

SENATE BILL 172

A2

8lr1565
CF HB 300

By: **Senator Hershey**

Introduced and read first time: January 15, 2018

Assigned to: Education, Health, and Environmental Affairs

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 13, 2018

CHAPTER _____

1 AN ACT concerning

2 **Kent County – Alcoholic Beverages – ~~Sales in Restaurants~~ Licenses**

3 FOR the purpose of requiring a restaurant in Kent County to have average daily receipts
4 from the sale of food that are at least a certain percentage of the total average daily
5 receipts of the restaurant; requiring certain restaurants in Kent County to be
6 equipped with a certain dining area and facilities; repealing certain requirements
7 for Sunday sales for certain license holders in Kent County; repealing in Kent County
8 the requirement that the average daily receipts from the sale of food in a restaurant
9 with a Class B beer, wine, and liquor license be a certain percentage of the average
10 daily receipts of the business; ~~applying to a restaurant in Kent County the provision~~
11 ~~requiring a restaurant to have average daily receipts from the sale of food that exceed~~
12 ~~the average daily receipts from the sale of alcoholic beverages; repealing the Kent~~
13 County beer or wine tasting (BWT) license and establishing a beer, wine, and liquor
14 tasting (BWL) license; specifying the license holder to whom the license may be
15 issued; authorizing the tasting of certain alcoholic beverages under certain
16 circumstances; specifying certain maximum amounts of alcoholic beverages that may
17 be tasted under certain circumstances; establishing a certain fee; altering the hours
18 of sale for holders of certain licenses in Kent County; and generally relating to sales
19 of alcoholic beverages in Kent County.

20 BY repealing and reenacting, without amendments,

21 Article – Alcoholic Beverages
22 Section 1–101(a) and (x) and 24–102
23 Annotated Code of Maryland
24 (2016 Volume and 2017 Supplement)

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 BY repealing and reenacting, with amendments,
 2 Article – Alcoholic Beverages
 3 Section 24–101(a), 24–803, 24–902, 24–2002, 24–2003, and 24–2004
 4 Annotated Code of Maryland
 5 (2016 Volume and 2017 Supplement)

6 BY adding to
 7 Article – Alcoholic Beverages
 8 Section 24–104 and 24–1304
 9 Annotated Code of Maryland
 10 (2016 Volume and 2017 Supplement)

11 BY repealing
 12 Article – Alcoholic Beverages
 13 Section 24–1304
 14 Annotated Code of Maryland
 15 (2016 Volume and 2017 Supplement)

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

18 **Article – Alcoholic Beverages**

19 1–101.

20 (a) In this article the following words have the meanings indicated.

21 (x) (1) Subject to paragraph (2) of this subsection, “restaurant” means an
 22 establishment that:

23 (i) accommodates the public;

24 (ii) is equipped with a dining room with facilities for preparing and
 25 serving regular meals; and

26 (iii) has average daily receipts from the sale of food that exceed the
 27 average daily receipts from the sale of alcoholic beverages.

28 (2) By regulation, a local licensing board may set a different standard as to
 29 what constitutes a restaurant.

30 24–101.

31 (a) In this title:

1 (1) **(I) the definitions in § [1-101] 1-101(B) THROUGH (W) AND (Y)**
2 **THROUGH (EE) of this article apply without exception or variation; and**

3 **(II) THE DEFINITION OF “RESTAURANT” IN § 1-101(X) OF THIS**
4 **ARTICLE APPLIES, SUBJECT TO § 24-104 OF THIS SUBTITLE; AND**

5 (2) the following words have the meanings indicated.

6 24-102.

7 This title applies only in Kent County.

8 **24-104.**

9 **TO QUALIFY AS A RESTAURANT UNDER THIS TITLE, AN ESTABLISHMENT**
10 **SHALL HAVE AVERAGE DAILY RECEIPTS FROM THE SALE OF FOOD THAT ARE AT**
11 **LEAST 25% OF THE TOTAL AVERAGE DAILY RECEIPTS OF THE ESTABLISHMENT.**

12 **24-803.**

13 (a) There is a Class B beer and wine license.

14 (b) (1) The Board may issue the license for use [by] IN a restaurant approved
15 by the Board that IS EQUIPPED WITH:

16 [(i) is fully equipped with a proper and adequate dining room;

17 (ii) has sufficient facilities for preparing and serving meals to the
18 public; and

19 (iii) has average daily receipts from the sale of food totaling at least
20 60% of the average daily receipts of the business.]

21 **(I) AN INDOOR, OUTDOOR, OR COMBINATION INDOOR AND**
22 **OUTDOOR DINING AREA; AND**

23 **(II) FACILITIES FOR PREPARING AND SERVING MEALS TO THE**
24 **PUBLIC.**

25 (2) The license authorizes the license holder to sell beer and wine at a hotel
26 or restaurant, at retail, at the place described in the license, for on- and off-premises
27 consumption.

28 (c) The annual license fee is \$1,000.

29 24-902.

1 (a) There is a Class B beer, wine, and liquor license.

2 (b) [(1)] The Board may issue the license for use in a restaurant ~~that~~
3 **APPROVED BY THE BOARD THAT IS EQUIPPED WITH:**

4 ~~[(i)] (1) is fully equipped with a proper and adequate dining room;~~

5 ~~[(ii)] (2) has sufficient facilities for preparing and serving meals to~~
6 ~~the public; and~~

7 ~~[(iii)] (3) is approved by the Board.~~

8 **(1) AN INDOOR, OUTDOOR, OR COMBINATION INDOOR AND OUTDOOR**
9 **DINING AREA; AND**

10 **(2) FACILITIES FOR PREPARING AND SERVING MEALS TO THE PUBLIC.**

11 [(2) When operating under the license, a holder's average daily receipts
12 from the sale of food shall be at least 60% of the average daily receipts of the business.]

13 ~~(c) On Sunday, the license holder may sell:~~

14 ~~(1) beer, wine, and liquor for consumption on premises if:~~

15 ~~(i) the customer is seated at a table and not at a bar or on a bar~~
16 ~~stool;~~

17 ~~(ii) the alcoholic beverage is a supplement to the customer's meal;~~
18 ~~and~~

19 ~~(iii) the total price of the alcoholic beverages does not exceed the total~~
20 ~~price of the meal; and~~

21 ~~(2) only beer and wine for off-premises consumption.~~

22 ~~(d) (C)~~ The annual license fee is \$2,000.

23 [24-1304.

24 (a) There is a beer or wine tasting (BWT) license.

25 (b) The Board may issue a beer or wine tasting license to the holder of a Class A
26 beer and wine license or a Class A beer, wine, and liquor license.

1 (c) (1) The license authorizes the holder to allow the on-premises consumption
2 for tasting of:

3 (i) wine that contains not more than 22% alcohol by volume; or

4 (ii) beer.

5 (2) The selection of beer or wine offered at a tasting is not limited to beer
6 or wine produced in the State.

7 (3) The holder of a license may offer for sale beer allowed for tasting if:

8 (i) the beer is sold in refillable containers that are sealed by the
9 holder of the BWT license; and

10 (ii) unsold beer is returned to the provider.

11 (d) A holder of a license may allow consumption by an individual in 1 day in the
12 quantity of:

13 (1) not more than 2 ounces of wine from each offering and not more than 4
14 ounces from all offerings of wine; or

15 (2) not more than 2 ounces of beer from each offering and not more than 6
16 ounces from all offerings of beer.

17 (e) A license holder may not conduct a wine tasting and a beer tasting on the same
18 day.

19 (f) The annual license fee is \$200.]

20 **24-1304.**

21 (A) **THERE IS A BEER, WINE, AND LIQUOR TASTING (BWL T) LICENSE.**

22 (B) **THE BOARD MAY ISSUE THE LICENSE TO A HOLDER OF A CLASS A**
23 **LICENSE.**

24 (C) **THE LICENSE AUTHORIZES THE HOLDER TO ALLOW THE ON-PREMISES**
25 **CONSUMPTION FOR TASTING OF:**

26 (1) **BEER, IF THE UNDERLYING LICENSE OF THE HOLDER IS A CLASS**
27 **A BEER LICENSE;**

28 (2) **WINE, IF THE UNDERLYING LICENSE OF THE HOLDER IS A CLASS**
29 **A WINE LICENSE;**

1 **(3) BEER AND WINE, IF THE UNDERLYING LICENSE OF THE HOLDER IS**
 2 **A CLASS A BEER AND WINE LICENSE; AND**

3 **(4) BEER, WINE, AND LIQUOR, IF THE UNDERLYING LICENSE OF THE**
 4 **HOLDER IS A CLASS A BEER, WINE, AND LIQUOR LICENSE.**

5 **(D) THE LICENSE AUTHORIZES THE HOLDER TO ALLOW AN INDIVIDUAL TO**
 6 **TASTE IN 1 DAY NOT MORE THAN:**

7 **(1) 2 OUNCES OF BEER FROM EACH OFFERING AND 6 OUNCES FROM**
 8 **ALL OFFERINGS OF BEER;**

9 **(2) 2 OUNCES OF WINE FROM EACH OFFERING AND 4 OUNCES FROM**
 10 **ALL OFFERINGS OF WINE; AND**

11 **(3) ONE-HALF OUNCE OF LIQUOR FROM EACH OFFERING AND 1.5**
 12 **OUNCES FROM ALL OFFERINGS OF LIQUOR.**

13 **(E) IN ADDITION TO A FEE FOR ANY OTHER LICENSE HELD BY THE LICENSE**
 14 **HOLDER, THE ANNUAL FEE FOR A BWLT LICENSE IS \$200.**

15 24-2002.

16 (a) A holder of a Class A beer license may sell beer[:

17 (1) on Monday through Friday, from 6 a.m. to 2 a.m. the following day;

18 (2) on Saturday, from 6 a.m. to 1 a.m. the following day; and

19 (3) on Sunday, from 9 a.m. to 2 a.m. the following day] **FROM 6 A.M. TO 2**
 20 **A.M. THE FOLLOWING DAY.**

21 (b) A holder of a Class B beer license may sell beer[:

22 (1) on Monday through Friday, from 6 a.m. to 2 a.m. the following day;

23 (2) on Saturday, from 6 a.m. to 1 a.m. the following day; and

24 (3) subject to paragraph (2) of this subsection, on Sunday, from 9 a.m. to
 25 **midnight] **FROM 6 A.M. TO 2 A.M. THE FOLLOWING DAY.****

26 (c) Reserved.

27 (d) A holder of a Class D beer license may sell beer[:

1 (1) on Monday through Friday, from 6 a.m. to 2 a.m. the following day;

2 (2) on Saturday, from 6 a.m. to 1 a.m. the following day; and

3 (3) on Sunday, from 9 a.m. to 2 a.m. the following day] **FROM 6 A.M. TO 2**
4 **A.M. THE FOLLOWING DAY.**

5 24–2003.

6 (a) A holder of a Class A beer and wine license may sell beer and wine[:

7 (1) on Monday through Friday, from 6 a.m. to 2 a.m. the following day;

8 (2) on Saturday, from 6 a.m. to 1 a.m. the following day; and

9 (3) on Sunday, from 9 a.m. to 2 a.m. the following day] **FROM 6 A.M. TO 2**
10 **A.M. THE FOLLOWING DAY.**

11 (b) **[(1)]** A holder of a Class B beer and wine license may sell beer and wine[:

12 (i) on Monday through Friday, from 6 a.m. to 2 a.m. the following
13 day;

14 (ii) on Saturday, from 6 a.m. to 1 a.m. the following day; and

15 (iii) on Sunday, from 9 a.m. to midnight only] **FROM 6 A.M. TO 2 A.M.**
16 **THE FOLLOWING DAY.**

17 **[(2)]** The license holder may not sell beer or wine at a bar or counter on
18 Sunday.]

19 (c) Reserved.

20 (d) Reserved.

21 24–2004.

22 (a) A holder of a Class A beer, wine, and liquor license may sell beer, wine, and
23 liquor[:

24 (1) on Monday through Friday, from 6 a.m. to 2 a.m. the following day;

25 (2) on Saturday, from 6 a.m. to 1 a.m. the following day; and

1 (3) on Sunday, from 9 a.m. to 2 a.m. the following day] FROM 6 A.M. TO 2
 2 A.M. THE FOLLOWING DAY.

3 (b) [(1)] A holder of a Class B beer, wine, and liquor license may sell beer, wine,
 4 and liquor[:

5 (i) on Monday through Friday, from 6 a.m. to 2 a.m. the following
 6 day; and

7 (ii) on Saturday, from 6 a.m. to 1 a.m. the following day] FROM 6
 8 A.M. TO 2 A.M. THE FOLLOWING DAY.

9 [(2)] A holder of a Class B beer, wine, and liquor license may sell beer, wine,
 10 and liquor on Sunday from 9 a.m. to midnight if:

11 (i) the customer is seated at a table and not at a bar or on a bar
 12 stool;

13 (ii) the alcoholic beverage is a supplement to the customer's meal;
 14 and

15 (iii) the total price of the alcoholic beverage does not exceed the total
 16 price of the meal.

17 (3) The license holder may sell only beer and wine for off-premises
 18 consumption.

19 (4) A holder of a special Sunday (on-sale) beer, wine, and liquor privilege
 20 may sell beer, wine, and liquor on Sunday from noon to midnight at a restaurant that does
 21 not meet the requirements of paragraph (2) of this subsection if the restaurant:

22 (i) is fully equipped with a proper and adequate dining room;

23 (ii) has sufficient facilities for preparing and serving meals to the
 24 public; and

25 (iii) is approved by the Board.

26 (5) The annual fee for the privilege is \$100, which is in addition to the
 27 annual fee for the Class B (on-sale) beer, wine, and liquor restaurant license.

28 (6) The privilege is part of the Class B beer, wine, and liquor license and
 29 not a separate class of license.]

30 (c) [(1)] A holder of a Class C beer, wine, and liquor license may sell beer, wine,
 31 and liquor[:

1 (i) on Monday through Friday, from 6 a.m. to 2 a.m. the following
2 day;

3 (ii) on Saturday, from 6 a.m. to 1 a.m. the following day; and

4 (iii) on Sunday, from 11 a.m. to midnight] FROM 6 A.M. TO 2 A.M.
5 THE FOLLOWING DAY.

6 [(2) (i) The Board may issue a special Sunday beer, wine, and liquor
7 license to a holder of a Class C beer, wine, and liquor license.

8 (ii) Not more than five special Sunday licenses may be issued to a
9 single holder in the Class C license year.

10 (iii) The special Sunday license authorizes the holder to serve beer,
11 wine, and liquor from 7 a.m. to midnight on Sunday for on-premises consumption.

12 (3) The license holder may not sell alcoholic beverages at a bar or counter
13 on Sunday.

14 (4) The license fee is \$15.

15 (5) The prohibition under § 4-204 of this article against the issuance of two
16 licenses for the same premises does not apply to the license.

17 (6) The Board shall adopt regulations to carry out this subsection.]

18 (d) [(1)] A holder of a Class D beer, wine, and liquor license may sell beer, wine,
19 and liquor]:

20 (i) on Monday through Friday, from 6 a.m. to 2 a.m. the following
21 day;

22 (ii) on Saturday, from 6 a.m. to 1 a.m. the following day; and

23 (iii) on Sunday, from 9 a.m. to 2 a.m. the following day] FROM 6 A.M.
24 TO 2 A.M. THE FOLLOWING DAY.

25 [(2) On Sunday, the license holder may sell for off-premises consumption
26 only beer and wine.]

27 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
28 1, 2018.