## SENATE BILL 767

By: Senator Edwards
Introduced and read first time: February 1, 2013
Assigned to: Education, Health, and Environmental Affairs

A BILL ENTITLED

## AN ACT concerning

## Garrett County - Alcoholic Beverages - Licenses, Permits, and Other Authorizations

FOR the purpose of authorizing the Board of License Commissioners in Garrett County to grant certain license holders a privilege at no charge to sell certain alcoholic beverages at catered events in commemorative or special event bottles for consumption off the licensed premises under certain circumstances; establishing a Class BDR beer and wine license for a deluxe restaurant that has a certain minimum seating capacity and a certain minimum capital investment; specifying certain privileges, issuing fees, and annual fees for certain licenses with or without a catering option; providing for the days and hours of sale for certain licenses; authorizing the Board to adopt certain regulations; establishing a refillable container permit; authorizing the Board to issue the permit to certain draft beer license holders; requiring a container to meet certain specifications to be used as a refillable container permit; specifying the time when sales may begin on Sunday for a wine festival license issued for use in a certain location; authorizing certain Sunday sales to be made under certain circumstances; establishing beer festival licenses; authorizing the Board to issue annually a certain number of beer festival licenses; requiring that a beer festival license be issued to a holder of a certain license; authorizing a holder of a beer festival license to display and sell beer under certain circumstances; requiring the Board to perform certain activities; requiring a product to be displayed and sold at a beer festival to be invoiced in a certain manner and to be delivered to the beer festival from the licensed premises of the wholesaler; authorizing certain license holders to enter into a certain agreement under certain circumstances; authorizing Sunday sales under certain circumstances; requiring the Board to adopt certain regulations; adding an establishment for which a certain license is issued to the list of establishments in which an individual under certain circumstances may consume wine not purchased from or provided by the license holder; and generally relating to alcoholic beverages in Garrett County.

BY adding to
Article 2B - Alcoholic Beverages
Section 5-201(m-1) and (m-2), 6-201(m)(6), 6-401(m)(4), and 8-807
Annotated Code of Maryland
(2011 Replacement Volume and 2012 Supplement)
BY repealing and reenacting, with amendments,
Article 2B - Alcoholic Beverages
Section $5-401(\mathrm{~m}), 6-201(\mathrm{~m})(5)(\mathrm{iii}), 6-401(\mathrm{~m})(2)(\mathrm{ii}), 7-101(\mathrm{p}), 8-212,8-308.3(\mathrm{~h})$, and 12-107(b)(10)
Annotated Code of Maryland
(2011 Replacement Volume and 2012 Supplement)
BY repealing and reenacting, without amendments,
Article 2B - Alcoholic Beverages
Section 5-401(a)(1) and 8-308.3(b)
Annotated Code of Maryland
(2011 Replacement Volume and 2012 Supplement)
SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

## Article 2B - Alcoholic Beverages

5-201.

## (M-1) (1) This subsection applies only in Garrett County.

(2) There is a Class BDR (Deluxe restaurant) Beer and wine (ON-SALE) LICENSE, WHICH IS A SPECIAL Class B License.
(3) A Class BDR LICEnse may be issued for a deluxe restaurant as defined in the regulations of the Board of License Commissioners.
(4) Notwithstanding § 9-102(A) OF this article, a Class BDR License may be issued to an applicant that holds a Class B beer and wine license or a Class B beer, wine and liquor license.
(5) A Class BDR License may be issued for the use of a RESTAURANT THAT:
(I) HAS A MINIMUM facility seating capacity of 20 PERSONS; AND
(iI) A MINIMUM CAPITAL INVESTMENT OF $\mathbf{\$ 2 5 , 0 0 0}$ FOR THE RESTAURANT FACILITIES, NOT INCLUDING THE COST OF LAND OR BUILDINGS.
(6) IF THE APPLICANT PURCHASES OR LEASES AN EXISTING BUILDING, THE CAPITAL INVESTMENT ATTRIBUTABLE TO THE COST OF THE LAND AND IMPROVEMENTS SHALL BE BASED ON THE ASSESSED VALUE OF THE Land and improvements in accordance with the records of the State Department of Assessments and Taxation at the time of purchase.
(7) The Board of License Commissioners may issue A CLASS BDR LICENSE WITHOUT OR WITH A CATERING OPTION.
(8) A holder of a Class BDR License without a catering OPTION MAY SELL:
(I) BEER AND LIGHT WINE FOR CONSUMPTION ON THE LICENSED PREMISES; AND
(II) BREWED BEVERAGES FOR CONSUMPTION OFF THE LICENSED PREMISES.
(9) (I) In ADDITION TO EXERCISING THE PRIVILEGES STATED IN PARAGRAPH (8) OF THIS SUBSECTION, A HOLDER OF A CLASS BDR LICENSE WITH A CATERING OPTION MAY KEEP FOR SALE AND SELL BEER AND LIGHT WINE FOR CONSUMPTION AT EVENTS THAT THE HOLDER CATERS OFF THE LICENSED PREMISES.
(II) TO EXERCISE THE CATERING OPTION, A HOLDER OF A Class BDR LICENSE:

1. Shall provide food if the holder provides alCoholic beverages at a catered event off the licensed premises; AND
2. May exercise the catering option only dURING THE HOURS AND DAYS THAT ARE ALLOWED BY THE BOARD OF LICENSE COMMISSIONERS.
(10) FOR A LICENSE WITHOUT A CATERING OPTION:
(I) THE ISSUING FEE FOR A NEW LICENSE IS \$500; AND
(II) The annual fee is $\mathbf{\$ 5 0 0}$.
(11) FOR A LICENSE WITH A CATERING OPTION:
(I) THE ISSUING FEE FOR A NEW LICENSE IS $\mathbf{\$ 6 2 5}$; AND
(II) The ISSUING FEE IS $\$ \mathbf{6 2 5}$.
(12) The Board of License Commissioners may adopt REGULATIONS TO CARRY OUT THIS SUBSECTION.
(M-2) In Garrett County, the Board may grant a license HOLDER A PRIVILEGE AT NO CHARGE TO SELL BEER OR WINE FOR CONSUMPTION OFF THE LICENSED PREMISES AT A CATERED EVENT IF:
(1) The beer or wine is bottled in commemorative or SPECIAL EVENT BOTTLES AND SOLD AT A SPECIAL EVENT;
(2) The Board approves the commemorative or special EVENT BOTTLES BEFORE THE EVENT OCCURS; AND
(3) The beer or wine will be sold at the event only on THE DAYS AND HOURS ALLOWED BY THE BOARD.

5-401.
(a) (1) A Class D 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 license authorizes its holder to keep for sale and to sell beer and light wines at retail, at the place described in the license, for consumption on the premises or elsewhere. The license may not be issued for any drugstore.
(m) (1) [In Garrett County the annual license fee is \$350] THIS SUBSECTION APPLIES ONLY IN GARRETT COUNTY.
(2) [The issuing fee for a new license, in addition to the annual fee, is \$350] The Board of License Commissioners may issue a Class D beer and light wine license without or with a catering option.
(3) A holder of a Class D beer and light wine license WITHOUT A CATERING OPTION MAY SELL:
(I) BEER AND LIGHT WINE FOR CONSUMPTION ON THE LICENSED PREMISES; AND
(II) BREWED BEVERAGES FOR CONSUMPTION OFF THE LICENSED PREMISES.
(4) (I) In AdDITION TO EXERCISING THE PRIVILEGES STATED IN PARAGRAPH (3) OF THIS SUBSECTION, A HOLDER OF A Class D beer and LIGHT WINE LICENSE WITH A CATERING OPTION MAY KEEP FOR SALE AND SELL beEr and light wine for consumption at events that the holder CATERS OFF THE LICENSED PREMISES.
(II) To exercise the catering option, a holder of a Class D beer and light wine license:

1. SHALL PROVIDE FOOD IF THE HOLDER PROVIDES ALCOHOLIC BEVERAGES AT A CATERED EVENT OFF THE LICENSED PREMISES; AND
2. May exercise the catering option only during the hours and days that are allowed by the Board of License COMMISSIONERS.
(5) FOR A LICENSE WITHOUT A CATERING OPTION:
(I) THE ISSUING FEE FOR A NEW LICENSE IS $\$ 350$; AND
(II) The annual fee is $\mathbf{\$ 3 5 0}$.
(6) FOR A LICENSE WITH A CATERING OPTION:
(I) The ISSUING FEE FOR A NEW LICENSE IS $\mathbf{\$ 4 7 5}$; AND
(II) The ISSUING FEE IS $\$ 475$.

6-201.
(m) (5) (iii) Notwithstanding § 9-102(a) of this article, a Class BDR license may be issued to an applicant who already holds a Class B (on-sale) beer, wine and liquor license, A CLASS B (ON-SALE) BEER AND LIGHT WINE LICENSE or a Class B Resort (on-sale) beer, wine and liquor license.
(6) The Board may grant a license holder a privilege at NO CHARGE TO SELL BEER, WINE, OR LIQUOR FOR CONSUMPTION OFF THE LICENSED PREMISES AT A CATERED EVENT IF:
(I) THE BEER, WINE, OR LIQUOR IS BOTTLED IN COMMEMORATIVE OR SPECIAL EVENT BOTTLES AND SOLD AT A SPECIAL EVENT;
(II) THE BOARD APPROVES THE COMMEMORATIVE OR SPECIAL EVENT BOTTLES BEFORE THE EVENT OCCURS; AND
(III) THE BEER, WINE, OR LIQUOR WILL BE SOLD AT THE EVENT ONLY ON THE DAYS AND HOURS ALLOWED BY THE BOARD.

6-401.
(m) (2) (ii) 1. A Class D (on-sale) license for beer, wine and liquor sales shall be issued to establishments whose total beer, wine and liquor sales constitute at least 75 percent on-premises consumption and up to 25 percent off-premises consumption.
2. [A. The annual license fee is $\$ 1,500$.
B. The issuing fee for a new license is $\$ 1,500$, in addition to the annual fee]THE BoARD OF LICENSE COMMISSIONERS MAY ISSUE A CLASS D BEER AND LIGHT WINE LICENSE WITHOUT OR WITH A CATERING OPTION.
3. A HOLDER OF A CLASS D BEER, WINE AND LIQUOR WINE LICENSE WITHOUT A CATERING OPTION MAY SELL:
A. BEER AND LIGHT WINE FOR CONSUMPTION ON THE LICENSED PREMISES; AND
B. BREWED BEVERAGES FOR CONSUMPTION OFF THE LICENSED PREMISES.
4. IN ADDITION TO EXERCISING THE PRIVILEGES STATED IN SUBSUBPARAGRAPH 3 OF THIS SUBPARAGRAPH, A HOLDER OF A CLASS D BEER, WINE AND LIQUOR LICENSE WITH A CATERING OPTION MAY KEEP FOR SALE AND SELL BEER, WINE, AND LIQUOR FOR CONSUMPTION AT EVENTS THAT THE HOLDER CATERS OFF THE LICENSED PREMISES.
5. TO EXERCISE THE CATERING OPTION, A HOLDER OF A CLASS D BEER, WINE AND LIQUOR LICENSE:
A. SHALL PROVIDE FOOD IF THE HOLDER PROVIDES ALCOHOLIC BEVERAGES AT A CATERED EVENT OFF THE LICENSED PREMISES; AND
B. May exercise the catering option only during the hours and days that are allowed by the Board of License Commissioners.
6. FOR A LICENSE WITHOUT A CATERING OPTION:
A. The issuing fee for a new license is $\mathbf{\$ 1 , 5 0 0}$;

## AND

B. The annual fee is $\mathbf{\$ 1 , 5 0 0}$.
7. FOR A LICENSE WITH A CATERING OPTION:
A. The issuing fee for a New license is $\mathbf{\$ 2 , 0 0 0}$; AND
B. The issuing fee is $\mathbf{\$ 2 , 0 0 0}$.
(4) The Board may grant a license holder a privilege at NO CHARGE TO SELL BEER, WINE, OR LIQUOR FOR CONSUMPTION OFF THE LICENSED PREMISES IF:
(I) The beer, wine, or liquor is bottled in COMMEMORATIVE OR SPECIAL EVENT BOTTLES AND SOLD AT A SPECIAL EVENT;
(II) The Board approves the commemorative or SPECIAL EVENT BOTTLES BEFORE THE EVENT OCCURS; AND
(III) The beer, wine, or liquor will be sold at the EVENT ONLY ON THE DAYS AND HOURS ALLOWED BY THE BOARD.

7-101.
(p) (1) In Garrett County, there are 4 types of special Class C beer, beer and wine, or beer, wine and liquor licenses available, as follows:
[(1)] (I) A special 2-day Class C license for a fee of $\$ 50$;
[(2)] (II) A special 6-day Class C license for a fee of $\$ 150$;
[(3)] (III) A special 12-day Class C license for a fee of $\$ 300$; or
[(4)] (IV) A special multiple event Class C license under the following conditions:
[(i)] 1. The Board of License Commissioners may issue a special multiple event license to an organization that otherwise qualifies for a special Class C license;
[(ii)] 2. The annual fee for a special multiple event license is as follows:
[1.] A. $\quad \$ 125$ for up to 5 events per year;
[2.] B. $\$ 250$ for up to 12 events per year;
[3.] C. $\$ 375$ for up to 18 events per year; and
[4.] D. $\$ 500$ for up to 24 events per year;
[(iii)] 3. The Board may not issue more than 1 special multiple event license to an organization in a license year;
[(iv)] 4. A special multiple event licensee shall notify the Board in writing at least 7 days before an event; and
[(v)] 5. The Board shall publish a notice for application for a special multiple event license one time at least 7 days before the hearing on the license.
(2) (I) SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, the Garrett County Board of License Commissioners may grant a LICENSE HOLDER A PRIVILEGE AT NO CHARGE TO SELL FOR CONSUMPTION OFF THE LICENSED PREMISES AN ALCOHOLIC BEVERAGE AUTHORIZED BY THE LICENSE IF:

1. The alcoholic beverage is bottled in COMMEMORATIVE OR SPECIAL EVENT BOTTLES AND SOLD AT A SPECIAL EVENT;
2. THE BOARD APPROVES THE COMMEMORATIVE OR SPECIAL EVENT BOTTLES BEFORE THE EVENT OCCURS; AND
3. THE ALCOHOLIC BEVERAGE WILL BE SOLD AT THE EVENT ONLY ON THE DAYS AND HOURS ALLOWED BY THE BOARD.
(II) A holder of a license is entitled to be granted THE PRIVILEGE DESCRIBED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH IF THE LICENSE IS A:
4. Special 2-day Class C license;
5. Special 6-day Class C license;
6. Special 12-day Class C license; or
7. Special multi-event Class C license.

8-212.
(a) This section applies only in Garrett County.
(b) (1) To sell draft beer, any establishment regularly licensed to sell beer shall obtain a special license from the Board of License Commissioners and the fee for the license is $\$ 75$. The issuing fee for new licenses, in addition to the annual fee, is $\$ 75$.
(2) (i) To sell draft beer, a licensee who holds a Class B-resort license shall obtain a special license from the Board of License Commissioners.
(ii) The annual license fees are:

1. Two facilities, $\$ 150$; and
2. Each additional facility, $\$ 75$.
(iii) The Board of License Commissioners shall charge an issuing fee for new licenses in an amount equal to the annual license fee.

## (C) (1) THERE IS A REFILLABLE CONTAINER PERMIT.

(2) THE BOARD OF LICENSE COMMISSIONERS MAY ISSUE A REFILLABLE CONTAINER PERMIT TO A DRAFT BEER LICENSE HOLDER WHO ALSO HOLDS ANY ALCOHOLIC BEVERAGES LICENSE ISSUED BY THE BOARD except a Class C license or a Class A license.
(3) SUBJECT TO PARAGRAPH (4) OF THIS SUBSECTION, A REFILLABLE CONTAINER LICENSE ENTITLES THE HOLDER TO SELL DRAFT BEER FOR CONSUMPTION OFF THE LICENSED PREMISES IN A REFILLABLE CONTAINER WITH A CAPACITY OF NOT LESS THAN 32 OUNCES AND NOT MORE THAN 128 OUNCES.
(4) TO BE USED AS A REFILLABLE CONTAINER LICENSE, A CONTAINER SHALL:

## (I) BE SEALABLE;

(II) BE BRANDED WITH AN IDENTIFYING MARK OF THE LICENSE HOLDER;
(III) Bear the federal health warning statement REQUIRED FOR CONTAINERS OF ALCOHOLIC BEVERAGES UNDER 21 C.F.R. 16.21;
(IV) DISPLAY INSTRUCTIONS FOR CLEANING THE CONTAINER; AND
(v) Bear a label stating that:

1. Cleaning the container is the RESPONSIBILITY OF THE CONSUMER; AND
2. The CONTENTS OF THE CONTAINER ARE PERISHABLE AND SHOULD BE REFRIGERATED IMMEDIATELY AND CONSUMED WITHIN 48 HOURS AFTER PURCHASE.
(5) The Board of License Commissioners may adopt REGULATIONS TO CARRY OUT THIS SUBSECTION.
[(c)] (D) Any person violating the provisions of this section shall be deemed guilty of a misdemeanor and upon conviction shall be subject to a fine of not more than $\$ 5,000$ or to imprisonment for not more than 1 year or both.

8-308.3.
(b) This section applies only in Garrett County.
(h) [Notwithstanding § $11-512$ (c) of this article, a] A wine festival license issued [for use in election district 11 or 15] FOR USE IN A LOCATION WHERE SUNDAY SALES ARE ALLOWED UNDER § 11-512(C) OF THIS ARTICLE authorizes Sunday sales:
(1) To begin at 10 a.m.; and
(2) To be made without a consumer placing an order for a meal simultaneously or before placing an order for an alcoholic beverage.

8-807.
(A) In this section, "Board" means the Garrett County Board of License Commissioners.
(B) This section applies only in Garrett County.
(C) The Board may issue annually not more than two beer FESTIVAL LICENSES.
(D) Notwithstanding any other provision of this article, an APPLICANT FOR A FESTIVAL LICENSE SHALL BE A HOLDER OF A:
(1) Retail alcoholic beverages license issued by the Board;
(2) CLASS 5 BREWERY LICENSE;
(3) CLASS 6 PUB-BREWERY LICENSE; OR
(4) CLASS 7 MICRO-BREWERY LICENSE.
(E) A holder of a beer festival license may:
(1) ONLY DISPLAY AND SELL BEER THAT IS:
(I) MANUFACTURED AND PROCESSED IN A STATE; AND
(II) Distributed in the State when the application is FILED; AND
(2) DISPLAY AND SELL BEER AT RETAIL FOR CONSUMPTION ON OR OFF THE LICENSED PREMISES ON THE DAYS AND FOR THE HOURS DESIGNATED FOR A BEER FESTIVAL.
(F) For a beer festival license, the Board shall:
(1) Establish a FEE;
(2) APPROVE A FIXED PERIOD OF TIME FOR THE FESTIVAL OF UP TO 2 CONSECUTIVE DAYS, EXCLUDING SUNDAY; AND
(3) APPROVE a FESTIVAL LOCATION IN THE COUNTY FOR WHICH A LICENSE HAS NOT BEEN ISSUED.
(G) (1) A PRODUCT TO BE DISPLAYED AND SOLD AT A BEER FESTIVAL SHALL BE:
(I) INVOICED TO THE HOLDER OF THE BEER FESTIVAL LICENSE BY A LICENSED STATE WHOLESALER OR HOLDER OF A CLASS 5 BREWERY LICENSE, CLASS 6 PUB-BREWERY LICENSE OR CLASS 6 MICRO-BREWERY LICENSE; AND
(II) DELIVERED TO THE BEER FESTIVAL FROM THE LICENSED PREMISES OF THE WHOLESALER.
(2) WHEN A BEER FESTIVAL LICENSE IS ISSUED, A HOLDER OF A WHOLESALER'S LICENSE, A CLASS 5 BREWERY LICENSE, A CLASS 6 PUB-BREWERY LICENSE, OR A CLASS 7 MICRO-BREWERY LICENSE MAY ENTER INTO AN AGREEMENT WITH THE HOLDER OF THE BEER FESTIVAL LICENSE TO DELIVER BEER 2 DAYS BEFORE THE EFFECTIVE DATE OF THE BEER FESTIVAL LICENSE AND TO ACCEPT RETURNS NOT LATER THAN 2 DAYS AFTER THE EXPIRATION DATE OF THE BEER FESTIVAL LICENSE.
(H) A BEER FESTIVAL LICENSE ISSUED FOR A LOCATION AT WHICH SUNDAY SALES ARE ALLOWED UNDER § 11-512(C) OF THIS ARTICLE AUTHORIZES SUNDAY SALES:
(1) TO BEGIN AT 1 P.M.; AND
(2) TO BE MADE WITHOUT A CONSUMER PLACING AN ORDER FOR A MEAL SIMULTANEOUSLY OR BEFORE PLACING AN ORDER FOR AN ALCOHOLIC BEVERAGE.
(I) THE BOARD SHALL ADOPT REGULATIONS TO CARRY OUT THIS SECTION.

12-107.
(b) (10) (i) THIS PARAGRAPH APPLIES TO AN INDIVIDUAL IN:

1. A RESTAURANT, CLUB, OR HOTEL FOR WHICH A Class B OR Class C LICENSE ALLOWING THE SALE OF WINE IS ISSUED; OR
2. AN ESTABLISHMENT IN GARRETT COUNTY FOR WHICH A CLASS B-B\&B (BED AND BREAKFAST) LICENSE IS ISSUED.
(II) An individual [in a restaurant, club, or hotel for which a Class B or Class C license allowing the sale of wine is issued] COVERED UNDER

SUBPARAGRAPH (I) OF THIS PARAGRAPH may consume wine not purchased from or provided by the license holder only if:

1. The wine is consumed with a meal during the hours of sale specified by the license;
2. The individual receives the approval of the license holder;
3. The wine is not available for sale on the license holder's wine list; and
4. The license holder obtains a permit from the local licensing board before allowing an individual the privilege of consuming wine not purchased from or provided by the license holder.
[(ii)] (III) A local licensing board shall issue a permit at no charge to each license holder who seeks to allow an individual to consume wine under the conditions specified in subparagraph (i) of this paragraph.
[(iii)] (IV) A license holder that allows an individual the privilege of consuming wine described under subparagraph (i) of this paragraph may determine and charge the individual a fee for the privilege, on which a sales tax shall be imposed.
[(iv)] (V) Except as provided in subparagraph (v) of this paragraph, the license holder shall dispose of wine described under subparagraph (i) of this paragraph that remains after the meal is finished.
[(v)] (VI) The individual may remove from the licensed premises a bottle of wine, the contents of which are only partially consumed with the meal, if the license holder or an employee of the license holder inserts a cork in or places a cap on the bottle.
[(vi)] (VII) A bottle of wine that is removed from the licensed premises under subparagraph (v) of this paragraph is an "open container" for purposes of § 10-125 of the Criminal Law Article.
[(vii)] (VIII) A license holder may not allow an individual who is under 21 years old or who is visibly under the influence of an alcoholic beverage the privilege of consuming wine described under subparagraph (i) of this paragraph.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2013.

