

HOUSE BILL 89

A2

5lr0494

By: **Montgomery County Delegation**

Introduced and read first time: January 23, 2015

Assigned to: Economic Matters

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 3, 2015

CHAPTER _____

1 AN ACT concerning

2 **Montgomery County – Alcoholic Beverages – Class BD–BWL License**

3 **MC 18–15**

4 FOR the purpose of establishing a Class BD–BWL alcoholic beverages license in
5 Montgomery County; authorizing the Board to issue a refillable container permit to
6 a holder of a Class BD–BWL license; authorizing a refillable container permit to be
7 renewed each year concurrently with the renewal of a Class BD–BWL license;
8 providing that the terms and hours of sale of a refillable container permit are the
9 same as the underlying license; providing that the Class BD–BWL license authorizes
10 the sale of beer and wine for consumption on or off the licensed premises and the sale
11 of liquor for consumption only on the licensed premises; requiring an applicant for a
12 Class BD–BWL license to attest to a certain proportion of future food and alcoholic
13 beverages sales during certain hours, based on gross receipts, as a prerequisite to
14 obtaining the license; requiring an applicant for a Class BD–BWL license to attest
15 to a certain proportion of future food and alcoholic beverages sales during certain
16 hours, based on gross receipts from sales during a certain time, as a prerequisite to
17 renewing the license; requiring the Board of License Commissioners to adopt certain
18 regulations providing for the inspection of certain premises; authorizing the Board
19 to revoke a Class BD–BWL license under certain circumstances; authorizing a holder
20 of a Class BD–BWL license to hold a certain other license; authorizing a license
21 holder to hold not more than ~~a certain number of~~ one Class BD–BWL licenses license;
22 specifying the hours of sale; setting an annual license fee; authorizing the Board to
23 issue, renew, and transfer and otherwise provide for a Class BD–BWL license in

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 Takoma Park; and generally relating to Class BD–BWL licenses in Montgomery
2 County.

3 BY repealing and reenacting, with amendments,
4 Article 2B – Alcoholic Beverages
5 Section 5–201(q) and 8–216(d)(1)
6 Annotated Code of Maryland
7 (2011 Replacement Volume and 2014 Supplement)

8 BY repealing and reenacting, without amendments,
9 Article 2B – Alcoholic Beverages
10 Section 6–201(q)(1)(i)
11 Annotated Code of Maryland
12 (2011 Replacement Volume and 2014 Supplement)

13 BY adding to
14 Article 2B – Alcoholic Beverages
15 Section 6–201(q)(7)
16 Annotated Code of Maryland
17 (2011 Replacement Volume and 2014 Supplement)

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

20 **Article 2B – Alcoholic Beverages**

21 5–201.

22 (q) (1) This subsection applies only in Montgomery County.

23 (2) The annual license fee is \$400.

24 (3) (i) The Board of License Commissioners may issue a refillable
25 container permit to a holder of a Class B beer and light wine license OR A CLASS
26 BD–BWL LICENSE issued by the Board of License Commissioners:

27 1. On completion of an application form that the Board
28 provides; and

29 2. At no cost to the [Class B] license holder.

30 (ii) A refillable container permit may be renewed each year
31 concurrently with the renewal of a Class B beer and light wine license OR A CLASS
32 BD–BWL LICENSE.

33 (4) A refillable container permit entitles the holder to sell draft beer for
34 consumption off the licensed premises in a refillable container that:

1 (i) Has a capacity of not less than 32 ounces and not more than 128
 2 ounces; and

3 (ii) Meets the requirements under paragraph (5) of this subsection.

4 (5) To be used as a refillable container under paragraph (4) of this
 5 subsection, a container shall meet the standards under § 21–107 of this article.

6 (6) The term of and hours of sale for a refillable container permit issued
 7 under this subsection are as specified for the permit holder’s Class B beer and light wine
 8 license OR CLASS BD–BWL LICENSE.

9 (7) A holder of a refillable container permit may refill only a refillable
 10 container that meets the standards under § 21–107 of this article.

11 (8) The Board of License Commissioners may adopt regulations to
 12 implement the provisions of this subsection relating to the issuance of a refillable container
 13 permit.

14 (9) (i) In this paragraph, “establishment” means a bowling alley,
 15 billiard hall, or drugstore or a restaurant located within these businesses.

16 (ii) A license may not be issued to, or for use in conjunction with, or
 17 upon the premises of any establishment or for use upon any premises which has a door,
 18 archway, opening or other passageway providing direct public access to any establishment.

19 6–201.

20 (q) (1) (i) This subsection applies only in Montgomery County.

21 (7) (I) **THERE IS A CLASS BD–BWL LICENSE.**

22 (II) **A CLASS BD–BWL LICENSE AUTHORIZES THE HOLDER TO**
 23 **SELL:**

24 **1. BEER AND WINE FOR CONSUMPTION ON OR OFF THE**
 25 **LICENSED PREMISES; AND**

26 **2. LIQUOR FOR CONSUMPTION ONLY ON THE LICENSED**
 27 **PREMISES.**

28 (III) **1. AS A PREREQUISITE FOR THE INITIAL ISSUANCE OF A**
 29 **LICENSE UNDER THIS PARAGRAPH, THE OWNER SHALL ATTEST IN A SWORN**
 30 **STATEMENT THAT GROSS RECEIPTS FROM FOOD SALES WILL BE AT LEAST EQUAL TO**

1 40% OF THE GROSS RECEIPTS FROM THE SALE OF FOOD AND ALCOHOLIC
2 BEVERAGES:

3 A. FROM 9 A.M. TO 9 P.M. ON MONDAY, TUESDAY,
4 WEDNESDAY, THURSDAY, FRIDAY, AND SATURDAY; AND

5 B. FROM 10 A.M. TO 9 P.M. ON SUNDAY.

6 2. AS A PREREQUISITE FOR EACH RENEWAL OF A
7 LICENSE ISSUED UNDER THIS PARAGRAPH, THE OWNER SHALL ATTEST IN A SWORN
8 STATEMENT THAT THE GROSS RECEIPTS FROM FOOD SALES FOR THE 12-MONTH
9 PERIOD IMMEDIATELY PRECEDING THE APPLICATION FOR RENEWAL HAVE BEEN AT
10 LEAST EQUAL TO 40% OF THE GROSS RECEIPTS FROM THE SALE OF FOOD AND
11 ALCOHOLIC BEVERAGES:

12 A. FROM 9 A.M. TO 9 P.M. ON MONDAY, TUESDAY,
13 WEDNESDAY, THURSDAY, FRIDAY, AND SATURDAY; AND

14 B. FROM 10 A.M. TO 9 P.M. ON SUNDAY.

15 3. THE BOARD BY REGULATION SHALL PROVIDE FOR
16 PERIODIC INSPECTION OF THE PREMISES AND FOR AUDITS TO DETERMINE THE
17 RATIO OF GROSS RECEIPTS FROM THE SALE OF FOOD TO GROSS RECEIPTS FROM THE
18 SALE OF ALCOHOLIC BEVERAGES.

19 4. REGULATIONS ADOPTED BY THE BOARD SHALL
20 INCLUDE A REQUIREMENT OF:

21 A. AT LEAST MONTHLY PHYSICAL INSPECTIONS OF THE
22 PREMISES DURING THE INITIAL LICENSE YEAR OF ANY LICENSEE; AND

23 B. THE SUBMISSION BY THE LICENSEE TO THE BOARD,
24 DURING THE INITIAL LICENSE YEAR, OF MONTHLY STATEMENTS SHOWING GROSS
25 RECEIPTS FROM THE SALE OF FOOD AND GROSS RECEIPTS FROM THE SALE OF
26 ALCOHOLIC BEVERAGES FOR THE IMMEDIATELY PRECEDING MONTH.

27 5. A. IF A LICENSEE DURING THE INITIAL LICENSE
28 YEAR FAILS TO MAINTAIN THE SALES RATIO REQUIREMENT PROVIDED IN THIS
29 PARAGRAPH FOR 3 CONSECUTIVE MONTHS OR, AFTER THE INITIAL LICENSE YEAR,
30 FOR EACH LICENSE OR CALENDAR YEAR, THE BOARD MAY REVOKE THE LICENSE.

31 B. THE BOARD MAY REQUIRE A LICENSEE TO PROVIDE
32 SUPPORTING DATA AS THE BOARD CONSIDERS NECESSARY TO ESTABLISH THAT THE
33 REQUIREMENTS OF THIS SUBPARAGRAPH RELATING TO THE RATIO OF GROSS

1 RECEIPTS FROM THE SALE OF FOOD TO THOSE FROM THE SALE OF ALCOHOLIC
 2 BEVERAGES HAVE BEEN MET.

3 ~~(III)~~ (IV) A HOLDER OF A CLASS BD-BWL LICENSE MAY ALSO
 4 HOLD A CLASS 7 MICRO-BREWERY LICENSE ISSUED FOR A LOCATION IN THE
 5 COUNTY.

6 ~~(IV)~~ (V) A LICENSE HOLDER MAY NOT HOLD MORE THAN ~~10~~ 1
 7 CLASS BD-BWL ~~LICENSES~~ LICENSE.

8 ~~(V)~~ (VI) ON ANY DAY OF THE WEEK, THE HOURS OF SALE ARE:

9 1. FOR CONSUMPTION ON THE LICENSED PREMISES,
 10 FROM 10 A.M. TO 2 A.M. THE FOLLOWING DAY; AND

11 2. FOR CONSUMPTION OFF THE LICENSED PREMISES,
 12 FROM 6 A.M. TO 1 A.M. THE FOLLOWING DAY.

13 ~~(VI)~~ (VII) THE ANNUAL FEE FOR A CLASS BD-BWL LICENSE IS
 14 \$3,500.

15 8-216.

16 (d) (1) The Montgomery County Board of License Commissioners may issue,
 17 renew, and transfer and otherwise provide for [8] THE FOLLOWING classes of alcoholic
 18 beverages licenses in the City of Takoma Park [as follows]:

19 (i) Class B (on- and off-sale) beer and light wine, hotel and
 20 restaurant licenses;

21 (ii) Class H (on-sale) beer and light wine, hotel and restaurant
 22 licenses;

23 (iii) Class B (on-sale) beer, wine and liquor, hotel and restaurant
 24 licenses;

25 (iv) Class H-TP (on-sale) beer license;

26 (v) Class D-TP (on- and off-sale) beer and light wine license;

27 (vi) Class A-TP (off-sale) beer, wine and liquor license;

28 (vii) Class C-TP (on-sale) beer, wine and liquor license; [and]

1 (viii) Beer and wine sampling or tasting (BWST) licenses issued under
2 § 8-408.3 of this title; AND

3 (IX) CLASS BD-BWL LICENSE ISSUED UNDER § 6-201(Q)(7) OF
4 THIS ARTICLE.

5 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
6 1, 2015.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.