

# SENATE BILL 503

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CF HB 246

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By: **Senators Young and Hough**

Introduced and read first time: February 6, 2015

Assigned to: Education, Health, and Environmental Affairs

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Committee Report: Favorable

Senate action: Adopted

Read second time: March 6, 2015

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

1 AN ACT concerning

2 **Frederick County – Alcoholic Beverages – Notice for License Applications, Fees,**  
3 **and Inspectors**

4 FOR the purpose of authorizing the Board of License Commissioners for Frederick County  
5 to fulfill a certain notice requirement for license applications by posting online a  
6 completed application with all submitted documents on or before a certain date;  
7 eliminating the fees for a certain certificate of permission and a certain new license;  
8 repealing the requirement that the Governor appoint for the County a full-time  
9 alcoholic beverages inspector; repealing the qualifications for appointment and term  
10 of the inspector; repealing the authority of the Governor to remove the inspector;  
11 repealing the grounds for removing the inspector; authorizing the Board to appoint  
12 a chief alcoholic beverages inspector and a certain number of full-time or part-time  
13 alcoholic beverages inspectors; specifying the qualifications and duties of the  
14 inspectors; specifying an additional duty of the chief inspector; providing for the  
15 compensation and travel reimbursement for inspectors; making certain technical  
16 and clarifying corrections; and generally relating to alcoholic beverages licenses and  
17 inspectors in Frederick County.

18 BY repealing and reenacting, with amendments,  
19 Article 2B – Alcoholic Beverages  
20 Section 10–202(a)(1), 10–506(a), and 15–103  
21 Annotated Code of Maryland  
22 (2011 Replacement Volume and 2014 Supplement)

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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.



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

3 **Article 2B – Alcoholic Beverages**

4 10–202.

5 (a) (1) (i) [Before] **EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF**  
6 **THIS PARAGRAPH, BEFORE** the Board of License Commissioners for Baltimore City or  
7 any county approves any application for a license, the Board shall cause a notice of the  
8 application to be published two times in two successive weeks:

9 1. For Baltimore City licensee applicants – in three  
10 newspapers of general circulation in Baltimore City.

11 2. For county licensee applicants – in two newspapers of  
12 general circulation in the county where two newspapers are published, and if not, then in  
13 one newspaper having a general circulation in the county.

14 **(II) IN FREDERICK COUNTY, THE BOARD OF LICENSE**  
15 **COMMISSIONERS MAY FULFILL THE NOTICE REQUIREMENT OF SUBPARAGRAPH (I)**  
16 **OF THIS PARAGRAPH BY POSTING ONLINE A COMPLETED APPLICATION WITH ALL**  
17 **SUBMITTED DOCUMENTS AT LEAST 14 DAYS BEFORE THE HEARING DATE.**

18 [(ii)] **(III)** The notice shall specify the name of the applicant, the kind  
19 of license for which application is made, the location of the place of business proposed to be  
20 licensed, and the time and place fixed by the board for a hearing on the application.

21 [(iii)] **(IV)** The hearing may not be less than seven nor more than 30  
22 days after the last publication.

23 [(iv)] **(V)** At the time fixed by the notice for a hearing on the  
24 application or on any postponement of the time, any person shall be heard on either side of  
25 the question.

26 10–506.

27 (a) **(1)** [Upon] **SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, ON** the  
28 death of the holder of any license issued under this article other than Class E, Class F and  
29 Class G licenses, the license shall expire.

30 **(2) (I)** [However,] **EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF**  
31 **THIS PARAGRAPH,** upon application to the Comptroller or local licensing board, as the case  
32 may be, that granted the license, and upon the payment of a fee of one dollar (\$1.00), made  
33 by the executors or administrators of the deceased licensee to the Comptroller or local  
34 collecting agent, as the case may be, a certificate of permission may be granted for the

1 continuation of the business in the name of the executors or administrators for the benefit  
2 of the estate of the deceased.

3 **(II) IN FREDERICK COUNTY, A FEE MAY NOT BE CHARGED FOR**  
4 **A CERTIFICATE OF PERMISSION.**

5 **(3)** The certificate of permission may be granted for a period not exceeding  
6 18 months from the date of the granted permission, unless the license expires earlier.

7 **(4)** If the license does expire earlier, upon application by the executor or  
8 administrator, a renewal license may be granted for a period not exceeding 18 months after  
9 the death of the license holder.

10 **(5)** Such certificates of permission and renewal licenses issued will be  
11 subject to the right of protest, revocation, suspension and restriction as in other cases, upon  
12 the payment of a pro rata license fee for such period, and during the period of such  
13 continuation the said license and the executors or administrators of the deceased shall be  
14 subject to the provisions of the Tax – General Article that relate to the alcoholic beverage  
15 tax and all of the provisions of this article.

16 **(6)** The said administrator or executor to which the aforesaid certificate of  
17 permission has been granted may assign or transfer said license for the benefit of said  
18 estate, and upon the approval of the application for said transfer or assignment, the said  
19 license shall be considered reinstated upon the payment of the balance of the license fee  
20 which might be due to the expiration of the license year.

21 **(7)** If the business of the licensee be not continued as above provided, or if  
22 the said license be not transferred or assigned, his executors or administrators shall be  
23 authorized to apply for and obtain any refund to which the deceased would have been  
24 entitled if his license had been surrendered for cancellation upon the date of his death.

25 **(8)** No Class E, Class F or Class G license shall expire or become  
26 inoperative because of the death and/or incompetency of one or more, but less than all, of  
27 the persons to whom it is issued for a company.

28 **(9) (I) [If] EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS**  
29 **PARAGRAPH, IF** all of the persons to whom it is so issued shall die and/or become  
30 incompetent during its term, such license shall expire ten days thereafter, but, upon  
31 application within such ten days, accompanied by a fee payment of \$1.00 by a person on  
32 behalf of such company, the Comptroller shall issue a new license replacing, and containing  
33 the privileges of, such license to the end of the license year.

34 **(II) IN FREDERICK COUNTY, A FEE MAY NOT BE CHARGED FOR**  
35 **A NEW LICENSE.**

- 1           (a)   (1)   There is a Board of License Commissioners in Frederick County.
- 2                   (2)   The Board consists of 3 members.
- 3                   (3)   The Governor shall appoint the members of the Board.
- 4                   (4)   To qualify for appointment to the Board, a person:
- 5                           (i)    Shall be of good moral character and integrity;
- 6                           (ii)   Shall reasonably reflect the citizenry of the county; and
- 7                           (iii)  Shall be a registered voter of the county and shall continue to be
- 8 a registered voter of the county during the person's term of office.
- 9                   (5)   The term of a member is 5 years.
- 10                  (6)   The terms of the members are staggered as required by the terms
- 11 provided for members of the Board on July 1, 1989.
- 12                  (7)   A member who is appointed after a term has begun serves only until a
- 13 successor is appointed and qualifies.
- 14                  (8)   The Governor may remove a member for incompetence, misconduct,
- 15 neglect of a duty required by law, unprofessional conduct, or dishonorable conduct.
- 16                  (9)   The removal procedure is as provided in this article.
- 17           (b)   From among its members, the Board shall elect a chairperson.
- 18           (c)   (1)   A majority of the members then serving on the Board is a quorum.
- 19                   (2)   The Board shall meet at least once a month.
- 20                   (3)   The chairperson of the Board shall receive an annual compensation of
- 21 \$7,000 and be reimbursed for reasonable expenses.
- 22                   (4)   The members shall receive an annual compensation of \$6,500 and be
- 23 reimbursed for reasonable expenses.
- 24           (d)   [(1)  The Governor shall appoint 1 alcoholic beverages inspector, with the
- 25 advice and consent of:
- 26                   (i)    The Senate; or

1 (ii) If there is no resident Senator, then with the consent of the  
2 members of the Frederick County delegation of the General Assembly.

3 (2) To qualify for appointment as an alcoholic beverages inspector, a  
4 person:

5 (i) Shall be of high moral character;

6 (ii) Shall possess a sound reputation for sobriety, honesty, and  
7 integrity; and

8 (iii) Shall devote full time to the duties of the office.

9 (3) (i) The term of an inspector is 5 years.

10 (ii) An inspector who is appointed after a term has begun serves only  
11 until a successor is appointed.

12 (4) The Governor may remove an inspector with the advice and consent of:

13 (i) The Senate; or

14 (ii) If there is no resident Senator, then with the consent of the  
15 members of the Frederick County delegation of the General Assembly.

16 (5) Grounds for removal are:

17 (i) Incompetence;

18 (ii) Misconduct while performing the duties as an inspector;

19 (iii) Neglect of a duty required by law; or

20 (iv) Unprofessional or dishonorable conduct in performing the duties  
21 as an inspector.

22 (6) (i) An inspector shall receive an annual salary as set by the County  
23 Commissioners, be reimbursed for reasonable expenses, and receive mileage at the  
24 standard rate set by the County Commissioners.

25 (ii) Mileage does not include travel to and from the inspector's home  
26 and office.

27 (7) An inspector shall:

28 (i) Possess the power of a peace officer of this State with respect to  
29 the enforcement of the alcoholic beverages laws of Frederick County;

1 (ii) Make monthly reports in writing to the Board covering the  
2 activities and setting forth any complaints or violations that may have been observed or  
3 reported;

4 (iii) Assist the Board in enforcing the alcoholic beverages laws; and

5 (iv) Have any other duties as the Board may prescribe.

6 (e) (1) The Board may appoint [not]:

7 (I) ONE CHIEF ALCOHOLIC BEVERAGES INSPECTOR; AND

8 (II) NOT more than [two]:

9 1. ONE FULL-TIME ALCOHOLIC BEVERAGES INSPECTOR  
10 IN ADDITION TO THE CHIEF ALCOHOLIC BEVERAGES INSPECTOR; OR

11 2. TWO part-time alcoholic beverages inspectors.

12 (2) To qualify for appointment as [a part-time] AN alcoholic beverages  
13 inspector OF ANY TYPE, a person shall:

14 (i) Be of high moral character; and

15 (ii) Possess a sound reputation for sobriety, honesty, and integrity.

16 (3) [A part-time] AN alcoholic beverages inspector OF ANY TYPE shall:

17 (i) Possess the power of a peace officer of the State with respect to  
18 the enforcement of the alcoholic beverages laws of Frederick County;

19 (ii) Make monthly reports in writing to the Board covering the  
20 activities and setting forth any complaints or violations that may have been observed or  
21 reported;

22 (iii) Assist the Board in enforcing the alcoholic beverages laws; and

23 (iv) Have any other duties that the Board may require.

24 (4) IN ADDITION TO THE DUTIES LISTED IN PARAGRAPH (3) OF THIS  
25 SUBSECTION, THE CHIEF ALCOHOLIC BEVERAGES INSPECTOR SHALL DETERMINE  
26 THE HOURS AND ASSIGNMENTS OF ALL ALCOHOLIC BEVERAGES INSPECTORS.

1            ~~[(4)]~~ (5)      [A part-time] AN ALCOHOLIC BEVERAGES inspector OF ANY  
2 TYPE shall:

3            (i)      Receive the compensation set by the GOVERNING BODY OF THE  
4 County [Commissioners] and provided for in the county budget;

5            (ii)     Be reimbursed for reasonable expenses; and

6            (iii)    Receive reimbursement for mileage at the standard rate set by  
7 the GOVERNING BODY OF THE County [Commissioners].

8            ~~[(5)]~~ (6)      Reimbursement for mileage does not include travel to and from  
9 the [part-time] inspector’s home and office.

10          ~~[(f)]~~ (E)      The chairperson of the Board, with the approval of the GOVERNING  
11 BODY OF THE County [Commissioners], may employ the clerical assistants necessary to  
12 carry out the duties of the Board and the salary of the clerical assistants shall be set by the  
13 GOVERNING BODY OF THE County [Commissioners] and provided for in the county  
14 budget.

15          ~~[(g)]~~ (F)      (1)    (i)      A Commissioner, THE CHIEF ALCOHOLIC BEVERAGES  
16 INSPECTOR, A full-time [or] ALCOHOLIC BEVERAGES INSPECTOR, A part-time  
17 ALCOHOLIC BEVERAGES inspector, or AN employee of the Board may not:

18                            1.      Have any interest, directly or indirectly, either proprietary  
19 or by means of any loan, mortgage, or lien, or in any other manner, in or to any premises  
20 where alcoholic beverages are manufactured or sold;

21                            2.      Have any interest, directly or indirectly, in any business  
22 wholly or partially devoted to the manufacture or sale of alcoholic beverages; or

23                            3.      Own any stock in any corporation which has any interest,  
24 proprietary or otherwise, directly or indirectly, in any premises where alcoholic beverages  
25 are manufactured or sold or in any business wholly or partially devoted to the manufacture  
26 or sale of alcoholic beverages, or hold any other public office or employment.

27                            (ii)    A Commissioner, THE CHIEF ALCOHOLIC BEVERAGES  
28 INSPECTOR, A full-time [or] ALCOHOLIC BEVERAGES INSPECTOR, A part-time  
29 ALCOHOLIC BEVERAGES inspector, or AN employee of the Board may not solicit or receive,  
30 directly or indirectly, any commission, remuneration, or gift whatsoever from any person  
31 or corporation engaged in the manufacture or sale of beer or other alcoholic beverages, from  
32 any licensee, licensed under the provisions of this article.

33                            (iii)    A person or corporation engaged in the manufacture or sale of  
34 beer or other alcoholic beverages, any agent or employee of that person or corporation, and  
35 any licensee licensed under the provisions of this article may not, directly or indirectly,

1 offer to pay any commission, profit, or remuneration or make any gift to any Commissioner,  
2 **THE CHIEF ALCOHOLIC BEVERAGES INSPECTOR, A full-time [or] ALCOHOLIC**  
3 **BEVERAGES INSPECTOR, A part-time ALCOHOLIC BEVERAGES** inspector, or AN  
4 employee of the Board.

5 (2) Violations of this subsection are a misdemeanor punishable by a fine of  
6 not more than \$1,000.

7 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
8 1, 2015.

Approved:

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Governor.

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President of the Senate.

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Speaker of the House of Delegates.