

Chapter 139

(House Bill 1053)

AN ACT concerning

**Howard County – Class 7 Micro–Brewery License and Multiple Class B and
Class BLX Beer, Wine, and Liquor Licenses**

Ho. Co. 06–18

FOR the purpose of establishing certain requirements for a Class 7 micro–brewery license issued for the same premises as a certain restaurant; authorizing the holder of a Class 7 micro–brewery license to hold a Class 8 farm ~~brewing~~ brewery license; authorizing the Comptroller to issue in Howard County a Class 7 micro–brewery license to certain holders of Class B and Class BLX beer, wine, and liquor licenses; altering in Howard County the maximum numbers of Class B and Class BLX beer, wine, and liquor licenses that may be held under a certain multiple alcoholic beverages licensing plan to be eligible for a Class 8 farm brewery license; altering the number of Class B (on–sale) beer, wine, and liquor licenses the Board of License Commissioners for Howard County may issue for separate premises to an individual or for the use of a person under a certain multiple alcoholic beverages licensing plan; and generally relating to alcoholic beverages licenses in Howard County.

BY repealing and reenacting, without amendments,
Article – Alcoholic Beverages
Section 23–102
Annotated Code of Maryland
(2016 Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,
Article – Alcoholic Beverages
Section 23–401, 23–902, and 23–1606
Annotated Code of Maryland
(2016 Volume and 2017 Supplement)

BY adding to
Article – Alcoholic Beverages
Section 23–403
Annotated Code of Maryland
(2016 Volume and 2017 Supplement)

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

Article – Alcoholic Beverages

23-102.

This title applies only in Howard County.

23-401.

(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:

- (1) § 2-201 (“Issuance by Comptroller”);
- (2) § 2-202 (“Class 1 distillery license”);
- (3) § 2-203 (“Class 9 limited distillery license”);
- (4) § 2-204 (“Class 2 rectifying license”);
- (5) § 2-205 (“Class 3 winery license”);
- (6) § 2-206 (“Class 4 limited winery license”);
- (7) § 2-207 (“Class 5 brewery license”);
- (8) [§ 2-209 (“Class 7 micro-brewery license”);
- (9)] § 2-210 (“Class 8 farm brewery license”);
- [(10)] **(9)** § 2-211 (“Residency requirement”);
- [(11)] **(10)** § 2-212 (“Additional licenses”);
- [(12)] **(11)** § 2-213 (“Additional fees”);
- [(13)] **(12)** § 2-214 (“Sale or delivery restricted”);
- [(14)] **(13)** § 2-216 (“Interaction between manufacturing entities and retailers”);
- [(15)] **(14)** § 2-217 (“Distribution of alcoholic beverages — Prohibited practices”); and
- [(16)] **(15)** § 2-218 (“Restrictive agreements between producers and retailers — Prohibited”).

(b) The following sections of Title 2, Subtitle 2 (“Manufacturer’s Licenses”) of Division I of this article do not apply in the county:

- (1) § 2–208 (“Class 6 pub–brewery license”); and
- (2) § 2–215 (“Beer sale on credit to retail dealer prohibited”).

(C) SECTION 2–209 (“CLASS 7 MICRO–BREWERLY LICENSE”) OF DIVISION I OF THIS ARTICLE APPLIES IN THE COUNTY, SUBJECT TO § 23–403 OF THIS SUBTITLE.

23–403.

(A) THE LICENSED PREMISES FOR WHICH A CLASS 7 MICRO–BREWERLY LICENSE IS ISSUED ~~SHALL~~ MAY BE SEPARATE FROM THE RESTAURANT PREMISES FOR WHICH A CLASS B BEER, WINE, AND LIQUOR LICENSE IS ISSUED, BUT ~~MAY~~ SHALL BE UNDER THE SAME ROOF.

(B) THE COMPTROLLER MAY ISSUE THE CLASS 7 MICRO–BREWERLY LICENSE NOT MORE THAN 36 MONTHS BEFORE THE RESTAURANT IS COMPLETE AND THE CLASS B BEER, WINE, AND LIQUOR (ON–SALE) LICENSE IS ISSUED.

(C) IF THE RESTAURANT DOES NOT OBTAIN A CLASS B BEER, WINE, AND LIQUOR (ON–SALE) LICENSE WITHIN 36 MONTHS AFTER OPENING, THE CLASS 7 MICRO–BREWERLY LICENSE IS REVOKED IMMEDIATELY.

(D) A CLASS 7 MICRO–BREWERLY LICENSE HOLDER MAY HOLD A CLASS 8 FARM BREWERLY LICENSE FOR A PREMISES LOCATED IN THE COUNTY.

23–902.

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

(b) The Board may issue the license to the owner of a hotel that:

(1) is in a building at least three stories tall that was originally constructed for hotel purposes;

(2) has a capital investment of at least \$500,000; and

(3) contains:

(i) at least one passenger elevator;

(ii) at least 100 rooms to accommodate the public; and

(iii) a dining room with facilities for preparing and serving regular meals for at least 125 individuals at one seating.

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

(d) (1) There is a beer and wine (B-SBW) off-sale permit.

(2) The Board may issue the permit only to a holder of the Class B beer, wine, and liquor license that is issued for a restaurant.

(3) A holder of the permit:

(i) may sell beer and wine for off-premises consumption only to persons who have purchased food or alcohol from the licensed premises; and

(ii) may not display or provide shelving for beer or wine for off-premises sales in areas of the establishment that are accessible to the public.

(4) The term of the permit is the same as that of the Class B beer, wine, and liquor license that the applicant holds.

(5) Before the Board may issue the permit:

(i) the applicant shall complete the form that the Board provides; and

(ii) the same advertising, posting of notice, and public hearing requirements as those for Class B licenses shall be met.

(6) Off-sale alcoholic beverages receipts collected under the permit shall be included in the calculation of average daily receipts from the sale of alcoholic beverages in a restaurant under § 1-101 of this article.

(7) A holder of the permit may exercise the privileges of the permit only when the licensed premises is open for business as a restaurant.

(8) The Board may adopt regulations to carry out this subsection, including a limit on the number of permits to be issued.

(e) The Comptroller may issue one Class 8 farm brewery license **AND ONE CLASS 7 MICRO-BREWERY LICENSE** to a license holder that holds not more than [two] **FIVE** Class B and [seven] **SIX** Class BLX beer, wine, and liquor licenses.

(f) The annual license fees are:

- (1) \$1,000 for the Class B beer, wine, and liquor license; and
- (2) \$500 for the off-sale beer and wine permit.

23-1606.

(a) (1) Subject to subsections (b) and (c) of this section, the Board may issue to an individual or for the use of a person one of the following groups of licenses but not both:

(i) one Class D (on- and off-sale) beer, wine, and liquor license, [two] FIVE Class B (on-sale) beer, wine, and liquor licenses, and six Class BLX (luxury restaurant)(on-sale) beer, wine, and liquor licenses; or

(ii) one Class D (on- and off-sale) beer, wine, and liquor license and eight Class BLX (luxury restaurant)(on-sale) beer, wine, and liquor licenses.

(2) The licenses specified in paragraph (1) of this subsection are for separate premises.

(b) A person may not have a direct or indirect interest in any combination of more than one Class D and nine Class B and Class BLX licenses.

(c) For purposes of this section, an indirect interest is presumed to exist between two persons if both:

(1) have a common parent company;

(2) are linked by a franchise agreement, licensing agreement, or a concession agreement;

(3) are part of a chain of businesses commonly owned and operated;

(4) share:

(i) directors, stockholders, partners, or members; or

(ii) directors, stockholders, partners, or members of parents or subsidiaries;

(5) share, directly or indirectly, profit from the sale of alcoholic beverages;

or

(6) share a common trade name, trademark, logo, or theme, or mode of operation identifiable by the public.

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

Approved by the Governor, April 10, 2018.