

HOUSE BILL 463

A2

4r0605
CF SB 657

By: **Montgomery County Delegation**

Introduced and read first time: January 27, 2014

Assigned to: Economic Matters

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 7, 2014

CHAPTER _____

1 AN ACT concerning

2 **Montgomery County – Alcoholic Beverages – Beer, Wine and Liquor Licenses**

3 **MC 16-14**

4 FOR the purpose of establishing in Montgomery County a Class D beer, wine and
5 liquor (on-sale) license; requiring an applicant for a Class D beer, wine and
6 liquor (on-sale) license to attest to a certain proportion of future food and
7 alcoholic beverages sales during certain hours, based on gross receipts, as a
8 prerequisite to obtaining the license; requiring an applicant for a Class D beer,
9 wine and liquor (on-sale) license to attest to a certain proportion of ~~future~~
10 and alcoholic beverages sales during certain hours, based on gross receipts from
11 sales during a certain time, as a prerequisite to renewing the license; requiring
12 the Board of License Commissioners to adopt certain regulations providing for
13 the inspection of certain premises; authorizing the Board to revoke a Class D
14 beer, wine and liquor (on-sale) license under certain circumstances; requiring
15 an applicant to pay a certain fee in order to obtain a Class D beer, wine and
16 liquor (on-sale) license; altering the hours that a holder of a Class B-BWL or
17 Class B-BWL (H-M) license may sell alcoholic beverages on a Sunday;
18 authorizing a holder of a Class D beer, wine and liquor license to sell alcoholic
19 beverages during certain hours on a Sunday; altering the hours that a holder of
20 a Class B-BWL or Class B-BWL (H-M) license may sell alcoholic beverages on
21 Monday, Tuesday, Wednesday, Thursday, and certain Sundays; altering the
22 hours that a holder of a Class B-BWL or Class B-BWL (H-M) license may sell
23 alcoholic beverages on Friday, Saturday, and certain Sundays; authorizing a
24 holder of a Class D beer, wine and liquor license to sell alcoholic beverages

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 during certain hours on ~~Friday, Saturday, and certain Sundays~~ certain days;
 2 making stylistic changes; and generally relating to alcoholic beverages in
 3 Montgomery County.

4 BY repealing and reenacting, without amendments,
 5 Article 2B – Alcoholic Beverages
 6 Section 6–401(a)
 7 Annotated Code of Maryland
 8 (2011 Replacement Volume and 2013 Supplement)

9 BY repealing and reenacting, with amendments,
 10 Article 2B – Alcoholic Beverages
 11 Section 6–401(q) and 11–516(a) and (c)
 12 Annotated Code of Maryland
 13 (2011 Replacement Volume and 2013 Supplement)

14 BY repealing and reenacting, without amendments,
 15 Article 2B – Alcoholic Beverages
 16 Section 11–303(b)
 17 Annotated Code of Maryland
 18 (2011 Replacement Volume and 2013 Supplement)
 19 (As enacted by Chapters 302 and 303 of the Acts of the General Assembly of
 20 2010)

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

23 **Article 2B – Alcoholic Beverages**

24 6–401.

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

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

32 (3) In this section, “Board” means the Board of License Commissioners
 33 for the jurisdiction to which the subsection applies.

34 (q) (1) This [section does not apply in] **SUBSECTION APPLIES ONLY IN**
 35 Montgomery County.

1 **(2) A CLASS D BEER, WINE AND LIQUOR (ON-SALE) LICENSE MAY**
2 **BE ISSUED FOR ON-PREMISES CONSUMPTION.**

3 **(3) (I) AS A PREREQUISITE FOR THE INITIAL ISSUANCE OF A**
4 **LICENSE UNDER THIS SUBSECTION, THE OWNER SHALL ATTEST IN A SWORN**
5 **STATEMENT THAT GROSS RECEIPTS FROM FOOD SALES WILL BE AT LEAST**
6 **EQUAL TO 40% OF THE GROSS RECEIPTS FROM THE SALE OF FOOD AND**
7 **ALCOHOLIC BEVERAGES:**

8 **1. FROM 9 A.M. TO 9 P.M. ON MONDAY, TUESDAY,**
9 **WEDNESDAY, THURSDAY, FRIDAY, AND SATURDAY; AND**

10 **2. FROM 10 A.M. TO 9 P.M. ON SUNDAY.**

11 **(II) AS A PREREQUISITE FOR EACH RENEWAL OF A LICENSE**
12 **ISSUED UNDER THIS SUBSECTION, THE OWNER SHALL ATTEST IN A SWORN**
13 **STATEMENT THAT THE GROSS RECEIPTS FROM FOOD SALES FOR THE 12-MONTH**
14 **PERIOD IMMEDIATELY PRECEDING THE APPLICATION FOR RENEWAL HAVE**
15 **BEEN AT LEAST EQUAL TO 40% OF THE GROSS RECEIPTS FROM THE SALE OF**
16 **FOOD AND ALCOHOLIC BEVERAGES:**

17 **1. FROM 9 A.M. TO 9 P.M. ON MONDAY, TUESDAY,**
18 **WEDNESDAY, THURSDAY, FRIDAY, AND SATURDAY; AND**

19 **2. FROM 10 A.M. TO 9 P.M. ON SUNDAY.**

20 **(III) THE BOARD BY REGULATION SHALL PROVIDE FOR**
21 **PERIODIC INSPECTION OF THE PREMISES AND FOR AUDITS TO DETERMINE THE**
22 **RATIO OF GROSS RECEIPTS FROM THE SALE OF FOOD TO GROSS RECEIPTS FROM**
23 **THE SALE OF ALCOHOLIC BEVERAGES.**

24 **(IV) REGULATIONS ADOPTED BY THE BOARD SHALL**
25 **INCLUDE A REQUIREMENT OF:**

26 **1. AT LEAST MONTHLY PHYSICAL INSPECTIONS OF**
27 **THE PREMISES DURING THE INITIAL LICENSE YEAR OF ANY LICENSEE; AND**

28 **2. THE SUBMISSION BY THE LICENSEE TO THE**
29 **BOARD, DURING THE INITIAL LICENSE YEAR, OF MONTHLY STATEMENTS**
30 **SHOWING GROSS RECEIPTS FROM THE SALE OF FOOD AND GROSS RECEIPTS**
31 **FROM THE SALE OF ALCOHOLIC BEVERAGES FOR THE IMMEDIATELY**
32 **PRECEDING MONTH.**

1 **(v) 1. IF A LICENSEE DURING THE INITIAL LICENSE**
2 **YEAR FAILS TO MAINTAIN THE SALES RATIO REQUIREMENT PROVIDED IN THIS**
3 **PARAGRAPH FOR 3 CONSECUTIVE MONTHS OR AFTER THE INITIAL LICENSE**
4 **YEAR FOR EACH LICENSE OR CALENDAR YEAR, THE BOARD MAY REVOKE THE**
5 **LICENSE.**

6 **2. THE BOARD MAY REQUIRE A LICENSEE TO**
7 **PROVIDE SUPPORTING DATA AS THE BOARD CONSIDERS NECESSARY TO**
8 **ESTABLISH THAT THE REQUIREMENTS OF THIS SECTION RELATING TO THE**
9 **RATIO OF GROSS RECEIPTS FROM THE SALE OF FOOD TO THOSE FROM THE SALE**
10 **OF ALCOHOLIC BEVERAGES HAVE BEEN MET.**

11 **(4) THE ANNUAL LICENSE FEE IS \$3,000.**

12 11-303.

13 (b) (1) The hours during which the privileges conferred by a Class B beer,
14 wine and liquor license may be exercised are from 6 a.m. to 2 a.m. on the following
15 day.

16 (2) In Annapolis, the hours shall be as fixed by the Mayor, Counselor,
17 and Aldermen of the City of Annapolis.

18 (3) In Montgomery County, except as provided in § 11-516 of this
19 article, the hours are from 9 a.m. on any day to 1 a.m. on the following day.

20 (4) In the 47th alcoholic beverages district in Baltimore City, the
21 hours for off-sales under a Class B beer, wine and liquor license for use in a
22 restaurant are as provided for in § 6-201(d) of this article.

23 (5) In the Park Heights Redevelopment Area that is specified in the
24 Park Heights Master Plan adopted by Baltimore City in 2006, the hours of sale begin
25 at 9 a.m. each day.

26 11-516.

27 (a) In Montgomery County, notwithstanding any other provisions of this
28 subtitle, a holder of an alcoholic beverage license may not sell any alcoholic beverages
29 **[between]:**

30 **(1) BETWEEN** the hours of 1 a.m. and 10 a.m. on Sunday, except
31 holders of Class A (off-sale) beer licenses and Class A (off-sale) beer and light wine
32 licenses and **[Class B-BWL, Class B-BWL (H-M) and]** Class C, beer, wine and liquor
33 licenses; Class B and Class D beer licenses and Class B and Class D beer and light
34 wine licenses; **AND**

1 **(2) BETWEEN THE HOURS OF 3 A.M. AND 10 A.M. ON SUNDAY,**
 2 **EXCEPT HOLDERS OF CLASS B-BWL, CLASS B-BWL (H-M), AND CLASS D**
 3 **BEER, WINE AND LIQUOR LICENSES.**

4 (c) The privileges conferred by a Class B beer, wine and liquor license
 5 (on-sale generally), [and] a Class B beer, wine and liquor (H-M) license, **AND A**
 6 **CLASS D BEER, WINE AND LIQUOR (ON-SALE) LICENSE** may be exercised during
 7 the following hours, provided that the licensed establishment sells or makes available
 8 food for consumption on the premises during the hours that alcoholic beverages are
 9 permitted to be served:

10 (1) [On Monday, Tuesday, Wednesday, and Thursday sales are
 11 permitted from 9 a.m. to 1 a.m. on the following day] **FROM 9 A.M. TO ~~1 A.M.~~ 2 A.M.**
 12 **THE FOLLOWING DAY, ON MONDAY, TUESDAY, WEDNESDAY, AND THURSDAY;**

13 (2) [On Friday and Saturday, sales are permitted from 9 a.m. to 2 a.m.
 14 on the following day] **FROM 9 A.M. TO 3 A.M. THE FOLLOWING DAY, ON FRIDAY**
 15 **AND SATURDAY;**

16 (3) [On Sunday, sales are permitted from 10 a.m. to 1 a.m. on the
 17 following day; provided, however, that sales are permitted until 2 a.m. on the following
 18 day when the following day (Monday) has been designated by the federal government
 19 as one of the following holidays: Washington's Birthday, Memorial Day, Independence
 20 Day, Labor Day, Veterans Day and Christmas] **FROM 10 A.M. TO 3 A.M. THE**
 21 **FOLLOWING DAY, ON SUNDAY WHEN THE FOLLOWING DAY HAS BEEN**
 22 **DESIGNATED BY THE FEDERAL GOVERNMENT AS ONE OF THE FOLLOWING**
 23 **HOLIDAYS:**

24 **(I) WASHINGTON'S BIRTHDAY;**

25 **(II) MEMORIAL DAY;**

26 **(III) INDEPENDENCE DAY;**

27 **(IV) LABOR DAY;**

28 **(V) VETERANS DAY; OR**

29 **(VI) CHRISTMAS; OR**

30 **(4) FROM 10 A.M. TO ~~1 A.M.~~ 2 A.M. THE FOLLOWING DAY, ON A**
 31 **SUNDAY THAT IS NOT REFERENCED IN ITEM (3) OF THIS SUBSECTION.**

32 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
 33 July 1, 2014.