

HOUSE BILL 145

A2

(8lr0489)

ENROLLED BILL

— *Economic Matters/ Education, Health, and Environmental Affairs* —

Introduced by **Montgomery County Delegation**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

_____ day of _____ at _____ o'clock, _____ M.

Speaker.

CHAPTER _____

1 AN ACT concerning

2 **Montgomery County – Kensington – Alcoholic Beverages Licenses**

3 **MC 12–18**

4 FOR the purpose of ~~authorizing the Board of License Commissioners for Montgomery~~
5 ~~County to issue a local caterer's license to a certain Class B license holder in~~
6 ~~Kensington;~~ prohibiting the Comptroller from issuing more than a certain number
7 of Class 7 micro-brewery licenses in the Town of Kensington; authorizing the Board
8 of License Commissioners to issue a catering extension to a holder of a Class B–K
9 beer and wine license; requiring certain license holders to exercise the privileges of
10 a catering extension during certain times; clarifying that the holder of certain
11 licenses are not required to obtain a catering extension for catering in certain
12 locations; altering the ratio of gross receipts between certain food and alcoholic
13 beverages for a Class B–K license holder; authorizing the Board to issue not more
14 than a certain number in aggregate of Class A (off-sale) beer and wine licenses, Class

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.

Italics indicate opposite chamber/conference committee amendments.



D beer licenses, and Class D beer and wine licenses for use in certain commercial areas in Kensington; repealing a certain provision of law that prohibits a holder of a Class A beer and wine license in Kensington from selling single bottles or cans of beer and selling refrigerated products; prohibiting a holder of a Class D beer license and a Class D beer and wine license in Kensington from placing certain alcoholic beverages advertisements in a certain location; allowing the Board to issue more than one Class B–K license as one of the licenses the same license holder may hold; altering the hours of sale for a Class A beer and wine license holder in Kensington; and generally relating to alcoholic beverages in Kensington.

BY repealing and reenacting, without amendments,

Article – Alcoholic Beverages
Section 25–102
Annotated Code of Maryland
(2016 Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,

Article – Alcoholic Beverages
Section ~~25–1201~~, 25–405, 25–1202, 25–1604, 25–1614, and 25–2004(c)
Annotated Code of Maryland
(2016 Volume and 2017 Supplement)

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

Article – Alcoholic Beverages

25–102.

This title applies only in Montgomery County.

25–405.

(a) This section applies to a Class 7 micro–brewery (on– and off–sale) license in the county.

(b) The license may be issued to the holder of:

(1) a Class B beer, wine, and liquor (on–sale) license that is issued for use on the premises of a restaurant located in the county;

(2) SUBJECT TO SUBSECTION (C) OF THIS SECTION, a Class D beer and wine license; or

(3) a Class H beer and wine license.

1 (C) THE COMPTROLLER MAY NOT ISSUE MORE THAN AN AGGREGATE
 2 AMOUNT OF TWO CLASS 7 MICRO-BREWERY LICENSES TO HOLDERS OF CLASS D
 3 BEER AND WINE LICENSES IN THE TOWN OF KENSINGTON.

4 [(c)] (D) A holder of the license shall enter into a written agreement with the
 5 Department of Liquor Control for the sale and resale of malt beverages brewed under the
 6 license.

7 [(d)] (E) (1) Subject to paragraphs (2), (3), and (4) of this subsection, the
 8 holder of a Class 7 micro-brewery license may:

9 (i) brew in two locations using the same Class 7 micro-brewery
 10 license; and

11 (ii) obtain a Class 2 rectifying license for the premises at the two
 12 locations authorized under item (i) of this paragraph.

13 (2) The holder of a Class 7 micro-brewery license may brew in two locations
 14 using the same Class 7 micro-brewery license if the license holder:

15 (i) requests permission by submitting a written application to the
 16 Comptroller; and

17 (ii) obtains written approval from the Comptroller.

18 (3) Before authorizing a holder of a Class 7 micro-brewery license to brew
 19 in two locations using the same Class 7 micro-brewery license, the Comptroller shall:

20 (i) make a determination that a second location to brew additional
 21 capacity is necessary due to insufficient space at the existing Class 7 license location; and

22 (ii) consider any other factor relevant to approval of the application.

23 (4) Notwithstanding any other provision of this article, a holder of a Class
 24 7 micro-brewery license may not serve or sell malt beverages for on- or off-premises
 25 consumption at the second brewing location authorized under this subsection.

26 ~~25-1201.~~

27 ~~(a) (1) There is a local caterer's license.~~

28 ~~(2) The license is a separate alcoholic beverages license.~~

29 ~~(b) (1) Subject to paragraph (2) of this subsection, the Board may issue the~~
 30 ~~license to a person that:~~

~~(i) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, does not already hold a license issued by the Board;~~

~~(ii) has facilities to prepare and deliver food to the site of a catered event; and~~

~~(iii) meets all other requirements of this article.~~

~~(2) THE BOARD MAY ISSUE THE LICENSE TO A PERSON THAT HOLDS A CLASS B BEER AND WINE LICENSE OR A CLASS B BEER, WINE, AND LIQUOR LICENSE IN KENSINGTON.~~

~~[(2)](3) Before the Board issues or renews the license, the county health department shall approve the food preparation facilities for a catered event.~~

~~[(3)](4) An applicant for or holder of the license is not required to have a banquet hall.~~

~~(e) The license authorizes a holder to:~~

~~(1) provide alcoholic beverages at an event that is held off the premises of the food preparation facilities; and~~

~~(2) exercise the privileges of the license only during the hours and on the days authorized for a Class B beer, wine, and liquor license.~~

~~(d) The license holder may not:~~

~~(1) hold an event that the license holder sponsors; or~~

~~(2) provide only alcoholic beverages at an event.~~

~~(e) The license holder shall:~~

~~(1) contract for and provide food for consumption at a catered event;~~

~~(2) meet the same ratio of gross receipts between food and alcoholic beverage sales as a holder of a Class B beer, wine, and liquor license; and~~

~~(3) purchase all alcoholic beverages from the Department of Liquor Control.~~

~~(f) The annual license fee is \$1,250.~~

1 (a) There is a catering extension.

2 (b) The Board may grant a catering extension to the holder of:

3 (1) a Class B restaurant or hotel (on-sale) beer, wine, and liquor license;

4 [and]

5 (2) a Class BD-BWL license; AND

6 (3) A CLASS B-K BEER, WINE, AND LIQUOR LICENSE.

7 (c) The catering extension authorizes a holder to:

8 (1) provide alcoholic beverages at an event that is held off the premises for
 9 which the holder's Class B restaurant or hotel (on-sale) beer, wine, and liquor license is
 10 issued; and

11 (2) exercise the privileges of the catering extension only during the hours
 12 and on the days authorized for:

13 (I) a Class B restaurant or hotel (on-sale) beer, wine, and liquor
 14 license;

15 (II) A CLASS BD-BWL LICENSE; OR

16 (III) A CLASS B-K BEER, WINE, AND LIQUOR LICENSE.

17 (d) The holder of a catering extension shall provide food for consumption at the
 18 catered event.

19 (e) This section does not require a holder of [a Class B restaurant or hotel
 20 (on-sale) beer, wine, and liquor license] THE FOLLOWING LICENSES to obtain a catering
 21 extension for catering on the premises for which the [Class B] license is issued;

22 (1) A CLASS B RESTAURANT OR HOTEL (ON-SALE) BEER, WINE, AND
 23 LIQUOR LICENSE;

24 (2) A CLASS BD-BWL LICENSE; AND

25 (3) A CLASS B-K BEER, WINE, AND LIQUOR LICENSE.

26 25-1604.

27 (a) This section applies only to Kensington.

1 (b) (1) The Board may issue:

2 (i) a 2-day on-sale beer and wine license or a 2-day on-sale beer,
3 wine, and liquor license to a religious, fraternal, civic, or charitable organization holding
4 an event on municipal property located at 3710 Mitchell Street; and

5 (ii) a **CLASS** B-K beer and wine license or a **CLASS** B-K beer, wine,
6 and liquor license for use on the site of a restaurant in the following commercial areas:

7 1. the west side of Connecticut Avenue between Knowles
8 Avenue and Perry Avenue;

9 2. the east side of Connecticut Avenue between Knowles
10 Avenue and Dupont Street and between University Boulevard and Perry Avenue;

11 3. the west side of University Boulevard West;

12 4. Dupont Avenue, west of Connecticut Avenue;

13 5. Plyers Mill Road, west of Metropolitan Avenue;

14 6. Summit Avenue between Knowles Avenue and Howard
15 Avenue;

16 7. Detrick Avenue between Knowles Avenue and Howard
17 Avenue;

18 8. the southwest side of Metropolitan Avenue between North
19 Kensington Parkway and Plyers Mill Road;

20 9. East Howard Avenue;

21 10. Armory Avenue between Howard Avenue and Knowles
22 Avenue;

23 11. Montgomery Avenue between Howard Avenue and
24 Kensington Parkway;

25 12. Kensington Parkway and Frederick Avenue, from
26 Montgomery Avenue to Silver Creek; or

27 13. the east side of Connecticut Avenue between Warner
28 Street and Knowles Avenue.

29 (2) A **CLASS** B-K beer, wine, and liquor license or a **CLASS** B-K beer and
30 wine license authorizes the holder to keep for sale and sell alcoholic beverages for
31 on-premises consumption.

1 (3) A license holder shall maintain average daily receipts from the sale of
2 food, not including carryout food, of at least ~~[50%]~~ **40%** of the overall average daily receipts.

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

4 (i) **IN AGGREGATE**, not more than ~~[three]~~ **FOUR** ~~Class A~~ **CLASS**
5 **A-K** (off-sale) beer and wine licenses, ~~CLASS D~~ **CLASS D-K BEER LICENSES, AND**
6 ~~CLASS D~~ **CLASS D-K BEER AND WINE LICENSES** for use in the commercial areas
7 specified in subsection (b)(1)(ii) of this section; and

8 (ii) subject to § 25-1306 of this title, not more than three beer and
9 wine tasting (BWT) licenses for holding tastings or samplings of beer and wine.

10 (2) A ~~Class A~~ **CLASS A-K** beer and wine license authorizes the holder to
11 keep for sale and sell beer or wine for off-premises consumption 7 days a week, from 10
12 a.m. to 8 p.m. daily.

13 (3) A holder of a ~~Class A~~ **CLASS A-K** beer and wine license, A ~~CLASS D~~
14 **CLASS D-K BEER LICENSE, AND A** ~~CLASS D~~ **CLASS D-K BEER AND WINE LICENSE**
15 may not[:

16 (i) sell single bottles or cans of beer;

17 (ii) sell refrigerated products; or

18 (iii)], on a side, door, or window of the building of the licensed
19 premises, place a sign or other display that advertises alcoholic beverages in a publicly
20 visible location.

21 (4) The annual license fee is \$250.

22 25-1614.

23 (a) Except as provided in § 25-1615 of this subtitle, the Board may not authorize
24 the same license holder to hold more than 10 licenses.

25 (b) The 10 licenses that may be held by the same license holder:

26 (1) may include:

27 (I) one or more Class H-BW licenses; AND

28 (II) ONE OR MORE CLASS B-K LICENSE LICENSES; and

29 (2) may not include more than one Class BD-BWL license.

1 25-2004.

2 (c) (1) Except as provided in paragraph (2) of this subsection, a holder of a
3 Class B-K beer and wine license may sell beer and wine:

4 (i) on Monday through Saturday, from 9 a.m. to 1 a.m. the following
5 day; and

6 (ii) on Sunday, from 10 a.m. to 1 a.m. the following day.

7 (2) The license holder may not sell beer or wine after [11 p.m.] ~~12 A.M.~~
8 MIDNIGHT if the licensed establishment is in a commercial area specified in §
9 25-1604(b)(1)(ii)9 through 13 of this title.

10 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
11 1, 2018.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.