

# HOUSE BILL 858

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2lr0943

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By: **Delegate Boyce**

Introduced and read first time: February 7, 2022

Assigned to: Economic Matters

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## A BILL ENTITLED

1 AN ACT concerning

2 **Alcoholic Beverages – Class A Licenses – Retail Grocery Establishments**

3 FOR the purpose of establishing a certain exception to the prohibition against issuing Class  
4 A beer or beer and wine licenses for use in conjunction with or on the premises of  
5 certain grocery establishments; establishing that a certain prohibition against being  
6 issued or using more than one license does not apply to a license issued under the  
7 authority of this Act; establishing that certain residency, voter registration, or  
8 taxpayer status requirements do not apply to an applicant for or a holder of a license  
9 issued under the authority of this Act; and generally relating to the issuance of Class  
10 A beer or beer and wine licenses for use in conjunction with or on the premises of  
11 certain grocery establishments.

12 BY repealing and reenacting, with amendments,  
13 Article – Alcoholic Beverages  
14 Section 4–205, 20–1603, 22–1603, and 26–1509  
15 Annotated Code of Maryland  
16 (2016 Volume and 2021 Supplement)

17 BY repealing and reenacting, without amendments,  
18 Article – Alcoholic Beverages  
19 Section 20–102, 22–102, and 26–102  
20 Annotated Code of Maryland  
21 (2016 Volume and 2021 Supplement)

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

24 **Article – Alcoholic Beverages**

25 4–205.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (a) This section does not apply to:

2 (1) an establishment that already holds a Class A, Class B, or Class D beer  
3 license, beer and wine license, or beer, wine, and liquor license; or

4 (2) a license holder that sells alcoholic beverages at discount prices.

5 (b) **[A] EXCEPT AS PROVIDED IN SUBSECTION (C) OF THIS SECTION,** A local  
6 licensing board may not issue a Class A, Class B, or Class D beer license, beer and wine  
7 license, or beer, wine, and liquor license for use in conjunction with or on the premises of:

8 (1) a chain store;

9 (2) a supermarket; or

10 (3) a discount house.

11 **(c) (1) A LOCAL LICENSING BOARD MAY ISSUE A CLASS A BEER OR BEER**  
12 **AND WINE LICENSE TO AN APPLICANT IN ACCORDANCE WITH THIS SUBSECTION FOR**  
13 **USE IN CONJUNCTION WITH OR ON THE PREMISES OF A RETAIL ESTABLISHMENT**  
14 **THAT:**

15 **(i) OFFERS FOR SALE FOOD PRODUCTS IN AT LEAST FIVE OF**  
16 **THE FOLLOWING CATEGORIES:**

17 **1. FRESH FRUITS AND VEGETABLES;**

18 **2. FRESH AND UNCOOKED MEAT, POULTRY, AND**  
19 **SEAFOOD;**

20 **3. DAIRY PRODUCTS;**

21 **4. CANNED FOODS;**

22 **5. FROZEN FOODS; AND**

23 **6. DRY GROCERIES AND BAKED GOODS;**

24 **(ii) ACCEPTS SUPPLEMENTAL NUTRITION ASSISTANCE**  
25 **PROGRAM BENEFITS AS PAYMENT FOR FOOD AND BEVERAGES;**

26 **(iii) HAS A MINIMUM OF 3,200 SQUARE FEET; AND**

27 **(iv) EXCEPT AS PROVIDED IN DIVISION II OF THIS ARTICLE, HAS**  
28 **A PRIMARY ENTRANCEWAY THAT IS AT LEAST:**

1                   **1.     300 FEET FROM THE NEAREST POINT OF A PLACE OF**  
2 **WORSHIP OR SCHOOL; AND**

3                   **2.     100 FEET FROM ANY RESIDENTIAL PROPERTY.**

4                   **(2)    IN ADDITION TO ANY LICENSE OR ANNUAL RENEWAL FEE**  
5 **OTHERWISE REQUIRED UNDER THIS ARTICLE, AN APPLICANT FOR A LICENSE OR**  
6 **LICENSE RENEWAL AUTHORIZED UNDER THIS SUBSECTION SHALL PAY TO THE**  
7 **LOCAL LICENSING BOARD AN ANNUAL LICENSE FEE SET BY THE LOCAL LICENSING**  
8 **BOARD.**

9                   **(3)    THE PROHIBITIONS AGAINST ONE PERSON OR ENTITY BEING**  
10 **ISSUED OR USING MORE THAN ONE LICENSE UNDER § 4-203 OF THIS SUBTITLE DO**  
11 **NOT APPLY TO A CLASS A LICENSE ISSUED UNDER THE AUTHORITY OF THIS**  
12 **SUBSECTION.**

13                   **(4)    NOTWITHSTANDING § 1-202 OF THIS ARTICLE, ANY**  
14 **REQUIREMENTS UNDER DIVISION II OF THIS ARTICLE GOVERNING RESIDENCY,**  
15 **VOTER REGISTRATION, OR TAXPAYER STATUS DO NOT APPLY TO AN APPLICANT FOR**  
16 **OR A HOLDER OF A CLASS A LICENSE ISSUED UNDER THE AUTHORITY OF THIS**  
17 **SUBSECTION.**

18 20-102.

19                   This title applies only in Frederick County.

20 20-1603.

21                   **(A)    [A] EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, A Class**  
22 **A license may not be issued for, transferred to, used in conjunction with, or used at the**  
23 **location of:**

24                   (1)    a chain store;

25                   (2)    a supermarket;

26                   (3)    a discount house; or

27                   (4)    a franchised establishment:

28                   (i)    that is operated under an agreement between a franchisee and  
29 franchisor that permits the franchisee to conduct a business or sell a product or service  
30 under a name or mark, in accordance with the methods and procedures set out by the  
31 franchisor; and

1 (ii) for which the franchisor assists the franchisee through  
2 advertising, promotion, or other services.

3 **(B) A CLASS A BEER OR BEER AND WINE LICENSE MAY BE ISSUED TO A**  
4 **RETAIL ESTABLISHMENT AS AUTHORIZED UNDER § 4-205(C) OF THIS ARTICLE.**

5 22-102.

6 This title applies only in Harford County.

7 22-1603.

8 (a) (1) Except as provided in paragraph (2) of this subsection, any license with  
9 an off-sale privilege may not be issued for or transferred to:

10 (i) a chain store;

11 (ii) a supermarket;

12 (iii) a discount house; or

13 (iv) a franchisor, franchisee, or concessionaire of an establishment  
14 listed in this paragraph.

15 (2) **(I)** Paragraph (1) of this subsection does not apply to the renewal of  
16 a license.

17 **(II) A CLASS A BEER OR BEER AND WINE LICENSE MAY BE**  
18 **ISSUED TO A RETAIL ESTABLISHMENT AS AUTHORIZED UNDER §**  
19 **4-205(C) OF THIS ARTICLE.**

20 (b) An establishment that on July 1, 1976, held a license with an off-sale privilege  
21 may continue to hold the license or apply to upgrade to a Class A-1 or Class A-2 license.

22 26-102.

23 This title applies only in Prince George's County.

24 26-1509.

25 (a) Except as provided in subsection (b) of this section, the Board may not issue a  
26 license that has an off-sale privilege to:

27 (1) an establishment commonly known as a chain store, supermarket, or  
28 discount house; or

1                   (2)     a franchisor, franchisee, or concessionaire of the establishment.

2           (b)     **(1)**    An establishment described in subsection (a) of this section that held a  
3 license on July 1, 1973:

4                   **[(1)] (I)**    may continue to hold the license; and

5                   **[(2)] (II)**   at the discretion of the Board, may change the class of the license.

6                   **(2)     A CLASS A BEER OR BEER AND WINE LICENSE MAY BE ISSUED TO**  
7 **A RETAIL ESTABLISHMENT AS AUTHORIZED UNDER § 4-205(C) OF THIS ARTICLE.**

8           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
9 1, 2022.