

HOUSE BILL 777

A2

0lr2707
CF SB 792

By: **Delegates Jacobs, Arentz, and Ghrist**

Introduced and read first time: January 31, 2020

Assigned to: Economic Matters

Committee Report: Favorable

House action: Adopted

Read second time: February 28, 2020

CHAPTER _____

1 AN ACT concerning

2 **Kent County Alcohol Act of 2020**

3 FOR the purpose of altering the days and hours of sale under a Class B wine shop and
4 lounge license in Kent County; authorizing the Board of License Commissioners for
5 Kent County to issue a refillable container permit for draft beer to certain license
6 holders; establishing an application process, hours of sale, and fees for the permit;
7 requiring the Board to adopt certain regulations; authorizing the Board to issue a
8 Class C multiple event beer, wine, and liquor license; providing that the license
9 entitles the license holder to exercise certain privileges at certain events held by a
10 volunteer fire company; limiting the number of days that the license may be used;
11 providing for the license application; providing that the license is issued for a single
12 premises to certain applicants; requiring a server certified by an approved alcohol
13 awareness program to be on the premises when alcoholic beverages are served under
14 the license; establishing the annual fees for the license; prohibiting the Board from
15 issuing a certain refund under certain circumstances; authorizing a volunteer fire
16 company in the county to store certain alcoholic beverages on certain premises in a
17 certain manner; requiring a certain license holder to keep certain records in a certain
18 manner for certain purposes; requiring the records to be available for inspection;
19 authorizing certain personnel to inspect certain premises; establishing penalties for
20 certain violations; and generally relating to alcoholic beverages in Kent County.

21 BY renumbering

22 Article – Alcoholic Beverages

23 Section 24–1102

24 to be Section 24–1103

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 2019 Supplement)

3 BY repealing and reenacting, without amendments,
4 Article – Alcoholic Beverages
5 Section 24–102
6 Annotated Code of Maryland
7 (2016 Volume and 2019 Supplement)

8 BY repealing and reenacting, with amendments,
9 Article – Alcoholic Beverages
10 Section 24–1003 and 24–1101
11 Annotated Code of Maryland
12 (2016 Volume and 2019 Supplement)

13 BY adding to
14 Article – Alcoholic Beverages
15 Section 24–1102, 24–1309, and 24–1310
16 Annotated Code of Maryland
17 (2016 Volume and 2019 Supplement)

18 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
19 That Section(s) 24–1102 of Article – Alcoholic Beverages of the Annotated Code of Maryland
20 be renumbered to be Section(s) 24–1103.

21 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read
22 as follows:

23 **Article – Alcoholic Beverages**

24 24–102.

25 This title applies only in Kent County.

26 24–1003.

27 (a) There is a Class B wine shop and lounge license.

28 (b) The license authorizes the holder to:

29 (1) sell wine for on–premises and off–premises consumption; and

30 (2) sell or serve:

31 (i) bread and other baked goods;

32 (ii) chili;

- 1 (iii) chocolate;
- 2 (iv) crackers;
- 3 (v) cured meat;
- 4 (vi) fruits (whole and cut);
- 5 (vii) salads and vegetables (whole and cut);
- 6 (viii) hard and soft cheese (whole and cut);
- 7 (ix) ice cream;
- 8 (x) jam;
- 9 (xi) vinegar;
- 10 (xii) pizza;
- 11 (xiii) prepackaged sandwiches and other prepackaged foods ready to
12 be eaten;
- 13 (xiv) soup; and
- 14 (xv) condiments.

15 (c) The license holder may sell wine[:
16 (1) on Monday through Friday,] from 6 a.m. to 2 a.m. the following day[:
17 (2) on Saturday, from 6 a.m. to 1 a.m. the following day; and
18 (3) on Sunday, from 9 a.m. to midnight, for off-premises consumption
19 only].

20 (d) The license holder is not subject to any requirement regarding the percentage
21 of average daily receipts derived from the sale of food.

22 (e) An individual under the legal drinking age may enter the licensed premises.

23 (f) The annual license fee is \$300.

24 24-1101.

25 (a) The following sections of Title 4, Subtitle 11 (“Additional License Privileges”)

1 of Division I of this article apply in the county without exception or variation:

2 (1) § 4-1102 (“Corkage — Consuming wine not purchased from license
3 holder on licensed premises”); and

4 (2) § 4-1103 (“Removal of partially consumed bottle of wine from licensed
5 premises”).

6 (b) [The following sections of Title 4, Subtitle 11 (“Additional License Privileges”)
7 of Division I of this article do not apply in the county:

8 (1) § 4-1104 (“Refillable container permit — Draft beer”); and

9 (2) §] **SECTION 4-1105 (“Refillable container permit — Wine”) OF**
10 **DIVISION I OF THIS ARTICLE DOES NOT APPLY IN THE COUNTY.**

11 **(C) SECTION 4-1104 (“REFILLABLE CONTAINER PERMIT — DRAFT BEER”)**
12 **OF DIVISION I OF THIS ARTICLE APPLIES IN THE COUNTY, SUBJECT TO § 24-1102 OF**
13 **THIS SUBTITLE.**

14 **24-1102.**

15 **(A) THE BOARD MAY ISSUE A REFILLABLE CONTAINER PERMIT FOR DRAFT**
16 **BEER TO A HOLDER OF A CLASS A LICENSE, A CLASS B LICENSE, OR A CLASS D**
17 **LICENSE.**

18 **(B) AN APPLICANT FOR THE PERMIT SHALL COMPLETE THE FORM THAT**
19 **THE BOARD PROVIDES.**

20 **(C) THE HOURS OF SALE FOR THE PERMIT:**

21 **(1) BEGIN AT THE SAME TIME AS THOSE FOR THE UNDERLYING**
22 **LICENSE; AND**

23 **(2) END AT MIDNIGHT.**

24 **(D) THE BOARD SHALL ADOPT REGULATIONS TO CARRY OUT THIS SECTION.**

25 **(E) THE BOARD MAY CHARGE ANNUAL PERMIT FEES OF UP TO:**

26 **(1) \$50 FOR AN APPLICANT WHO HOLDS AN UNDERLYING LICENSE**
27 **WITH AN OFF-SALE PRIVILEGE; OR**

28 **(2) \$500 FOR AN APPLICANT WHO HOLDS AN UNDERLYING LICENSE**

1 WITHOUT AN OFF-SALE PRIVILEGE.

2 24-1309.

3 (A) THE BOARD MAY ISSUE A CLASS C MULTIPLE EVENT BEER, WINE, AND
4 LIQUOR LICENSE.

5 (B) THE LICENSE ENTITLES THE LICENSE HOLDER TO EXERCISE ANY
6 PRIVILEGE CONFERRED BY THE LICENSE AT AN EVENT HELD BY A VOLUNTEER FIRE
7 COMPANY.

8 (C) THE NUMBER OF DAYS FOR WHICH A MULTIPLE EVENT LICENSE MAY BE
9 USED BY A SINGLE APPLICANT MAY NOT EXCEED 24 PER CALENDAR YEAR.

10 (D) (1) THE LICENSE APPLICATION SHALL BE IN THE FORM THAT THE
11 BOARD PROVIDES.

12 (2) THE APPLICANT SHALL SIGN THE FORM.

13 (E) (1) A MULTIPLE EVENT LICENSE SHALL BE ISSUED:

14 (I) FOR ONE PREMISES ONLY; AND

15 (II) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS
16 SUBSECTION, TO THE SAME APPLICANT FOR ALL EVENTS FOR WHICH THE LICENSE
17 IS ISSUED.

18 (2) THE BOARD MAY:

19 (I) APPROVE IN WRITING A SUBSTITUTE APPLICANT; AND

20 (II) BEFORE APPROVING A SUBSTITUTE APPLICANT, HOLD A
21 HEARING.

22 (F) A SERVER WHO IS CERTIFIED BY AN APPROVED ALCOHOL AWARENESS
23 PROGRAM SHALL BE ON THE PREMISES FOR WHICH A MULTIPLE EVENT LICENSE IS
24 ISSUED WHEN ALCOHOLIC BEVERAGES ARE SERVED.

25 (G) (1) THE ANNUAL FEE FOR A LICENSE IS:

26 (I) \$200 FOR NOT MORE THAN 12 EVENTS PER YEAR; AND

27 (II) \$400 FOR AT LEAST 13 BUT NOT MORE THAN 24 EVENTS PER

1 YEAR.

2 (2) THE BOARD MAY NOT ISSUE A REFUND IF A LICENSE HOLDER
3 HOLDS FEWER EVENTS DURING THE CALENDAR YEAR THAN THE LICENSE HOLDER
4 IS ENTITLED TO HOLD.

5 24-1310.

6 (A) THIS SECTION APPLIES ONLY TO VOLUNTEER FIRE COMPANIES.

7 (B) ALCOHOLIC BEVERAGES MAY BE STORED ON THE LICENSED PREMISES
8 BETWEEN INDIVIDUAL LICENSED EVENTS IF THE ALCOHOLIC BEVERAGES:

9 (1) ARE IN A SPECIALLY IDENTIFIED LOCKED AND SECURED
10 LOCATION; AND

11 (2) ARE NOT SOLD OR CONSUMED EXCEPT DURING LICENSED EVENT
12 HOURS FOR LICENSED EVENT PURPOSES.

13 (C) (1) A LICENSE HOLDER SHALL KEEP COMPLETE AND ACCURATE
14 RECORDS OF ALL ALCOHOLIC BEVERAGES PURCHASED AND SOLD ON THE LICENSED
15 PREMISES.

16 (2) THE RECORDS SHALL BE:

17 (I) MAINTAINED ON THE LICENSED PREMISES FOR 2 YEARS;
18 AND

19 (II) AVAILABLE FOR INSPECTION BY AUTHORIZED PERSONNEL
20 OF THE COMPTROLLER AND THE BOARD.

21 (3) THE RECORDS SHALL INCLUDE A COMPLETED PRE- AND
22 POST-INVENTORY OF ALL ALCOHOLIC BEVERAGES FOR EACH INDIVIDUAL EVENT.

23 (D) AUTHORIZED PERSONNEL OF THE COMPTROLLER AND THE BOARD MAY
24 INSPECT THE PREMISES OF A LICENSE HOLDER AS PROVIDED UNDER § 6-202 OF
25 THIS ARTICLE.

26 (E) A LICENSE HOLDER WHO VIOLATES THIS SECTION IS SUBJECT TO:

27 (1) FOR THE FIRST OFFENSE, A FINE OF \$100; AND

28 (2) FOR A SUBSEQUENT OFFENSE, A FINE NOT EXCEEDING \$500 AND

1 DENIAL OF FUTURE REQUESTS FOR A LICENSE FOR AN INDIVIDUAL EVENT OR A
2 SPECIAL MULTIPLE EVENT LICENSE.

3 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July
4 1, 2020.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.