

HOUSE BILL 999

A2

3lr2770

By: **Worcester County Delegation**

Introduced and read first time: February 8, 2013

Assigned to: Economic Matters

Committee Report: Favorable

House action: Adopted with floor amendments

Read second time: March 18, 2013

CHAPTER _____

1 AN ACT concerning

2 **Worcester County – Alcoholic Beverages Licenses – Fines – Alcohol**
3 **~~Awareness Program~~**

4 FOR the purpose of altering in Worcester County the privileges relating to the sale of
5 alcoholic beverages by the holders of certain alcoholic beverages licenses;
6 creating a Class EF (entertainment facility) beer, wine and liquor license;
7 authorizing a license holder to sell beer, wine, and liquor, from one or more
8 outlets in a certain entertainment facility, for consumption anywhere
9 throughout the entertainment facility only; requiring a facility for which a
10 license is issued to have a certain amount of capital investment; authorizing the
11 Board of License Commissioners to issue one or more licenses for the same
12 facility; specifying the hours of sale and a certain license fee; increasing the
13 maximum fine in the county that may be imposed on a person for a certain
14 alcoholic beverages violation; exempting a certain licensee in the county from a
15 certain requirement regarding certification by an approved alcohol awareness
16 program; allowing in the county a person who is certified by a program to be
17 absent from the licensed premises under certain circumstances; authorizing the
18 Department of Liquor Control to purchase wine and liquor under certain
19 circumstances; prohibiting the resale of certain wine and liquor until a certain
20 excise tax has been paid; altering a certain date on which a licensee in the
21 county may elect to purchase wine or liquor from a licensed wholesaler; and
22 generally relating to alcoholic beverages in Worcester County.

23 BY repealing and reenacting, without amendments,
24 Article 2B – 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 6–201(a)(1) and (y)(1), 6–401(y)(1) and (2)(i), and 13–101(c)(1) and
 2 (2)(iii)
 3 Annotated Code of Maryland
 4 (2011 Replacement Volume and 2012 Supplement)

5 BY repealing and reenacting, with amendments,
 6 Article 2B – Alcoholic Beverages
 7 Section 6–201(y)(4), 6–401(y)(2)(iv), 11–304(a)(2), ~~and~~ 13–101(c)(2)(i), (ii), and
 8 (iv)1., ~~15–205(l), and 15–204(e)~~
 9 Annotated Code of Maryland
 10 (2011 Replacement Volume and 2012 Supplement)

11 BY adding to
 12 Article 2B – Alcoholic Beverages
 13 Section 6–201(y)(9)
 14 Annotated Code of Maryland
 15 (2011 Replacement Volume and 2012 Supplement)

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

18 **Article 2B – Alcoholic Beverages**

19 6–201.

20 (a) (1) A Class B beer, wine and liquor license shall be issued by the
 21 license issuing authority of the county in which the place of business is located, and
 22 the license authorizes its holder to keep for sale and sell all alcoholic beverages at
 23 retail at any hotel or restaurant at the place described, for consumption on the
 24 premises or elsewhere, or as provided in this section.

25 (y) (1) This subsection applies only in Worcester County.

26 (4) Seven–day license holders may sell beer, wine and liquor [(on–sale)
 27 and beer and light wine (off–sale)] **(ON–SALE OR OFF–SALE)**.

28 **(9) (I) THERE IS A CLASS EF (ENTERTAINMENT FACILITY)**
 29 **BEER, WINE AND LIQUOR LICENSE.**

30 **(II) A CLASS EF LICENSE AUTHORIZES THE HOLDER TO**
 31 **SELL BEER, WINE, AND LIQUOR BY THE DRINK AND BY THE BOTTLE, FROM ONE**
 32 **OR MORE OUTLETS IN THE ENTERTAINMENT FACILITY, FOR CONSUMPTION**
 33 **ANYWHERE THROUGHOUT THE ENTERTAINMENT FACILITY.**

34 **(III) A HOLDER OF A CLASS EF LICENSE MAY NOT SELL**
 35 **ALCOHOLIC BEVERAGES FOR OFF–SALE CONSUMPTION.**

1 **(IV) NOTWITHSTANDING § 8-208(B) OF THIS ARTICLE, THE**
2 **BOARD OF LICENSE COMMISSIONERS MAY ISSUE A CLASS EF LICENSE ONLY IF**
3 **THE APPLICANT HAS AN INITIAL CAPITAL INVESTMENT IN THE FACILITY FOR**
4 **WHICH THE LICENSE IS SOUGHT OF AT LEAST \$45,000,000.**

5 **(V) THE BOARD MAY ISSUE ONE OR MORE CLASS EF**
6 **LICENSES FOR THE SAME FACILITY.**

7 **(VI) A CLASS EF LICENSE AUTHORIZES THE SALE AND**
8 **SERVING OF BEER, WINE, AND LIQUOR ANYWHERE THROUGHOUT THE**
9 **ENTERTAINMENT FACILITY DURING THOSE DAYS THAT THE ENTERTAINMENT**
10 **FACILITY IS OPEN FOR BUSINESS AND FROM 9:00 A.M. THROUGH 4:00 A.M. THE**
11 **FOLLOWING DAY.**

12 **(VII) THE ANNUAL LICENSE FEE IS \$15,000.**

13 6-401.

14 (y) (1) This subsection applies only in Worcester County.

15 (2) (i) A Class D beer, wine and liquor license may be issued only
16 within:

17 1. The corporate limits of Ocean City;

18 2. The boundary lines of the 10th taxing district;

19 3. The area bounded by U.S. Route 50 to the south,
20 Turville Creek and Herring Creek to the east, St. Martin River to the north, and
21 Maryland Route 589 to the west;

22 4. The area bounded by Maryland Route 589 to the
23 north and east, U.S. Route 50 to the south, and U.S. Route 113 to the west; and

24 5. From the intersection of Maryland Route 589 and
25 U.S. Route 50, an area bounded by a line that extends 1,500 feet south of U.S. Route
26 50, east to the boundary of the 10th taxing district, north along the 10th taxing
27 district boundary to U.S. Route 50, and west to the intersection of Maryland Route 589
28 and U.S. Route 50.

29 (iv) Seven-day license holders may sell beer, wine and liquor
30 [(on-sale) and beer and light wine (off-sale)] **(ON-SALE AND OFF-SALE)**.

31 11-304.

1 (a) (2) Except as provided in this section, any person found consuming
 2 any alcoholic beverage on any premises open to the general public, and any owner,
 3 operator or manager of those premises or places who knowingly permits consumption
 4 between the hours provided by this section is guilty of a misdemeanor and, upon
 5 conviction, shall be fined not more than \$50 and not less than \$5.

6 (i) In Anne Arundel County the fine may not be more than
 7 \$250.

8 (ii) In Worcester County the fine may not be more than **[\$1,000]**
 9 **\$4,000.**

10 13–101.

11 (c) (1) A holder of any class of retail alcoholic beverages license or an
 12 employee designated by the holder shall complete training in an approved alcohol
 13 awareness program. The training shall be valid for a period of 4 years, and the holder
 14 shall complete retraining in an approved program for each successive 4–year period.

15 (2) (i) This paragraph applies only in the following jurisdictions:

16 1. Howard County;

17 2. Montgomery County;

18 3. Kent County;

19 4. Washington County;

20 5. Caroline County; **[and]**

21 6. Except as provided in subparagraph (ii) of this
 22 paragraph, Wicomico County; **AND**

23 **7. EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF**
 24 **THIS PARAGRAPH, WORCESTER COUNTY.**

25 (ii) This paragraph does not apply to a licensee in Wicomico
 26 County **OR WORCESTER COUNTY** with a Class C license.

27 (iii) The licensee or a person who is employed in a supervisory
 28 capacity designated by the licensee:

29 1. Shall be certified by an approved alcohol awareness
 30 program; and

1 2. Except as otherwise provided in subparagraph (iv) of
2 this paragraph, be present during the hours in which alcohol may be sold.

3 (iv) 1. In Howard County, Kent County, Washington County,
4 **[and] Wicomico County, AND WORCESTER COUNTY**, the person certified by an
5 approved alcohol awareness program may be absent from the licensed premises for a
6 bona fide personal or business reason or an emergency, if the absence lasts for not
7 more than 2 hours.

8 15-204.

9 (e) (1) In this subsection, "Department" means the Worcester County
10 Department of Liquor Control.

11 (2) This subsection applies only in Worcester County.

12 (3) (i) Beginning on [May 1, 2016] **JULY 1, 2014**, a licensee in the
13 county may elect to purchase wine or liquor from a licensed wholesaler by providing
14 written notice of the licensee's intent to the Department at least 60 days before the
15 date the purchasing activity is to start.

16 (ii) The notice shall contain:

17 1. The name of the licensee;

18 2. The name and address of the licensed premises; and

19 3. The date that the notice was sent to the Department.

20 (4) A licensee that meets the requirements of this subsection may
21 purchase wine or liquor from a licensed wholesaler in addition to or instead of the
22 Department.

23 (5) (i) The Department shall issue a letter of confirmation to a
24 licensee that meets the requirements of this subsection.

25 (ii) The licensee shall display the letter conspicuously on the
26 licensed premises.

27 15-205.

28 (1) **(1)** In Worcester County, subject to the approval of the County
29 Commissioners, the Director of the Department of Liquor Control may purchase or
30 otherwise acquire:

31 **[(1)] (I)** Real or personal property that the Director considers
32 necessary to operate dispensaries, stores, or warehouses; and

1 [(2)] (II) [Wine] SUBJECT TO PARAGRAPH (2) OF THIS
 2 SUBSECTION, WINE and liquor from any source for resale.

3 (2) (I) THE DEPARTMENT OF LIQUOR CONTROL ACTING AS A
 4 WHOLESALE MAY PURCHASE WINE AND LIQUOR FROM A LICENSED
 5 WHOLESALE.

6 (II) REGARDLESS OF ANY OTHER STATE LAW OR
 7 REGULATION TO THE CONTRARY, WINE AND LIQUOR PURCHASED BY THE
 8 DEPARTMENT OF LIQUOR CONTROL FROM ANY SOURCE, INCLUDING A
 9 GOVERNMENTAL ALCOHOLIC BEVERAGE CONTROL DEPARTMENT OR AGENCY OF
 10 ANOTHER STATE, A NONRESIDENT WHOLESALE WHETHER OR NOT LICENSED
 11 IN THIS STATE OR ACTING AS A WHOLESALE, OR A LICENSED WHOLESALE OR
 12 LIQUOR CONTROL BOARD, MAY NOT BE RESOLD UNTIL THE EXCISE TAX
 13 IMPOSED BY § 5-102 OF THE TAX - GENERAL ARTICLE HAS BEEN PAID.

14 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
 15 July 1, 2013.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.