

# HOUSE BILL 572

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CF SB 426

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By: **Delegate Clippinger**

Introduced and read first time: January 20, 2021

Assigned to: Economic Matters

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Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 4, 2021

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Baltimore City – 46th District – Alcoholic Beverages Licenses**

3 FOR the purpose of authorizing the holder of certain alcoholic beverages licenses in the  
4 46th alcoholic beverages district in Baltimore City to apply for an alteration to a  
5 certain license; authorizing the Board of License Commissioners for Baltimore City  
6 to issue a Class B beer, wine, and liquor license in a certain area if a memorandum  
7 of understanding has been executed with Brewer’s Hill Neighbors, Inc.; authorizing  
8 the Board of ~~License Commissioners for Baltimore City~~ to issue a Class D beer and  
9 light wine license in a certain area if a memorandum of understanding has been  
10 executed with Brewer’s Hill Neighbors, Inc.; making conforming changes; repealing  
11 the termination of certain provisions providing certain exceptions from prohibitions  
12 against certain transactions involving a certain distillery and a certain retail dealer;  
13 and generally relating to alcoholic beverages licenses in the 46th alcoholic beverages  
14 district in Baltimore City.

15 BY repealing and reenacting, without amendments,  
16 Article – Alcoholic Beverages  
17 Section 12–102, ~~12–404~~, and 12–1406  
18 Annotated Code of Maryland  
19 (2016 Volume and 2020 Supplement)

20 BY repealing and reenacting, with amendments,  
21 Article – Alcoholic Beverages  
22 Section 12–1604 and 12–1605(a)

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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 Annotated Code of Maryland  
2 (2016 Volume and 2020 Supplement)

3 BY repealing and reenacting, with amendments,  
4 Chapter 676 of the Acts of the General Assembly of 2019  
5 Section 4

6 BY repealing and reenacting, with amendments,  
7 Chapter 677 of the Acts of the General Assembly of 2019  
8 Section 4

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

11 **Article – Alcoholic Beverages**

12 12–102.

13 This title applies only in Baltimore City.

14 12–404.

15 (a) Section 2–216(b) and (d) of this article does not apply to a holder of a Class 3  
16 winery license or Class 4 limited winery license who is issued a Class A2 light wine on–sale  
17 and off–sale license with respect to the wine manufactured or bottled on the winery  
18 premises.

19 (b) (1) This subsection applies only to a Class 1 distillery and a retail dealer  
20 located on contiguous premises in the area commonly known as Port Covington.

21 (2) The Class 1 distillery:

22 (i) may lend a thing of value, make a gift, or offer a gratuity to the  
23 retail dealer; but

24 (ii) may not lend money to the retail dealer.

25 (3) The retail dealer:

26 (i) may accept, receive, or make use of a gift or an advertisement  
27 provided by the Class 1 distillery; but

28 (ii) may not become indebted to the distillery except for the purchase  
29 of alcoholic beverages and allied products purchased for resale.

30 (4) Section 2–216(d) of this article regarding advertisements does not apply  
31 to the Class 1 distillery and the licensed retailer.

1 12-1406.

2 (a) In this section, “community association” means:

3 (1) a nonprofit association, corporation, or other organization that is:

4 (i) composed of residents of a community within which a nuisance  
5 is located;

6 (ii) operated exclusively for the promotion of social welfare and  
7 general neighborhood improvement and enhancement; and

8 (iii) exempt from taxation under § 501(c)(3) or (4) of the Internal  
9 Revenue Code; or

10 (2) a nonprofit association, corporation, or other organization that is:

11 (i) composed of residents of a contiguous community that is defined  
12 by specific geographic boundaries, within which a nuisance is located;

13 (ii) operated for the promotion of the welfare, improvement, and  
14 enhancement of that community; and

15 (iii) in good standing with the State Department of Assessments and  
16 Taxation.

17 (b) If a community association and an applicant for the issuance or renewal of a  
18 Class B, B-D-7, or D alcoholic beverages license have entered into a memorandum of  
19 understanding that expressly acknowledges the authority of the Board under this article,  
20 the Board may make the issuance or renewal of the license conditional on the substantial  
21 compliance of the applicant with the memorandum of understanding.

22 (c) The existence of a memorandum of understanding does not affect any  
23 requirement of any individuals to file a protest under § 4-406 of this article or a complaint  
24 under § 4-603 of this article.

25 12-1604.

26 (a) This section applies only to the 46th alcoholic beverages district, which at all  
27 times is coterminous with the 46th legislative district in the Legislative Districting Plan of  
28 2002 as ordered by the Maryland Court of Appeals on June 21, 2002.

29 (b) Except as provided in subsections (c) [and], (d), AND (I) of this section, the  
30 Board may not issue a new license in the 46th alcoholic beverages district.

31 (c) (1) The Board may issue:

1 (i) a 1-day license; and

2 (ii) except as provided in paragraph (2) of this subsection, and  
3 subject to paragraphs (3) and (4) of this subsection, a Class B beer, wine, and liquor license  
4 for use by a restaurant if the average daily receipts from the sale of food are at least 51%  
5 of the total daily receipts of the restaurant.

6 (2) The Board may issue a Class B beer, wine, and liquor license:

7 (i) for a restaurant in ward 26, precinct 8, ward 4, precinct 1, or  
8 ward 3, precinct 3 that has:

9 1. seating for more than 150 individuals;

10 2. a minimum capital investment of \$700,000; and

11 3. subject to paragraph (3) of this subsection, average daily  
12 receipts from the sale of food that are at least 65% of the total daily receipts of the  
13 restaurant;

14 (ii) for a restaurant in ward 4, precinct 1, or ward 22, precinct 1, if  
15 the restaurant has:

16 1. seating for more than 75 individuals;

17 2. a minimum capital investment of \$700,000;

18 3. average daily receipts from the sale of food that are at  
19 least 65% of the total daily receipts of the restaurant; and

20 4. except as provided in paragraph (5) of this subsection, no  
21 sales for off-premises consumption;

22 (iii) for not more than three restaurants in a residential planned unit  
23 development for Silo Point as approved by the Mayor and City Council of Baltimore City in  
24 Ordinance 04-697 on June 23, 2004, if each restaurant has:

25 1. a minimum capital investment of \$700,000;

26 2. seating for more than 75 individuals;

27 3. average daily receipts from the sale of food that are at  
28 least 65% of the total daily receipts of the restaurant; and

29 4. except as provided in paragraph (5) of this subsection, no  
30 sales for off-premises consumption;

1 (iv) for not more than three restaurants in a business planned unit  
 2 development in ward 24, precinct 5, if each restaurant:

- 3 1. has a minimum capital investment of \$700,000;
- 4 2. has seating for more than 75 individuals, but not more  
 5 than 150 individuals;
- 6 3. has average daily receipts from the sale of food that are at  
 7 least 51% of the total daily receipts of the restaurant; and
- 8 4. except as provided in paragraph (5) of this subsection, may  
 9 not sell for off-premises consumption; ~~and~~ [and]

10 (v) for a restaurant in the area that is commonly known as Port  
 11 Covington, bounded on the north by Interstate 95, on the east by the South Locust Point  
 12 Terminal, and on the south and west by the Patapsco River, and that has:

- 13 1. seating for more than 150 individuals;
- 14 2. a minimum capital investment of \$700,000; and
- 15 3. subject to paragraph (3) of this subsection, average daily  
 16 receipts from the sale of food that are at least 60% of the total daily receipts of the  
 17 restaurant; AND

18 **(VI) FOR A RESTAURANT IN UNIT G OF 3700 TOONE STREET IN**  
 19 **WARD 26, PRECINCT 8, IF THE RESTAURANT HAS:**

- 20 **1. SEATING FOR AT LEAST 75 INDIVIDUALS;**
- 21 **2. A MINIMUM CAPITAL INVESTMENT OF \$700,000;**
- 22 **3. AVERAGE DAILY RECEIPTS FOR THE SALE OF FOOD**  
 23 **THAT ARE AT LEAST 65% OF THE TOTAL DAILY RECEIPTS OF THE RESTAURANT; AND**
- 24 **4. HAS EXECUTED A MEMORANDUM OF UNDERSTANDING**  
 25 **WITH BREWER’S HILL NEIGHBORS, INC.**

26 (3) When a license is renewed, the license holder shall file with the Board  
 27 a statement of average daily receipts and an affidavit of a licensed certified public  
 28 accountant that verify that the license holder has met the requirement under paragraph  
 29 (1)(ii) or (2)(i)3 or (v)3 of this subsection.

30 (4) (i) A license may not be issued under paragraph (1)(ii) of this

1 subsection for use in an establishment that is a fast-food-style restaurant.

2 (ii) A license issued under paragraph (1)(ii) of this subsection may  
3 not be transferred from the location of its first issuance.

4 (5) The Board may issue a Class B beer, wine, and liquor license for a  
5 restaurant in ward 21, precinct 4 in the 1400 block of Warner Street that has:

6 (i) seating for more than 150 individuals;

7 (ii) average daily receipts from the sale of food that are at least 40%  
8 of the total daily receipts of the restaurant; and

9 (iii) no sales for off-premises consumption.

10 (6) A license specified under this subsection, including a license that does  
11 not allow sales for off-premises consumption, may include an off-sale privilege for sales of  
12 refillable containers under a refillable container license issued in accordance with §  
13 12-1102 of this title.

14 (d) (1) The Board may issue a Class D beer, wine, and liquor license to an  
15 applicant who holds or has applied for a Class 9 limited distillery license.

16 (2) A Class D beer, wine, and liquor license issued under this subsection  
17 may be transferred only to a holder of a Class 9 limited distillery license.

18 **(3) NOTWITHSTANDING ANY RESTRICTIONS OR REQUIREMENTS IN**  
19 **THIS TITLE, A HOLDER OF A CLASS 9 LIMITED DISTILLERY LICENSE WHO ALSO**  
20 **HOLDS A CLASS D (6-DAY) BEER, WINE, AND LIQUOR LICENSE AND IS LOCATED ON**  
21 **THE 4200 BLOCK OF EAST PRATT STREET MAY APPLY TO THE BOARD TO CONVERT**  
22 **THE EXISTING CLASS D (6-DAY) BEER, WINE, AND LIQUOR LICENSE INTO A CLASS D**  
23 **(7-DAY) BEER, WINE, AND LIQUOR LICENSE.**

24 (e) The Board may issue:

25 (1) a Class C beer, wine, and liquor license in the 200 block of Holliday  
26 Street in ward 3, precinct 3;

27 (2) a Class C beer, wine, and liquor license in the 200 block of South  
28 Central Avenue in ward 3, precinct 3; and

29 (3) subject to subsection (f) of this section, a Class D beer license for the  
30 area in ward 24, precinct 5 that is bounded by East Fort Avenue on the north, the CSX  
31 access way on the east, East McComas Street on the south, and Whetstone Way on the  
32 west.

1 (f) A Class D beer license may be transferred into the area specified under  
2 subsection (e)(3) of this section if originally issued for another area.

3 (g) Notwithstanding subsection (c)(1) and (2) of this section, the Board may not  
4 issue a Class B beer, wine, and liquor restaurant license in:

5 (1) the area covered by the Key Highway East Industrial Area Urban  
6 Renewal Plan, as adopted by the Mayor and City Council of Baltimore City in Ordinance  
7 986 on June 29, 1987;

8 (2) the area covered by the Key Highway Urban Renewal Plan, as adopted  
9 by the Mayor and City Council of Baltimore City in Ordinance 622 on March 12, 1986;

10 (3) (i) ward 1, precinct 4 or 5;

11 (ii) ward 23, precinct 1; and

12 (iii) ward 24, precinct 5; and

13 (4) the area known as Pen Lucy, ward 9, precincts 1 and 2.

14 (h) (1) Except as provided in paragraphs (2) and (3) of this subsection, the  
15 Board may not issue a license for:

16 (i) ward 1, precincts 4 and 5;

17 (ii) ward 23, precinct 1; or

18 (iii) ward 24, precinct 5.

19 (2) The Board may issue not more than two Class B beer, wine, and liquor  
20 licenses, so that the cumulative number of licenses issued or transferred is two, into the  
21 area of 829 through 919 E. Fort Avenue only if the Board:

22 (i) has executed a memorandum of understanding between the  
23 community associations in Riverside and Locust Point regarding the nature of the  
24 establishment; and

25 (ii) enforces the memorandum of understanding against any license  
26 holder that obtains a license under this paragraph and seeks to renew or transfer the  
27 license.

28 (3) (i) The Board may issue not more than a combined total of five Class  
29 B beer, wine, and liquor licenses for use by establishments on the north side of the 900  
30 block of East Fort Avenue and on the west side of the 1400 block of Lawrence Street.

31 (ii) A license issued for an establishment in these areas may not be

1 transferred to another establishment.

2 (4) The Board may issue not more than one Class B–HM (hotel–motel)  
3 beer, wine, and liquor license to a hotel in the 1200 block of East Fort Avenue.

4 **(I) THE BOARD MAY ISSUE A CLASS D BEER AND LIGHT WINE LICENSE FOR**  
5 **AN ESTABLISHMENT IN WARD 26, PRECINCT 8 ON THE WEST SIDE OF THE 1200**  
6 **BLOCK OF SOUTH HAVEN STREET THAT HAS EXECUTED A MEMORANDUM OF**  
7 **UNDERSTANDING WITH BREWER’S HILL NEIGHBORS, INC.**

8 12–1605.

9 (a) (1) (i) Except as otherwise provided in this subsection, a new license  
10 may not be issued for and an existing license may not be moved to a building that is within  
11 300 feet of the nearest point of the building of a place of worship or school.

12 (ii) In the 45th legislative district, a new Class A license of any type  
13 may not be issued for a building that is within 500 feet of the nearest point of the building  
14 of a place of worship or school.

15 (2) Paragraph (1)(i) of this subsection does not apply to:

16 (i) a Class B beer and wine license outside the 46th legislative  
17 district;

18 (ii) a Class B beer, wine, and liquor license outside the 46th  
19 legislative district;

20 (iii) a Class B–D–7 license in the Old Goucher Revitalization District  
21 under § 12–1603(e) of this subtitle;

22 (iv) a Class C beer and wine license; and

23 (v) a Class C beer, wine, and liquor license.

24 (3) A license for use in a building that is within 300 feet of the grounds of  
25 a place of worship or school may be renewed or extended for the same building.

26 (4) (i) This paragraph applies only to an area bounded by:

27 1. High Street on the west, Pratt Street on the north, Central  
28 Avenue on the east, and Eastern Avenue on the south;

29 2. West Cross Street and Amity Street on the west, Clifford  
30 Street on the north, Scott Street on the east, and Carroll Street on the south; OR

31 3. Holliday Street on the west, Saratoga Street on the north,



1 Gay Street on the east, and Lexington Street on the south; or

2 4. subject to subparagraph (iii) of this paragraph, Fagley  
 3 Street on the west, Gough Street on the north, Grundy Street on the east, and Chestle Place  
 4 on the south].

5 (ii) The Board may waive the distance restrictions in paragraph  
 6 (1)(i) of this subsection for an application for the transfer of a license into an area specified  
 7 in subparagraph (i) of this paragraph if:

8 1. the application is approved by:

9 A. each community association representing the area;

10 B. each business association in the area; and

11 C. the ordained leader and the board or council for each place  
 12 of worship that is within 300 feet of the proposed location of the establishment for which  
 13 the license transfer is sought; and

14 2. a memorandum of understanding is executed by the  
 15 applicant for the license transfer and each community association in the area.

16 [(iii) The Board may not issue a license in or approve the transfer of a  
 17 license into the area specified in subparagraph (i)4 of this paragraph if:

18 1. the proposed location of the establishment is in an area  
 19 that is zoned “residential”; or

20 2. the license to be issued or transferred is a Class A license  
 21 of any type.]

22 **Chapter 676 of the Acts of 2019**

23 SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
 24 1, 2019. [Section 3 of this Act shall remain effective for a period of 3 years and, at the end  
 25 of June 30, 2022, Section 3 of this Act, with no further action required by the General  
 26 Assembly, shall be abrogated and of no further force and effect.]

27 **Chapter 677 of the Acts of 2019**

28 SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
 29 1, 2019. [Section 3 of this Act shall remain effective for a period of 3 years and, at the end  
 30 of June 30, 2022, Section 3 of this Act, with no further action required by the General  
 31 Assembly, shall be abrogated and of no further force and effect.]

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

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.