

Chapter 758

(House Bill 671)

AN ACT concerning

**Somerset County – Alcoholic Beverages – Abolishment of Liquor Control Board
and Dispensary System**

FOR the purpose of establishing a Class A beer, wine, and liquor license in ~~the county~~ Somerset County; authorizing the Board of License Commissioners for Somerset County to issue the license; abolishing the liquor control board and the alcoholic beverages dispensary system in Somerset County; and generally relating to alcoholic beverages in Somerset County.

BY repealing and reenacting, without amendments,
Article – Alcoholic Beverages
Section 29–102
Annotated Code of Maryland
(2016 Volume and 2021 Supplement)

BY repealing and reenacting, with amendments,
Article – Alcoholic Beverages
Section 29–501, 29–901, 29–902, 29–1001 through 29–1003, and 29–2004
Annotated Code of Maryland
(2016 Volume and 2021 Supplement)

BY repealing
Article – Alcoholic Beverages
Section 29–301 through 29–311 and the subtitle “Subtitle 3. Liquor Control Board”;
and 29–504
Annotated Code of Maryland
(2016 Volume and 2021 Supplement)

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

Article – Alcoholic Beverages

29–102.

This title applies only in Somerset County.

29–501.

[(a)] The following sections of Title 2, Subtitle 3 (“Wholesaler’s Licenses”) of Division I of this article apply in the county without exception or variation:

- (1) § 2-301 (“Licenses issued by Comptroller”);
- (2) § 2-302 (“CLASS 1 BEER, WINE, AND LIQUOR WHOLESALER’S LICENSE”);**
- (3) § 2-303 (“CLASS 2 WINE AND LIQUOR WHOLESALER’S LICENSE”);**
- [(2)] **(4)** § 2-304 (“Class 3 beer and wine wholesaler’s license”);
- [(3)] **(5)** § 2-305 (“Class 4 beer wholesaler’s license”);
- [(4)] **(6)** § 2-306 (“Class 5 wine wholesaler’s license”);
- [(5)] **(7)** § 2-307 (“Class 6 limited wine wholesaler’s license”);
- [(6)] **(8)** § 2-308 (“Class 7 limited beer wholesaler’s license”);
- [(7)] **(9)** § 2-309 (“Sale and delivery of beer or wine from wholesaler’s vehicle”);
- [(8)] **(10)** § 2-310 (“Sale and delivery to retail license holder”);
- [(9)] **(11)** § 2-311 (“Additional wholesaler’s licenses”);
- [(10)] **(12)** § 2-312 (“Direct importation of alcoholic beverages”);
- [(11)] **(13)** § 2-313 (“Sale or delivery restricted to holder of license or permit”);
- [(12)] **(14)** § 2-314 (“Beer sale on credit to retail dealer prohibited”);
- [(13)] **(15)** § 2-315 (“Interaction between wholesaling entities and retailers”);
- [(14)] **(16)** § 2-316 (“Distribution of alcoholic beverages — Prohibited practices”); and
- [(15)] **(17)** § 2-317 (“Restrictive agreements between wholesalers and retailers — Prohibited”).

[(b) The following sections of Title 2, Subtitle 3 (“Wholesaler’s Licenses”) of Division I of this article apply in the county, subject to § 29-504 of this subtitle:

- (1) § 2-302 (“Class 1 beer, wine, and liquor wholesaler’s license”); and

(2) § 2-303 (“Class 2 wine and liquor wholesaler’s license”).]

[29-504.

A holder of a Class 1 beer, wine, and liquor or Class 2 wine and liquor wholesaler’s license may not sell or deliver liquor in the county for resale except to a county dispensary.]

29-901.

(A) [A] **THERE IS A** Class A beer, wine, and liquor license [may not be issued in the county].

(B) (1) **THE LICENSE AUTHORIZES THE LICENSE HOLDER TO SELL BEER, WINE, AND LIQUOR AT RETAIL TO CONSUMERS AT THE PLACE DESCRIBED IN THE LICENSE.**

(2) **A LICENSE MAY NOT BE ISSUED FOR A PREMISES HAVING A DIRECT OR INDIRECT CONNECTION WITH A DRUG OR PHARMACEUTICAL DISPENSING BUSINESS OR OTHER BUSINESS ESTABLISHMENT OF A TYPE COMMONLY KNOWN AS A DRUGSTORE.**

(3) **THE LICENSE HOLDER SHALL SELL THE BEER, WINE, AND LIQUOR IN A SEALED PACKAGE OR CONTAINER.**

(4) **THE PACKAGE OR CONTAINER MAY NOT BE OPENED AND ITS CONTENTS MAY NOT BE CONSUMED ON THE PREMISES WHERE THE BEER, WINE, OR LIQUOR WAS SOLD.**

(C) **THE ANNUAL LICENSE FEE IS \$5,000.**

29-902.

(a) There is a Class B beer, wine, and liquor license.

(b) The Board may issue the license for use at a hotel or motel that:

(1) accommodates the public, providing services ordinarily found in a hotel or motel;

(2) has a lobby with registration, mail desk, and seating facilities; and

(3) maintains at least:

(i) 10 rooms for occupancy by guests if the hotel was in operation on June 1, 1967; or

(ii) 20 rooms for occupancy by guests if the hotel started operations after June 1, 1967, with the hotel facilities assessed for State and county taxation at an amount that is at least \$45,000.

(c) The Board may issue the license for use at a restaurant that:

(1) serves full-course meals at least twice daily;

(2) exclusive of bar seating or counter seating, has table seating for at least 50 individuals; and

(3) for the 12 months immediately before the application for the license, has daily average receipts from the sale of food that exceed the daily average receipts from the sale of alcoholic beverages.

(d) The license authorizes the license holder to sell at retail at the place described in the license:

(1) beer, wine, and liquor for on-premises consumption; and

(2) beer for off-premises consumption.

[(e) The license holder:

(1) shall purchase all wine and liquor from the Liquor Control Board; and

(2) shall be charged:

(i) the invoice price to the Liquor Control Board;

(ii) freight charges; and

(iii) an amount not more than 20% of the aggregate invoice price and freight charges.]

[(f)] **(E)** The annual license fee is \$1,265.

29-1001.

(a) There is a Class C (fraternal or sororal organization) beer, wine, and liquor license.

(b) The Board may issue the license for use by a lodge or chapter of a nonprofit and nationwide fraternal or sororal organization that:

- (1) is composed of inducted members;
- (2) was operating in the county for at least 1 year before the license application was made;
- (3) has at least 25 members paying dues of at least \$15 per year per member; and
- (4) owns or operates a home or clubhouse that is principally for the use of its members and guests when accompanied by members.

(c) The license authorizes the license holder to sell beer, wine, and liquor at retail at the place described in the license for on-premises consumption.

[(d) (1) The license holder shall purchase from the Liquor Control Board all wine and liquor sold by the license holder.

- (2) The Liquor Control Board shall charge the license holder the total of:
 - (i) the invoice price charged to the Liquor Control Board;
 - (ii) freight charges; and
 - (iii) an amount not exceeding 20% of the aggregate of the invoice price and freight charges.]

[(e) (D) The license holder may sell beer, wine, and liquor during the hours and days as set out for a Class C beer, wine, and liquor license under § 29–2004 of this title.

[(f) (E) The annual license fee is \$316.

29–1002.

(a) There is a Class C (veterans' organization or club) beer, wine, and liquor license.

(b) The Board may issue the license for use by a local unit of a nationwide nonprofit veterans' organization or club that:

- (1) is composed only of members who served in the armed forces of the United States in a war in which the United States has been engaged;

(2) has held a charter from the national veterans' organization or club for at least 1 year before the license application was made;

(3) has at least 35 members paying dues of at least \$4 per year per member; and

(4) owns or operates a home or clubhouse that is only for the use of its members and guests when accompanied by members.

(c) The license authorizes the license holder to sell beer, wine, and liquor at retail at the place described in the license for on-premises consumption.

[(d) (1) The license holder shall purchase from the Liquor Control Board all wine and liquor sold by the license holder.

(2) The Liquor Control Board shall charge the license holder the total of:

(i) the invoice price charged to the Liquor Control Board;

(ii) freight charges; and

(iii) an amount not exceeding 20% of the aggregate of the invoice price and freight charges.]

[(e) (D) The license holder may sell beer, wine, and liquor during the hours and days as set out for a Class C beer, wine, and liquor license under § 29-2004 of this title.

[(f) (E) The annual license fee is \$316.

29-1003.

(a) There is a Class C (yacht or country and golf club) beer, wine, and liquor license.

(b) The Board may issue the license for use by a club that:

(1) has at least 30 members paying dues of at least \$20 per year per adult member; and

(2) owns and operates a clubhouse on premises that are principally used for its members.

(c) The license authorizes the license holder to sell beer, wine, and liquor at retail at the place described in the license for on-premises consumption.

[(d) (1) The license holder shall purchase from the Liquor Control Board all wine and liquor sold by the license holder.

(2) The Liquor Control Board shall charge the license holder the total of:

(i) the invoice price charged to the Liquor Control Board;

(ii) freight charges; and

(iii) an amount not exceeding 20% of the aggregate of the invoice price and freight charges.]

[(e) (D) The license holder may sell beer, wine, and liquor during the hours and days as set out for a Class C beer, wine, and liquor license under § 29–2004 of this title.

[(f) (E) The annual license fee is \$316.

29–2004.

(A) A HOLDER OF A CLASS A BEER, WINE, AND LIQUOR LICENSE MAY SELL BEER, WINE, AND LIQUOR:

(1) ON MONDAY THROUGH SATURDAY, FROM 6 A.M. TO 2 A.M. THE FOLLOWING DAY; AND

(2) ON SUNDAY, FROM 8 A.M. TO 2 A.M. THE FOLLOWING DAY.

(b) (1) Except as provided in paragraph (2) of this subsection, a holder of a Class B beer, wine, and liquor (on–sale) license may sell beer, wine, and liquor:

(i) on Monday through Saturday, from 6 a.m. to 2 a.m. the following day; and

(ii) on Sunday, from 12:30 p.m. to midnight if food is available for purchase on the premises.

(2) The license holder may not sell beer, wine, or liquor at a bar or counter on Sunday.

(c) (1) Except as provided in paragraph (2) of this subsection, a holder of a Class C beer, wine, and liquor (on–sale) license may sell beer, wine, and liquor:

(i) on Monday through Saturday, from 6 a.m. to 2 a.m. the following day; and

(ii) on Sunday, from 12:30 p.m. to midnight if food is available for purchase on the premises.

(2) The license holder may not sell beer, wine, or liquor at a bar or counter on Sunday.

(d) A holder of a Class D beer, wine, and liquor license may sell beer, wine, and liquor:

(1) on Monday, from 8 a.m. to 2 a.m. the following day; and

(2) on Tuesday through Saturday, from 6 a.m. to 2 a.m. the following day.

SECTION 2. AND BE IT FURTHER ENACTED, That Section(s) 29–301 through 29–311 and the subtitle “Subtitle 3. Liquor Control Board” of Article – Alcoholic Beverages of the Annotated Code of Maryland be repealed.

SECTION 3. AND BE IT FURTHER ENACTED, That:

(a) Any reserve funds of the Liquor Control Board for Somerset County shall be distributed and deposited into the general fund of Somerset County.

(b) The title to all real and personal property, money in banks, credits, accounts receivable, equipment, stock-in-trade, leases, franchises, contracts, records, files, furniture, fixtures, and other properties and all appropriations, credits, assets, liabilities, contracts, and obligations of the Liquor Control Board are continued as the title to all real and personal property, money in banks, credits, accounts receivable, equipment, stock-in-trade, leases, franchises, contracts, records, files, furniture, fixtures, and other properties and all appropriations, credits, assets, liabilities, contracts, and obligations of Somerset County.

SECTION 4. AND BE IT FURTHER ENACTED, That Sections 2 and 3 of this Act shall take effect January 1, 2023.

SECTION 5. AND BE IT FURTHER ENACTED, That, except as provided in Section 4 of this Act, this Act shall take effect July 1, 2022.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 29, 2022.