HOUSE BILL 929

A2 7lr2624

By: Delegate Beitzel

Introduced and read first time: February 6, 2017

Assigned to: Economic Matters

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 7, 2017

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1 AN ACT concerning

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Garrett County - Alcoholic Beverages - Licenses and Sunday Sales

3 FOR the purpose of authorizing a Class 9 limited distillery license to be issued to a holder of a certain Class B license in Garrett County; altering the underlying licenses that 4 5 may be held by a recipient of a Class BDR (deluxe restaurant) beer and wine license 6 issued in Garrett County; altering the alcoholic beverages that may be sold for 7 on-premises consumption and off-premises consumption at a hotel, motel, or 8 restaurant; altering certain catering options for certain licenses; altering certain restrictions regarding a license for use by a deluxe restaurant; repealing certain 9 10 Sunday license fees for certain licenses; altering the hours of sale on Sunday for 11 certain licenses; allowing the holder of a certain Class C license to purchase certain 12 alcoholic beverages from a retailer; specifying that a requirement for a criminal 13 history records check may apply to an applicant for license renewal; authorizing a 14 holder of a Class B beer license to sell beer on certain days during certain hours; 15 specifying certain license holders that may sell alcoholic beverages on Sunday under certain circumstances; making certain technical changes; clarifying certain 16 17 language; and generally relating to alcoholic beverages licenses and Sunday sales of 18 alcoholic beverages in Garrett County.

- 19 BY repealing and reenacting, without amendments,
- 20 Article Alcoholic Beverages
- Section 21-102, 21-803(a), 21-902(a), 21-904(b), 21-905(a)(1), 21-1002(a),
- 22 21–1304(a)(1), and 21–1305(a)(1)
- 23 Annotated Code of Maryland
- 24 (2016 Volume and 2016 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

<u>Underlining</u> indicates amendments to bill.

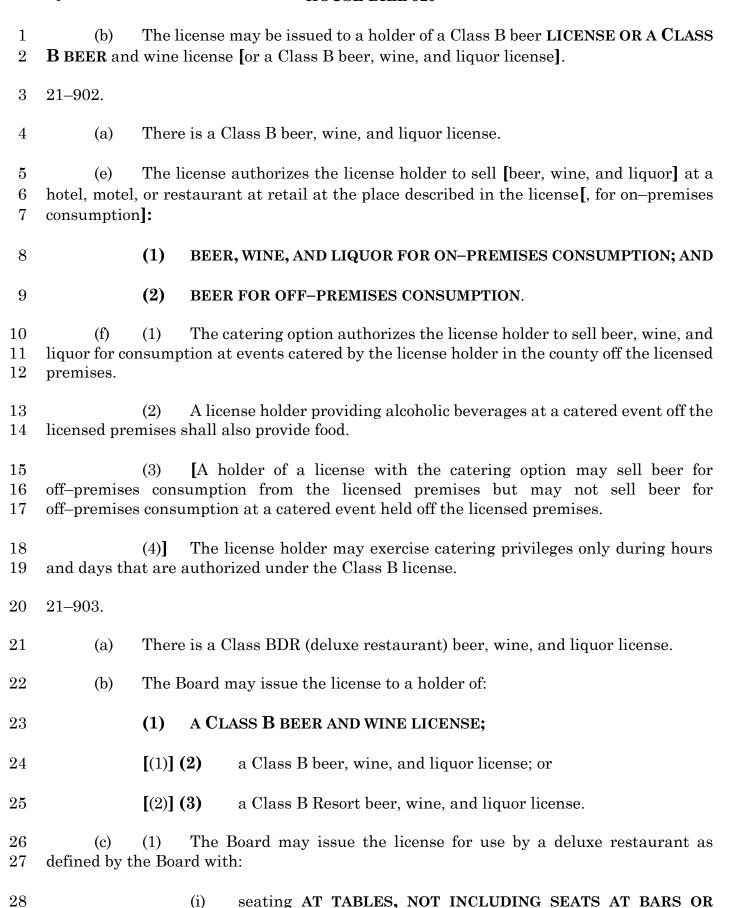
Strike out indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 2 3 4 5 6 7	BY repealing and reenacting, with amendments, Article – Alcoholic Beverages Section 21–401, 21–803(b), 21–902(e) and (f), 21–903, 21–904(f), 21–905(d), 21–1002(c), 21–1304(f), 21–1305(b) and (g), 21–1309(a), 21–1312, 21–1804, 21–2002, 21–2003, 21–2004, 21–2006, and 21–2102(a) Annotated Code of Maryland (2016 Volume and 2016 Supplement)				
8 9 10 11 12	BY adding to Article – Alcoholic Beverages Section 21–403.1 Annotated Code of Maryland (2016 Volume and 2016 Supplement)				
13 14	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:				
15	Article - Alcoholic Beverages				
16	21–102.				
17	This title applies only in Garrett County.				
18	<u>21–401.</u>				
19 20	(a) The following sections of Title 2, Subtitle 2 ("Manufacturer's Licenses") of Division I of this article apply in the county without exception or variation:				
21	(1) § 2–201 ("Issuance by Comptroller");				
22	(2) [§ 2–203 ("Class 9 limited distillery license");				
23	(3)] § 2–205 ("Class 3 winery license");				
24	[(4)] (3) § 2–207 ("Class 5 brewery license");				
25	[(5)] (4) § 2–209 ("Class 7 micro–brewery license");				
26	[(6)] (5) § 2–211 ("Residency requirement");				
27	[(7)] (6) § 2–212 ("Additional licenses");				
28	[(8)] (7) § 2–213 ("Additional fees");				
29	[(9)] (8) § 2–214 ("Sale or delivery restricted");				

1	[(10)] (9)	§ 2-215 ("Beer sale on credit to retail dealer prohibited");
2 3	[(11)] (10) retailers");	§ 2–216 ("Interaction between manufacturing entities and
4 5	[(12)] (11) practices"); and	§ 2-217 ("Distribution of alcoholic beverages - Prohibited
6 7	[(13)] (12) retailers – Prohibited").	§ 2-218 ("Restrictive agreements between producers and
8 9	(b) The follow Division I of this article	ing sections of Title 2, Subtitle 2 ("Manufacturer's Licenses") of apply in the county:
10	<u>(1)</u> § 2–	202 ("Class 1 distillery license"), subject to § 21–403 of this subtitle;
11 12	(2) § 2- § 21-403.1 OF THIS SU	203 ("Class 9 limited distillery license"), subject to ubtitle;
13 14	<u>[(2)] (3)</u> subtitle;	§ 2–204 ("Class 2 rectifying license"), subject to § 21–404 of this
15 16	[(3)] (4) this subtitle;	§ 2–206 ("Class 4 limited winery license"), subject to § 21–405 of
17 18	[(4)] (5) this subtitle; and	§ 2–208 ("Class 6 pub–brewery license"), subject to § 21–406 of
19 20	[(5)] (6) this subtitle.	§ 2–210 ("Class 8 farm brewery license"), subject to § 21–407 of
21	<u>21–403.1.</u>	
22 23	A CLASS 9 LIMI CLASS B LICENSE THA	TED DISTILLERY LICENSE MAY BE ISSUED TO A HOLDER OF A AT HAS:
24	<u>(1)</u> <u>ON</u> -	SALE PRIVILEGES FOR BEER, WINE, AND LIQUOR; AND
25	<u>(2)</u> OFF	-SALE PRIVILEGES FOR BEER.
26	21–803.	
27	(a) There is a	Class BDR (deluxe restaurant) beer and wine license.

COUNTERS, for at least 85 individuals; and



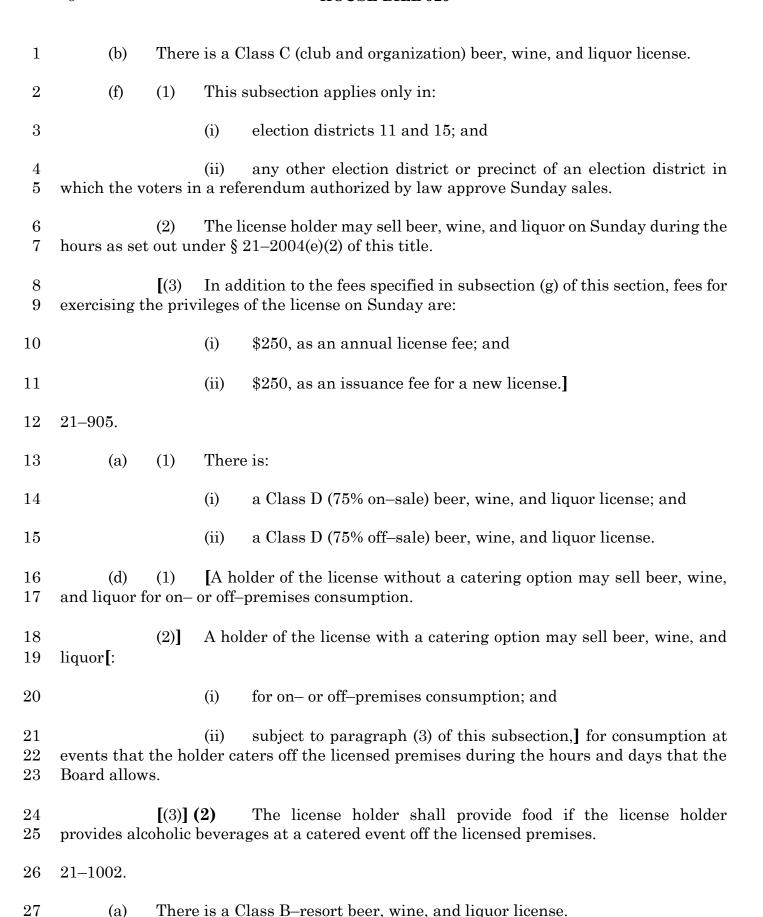
- a capital investment of at least \$250,000 for the restaurant 1 (ii) 2 facilities, not including the cost of land or buildings. 3 If an applicant purchases or leases an existing building, the capital investment attributable to the cost of the land and improvements shall be based on the 4 assessed value of the land and improvements in accordance with the records of the State 5 Department of Assessments and Taxation at the time of purchase or lease. 6 THE LICENSE AUTHORIZES THE LICENSE HOLDER TO SELL, AT 7 **(3)** 8 RETAIL, AT THE PLACE DESCRIBED IN THE LICENSE: 9 **(I)** LIQUOR BEER, WINE, AND **FOR ON-PREMISES** 10 **CONSUMPTION; AND** 11 (II) BEER FOR OFF-PREMISES CONSUMPTION. 12 (d) **(1)** A license holder of a Class BDR license may acquire [the] A catering 13 option [authorized under § 21–902 of this subtitle] THAT AUTHORIZES THE LICENSE 14 HOLDER TO SELL BEER, WINE, AND LIQUOR FOR CONSUMPTION AT EVENTS CATERED BY THE LICENSE HOLDER IN THE COUNTY OFF THE LICENSED PREMISES. 15 16 **(2)** A LICENSE HOLDER PROVIDING ALCOHOLIC BEVERAGES AT A 17 CATERED EVENT OFF THE LICENSED PREMISES SHALL ALSO PROVIDE FOOD. 18 **(3)** THE LICENSE HOLDER MAY EXERCISE CATERING PRIVILEGES 19 ONLY DURING HOURS AND DAYS THAT ARE AUTHORIZED UNDER THE CLASS B 20 LICENSE. 21(e) The license holder may sell beer, wine, and liquor during the hours and days 22of sale as set out in § 21–2004(d) of this title. 23 (f) The annual license fees are: 24\$2,250 for a 6-day license without a catering option; (1) 25(2) \$2,750 for a 6-day license with a catering option; 26 (3) \$2,625 for a 7-day license without a catering option; and
- [(g)] **(F)** The Board shall charge a one–time issuing fee for a new license in an amount equal to the annual license fee.

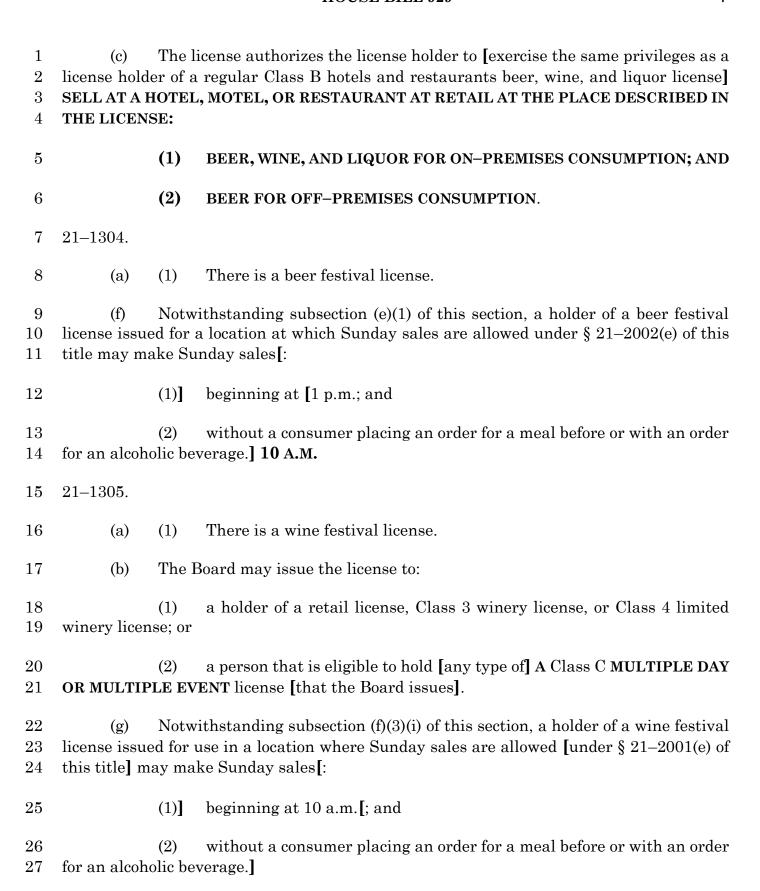
\$3,125 for a 7-day license with a catering option.

30 21–904.

(4)

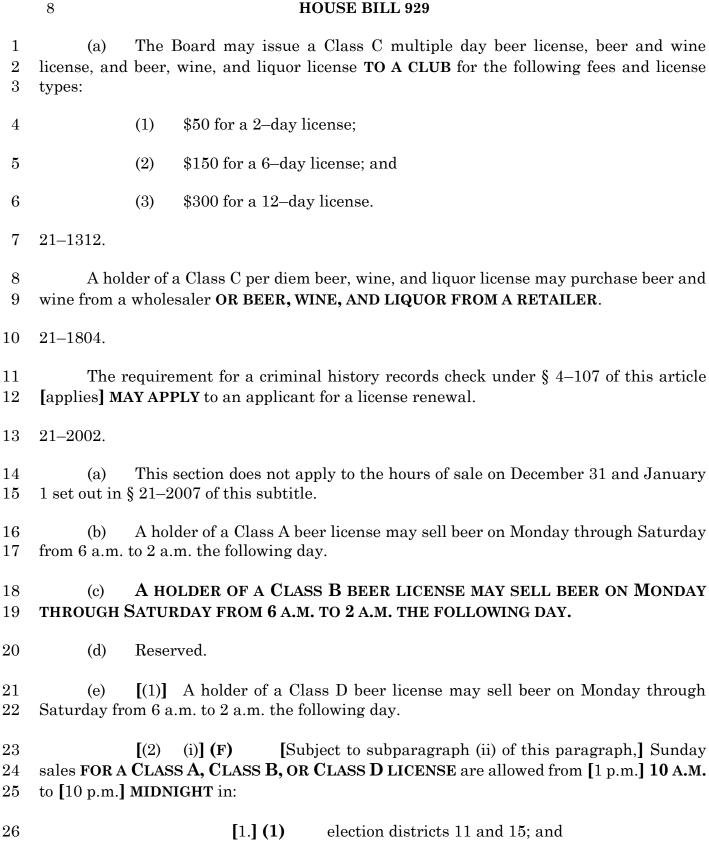
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21-1309.

28 29



district in which the voters in a referendum authorized by law approve Sunday sales as

any other election district or precinct of an election

[2.] **(2)**

specified in this paragraph.

1	[(ii) A holder of a Class D beer license may sell beer on Sunday for
2	on-premises consumption if the licensed premises:
3	1. is in a permanent building;
4 5	2. has a seating capacity at tables, not including seats at bars or counters, for at least 20 individuals;
6 7	3. is equipped with a full–service commercial kitchen capable of preparing and serving full–course meals for at least 20 individuals at one seating; and
8 9 10	4. is approved by the Board, the Department of Public Utilities, the Health Department, and the Planning and Land Development Office of the county.
11	(iii) Sunday sales are allowed from 1 p.m. to 10 p.m.
12 13	(iv) In addition to the usual license fee, fees for exercising the privileges of the license on Sunday are:
14	1. \$250, as an annual license fee; and
15	2. \$250, as an issuing fee for a new license.]
16	21–2003.
17 18	(a) This section does not apply to the hours of sale on December 31 and January 1 set out in § $21-2007$ of this subtitle.
19 20	(b) (1) A holder of a Class A beer and wine license may sell beer and wine on Monday through Saturday, from 6 a.m. to 2 a.m. the following day.
21	(2) SUNDAY SALES ARE ALLOWED FROM 10 A.M. TO MIDNIGHT IN:
22	(I) ELECTION DISTRICTS 11 AND 15; AND
23 24 25	(II) ANY OTHER ELECTION DISTRICT OR PRECINCT OF AN ELECTION DISTRICT IN WHICH THE VOTERS IN A REFERENDUM AUTHORIZED BY LAW APPROVE SUNDAY SALES AS SPECIFIED IN THIS PARAGRAPH.
26 27	(c) (1) A holder of a Class B beer and wine license may sell beer and wine on Monday through Saturday, from 6 a.m. to 2 a.m. the following day.
28 29	(2) [(i)] Sunday sales are allowed from [1 p.m.] 10 A.M. to [10 p.m.] MIDNIGHT in:

1	[1.] (I) election districts 11 and 15; and
2 3 4	[2.] (II) any other election district or precinct of an election district in which the voters in a referendum authorized by law approve Sunday sales as specified in this paragraph.
5 6	[(ii) In addition to the usual license fee, fees for exercising the privileges of the license on Sunday are:
7	1. \$250, as an annual license fee; and
8	2. \$250, as an issuing fee for a new license.]
9	(d) Reserved.
10 11	(e) (1) A holder of a Class D beer and wine license may sell beer and wine on Monday through Saturday, from 6 a.m. to 2 a.m. the following day.
12 13	(2) [(i) Subject to subparagraph (ii) of this paragraph,] Sunday sales are allowed from [1 p.m.] 10 A.M. to [10 p.m.] MIDNIGHT in:
14	[1.] (I) election districts 11 and 15; and
15 16 17	[2.] (II) any other election district or precinct of an election district in which the voters in a referendum authorized by law approve Sunday sales as specified in this paragraph.
18 19	[(ii) A holder of a Class D beer and wine license may sell beer and wine on Sunday for on-premises consumption if the licensed premises:
20	1. is in a permanent building;
21 22	2. has a seating capacity at tables, not including seats at bars or counters, for at least 20 individuals;
23 24	3. is equipped with a full–service commercial kitchen capable of preparing and serving full–course meals for at least 20 individuals at one seating; and
25 26 27	4. is approved by the Board, the Department of Public Utilities, the Health Department, and the Planning and Land Development Office of the county.
28 29	(iii) In addition to the usual license fee, fees for exercising the privileges of the license on Sunday are:

\$250, as an annual license fee; and

1.

1	2. \$250, as an issuing fee for a new license.]
2	21–2004.
3 4	(a) This section does not apply to the hours of sale on December 31 and January 1 set out in § $21-2007$ of this subtitle.
5 6	(b) [A holder of a Class A beer, wine, and liquor license may sell beer, wine, and liquor on Monday through Saturday, from 6 a.m. to 2 a.m. the following day.] RESERVED.
7 8	(c) (1) A holder of a Class B beer, wine, and liquor license may sell beer, wine, and liquor on Monday through Saturday, from 6 a.m. to 2 a.m. the following day.
9 10	(2) [(i)] Sunday sales are allowed from [1 p.m.] 10 A.M. to [10 p.m.] MIDNIGHT in:
11	[1.] (I) election districts 11 and 15; and
12 13 14	[2.] (II) any other election district or precinct of an election district in which the voters in a referendum authorized by law approve Sunday sales as specified in this paragraph.
15 16	[(ii) In addition to the usual license fee, fees for exercising the privileges of the license on Sunday are:
17	1. \$250 in addition to the usual license fee; and
18	2. \$250, as an issuing fee for a new license.]
19 20 21	(d) (1) A holder of a Class BDR (deluxe restaurant) beer, wine, and liquor license may sell beer, wine, and liquor on Monday through Saturday, from 6 a.m. to 2 a.m. the following day.
22	(2) SUNDAY SALES ARE ALLOWED FROM 10 A.M. TO MIDNIGHT IN:
23	(I) ELECTION DISTRICTS 11 AND 15; AND
242526	(II) ANY OTHER ELECTION DISTRICT OR PRECINCT OF AN ELECTION DISTRICT IN WHICH THE VOTERS IN A REFERENDUM AUTHORIZED BY LAW APPROVE SUNDAY SALES AS SPECIFIED IN THIS PARAGRAPH.
27 28	(e) (1) A holder of a Class C beer, wine, and liquor license may sell beer, wine, and liquor on Monday through Saturday, from 6 a.m. to 2 a.m. the following day.

1 2	(2) MIDNIGHT in:	[(i)]	Sunda	ay sale	es are allowed from [1 p.m.] 10 A.M. to [10 p.m.]
3			[1.]	(I)	election districts 11 and 15; and
4 5	referendum appro	ve Sun	[2.] day sal	(II) les.	any other election district in which the voters by
6 7	privileges of the li	[(ii) cense o			to the usual license fee, fees for exercising the
8			1.	\$250	in addition to the usual license fee; and
9			2.	\$250,	as an issuing fee for a new license.]
10 11	(f) (1) and liquor on Mor				D beer, wine, and liquor license may sell beer, wine, ay, from 6 a.m. to 2 a.m. the following day.
12 13	(2) allowed from [1 p.	[(i) .m.] 10	-		abparagraph (ii) of this paragraph,] Sunday sales are s.m.] MIDNIGHT in:
14			[1.]	(I)	election districts 11 and 15; and
15 16 17	district in which specified in this pa			(II) a refer	any other election district or precinct of an election rendum authorized by law approve Sunday sales as
18 19	wine, and liquor o	[(ii) n Sund			Class D beer, wine, and liquor license may sell beer, emises consumption if the licensed premises:
20			1.	is in a	a permanent building;
21 22	or counters, for at	least 2	2. 0 indiv		seating capacity at tables, not including seats at bars;
23 24	of preparing and s	serving	3. full–co	_	ipped with a full–service commercial kitchen capable neals for at least 20 individuals at one seating; and
25 26 27	Utilities, the Heacounty.	lth Dep	4. artmei		proved by the Board, the Department of Public I the Planning and Land Development Office of the
28 29	privileges of the li	(iii) cense o			to the usual license fee, fees for exercising the

\$250, as an annual license fee; and

1.

1	2. \$250, as an issuing fee for a new license.]
2	21–2006.
3 4 5	(a) This section applies in [an election district or a precinct of an election district in which the voters in a referendum authorized by law approve Sunday sales as specified in this section]:
6	(1) ELECTION DISTRICTS 11 AND 15; AND
7 8 9	(2) ANY OTHER ELECTION DISTRICT OR PRECINCT OF AN ELECTION DISTRICT IN WHICH THE VOTERS IN A REFERENDUM AUTHORIZED BY LAW APPROVE SUNDAY SALES AS SPECIFIED IN THIS SECTION.
10 11	(b) (1) [Subject to paragraph (2) of this subsection, this] THIS section applies only to off–premises sales by:
12	(i) a holder of a Class A license;
13 14	(ii) a holder of a Class B license, INCLUDING A CLASS B&B LICENSE, CLASS BDR LICENSE, AND RESORT LICENSE;
15 16	(iii) a holder of a [Class C license] MULTIPLE DAY OR MULTIPLE EVENT LICENSE; and
17	(iv) a holder of a Class D license.
18 19 20	(2) A holder of a license listed in paragraph (1) of this subsection may sell alcoholic beverages for off–premises consumption on a Sunday if the license holder may sell alcoholic beverages for off–premises consumption for the underlying license.
21	(C) (1) THIS SUBSECTION APPLIES TO ON-PREMISES SALES BY:
22 23	(I) A HOLDER OF A CLASS B LICENSE, INCLUDING A CLASS B&B LICENSE, CLASS BDR LICENSE, AND RESORT LICENSE;
24	(II) A HOLDER OF A CLASS C LICENSE;
25 26	(III) A HOLDER OF A MULTIPLE DAY OR MULTIPLE EVENT LICENSE; AND
27	(IV) A HOLDER OF A CLASS D LICENSE.

1 2	(2) A HOLDER OF A LICENSE SPECIFIED IN PARAGRAPH (1) OF THE SUBSECTION MAY SELL ALCOHOLIC BEVERAGES FOR ON-PREMISES CONSUMPTION OF THE PROPERTY OF THE PROPERT				
$\frac{3}{4}$	ON SUNDAY IF THE LICENSE HOLDER IS AUTHORIZED BY THE UNDERLYING LICENS TO SELL ALCOHOLIC BEVERAGES FOR ON-PREMISES CONSUMPTION.				
5 6	[(c)] (3) Sunday sales authorized under this [section] SUBSECTION are from [p.m.] 10 A.M. to [10 p.m.] MIDNIGHT.				
7	[(d) (1) This subsection does not apply to a holder of a Class C license.				
8 9	(2) The Sunday sales fee is \$250 for the holder of a Class A license, Class B license, or Class D license.				
10 11	(3) When the Class A license, Class B license, or Class D license is issued the Board shall charge a $\$250$ issuing fee.]				
12	21–2102.				
13 14					
15 16	(1) the sale of alcoholic beverages to an individual under the age of 2 years; or				
17 18 19	(2) the sale on Sunday of alcoholic beverages in an election district OR PRECINCT OF AN ELECTION DISTRICT in which Sunday sales have not been authorize by a voter referendum.				
20 21	SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect Jul 1, 2017.				
	Approved:				
	Governor.				
	Speaker of the House of Delegates.				
	Prosident of the Senate				