

HOUSE BILL 1401

A2

8lr2848

By: **Delegate Beitzel**

Introduced and read first time: February 9, 2018

Assigned to: Economic Matters

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 7, 2018

CHAPTER _____

1 AN ACT concerning

2 **Garrett County – Alcoholic Beverages Act of 2018**

3 FOR the purpose of establishing an art establishment license in Garrett County;
4 authorizing the Board of License Commissioners for Garrett County to issue the
5 license to a certain organization; prohibiting the Board from issuing the license to a
6 certain organization; specifying that the license authorizes the holder to sell or serve
7 beer and wine at retail for on–premises consumption; specifying the hours of sale;
8 prohibiting the transfer of the license; making a certain business subject to alcohol
9 awareness training requirements; specifying certain fees; adding a person that is
10 eligible to hold a Class C multiple day or multiple event license to the list of persons
11 to whom the Board may issue a beer festival license; authorizing a person to hold a
12 beer festival license in addition to another license; establishing in the county a Class
13 C beer and wine street festival license; specifying a certain person that may be issued
14 the license; specifying that the license authorizes the holder to sell beer and wine
15 under certain circumstances; specifying certain activities, under certain
16 circumstances, that an individual may take during an event for which the license is
17 issued; requiring a license applicant to submit a certain application; requiring the
18 Board to publish a certain notice under certain circumstances; requiring the holder
19 of a beer and wine street festival license to distribute wristbands for a certain
20 purpose under certain circumstances; requiring a certain organization to ensure that
21 at least one certain server is on the premises when alcoholic beverages are served;
22 allowing a holder of a beer and wine street festival license to hold another license of
23 a different class or nature; authorizing the use of the beer and wine street festival
24 license for a certain maximum number of days in a year; establishing the Garrett
25 County Beer and Wine Festival and a beer and wine festival license; authorizing the

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 Board to issue the license to certain persons; specifying that the license authorizes
2 the holder to display and sell beer and wine under certain circumstances; requiring
3 the license holder to display and sell beer and wine under certain circumstances;
4 requiring the Board to hold a certain hearing, publish a certain notice, and choose a
5 location for the festival; requiring that beer and wine displayed and sold meet certain
6 requirements; authorizing a holder of a State wholesale license or retail license to
7 enter into a certain agreement; requiring the Board to establish a license fee and
8 adopt certain regulations; establishing a Class BWLT beer, wine, and liquor tasting
9 license; authorizing the Board to issue the license to a certain license holder;
10 specifying that the license authorizes the holder to allow the on-premises
11 consumption, for tasting, of beer, wine, or liquor; setting certain notice requirements
12 and certain fees; requiring the Board to adopt certain regulations; altering a certain
13 residency requirement; defining certain terms; making technical changes; and
14 generally relating to alcoholic beverages licenses in Garrett County.

15 BY renumbering

16 Article – Alcoholic Beverages
17 Section 21–1001
18 to be Section 21–1001.1
19 Annotated Code of Maryland
20 (2016 Volume and 2017 Supplement)

21 BY repealing and reenacting, without amendments,

22 Article – Alcoholic Beverages
23 Section 21–102
24 Annotated Code of Maryland
25 (2016 Volume and 2017 Supplement)

26 BY adding to

27 Article – Alcoholic Beverages
28 Section 21–1001, 21–1304.1, 21–1304.2, 21–1307, and 21–1405.1
29 Annotated Code of Maryland
30 (2016 Volume and 2017 Supplement)

31 BY repealing and reenacting, with amendments,

32 Article – Alcoholic Beverages
33 Section 21–1304 and 21–1401
34 Annotated Code of Maryland
35 (2016 Volume and 2017 Supplement)

36 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
37 That Section(s) 21–1001 of Article – Alcoholic Beverages of the Annotated Code of Maryland
38 be renumbered to be Section(s) 21–1001.1.

39 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read
40 as follows:

1 **Article – Alcoholic Beverages**

2 21–102.

3 This title applies only in Garrett County.

4 **21–1001.**

5 **(A) THERE IS AN ART ESTABLISHMENT LICENSE.**

6 **(B) (1) THE BOARD MAY ISSUE THE LICENSE TO A NONPROFIT**
7 **ORGANIZATION ENGAGED IN:**

8 **(I) THE DISPLAY, SALE, OR DEMONSTRATION OF ART BY AN**
9 **INDIVIDUAL ARTIST OR A GROUP OF ARTISTS; OR**

10 **(II) THE INSTRUCTION OF PARTICIPATING CLIENTS IN**
11 **CREATING ART.**

12 **(2) THE BOARD MAY NOT ISSUE THE LICENSE TO AN ORGANIZATION**
13 **THAT DISPLAYS AND SELLS COMMERCIALY PREPARED OR MASS–PRODUCED**
14 **ARTISTIC PRODUCTS.**

15 **(C) THE LICENSE AUTHORIZES THE HOLDER TO SELL OR SERVE BEER AND**
16 **WINE AT RETAIL FOR ON–PREMISES CONSUMPTION.**

17 **(D) THE LICENSE HOLDER MAY SELL OR SERVE BEER AND WINE DURING**
18 **THE HOURS AND DAYS AS SET OUT FOR BEER AND WINE LICENSES UNDER §**
19 **21–2003(B) THIS TITLE.**

20 **(E) THE LICENSE MAY NOT BE TRANSFERRED TO ANOTHER LOCATION.**

21 **(F) A BUSINESS FOR WHICH THE LICENSE IS ISSUED IS SUBJECT TO THE**
22 **ALCOHOL AWARENESS TRAINING REQUIREMENTS UNDER § 4–505 OF THIS ARTICLE.**

23 **(G) THE ANNUAL LICENSE FEE IS \$205 IN ADDITION TO A ONE–TIME ISSUING**
24 **FEE FOR A NEW LICENSE OF \$205.**

25 21–1304.

26 (a) (1) There is a beer festival license.

27 (2) The Board may issue not more than two beer festival licenses each year.

28 (b) The Board may issue the license to a holder of:

1 (1) a retail license issued by the Board;

2 (2) a Class 5 brewery license;

3 (3) a Class 6 pub–brewery license;

4 (4) a Class 7 micro–brewery license; [or]

5 (5) a Class 8 farm brewery license; **OR**

6 **(6) A PERSON THAT IS ELIGIBLE TO HOLD A CLASS C MULTIPLE DAY**
7 **OR MULTIPLE EVENT LICENSE.**

8 (c) The license authorizes the holder to display and sell beer that is:

9 (1) manufactured and processed in any state; and

10 (2) distributed in the State when the license application is filed.

11 (d) A license holder may display and sell beer:

12 (1) at retail for on– and off–premises consumption; and

13 (2) during the hours and days designated for a beer festival.

14 (e) The Board shall choose:

15 (1) a fixed period of time for the festival of up to 2 consecutive days,
16 excluding Sunday; and

17 (2) a location that is not already licensed.

18 (f) Notwithstanding subsection (e)(1) of this section, a holder of a beer festival
19 license issued for a location at which Sunday sales are allowed under § 21–2002(e) of this
20 title may make Sunday sales beginning at 10 a.m.

21 (g) Beer displayed and sold shall be:

22 (1) invoiced to the license holder by a wholesaler or holder of a Class 5
23 brewery license, Class 6 pub–brewery license, Class 7 micro–brewery license, or Class 8
24 farm brewery license; and

25 (2) delivered to the beer festival from the licensed premises of the
26 wholesaler.

1 (h) A holder of a State wholesaler's license, a Class 5 brewery license, a Class 6
2 pub-brewery license, a Class 7 micro-brewery license, or a Class 8 farm brewery license
3 may enter into an agreement with the license holder to:

4 (1) deliver beer not earlier than 2 days before the effective date of the
5 license; and

6 (2) accept returns not later than 2 days after the expiration date of the
7 license.

8 **(I) A PERSON MAY HOLD A BEER FESTIVAL LICENSE IN ADDITION TO**
9 **ANOTHER LICENSE.**

10 **[(i)] (J)** The Board shall set the fee.

11 **[(j)] (K)** The Board shall adopt regulations to carry out this section.

12 **21-1304.1.**

13 **(A) THERE IS A CLASS C BEER AND WINE STREET FESTIVAL LICENSE.**

14 **(B) THE BOARD MAY ISSUE THE LICENSE TO A PERSON THAT IS ELIGIBLE**
15 **TO HOLD A CLASS C MULTIPLE DAY OR MULTIPLE EVENT LICENSE.**

16 **(C) THE LICENSE AUTHORIZES THE HOLDER TO SELL BEER AND WINE FOR**
17 **ON-PREMISES CONSUMPTION AT AN ENTERTAINMENT EVENT THAT IS:**

18 **(1) HELD IN AN ARTS AND ENTERTAINMENT DISTRICT; AND**

19 **(2) IF REQUIRED, APPROVED BY THE MAYOR AND TOWN COUNCIL OF**
20 **THE MUNICIPALITY WHERE THE EVENT IS LOCATED.**

21 **(D) DURING AN EVENT FOR WHICH THE LICENSE IS ISSUED, AN INDIVIDUAL**
22 **IN THE EVENT AREA APPROVED BY THE BOARD WHO USES A DESIGNATED**
23 **CONTAINER UNIQUE TO THE EVENT MAY:**

24 **(1) PURCHASE BEER OR WINE FROM:**

25 **(I) THE HOLDER OF THE BEER AND WINE STREET FESTIVAL**
26 **LICENSE; OR**

27 **(II) ANOTHER LICENSE HOLDER WITH ON-SALE PRIVILEGES**
28 **WITHIN THE ARTS AND ENTERTAINMENT DISTRICT;**

29 **(2) TRANSPORT BEER OR WINE IN THE DESIGNATED CONTAINER:**

1 **(I) TO THE PREMISES OF A LICENSE HOLDER WITH ON-SALE**
2 **PRIVILEGES IN THE ARTS AND ENTERTAINMENT DISTRICT; AND**

3 **(II) IN THE APPROVED EVENT AREA; AND**

4 **(3) CONSUME BEER AND WINE:**

5 **(I) ON THE PREMISES OF A LICENSE HOLDER WITH ON-SALE**
6 **PRIVILEGES IN THE ARTS AND ENTERTAINMENT DISTRICT; AND**

7 **(II) IN THE APPROVED EVENT AREA.**

8 **(E) AN APPLICANT FOR THE LICENSE SHALL SUBMIT AN APPLICATION ON**
9 **THE FORM THAT THE BOARD PROVIDES.**

10 **(F) THE BOARD SHALL PUBLISH A NOTICE FOR APPLICATIONS FOR THE**
11 **LICENSE ONE TIME AT LEAST 7 DAYS BEFORE A LICENSE HEARING.**

12 **(G) A LICENSE HOLDER MAY PURCHASE BEER AND WINE FROM A HOLDER**
13 **OF A RETAIL OR WHOLESALE LICENSE.**

14 **(H) THE LICENSE HOLDER:**

15 **(1) SHALL DISTRIBUTE A WRISTBAND TO EACH INDIVIDUAL WHO IS AT**
16 **LEAST 21 YEARS OLD AT THE EVENT FOR WHICH THE LICENSE IS ISSUED; AND**

17 **(2) MAY NOT SERVE BEER OR WINE TO AN INDIVIDUAL WHO DOES NOT**
18 **WEAR A WRISTBAND.**

19 **(I) THE ORGANIZATION FOR WHICH THE LICENSE IS ISSUED SHALL ENSURE**
20 **THAT AT LEAST ONE SERVER WHO IS CERTIFIED BY AN APPROVED ALCOHOL**
21 **AWARENESS PROGRAM IS ON THE PREMISES WHEN ALCOHOLIC BEVERAGES ARE**
22 **SERVED.**

23 **(J) THE LICENSE HOLDER MAY HOLD ANOTHER LICENSE OF A DIFFERENT**
24 **CLASS OR NATURE.**

25 **(K) THE LICENSE MAY BE USED FOR A MAXIMUM OF 26 DAYS IN A CALENDAR**
26 **YEAR.**

27 **(L) THE LICENSE FEE IS ~~\$150~~ \$50 PER DAY.**

28 **21-1304.2.**

1 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
2 INDICATED.

3 (2) “FESTIVAL” MEANS THE GARRETT COUNTY BEER AND WINE
4 FESTIVAL.

5 (3) “FESTIVAL ORGANIZATION” MEANS A NONPROFIT ORGANIZATION
6 THAT IS CHOSEN BY THE COUNTY IN ACCORDANCE WITH SUBSECTION (C) OF THIS
7 SECTION TO ORGANIZE A FESTIVAL.

8 (B) (1) THERE IS A GARRETT COUNTY BEER AND WINE FESTIVAL.

9 (2) UNDER THE SUPERVISION OF THE BOARD, THE FESTIVAL
10 ORGANIZATION MAY CONDUCT THE FESTIVAL ANNUALLY ON THE SECOND
11 SATURDAY OF SEPTEMBER.

12 (C) (1) IN SELECTING A NONPROFIT ORGANIZATION TO BE A FESTIVAL
13 ORGANIZATION, THE COUNTY SHALL ENSURE THAT THE NONPROFIT ORGANIZATION
14 HAS EXTENSIVE EXPERIENCE IN ORGANIZING AND MANAGING LARGE-SCALE PUBLIC
15 EVENTS.

16 (2) THE BOARD MAY ISSUE ONE BEER AND WINE FESTIVAL LICENSE
17 EACH YEAR.

18 (D) THE BOARD MAY ISSUE THE LICENSE TO A HOLDER OF A RETAIL
19 LICENSE OR A PERSON THAT IS ELIGIBLE TO HOLD A CLASS C MULTIPLE DAY OR
20 MULTIPLE EVENT LICENSE.

21 (E) THE LICENSE AUTHORIZES THE HOLDER TO DISPLAY AND SELL BEER
22 AND WINE THAT IS:

23 (1) MANUFACTURED AND PROCESSED IN OR OUTSIDE THE STATE;
24 AND

25 (2) DISTRIBUTED IN THE STATE WHEN THE LICENSE APPLICATION IS
26 FILED.

27 (F) A LICENSE HOLDER SHALL DISPLAY AND SELL BEER AND WINE:

28 (1) AT RETAIL FOR ON- AND OFF-PREMISES CONSUMPTION; AND

29 (2) DURING THE HOURS AND DAYS DESIGNATED FOR THE BEER AND
30 WINE FESTIVAL.

1 **(G) THE BOARD SHALL:**

2 **(1) HOLD A HEARING ON A LICENSE APPLICATION; AND**

3 **(2) PUBLISH NOTICE OF A LICENSE APPLICATION HEARING IN A**
4 **NEWSPAPER OF GENERAL CIRCULATION IN THE COUNTY ONE TIME AT LEAST 7 DAYS**
5 **BEFORE THE HEARING.**

6 **(H) (1) THE BOARD SHALL CHOOSE A LOCATION FOR THE FESTIVAL THAT**
7 **IS NOT ALREADY LICENSED.**

8 **(2) IF THE LOCATION CHOSEN ALLOWS FOR SUNDAY SALES, SUNDAY**
9 **SALES MAY BEGIN AT 10 A.M.**

10 **(I) BEER AND WINE DISPLAYED AND SOLD SHALL BE:**

11 **(1) INVOICED TO THE LICENSE HOLDER BY A RETAILER OR**
12 **WHOLESALER; AND**

13 **(2) DELIVERED TO THE FESTIVAL FROM THE LICENSED PREMISES OF**
14 **THE RETAILER OR WHOLESALER.**

15 **(J) A HOLDER OF A RETAIL LICENSE OR STATE WHOLESALE LICENSE MAY**
16 **ENTER INTO AN AGREEMENT WITH THE HOLDER OF THE FESTIVAL LICENSE TO:**

17 **(1) DELIVER BEER AND WINE NOT EARLIER THAN 2 DAYS BEFORE THE**
18 **EFFECTIVE DATE OF THE LICENSE; AND**

19 **(2) ACCEPT RETURNS NOT LATER THAN 5 DAYS AFTER THE**
20 **EXPIRATION DATE OF THE LICENSE.**

21 **(K) THE BOARD SHALL ESTABLISH THE LICENSE FEE.**

22 **(L) THE BOARD SHALL ADOPT REGULATIONS TO CARRY OUT THIS SECTION.**

23 **21-1307.**

24 **(A) THERE IS A CLASS BWLT BEER, WINE, AND LIQUOR TASTING LICENSE.**

25 **(B) THE BOARD MAY ISSUE THE LICENSE TO A HOLDER OF A BEER, WINE,**
26 **AND LIQUOR LICENSE.**

27 **(C) THE LICENSE AUTHORIZES THE HOLDER TO ALLOW THE ON-PREMISES**
28 **CONSUMPTION, FOR TASTING, OF BEER, WINE, OR LIQUOR.**

1 **(D) THE LICENSE HOLDER SHALL NOTIFY THE BOARD AT LEAST 7 DAYS**
2 **BEFORE A TASTING EVENT IS HELD.**

3 **(E) (1) THE ANNUAL FEE FOR A CLASS BWLT BEER, WINE, AND LIQUOR**
4 **TASTING LICENSE IS \$150.**

5 **(2) THE ANNUAL FEE IS IN ADDITION TO:**

6 **(1) A ONE-TIME ISSUING FEE OF \$150 FOR A NEW CLASS BWLT**
7 **BEER, WINE, AND LIQUOR TASTING LICENSE; AND**

8 **(2) THE ANNUAL FEE FOR THE UNDERLYING BEER, WINE, AND**
9 **LIQUOR LICENSE.**

10 **(F) THE BOARD SHALL ADOPT REGULATIONS TO CARRY OUT THIS SECTION.**

11 21-1401.

12 (a) The following sections of Title 4, Subtitle 1 (“Applications for Local Licenses”)
13 of Division I of this article apply in the county without exception or variation:

14 (1) § 4-102 (“Applications to be filed with local licensing board”);

15 (2) § 4-103 (“Application on behalf of partnership”);

16 (3) § 4-104 (“Application on behalf of corporation or club”);

17 (4) § 4-105 (“Application on behalf of limited liability company”);

18 (5) § 4-106 (“Payment of notice expenses”);

19 (6) § 4-108 (“Application form required by Comptroller”);

20 (7) [§ 4-109 (“Required information on application — In general”);

21 (8)] § 4-110 (“Required information on application — Petition of support”);

22 [(9)] **(8)** § 4-113 (“Refund of license fees”); and

23 [(10)] **(9)** § 4-114 (“Fees for licenses issued for less than 1 year”).

24 (b) The following sections of Title 4, Subtitle 1 (“Applications for Local Licenses”)
25 of Division I of this article apply in the county:

26 (1) § 4-107 (“Criminal history records check”), subject to §§ 21-1402
27 through 21-1405 of this subtitle;

1 **(2) § 4-109 (“REQUIRED INFORMATION ON APPLICATION – IN**
2 **GENERAL”), SUBJECT TO § 21-1405.1 OF THIS SUBTITLE;**

3 **[(2)] (3) § 4-111 (“Payment of license fees”), subject to § 21-1406 of this**
4 **subtitle; and**

5 **[(3)] (4) § 4-112 (“Disposition of license fees”), subject to § 21-1407 of this**
6 **subtitle.**

7 **21-1405.1.**

8 **AN INDIVIDUAL WHO IS A RESIDENT OF THE COUNTY FOR 1 YEAR**
9 **IMMEDIATELY BEFORE FILING THE LICENSE APPLICATION MEETS THE RESIDENCY**
10 **REQUIREMENT UNDER § 4-109(A)(4) OF THIS ARTICLE.**

11 **SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July**
12 **1, 2018.**

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.