency requirement is 1 year;

11 (iii) In Carroll County, in addition to the applicant’s residential
12 statement required under this section, the license shall remain valid only for as long
13 as the resident applicant remains a resident of the county;

14 (IV) IN BALTIMORE COUNTY, A STATEMENT THAT THE
15 APPLICANT HAS BEEN FOR 2 YEARS NEXT PRECEDING THE FILING OF THE
16 APPLICATION A RESIDENT OF THE STATE.

17 (18) (i) A certificate signed by at least ten citizens who are owners
18 of real estate and registered voters of the precinct in which the business is to be
19 conducted, stating the length of time each has been acquainted with the applicant, or
20 in the case of a corporation with the individuals making the application; that they
21 have examined the application of the applicant and that they have good reason to
22 believe that all the statements contained in this application are true, and that they are
23 of the opinion that the applicant is a suitable person to obtain the license. The
24 certificate must have a statement that the signers of it are familiar with the premises
25 upon which the proposed business is to be conducted, and that they believe the
26 premises are suitable for the conduct of the business of a retail dealer in alcoholic
27 beverages.

28 (ii) [In Baltimore County, persons who are owners of real estate
29 and registered voters of Baltimore County and who reside within 1 mile of the
30 premises for which a license is sought shall be those persons signing the certificate.

31 (iii)] In St. Mary’s County, persons who are owners of real estate
32 within 5 miles of the premises for which a license is sought and registered voters of St.
33 Mary’s County shall be those persons signing the certificate.

34 [(iv)] (III) [This] THE certificate REQUIRED BY
35 SUBPARAGRAPH (I) OF THIS PARAGRAPH is not necessary for applications filed in
36 Dorchester County, Prince George’s County, Montgomery County [and], Anne Arundel
37 County, AND BALTIMORE COUNTY.

1 10–104.

2 [(e) In Baltimore County, the certificate shall be signed by at least 10 citizens
3 who shall be owners of real estate within 1 mile of the location of the proposed
4 business and registered voters of Baltimore County.]

5 SECTION 2. AND BE IT FURTHER ENACTED, That on and after the effective
6 date of this Act, the Baltimore County Board of Licenses Commissioners shall allow a
7 reduction of 20% of the required square footage applicable to office buildings and
8 shopping centers in the rule of the Board of License Commissioners that limits the
9 total number of licenses available by population and other issues related to the
10 distribution of liquor licenses in the county.

11 SECTION 3. AND BE IT FURTHER ENACTED, That not later than June 15,
12 2016, the County Executive for Baltimore County shall appoint a task force to examine
13 further reductions in the rule of the Board of License Commissioners that limits the
14 total number of licenses available by population and other issues related to the
15 distribution of alcoholic beverages licenses in Baltimore County.

16 SECTION 4. AND BE IT FURTHER ENACTED, That this Act is an emergency
17 measure, is necessary for the immediate preservation of the public health or safety,
18 has been passed by a ye and nay vote supported by three–fifths of all the members
19 elected to each of the two Houses of the General Assembly, and shall take effect from
20 the date it is enacted.