

HOUSE BILL 436

A2

3lr0608

By: **Prince George's County Delegation**

Introduced and read first time: January 30, 2023

Assigned to: Economic Matters

Committee Report: Favorable with amendments

House action: Adopted with floor amendments

Read second time: March 11, 2023

CHAPTER _____

1 AN ACT concerning

2 **Prince George's County – Alcoholic Beverages – ~~Development District License~~**
3 **Licensing**

4 **PG 305–23**

5 FOR the purpose of authorizing the Board of License Commissioners for Prince George's
6 County, notwithstanding a certain prohibition on the transfer of a license with an
7 off-sale privilege, to approve the transfer of a Class A beer, wine, and liquor license
8 to a premises located in a certain alcoholic beverages district if there is no Class A
9 beer, wine, and liquor license operating within a certain distance of the premises;
10 authorizing the Board to issue a Class B–DD beer, wine, and liquor license with an
11 off-sale privilege to certain restaurants in certain areas; repealing a certain
12 prohibition on the issuance of Class B–DD beer, wine, and liquor licenses;
13 authorizing the Board to issue Class B–DD licenses for restaurants located within a
14 certain area on Central Avenue; and generally relating to alcoholic beverages
15 licenses in Prince George's County.

16 BY repealing and reenacting, without amendments,

17 Article – Alcoholic Beverages

18 Section 26–102 and 26–1613(a)

19 Annotated Code of Maryland

20 (2016 Volume and 2022 Supplement)

21 BY repealing and reenacting, with amendments,

22 Article – Alcoholic Beverages

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 Section ~~26-1603(a) and 26-1614(a)(13) and (14)~~ 26-1603(a), 26-1613(b), (c)(1), (d)(2),
 2 and (h), and 26-1614(a)(8), (13), and (14)
 3 Annotated Code of Maryland
 4 (2016 Volume and 2022 Supplement)

5 BY adding to
 6 Article – Alcoholic Beverages
 7 Section 26-1614(a)(15)
 8 Annotated Code of Maryland
 9 (2016 Volume and 2022 Supplement)

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

12 **Article – Alcoholic Beverages**

13 26-102.

14 This title applies only in Prince George’s County.

15 26-1603.

16 (a) (1) Except as provided in paragraphs (2) [and], (3), AND (4) of this
 17 subsection, the Board may not issue a new license with an off-sale privilege in, or approve
 18 the transfer of a license with an off-sale privilege into, a part of the 21st, 22nd, 23rd, 24th,
 19 25th, 26th, 27th, or 47th alcoholic beverages district in the county.

20 (2) The Board may issue a license in or approve the transfer of a license
 21 into an area specified in paragraph (1) of this subsection if the off-sale privilege of the
 22 license is waived.

23 (3) The Board may convert one Class D (on-sale) beer and wine license
 24 issued for premises in the 7100 block of Baltimore Avenue in College Park to a Class D
 25 (on- and off-sale) beer and wine license for premises in the 7100 to 7200 block of Baltimore
 26 Avenue in College Park.

27 **(4) THE BOARD MAY APPROVE THE TRANSFER OF A CLASS A BEER,**
 28 **WINE, AND LIQUOR LICENSE TO A PREMISES LOCATED IN ANY AREA SPECIFIED IN**
 29 **PARAGRAPH (1) OF THIS SUBSECTION IF THERE IS NO CLASS A BEER, WINE, AND**
 30 **LIQUOR LICENSE OPERATING WITHIN 1 MILE OF THE PREMISES.**

31 26-1613.

32 (a) There is a Class B-DD (Development District) 7-day beer, wine, and liquor
 33 license.

1 (b) (1) The Board may issue the license for use in a restaurant in any single
2 area designated in § 26-1614 of this subtitle.

3 (2) [The] EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS
4 SUBSECTION, THE license authorizes the license holder to sell beer, wine, and liquor for
5 on-premises consumption.

6 (3) (I) NOTWITHSTANDING ANY OTHER PROVISION OF THIS TITLE,
7 FOR EACH AREA DESIGNATED IN § 26-1614 OF THIS SUBTITLE THAT IS NOT LOCATED
8 INSIDE THE CAPITAL BELTWAY, THE BOARD MAY ISSUE THE LICENSE WITH AN
9 OFF-SALE PRIVILEGE FOR USE IN ONE RESTAURANT IN THE AREA IF:

10 1. THE RESTAURANT HAS AT LEAST 100 PERMANENT
11 SEATS;

12 2. THE COMBINED AREA OF THE KITCHEN, BAR, AND
13 DINING AREA OF THE RESTAURANT, INCLUDING PERMANENT YEAR-ROUND
14 OUTDOOR SEATING, IS GREATER THAN 3,500 SQUARE FEET;

15 3. THE RESTAURANT IS LOCATED AT LEAST 1 MILE AWAY
16 FROM ANY OTHER ESTABLISHMENT THAT HOLDS A CLASS A BEER, WINE, AND
17 LIQUOR LICENSE OR A CLASS B-PLUS BEER, WINE, AND LIQUOR LICENSE THAT IS
18 EXERCISING ITS OFF-SALE PRIVILEGES;

19 4. THE RESTAURANT HAS A MINIMUM CAPITAL
20 INVESTMENT OF MORE THAN \$1,000,000, EXCLUDING THE COSTS OF THE LAND,
21 BUILDING, OR LEASE;

22 5. THE INDIVIDUAL APPLICANTS HOLDING A COMBINED
23 OWNERSHIP INTEREST OF AT LEAST 75% IN THE RESTAURANT HAVE OPERATED A
24 RESTAURANT IN THE COUNTY THAT HAS HELD AN ALCOHOLIC BEVERAGES LICENSE
25 UNDER THIS TITLE FOR AT LEAST 7 YEARS PRIOR TO THE FILING OF AN APPLICATION
26 FOR A LICENSE UNDER THIS SECTION;

27 6. THE RESTAURANT IS OPEN AT LEAST 5 DAYS PER
28 WEEK AND SERVES LUNCH AND DINNER AT LEAST FIVE TIMES PER WEEK; AND

29 7. THE RESTAURANT DOES NOT HOLD AN OWNERSHIP
30 INTEREST IN MORE THAN TWO RESTAURANTS THAT HOLD A LICENSE UNDER THIS
31 SECTION WITH AN OFF-SALE PRIVILEGE.

32 (II) A HOLDER OF A LICENSE UNDER THIS SECTION WITH AN
33 OFF-SALE PRIVILEGE SHALL MAINTAIN "OFF-SALE" SHELVES OR COUNTERS IN AN
34 AREA OF THE LICENSED PREMISES THAT IS:

1 **1. PARTITIONED OR OTHERWISE SEPARATED FROM THE**
 2 **MAIN BAR AND THE USUAL SERVING AREA FOR ON-PREMISES CONSUMPTION; AND**

3 **2. CONTIGUOUS TO THE RESTAURANT.**

4 **(III) THE PORTION OF THE RESTAURANT DEDICATED TO THE**
 5 **SALE OF ALCOHOLIC BEVERAGES FOR OFF-PREMISES CONSUMPTION MAY NOT:**

6 **1. BE CONSIDERED WHEN CALCULATING THE SQUARE**
 7 **FOOTAGE OF THE RESTAURANT UNDER SUBPARAGRAPH (I)2 OF THIS PARAGRAPH;**
 8 **AND**

9 **2. BE GREATER THAN 3,500 SQUARE FEET.**

10 **(IV) OFF-SALE PRIVILEGES UNDER THE LICENSE AUTHORIZE**
 11 **THE LICENSE HOLDER TO SELL BEER, WINE, AND LIQUOR FOR OFF-PREMISES**
 12 **CONSUMPTION ON MONDAY THROUGH SUNDAY, FROM 9:00 A.M. TO 10:00 P.M.**

13 (c) (1) An applicant for a license for a restaurant in a single area described in
 14 § 26-1614 of this subtitle is not eligible for a Class B-DD license unless:

15 (i) the restaurant meets all of the requirements set out in paragraph
 16 (2) of this subsection; and

17 (ii) the average daily receipts of the restaurant from the sale of food
 18 and nonalcoholic beverages exceed the average daily receipts of the restaurant from the
 19 sale of alcoholic beverages FOR ON-PREMISES CONSUMPTION ONLY.

20 (d) (2) The Board may not issue the license for use by a restaurant in a single
 21 area described in § 26-1614 of this subtitle if[

22 (i) six restaurants are operating with a Class B-DD license in the
 23 area; or

24 (ii)] the applicant is the license holder of three Class B-DD licenses.

25 (h) (1) [The] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS
 26 SUBSECTION, THE annual license fee is \$3,025.

27 **(2) THE ANNUAL LICENSE FEE FOR A LICENSE WITH AN OFF-SALE**
 28 **PRIVILEGE ISSUED UNDER SUBSECTION (C)(3) OF THIS SECTION IS \$5,000.**

29 26-1614.

1 (a) The Board may issue:

2 (8) up to five Class B-DD (Development District) licenses to restaurants
3 located within the [Karrington] SOUTH LAKE mixed-use development, located in the
4 southwest quadrant of the intersection of MD-214/Central Avenue and US-301/Crain
5 Highway;

6 (13) one Class B-DD (Development District) license to a restaurant located
7 within 1 mile surrounding the intersection of East-West Highway and Belcrest Road; [and]

8 (14) up to 10 Class B-DD (Development District) licenses to restaurants
9 located within the Carillon development, located near the Arena Drive exit of the Capital
10 Beltway; AND

11 (15) ~~ANY NUMBER OF~~ UP TO 50 CLASS B-DD (DEVELOPMENT
12 DISTRICT) LICENSES TO RESTAURANTS LOCATED ON CENTRAL AVENUE, WITHIN
13 THE AREA FROM THE CAPITAL BELTWAY TO THE DISTRICT OF COLUMBIA BORDER.

14 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
15 1, 2023.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.