

Chapter 545

(House Bill 883)

AN ACT concerning

**Allegany County – Alcoholic Beverages – ~~Transfer and Auction of Licenses~~
Class B–D Beer, Wine, and Liquor License**

FOR the purpose of ~~providing for the transfer of certain expired alcoholic beverages licenses by the Board of License Commissioners for Allegany County to the County Commissioners of Allegany County; requiring the Board to issue a certain number of new Class D licenses each year to the County Commissioners for certain purposes; authorizing the Board to determine which types of new Class D licenses are issued to the County Commissioners; providing that certain licenses are not subject to certain limitations; requiring the County Commissioners to conduct a public auction each year of certain alcoholic beverages licenses in a certain manner; providing for the disposition of the proceeds of certain auctions; providing that certain licenses transferred or issued to the County Commissioners are to be held solely for the purposes of public auction and not to be exercised by the County Commissioners; and generally relating to alcoholic beverages~~ establishing a Class B–D beer, wine, and liquor license in Allegany County; authorizing the Board of License Commissioners for Allegany County to issue a Class B–D license for use by a certain restaurant; authorizing a license holder to sell beer, wine, and liquor for on–premises consumption; requiring a license holder to submit a certain report on request from the Board; authorizing the Board to take certain enforcement actions under certain circumstances; requiring a license holder to demonstrate certain compliance as a prerequisite for license renewal; authorizing a license holder to sell beer, wine, and liquor during certain hours and days; establishing the annual license fee; limiting the number of Class B–D licenses that may be issued in a single year; and generally relating to alcoholic beverages licenses in Allegany County.

BY repealing and reenacting, without amendments,

Article – Alcoholic Beverages
Section ~~9–101(a) and (b) and 9–102~~
Annotated Code of Maryland
(2016 Volume and 2020 Supplement)

BY ~~repealing and reenacting, with amendments,~~ adding to

Article – Alcoholic Beverages
Section ~~9–1602~~ 9–902.1 and 9–1607
Annotated Code of Maryland
(2016 Volume and 2020 Supplement)

BY repealing and reenacting, with amendments,

Article – Alcoholic Beverages
Section 9–2004

Annotated Code of Maryland
(2016 Volume and 2020 Supplement)

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

Article – Alcoholic Beverages

~~9-101.~~

~~(a) In this title:~~

~~(1) except as provided in subsection (e) of this section, the definitions in § 1-101 of this article apply without exception or variation; and~~

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

~~(b) “Board” means the Board of License Commissioners for Allegany County.~~

9-102.

This title applies only in Allegany County.

~~9-1602.~~

~~(a) Subject to subsection (b) of this section **AND EXCEPT AS PROVIDED IN SUBSECTION (C) OF THIS SECTION**, the Board may not issue:~~

~~(1) Class A and Class D beer, wine, and liquor licenses so that the number of licenses issued in each of these classes exceeds one for every 1,300 residents in the county, as determined by the latest federal census; and~~

~~(2) Class A and Class D beer licenses or Class A and Class D beer and light wine licenses so that the aggregate number in these classes exceeds one for every 1,300 residents in the county, as determined by the latest federal census.~~

~~(b) (1) The Board may approve the transfer of a license.~~

~~(2) **IN THE CASE OF A LICENSE THAT HAS EXPIRED, THE BOARD SHALL TRANSFER THE EXPIRED LICENSE TO THE COUNTY COMMISSIONERS TO BE AUCTIONED IN ACCORDANCE WITH SUBSECTION (D) OF THIS SECTION.**~~

~~(c) (1) **THE BOARD SHALL ISSUE EACH YEAR TWO NEW CLASS D LICENSES TO THE COUNTY COMMISSIONERS TO BE AUCTIONED TO THE PUBLIC IN ACCORDANCE WITH SUBSECTION (D) OF THIS SECTION.**~~

~~(2) THE BOARD MAY DECIDE WHICH CATEGORIES OF NEW CLASS D LICENSES ARE TO BE ISSUED IN A SINGLE YEAR.~~

~~(3) THE LICENSES ISSUED UNDER THIS SUBSECTION ARE NOT SUBJECT TO THE LIMITATIONS IN SUBSECTION (A) OF THIS SECTION.~~

~~(D) (1) THE COUNTY COMMISSIONERS SHALL CONDUCT A PUBLIC AUCTION EACH YEAR OF THE LICENSES THAT ARE TRANSFERRED UNDER SUBSECTION (B)(2) OF THIS SECTION OR ISSUED UNDER SUBSECTION (C) OF THIS SECTION.~~

~~(2) THE AUCTION SHALL BE A PUBLIC AUCTION CONDUCTED BY SILENT BID ON A DATE AND ON TERMS THAT THE COUNTY COMMISSIONERS DETERMINE.~~

~~(3) (I) THE ANNUAL LICENSE FEE SHALL BE PAID TO THE BOARD OUT OF THE PROCEEDS OF THE PUBLIC AUCTION.~~

~~(II) ANY AUCTION PROCEEDS COLLECTED IN EXCESS OF ANY LICENSE FEES PAID UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH SHALL BE RETAINED BY THE COUNTY COMMISSIONERS.~~

~~(4) LICENSES TRANSFERRED OR ISSUED TO THE COUNTY COMMISSIONERS UNDER SUBSECTION (B)(2) OR (C) OF THIS SECTION ARE:~~

~~(I) TO BE HELD BY THE COUNTY COMMISSIONERS SOLELY FOR THE PURPOSES OF PUBLIC AUCTION; AND~~

~~(II) NOT TO BE EXERCISED BY THE COUNTY COMMISSIONERS.~~

9-902.1.

(A) THERE IS A CLASS B-D BEER, WINE, AND LIQUOR LICENSE.

(B) THE BOARD MAY ISSUE THE LICENSE FOR USE BY A RESTAURANT THAT:

(1) IS LOCATED IN A PERMANENT BUILDING WITH AMPLE SPACE AND ACCOMMODATIONS;

(2) COMMONLY OFFERS HOT AND COLD MEALS THAT ARE PREPARED, SOLD, AND SERVED TO THE PUBLIC DURING REGULAR BUSINESS HOURS;

(3) MAINTAINS A MENU THAT ADVERTISES A VARIETY OF FOOD THAT THE ESTABLISHMENT SERVES;

(4) SERVES FOOD AT ALL TIMES WHENEVER ALCOHOLIC BEVERAGES ARE BEING SERVED OR CONSUMED; AND

(5) HAS, ON AN ANNUAL BASIS, GROSS SALES OF FOOD AND NONALCOHOLIC BEVERAGES THAT EXCEED ITS GROSS SALES OF ALCOHOLIC BEVERAGES.

(C) THE LICENSE AUTHORIZES THE LICENSE HOLDER TO SELL BEER, WINE, AND LIQUOR FOR ON-PREMISES CONSUMPTION.

(D) (1) (i) ONCE EVERY LICENSING CYCLE, THE LICENSE HOLDER SHALL COMPLY WITH A REQUEST FROM THE BOARD TO SUBMIT A FOOD ALCOHOL RATIO REPORT COVERING 2 PRECEDING QUARTERS THAT THE BOARD SELECTS TO DEMONSTRATE COMPLIANCE WITH THE ANNUAL GROSS SALES REQUIREMENT UNDER SUBSECTION (B)(5) OF THIS SECTION.

(ii) TO ENFORCE THIS PARAGRAPH, THE BOARD MAY:

1. REQUEST A LICENSE HOLDER TO PROVIDE SUPPORTING DATA OR ADDITIONAL INFORMATION;

2. IMPOSE A FINE ON A LICENSE HOLDER; OR

3. SUSPEND A LICENSE.

(2) A LICENSE HOLDER OR THE LICENSE HOLDER'S ACCOUNTANT SHALL COMPLETE, SIGN, AND PROVIDE FOR THE NOTARIZATION OF THE FOOD ALCOHOL RATIO REPORT.

(3) WHEN SUBMITTING A FOOD ALCOHOL RATIO REPORT, THE LICENSE HOLDER SHALL INCLUDE A CURRENT MENU, INFORMATION ON HOURS OF OPERATION, AND SALES AMOUNTS AND PERCENTAGES FOR FOOD, NONALCOHOLIC BEVERAGES, AND ALCOHOLIC BEVERAGES FOR THE TIME PERIOD REQUESTED.

(E) AS A PREREQUISITE FOR THE RENEWAL OF THE LICENSE, THE LICENSE HOLDER SHALL DEMONSTRATE COMPLIANCE WITH THE ANNUAL GROSS SALES REQUIREMENT UNDER SUBSECTION (B)(5) OF THIS SECTION.

(F) THE LICENSE HOLDER MAY SELL BEER, WINE, AND LIQUOR DURING THE HOURS AND DAYS SET OUT FOR A CLASS B–D BEER, WINE, AND LIQUOR LICENSE UNDER § 9–2004 OF THIS TITLE.

(G) THE ANNUAL LICENSE FEE IS \$700.

9–1607.

NOT MORE THAN TWO CLASS B–D LICENSES MAY BE ISSUED IN A SINGLE YEAR.

9–2004.

(a) (1) Except as provided in § 9–2005 of this subtitle for December 31 and January 1, a holder of a Class A beer, wine, and liquor license may sell beer, wine, and liquor for off–premises consumption:

(i) on Monday through Saturday from 7 a.m. to 2 a.m. the following day; and

(ii) on Sunday from 11 a.m. to 2 a.m. the following day if the holder:

1. pays an additional fee of \$250; or

2. is issued a 2–day Sunday sales permit in accordance with paragraph (2) of this subsection.

(2) (i) The Board may issue a 2–day Sunday sales permit to a holder of a Class A beer, wine, and liquor license.

(ii) An applicant for a 2–day Sunday sales permit need not have kitchen facilities on the licensed premises.

(iii) A 2–day Sunday sales permit authorizes the holder to sell beer, wine, and liquor for off–premises consumption on not more than two Sundays in a year from 11 a.m. to 2 a.m. the following day.

(iv) The permit fee is \$50 for each time the permit is used.

(b) (1) Except as provided in § 9–2005 of this subtitle for December 31 and January 1, a holder of a Class B beer, wine, and liquor license may sell beer, wine, and liquor:

(i) on Monday through Saturday, for on–premises and off–premises consumption, from 7 a.m. to 2 a.m. the following day;

(ii) on Sunday, for on-premises and off-premises consumption, from 11 a.m. to 2 a.m. the following day if the holder:

1. pays an additional fee of \$250;
2. is issued the license for use in a restaurant in a permanent building with ample space and accommodations where meals are usually prepared, sold, or served to the public when the restaurant is regularly open for business; or
3. is issued a 2-day Sunday sales permit in accordance with paragraph (2) of this subsection.

(2) (i) The Board may issue a 2-day Sunday sales permit to a holder of a Class B beer, wine, and liquor license, including a Class B beer, wine, and liquor license issued for use in a restaurant or banquet room in a hotel or motel.

(ii) An applicant for a 2-day Sunday sales permit need not have kitchen facilities on the licensed premises.

(iii) A 2-day Sunday sales permit authorizes the holder to sell beer, wine, and liquor for on-premises and off-premises consumption on not more than two Sundays in a year from 11 a.m. Sunday to 2 a.m. the following day.

(iv) The permit fee is \$50 for each time the permit is used.

(C) (1) EXCEPT AS PROVIDED IN § 9-2005 OF THIS SUBTITLE FOR DECEMBER 31 AND JANUARY 1, A HOLDER OF A CLASS B-D BEER, WINE, AND LIQUOR LICENSE MAY SELL BEER, WINE, AND LIQUOR:

(I) ON MONDAY THROUGH SATURDAY, FOR ON-PREMISES CONSUMPTION, FROM 7 A.M. TO 2 A.M. THE FOLLOWING DAY; AND

(II) ON SUNDAY:

1. FROM 11 A.M. TO 2 A.M. THE FOLLOWING DAY IF THE HOLDER PAYS AN ADDITIONAL FEE OF \$250; OR

2. IN ACCORDANCE WITH A 2-DAY SUNDAY SALES PERMIT ISSUED UNDER PARAGRAPH (2) OF THIS SUBSECTION.

(2) (I) THE BOARD MAY ISSUE A 2-DAY SUNDAY SALES PERMIT TO A HOLDER OF A CLASS B-D BEER, WINE, AND LIQUOR LICENSE.

(II) A 2-DAY SUNDAY SALES PERMIT AUTHORIZES THE HOLDER TO SELL BEER, WINE, AND LIQUOR FOR ON-PREMISES CONSUMPTION ON NOT MORE

THAN TWO SUNDAYS IN A YEAR FROM 11 A.M. SUNDAY TO 2 A.M. THE FOLLOWING DAY.

(III) THE PERMIT FEE IS \$50 FOR EACH TIME THE PERMIT IS USED.

[(c)] (D) (1) Except as provided in § 9–2005 of this subtitle for December 31 and January 1, a holder of a Class C beer, wine, and liquor license may sell beer, wine, and liquor:

(i) on Monday through Saturday, for on–premises and off–premises consumption, from 7 a.m. to 2 a.m. the following day;

(ii) on Sunday, for on–premises and off–premises consumption, from 11 a.m. to 2 a.m. the following day if the holder:

1. pays an additional fee of \$250; or

2. is issued a 2–day Sunday sales permit in accordance with paragraph (2) of this subsection.

(2) (i) The Board may issue a 2–day Sunday sales permit to a holder of a Class C beer, wine, and liquor license.

(ii) An applicant for a 2–day Sunday sales permit need not have kitchen facilities on the licensed premises.

(iii) A 2–day Sunday sales permit authorizes the holder to sell beer, wine, and liquor for on–premises and off–premises consumption on not more than two Sundays in a year from 11 a.m. Sunday to 2 a.m. the following day.

(iv) The permit fee is \$50 for each time the permit is used.

[(d)] (E) (1) Except as provided in § 9–2005 of this subtitle for December 31 and January 1, a holder of a Class D beer, wine, and liquor license may sell beer, wine, and liquor:

(i) on Monday through Saturday, for on–premises and off–premises consumption, from 7 a.m. to 2 a.m. the following day;

(ii) on Sunday, from 11 a.m. to 2 a.m. the following day if the holder pays an additional fee of \$250; or

(iii) in accordance with a 2–day Sunday sales permit issued under paragraph (2) of this subsection.

(2) (i) The Board may issue a 2-day Sunday sales permit to a holder of a Class D beer, wine, and liquor license.

(ii) An applicant for a 2-day Sunday sales permit need not have kitchen facilities on the licensed premises.

(iii) A 2-day Sunday sales permit authorizes the holder to sell beer, wine, and liquor for on-premises and off-premises consumption on not more than two Sundays in a year from 11 a.m. Sunday to 2 a.m. the following day.

(iv) The permit fee is \$50 for each time the permit is used.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2021.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 30, 2021.