

Bill No.: _____
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By: **Montgomery County Delegation**

A BILL ENTITLED

1 AN ACT concerning

2 **Montgomery County – Alcoholic Beverages – Class A Beer, Wine, and Liquor**
3 **Licenses and Purchases From Licensed Wholesalers**

4 **MC 3–16**

5 FOR the purpose of establishing a Class A beer, wine, and liquor license in Montgomery
6 County, as of a certain date; setting the annual license fee for a certain Class A
7 license; requiring the Board of License Commissioners to adopt certain regulations
8 governing the sale of alcoholic beverages by a holder of a Class A beer, wine, and
9 liquor license; authorizing a holder of a Class A beer, wine, and liquor license in
10 Montgomery County, beginning on a certain date, to sell liquor at retail to customers
11 for off–premises consumption; authorizing a holder of certain alcoholic beverages
12 licenses in Montgomery County, beginning on a certain date, to elect to purchase
13 alcoholic beverages from a licensed wholesaler in addition to or instead of from the
14 Department of Liquor Control; requiring a license holder to provide written notice
15 within a certain time to the Department; requiring that the notice contain certain
16 information; requiring that the Department issue to the license holder a letter of
17 confirmation; requiring that a license holder display the letter conspicuously on the
18 licensed premises; submitting this Act to a referendum of the qualified voters of
19 Montgomery County; and generally relating to the establishment of a Class A beer,
20 wine, and liquor license and the purchase of alcoholic beverages from a licensed
21 wholesaler in Montgomery County.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 BY repealing and reenacting, without amendments,
2 Article 2B – Alcoholic Beverages
3 Section 6–301(q)(1), (2)(i), and (8)(i)
4 Annotated Code of Maryland
5 (2011 Replacement Volume and 2015 Supplement)

6 BY repealing and reenacting, with amendments,
7 Article 2B – Alcoholic Beverages
8 Section 6–101(q), 6–301(q)(2)(iv), (3)(i), and (8)(iv), 12–216, and 15–204(a) and (b)
9 Annotated Code of Maryland
10 (2011 Replacement Volume and 2015 Supplement)

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

13 **Article 2B – Alcoholic Beverages**

14 6–101.

15 (q) (1) This subsection applies only in Montgomery County.

16 (2) (I) **BEGINNING JULY 1, 2018, THERE IS A CLASS A BEER, WINE,**
17 **AND LIQUOR LICENSE.**

18 (II) **THE ANNUAL LICENSE FEE FOR A CLASS A BEER, WINE, AND**
19 **LIQUOR LICENSE IS \$1,000.**

20 (III) **THE BOARD OF LICENSE COMMISSIONERS SHALL ADOPT**
21 **REGULATIONS THAT GOVERN THE SALE OF ALCOHOLIC BEVERAGES BY A HOLDER**
22 **OF A CLASS A BEER, WINE, AND LIQUOR LICENSE, INCLUDING THE HOURS FOR SALE.**

23 (3) (I) **[The only Class A license that is available in the county] THERE**
24 **is a Class A–TP 7–day license.**

25 [(3)] (II) The annual license fee for a Class A–TP license is the same as for
26 a license issued pursuant to subsection (r) of this section. Class A–TP licensees may not be
27 charged for such a license until May 1, 1998.

1 [(4)] (III) The Board shall issue a Class A–TP license to any person who on
2 June 30, 1997, both held a Class A beer, wine and liquor license and operated a Class A
3 business where the licensed premises were located in that portion of the City of Takoma
4 Park that was formerly part of Prince George’s County.

5 [(5)] (IV) Unless revoked or not renewed for good cause, the license shall
6 continue and be renewed, subject to payment of the annual license fee. The license is not
7 transferable to any other location, but the license may be transferred to another person at
8 any time, subject to the restrictions on similar transfers for other alcoholic beverages
9 licenses in Montgomery County.

10 [(6)] (V) The Board shall promulgate regulations that govern the sale of
11 alcoholic beverages by a Class A–TP licensee. These regulations shall include the hours for
12 sale.

13 6–301.

14 (q) (1) This subsection applies only in Montgomery County.

15 (2) (i) There is a country club license.

16 (iv) The licensee may keep for sale and sell any alcoholic beverages
17 purchased from the Liquor Control Board for Montgomery County **OR, BEGINNING ON**
18 **JULY 1, 2018, FROM A LICENSED WHOLESALER IN ACCORDANCE WITH §**
19 **15–204(B)(4) OF THIS ARTICLE**, at retail, to any customer at the place described in the
20 license, for consumption on its premises only.

21 (3) (i) A licensee under paragraph (2) of this subsection may keep for
22 sale and sell at the place described in the license any alcoholic beverages purchased from
23 the Liquor Control Board **OR, BEGINNING ON JULY 1, 2018, FROM A LICENSED**
24 **WHOLESALER IN ACCORDANCE WITH § 15–204(B)(4) OF THIS ARTICLE**, at retail, for
25 consumption on its premises only, to any member of the country club, to a bona fide guest
26 or guests of a member, to the immediate family of a member, or to persons residing
27 temporarily in the clubhouse of the country club.

28 (8) (i) There is a Continuing Care Retirement Community license.

1 (iv) A licensee may keep for sale and sell at retail to a member or a
2 guest when accompanied by a member at the place described in the license beer, wine and
3 liquor, purchased from the Department of Liquor Control for Montgomery County **OR,**
4 **BEGINNING ON JULY 1, 2018, PURCHASED FROM A LICENSED WHOLESALER IN**
5 **ACCORDANCE WITH § 15-204(B)(4) OF THIS ARTICLE,** for consumption on the licensed
6 premises only.

7 12-216.

8 (a) **[In] THIS SECTION APPLIES ONLY IN** Montgomery County **[the].**

9 **(B) EXCEPT AS PROVIDED IN SUBSECTION (D) OF THIS SECTION,** holders of
10 the following alcoholic beverages licenses may not sell any alcoholic beverages except those
11 purchased from the Department of Liquor Control for the County:

12 (1) Beer licenses – Classes A, B, H-TP, C, and D;

13 (2) Beer and light wine licenses – Classes B, C, D, and D-TP; and

14 (3) Beer, wine and liquor licenses – Classes A-TP, B, C, and C-TP.

15 **[(b)] (C) (1) [It] EXCEPT AS PROVIDED IN SUBSECTION (D) OF THIS**
16 **SECTION, IT** shall be unlawful for any druggist or apothecary using or dispensing alcoholic
17 beverages under the provisions of this article to use or dispense any such beverages except
18 those purchased from the Liquor Control Board for Montgomery County.

19 **(2)** If any person, persons, house, company, association or body corporate
20 shall violate any of the provisions of this subsection, he, she, it or they shall, upon each and
21 every conviction, forfeit and pay a fine of not less than one hundred dollars (\$100.00) nor
22 more than two thousand dollars (\$2,000.00), and the cost of prosecution and be confined in
23 the Maryland House of Correction for not less than three months nor more than two years
24 or both fine and imprisonment in the discretion of the court.

25 **(D) BEGINNING ON JULY 1, 2018, A LICENSE HOLDER MAY ELECT TO**
26 **PURCHASE ALCOHOLIC BEVERAGES FROM A LICENSED WHOLESALER UNDER §**
27 **15-204(B)(4) OF THIS ARTICLE.**

28 15-204.

1 (a) **(1)** Subject to § 16–407.1 of this article and except as otherwise provided in
2 this section, the liquor control board in each county shall have an absolute monopoly of the
3 sale and distribution of the particular alcoholic beverages which elsewhere in this subtitle
4 it is empowered to sell.

5 **(2) BEGINNING ON JULY 1, 2018, IN MONTGOMERY COUNTY A**
6 **HOLDER OF A CLASS A BEER, WINE, AND LIQUOR LICENSE MAY SELL LIQUOR AT**
7 **RETAIL TO CUSTOMERS FOR OFF–PREMISES CONSUMPTION.**

8 (b) (1) [Provided, that in] **THIS SUBSECTION APPLIES ONLY IN**
9 **MONTGOMERY COUNTY.**

10 **(2)** **IN** Montgomery County no person, firm, or corporation shall keep for
11 sale any alcoholic beverage not purchased from the Department of Liquor Control for
12 Montgomery County, provided, however, that nothing in this subsection shall apply to a
13 holder of a Class F license or a holder of a Class 1 beer, wine and liquor, Class 2 wine and
14 liquor, Class 3 beer and wine, Class 4 beer, or Class 5 wine wholesaler’s license, who may
15 not sell or deliver any alcoholic beverage in Montgomery County for resale except to a
16 county liquor dispensary.

17 **[(2)] (3)** Notwithstanding paragraph **[(1)] (2)** of this subsection:

18 (i) 1. A holder of a Class 6 limited wine wholesaler’s license or
19 of a nonresident winery permit may sell or deliver wine directly to a county liquor
20 dispensary, restaurant, or other retail dealer in Montgomery County; and

21 2. A county liquor dispensary, restaurant, or other retail
22 dealer in Montgomery County may purchase wine directly from a holder of a Class 6 limited
23 wine wholesaler’s license or of a nonresident winery permit;

24 (ii) 1. A holder of a Class 7 limited beer wholesaler’s license or of
25 a nonresident brewery permit may sell or deliver its own beer to a county liquor dispensary,
26 a restaurant, or any other retail dealer in Montgomery County; and

27 2. A county liquor dispensary, a restaurant, or any other
28 retail dealer in Montgomery County may purchase beer directly from a holder of a Class 7
29 limited beer wholesaler’s license or a nonresident brewery permit;

1 (iii) A holder of a direct wine shipper’s permit may ship wine directly
2 to a consumer in Montgomery County; and

3 (iv) A holder of a wine auction permit in Montgomery County may
4 receive and sell wine obtained from any source listed under § 2–101(o) of this article.

5 (4) NOTWITHSTANDING PARAGRAPH (2) OF THIS SUBSECTION:

6 (I) 1. BEGINNING ON JULY 1, 2018, A LICENSE HOLDER IN
7 THE COUNTY MAY ELECT TO PURCHASE ALCOHOLIC BEVERAGES FROM A LICENSED
8 WHOLESALER BY PROVIDING WRITTEN NOTICE OF THE LICENSE HOLDER’S INTENT
9 TO THE DEPARTMENT OF LIQUOR CONTROL FOR MONTGOMERY COUNTY AT LEAST
10 60 DAYS BEFORE THE DATE THE PURCHASING ACTIVITY IS TO START.

11 2. THE NOTICE SHALL CONTAIN:

12 A. THE NAME OF THE LICENSE HOLDER;

13 B. THE NAME AND ADDRESS OF THE LICENSED
14 PREMISES; AND

15 C. THE DATE THAT THE NOTICE WAS SENT TO THE
16 DEPARTMENT.

17 (II) A LICENSE HOLDER WHO MEETS THE REQUIREMENTS OF
18 THIS SUBSECTION MAY PURCHASE ALCOHOLIC BEVERAGES FROM A LICENSED
19 WHOLESALER IN ADDITION TO OR INSTEAD OF THE DEPARTMENT OF LIQUOR
20 CONTROL FOR MONTGOMERY COUNTY.

21 (III) 1. THE DEPARTMENT OF LIQUOR CONTROL FOR
22 MONTGOMERY COUNTY SHALL ISSUE A LETTER OF CONFIRMATION TO A LICENSE
23 HOLDER WHO MEETS THE REQUIREMENTS OF THIS PARAGRAPH.

24 2. THE LICENSE HOLDER SHALL DISPLAY THE LETTER
25 CONSPICUOUSLY ON THE LICENSED PREMISES.

1 SECTION 2. AND BE IT FURTHER ENACTED, That before this Act becomes
2 effective it shall first be submitted to a referendum of the qualified voters of Montgomery
3 County at the general election to be held in November of 2016. The County governing body
4 and the Montgomery County Board of Elections shall do those things necessary and proper
5 to provide for and hold the referendum required by this section. If a majority of the votes
6 cast on the question are “For the referred law” the provisions of this Act shall become
7 effective on the 30th day following the official canvass of votes for the referendum, but if a
8 majority of the votes cast on the question are “Against the referred law” the provisions of
9 this Act are of no effect and null and void.

10 SECTION 3. AND BE IT FURTHER ENACTED, That, subject to the provisions of
11 Section 2 of this Act and for the sole purpose of providing for the referendum required by
12 Section 2 of this Act, this Act shall take effect July 1, 2016.