

SENATE BILL 428

A2

4lr1675

By: **Senator McKay**

Introduced and read first time: January 19, 2024

Assigned to: Finance

Committee Report: Favorable

Senate action: Adopted

Read second time: February 23, 2024

CHAPTER _____

1 AN ACT concerning

2 **Garrett County Alcoholic Beverages Act of 2024**

3 FOR the purpose of establishing a resort beer license, a resort beer and wine license, and a
4 beer, wine, and liquor festival license in Garrett County; altering the hours of sale
5 for alcoholic beverages on Sundays for certain licenses; altering the residency
6 requirements for certain applicants for an alcoholic beverages license in the county;
7 prohibiting alcoholic beverages from being brought into places of adult
8 entertainment and consumed or transferred; establishing certain penalties for a
9 person that brings alcoholic beverages into a place of adult entertainment and
10 consumes or transfers the alcoholic beverages; altering the maximum fine for
11 violating an alcoholic beverages law affecting the county; and generally relating to
12 alcoholic beverages in Garrett County.

13 BY repealing and reenacting, without amendments,
14 Article – Alcoholic Beverages and Cannabis
15 Section 21–102 and 21–2002(a)
16 Annotated Code of Maryland
17 (2016 Volume and 2023 Supplement)

18 BY adding to
19 Article – Alcoholic Beverages and Cannabis
20 Section 21–1002, 21–1002.1, 21–1304.3, 21–1408, and 21–2502
21 Annotated Code of Maryland
22 (2016 Volume and 2023 Supplement)

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.



BY repealing and reenacting, with amendments,
Article – Alcoholic Beverages and Cannabis
Section 21–1002, 21–1401, 21–2002(f), 21–2003, 21–2004, and 21–2802
Annotated Code of Maryland
(2016 Volume and 2023 Supplement)

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

Article – Alcoholic Beverages and Cannabis

21–102.

This title applies only in Garrett County.

21–1002.

(A) THERE IS A CLASS B–RESORT BEER LICENSE.

**(B) THE BOARD MAY ISSUE THE LICENSE TO A LICENSE HOLDER FOR A
COMPLEX THAT HAS AT LEAST TWO FACILITIES THAT ARE:**

(1) LOCATED ON THE SAME CONTIGUOUS PROPERTY;

**(2) SEPARATED BY AT LEAST 150 FEET FROM THE MAIN AREA OF THE
LICENSED PREMISES; AND**

**(3) DETERMINED BY THE BOARD TO BE HOTEL, MOTEL,
RECREATIONAL, OR RESTAURANT FACILITIES.**

**(C) THE LICENSE AUTHORIZES THE LICENSE HOLDER TO SELL BEER FOR
ON– OR OFF–PREMISES CONSUMPTION AT A HOTEL, MOTEL, RECREATIONAL, OR
RESTAURANT FACILITY AT RETAIL AT THE PLACE DESCRIBED IN THE LICENSE.**

**(D) THE LICENSE HOLDER MAY SELL BEER DURING THE HOURS AND DAYS
AS SET OUT FOR A CLASS B BEER LICENSE UNDER § 21–2002 OF THIS TITLE.**

(E) THE ANNUAL LICENSE FEES ARE:

(1) \$300 FOR A 6–DAY LICENSE FOR TWO FACILITIES;

(2) \$150 FOR EACH ADDITIONAL FACILITY FOR A 6–DAY LICENSE;

(3) \$350 FOR A 7–DAY LICENSE FOR TWO FACILITIES; AND

(4) \$175 FOR EACH ADDITIONAL FACILITY FOR A 7-DAY LICENSE.

(F) THE BOARD SHALL CHARGE A ONE-TIME ISSUING FEE FOR A NEW LICENSE IN AN AMOUNT EQUAL TO THE ANNUAL LICENSE FEE.

21-1002.1.

(A) THERE IS A CLASS B-RESORT BEER AND WINE LICENSE.

(B) THE BOARD MAY ISSUE THE LICENSE TO A LICENSE HOLDER FOR A COMPLEX THAT HAS AT LEAST TWO FACILITIES THAT ARE:

(1) LOCATED ON THE SAME CONTIGUOUS PROPERTY;

(2) SEPARATED BY AT LEAST 150 FEET FROM THE MAIN AREA OF THE LICENSED PREMISES; AND

(3) DETERMINED BY THE BOARD TO BE HOTEL, MOTEL, RECREATIONAL, OR RESTAURANT FACILITIES.

(C) THE LICENSE AUTHORIZES THE LICENSE HOLDER TO SELL AT A HOTEL, MOTEL, RECREATIONAL, OR RESTAURANT FACILITY AT RETAIL AT THE PLACE DESCRIBED IN THE LICENSE:

(1) BEER AND WINE FOR ON-PREMISES CONSUMPTION; AND

(2) BEER FOR OFF-PREMISES CONSUMPTION.

(D) THE LICENSE HOLDER MAY SELL BEER AND WINE DURING THE HOURS AND DAYS AS SET OUT FOR A CLASS B BEER AND WINE LICENSE UNDER § 21-2003 OF THIS TITLE.

(E) THE ANNUAL LICENSE FEES ARE:

(1) \$700 FOR A 6-DAY LICENSE FOR TWO FACILITIES;

(2) \$350 FOR EACH ADDITIONAL FACILITY FOR A 6-DAY LICENSE;

(3) \$820 FOR A 7-DAY LICENSE FOR TWO FACILITIES; AND

(4) \$410 FOR EACH ADDITIONAL FACILITY FOR A 7-DAY LICENSE.

(F) THE BOARD SHALL CHARGE A ONE-TIME ISSUING FEE FOR A NEW LICENSE IN AN AMOUNT EQUAL TO THE ANNUAL LICENSE FEE.

[21-1002.] **21-1002.2.**

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

(b) The Board may issue the license to a license holder for a complex that has at least two facilities that are:

(1) located on the same contiguous property;

(2) separated by at least 150 feet from the main area of the licensed premises; and

(3) determined by the Board to be hotel, motel, recreational, or restaurant facilities.

(c) The license authorizes the license holder to sell at a hotel, motel, **RECREATIONAL**, or restaurant **FACILITY** 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.

(d) The license holder may sell beer, wine, and liquor during the hours and days as set out for a Class B beer, wine, and liquor license under § 21-2004 of this title.

(e) The annual license fees are:

(1) \$3,000 for a 6-day license for two facilities;

(2) \$1,500 for each additional facility for a 6-day license;

(3) \$3,500 for a 7-day license for two facilities; and

(4) \$1,750 for each additional facility for a 7-day license.

(f) The Board shall charge a one-time issuing fee for a new license in an amount equal to the annual license fee.

21-1304.3.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

1 (2) “FESTIVAL” MEANS THE GARRETT COUNTY BEER, WINE, AND
2 LIQUOR FESTIVAL.

3 (3) “FESTIVAL ORGANIZATION” MEANS A NONPROFIT ORGANIZATION
4 THAT IS CHOSEN BY THE COUNTY IN ACCORDANCE WITH SUBSECTION (C) OF THIS
5 SECTION TO ORGANIZE A FESTIVAL.

6 (B) (1) THERE IS A BEER, WINE, AND LIQUOR FESTIVAL LICENSE.

7 (2) UNDER THE SUPERVISION OF THE BOARD, THE FESTIVAL
8 ORGANIZATION MAY CONDUCT THE FESTIVAL ANNUALLY FOR A FIXED PERIOD OF
9 TIME OF UP TO 3 CONSECUTIVE DAYS.

10 (C) (1) IN SELECTING A NONPROFIT ORGANIZATION TO BE A FESTIVAL
11 ORGANIZATION, THE COUNTY SHALL ENSURE THAT THE NONPROFIT ORGANIZATION
12 HAS EXTENSIVE EXPERIENCE IN ORGANIZING AND MANAGING LARGE-SCALE PUBLIC
13 EVENTS.

14 (2) THE BOARD MAY ISSUE NOT MORE THAN FOUR BEER, WINE, AND
15 LIQUOR FESTIVAL LICENSES EACH YEAR.

16 (D) THE BOARD MAY ISSUE THE BEER, WINE, AND LIQUOR FESTIVAL
17 LICENSE TO A HOLDER OF A RETAIL LICENSE OR A PERSON THAT IS ELIGIBLE TO
18 HOLD A CLASS C MULTIPLE DAY OR MULTIPLE EVENT LICENSE.

19 (E) THE LICENSE AUTHORIZES THE LICENSE HOLDER TO DISPLAY AND SELL
20 BEER, WINE, AND LIQUOR THAT IS:

21 (1) MANUFACTURED AND PROCESSED IN OR OUTSIDE THE STATE;
22 AND

23 (2) DISTRIBUTED IN THE STATE WHEN THE LICENSE APPLICATION IS
24 FILED.

25 (F) A LICENSE HOLDER SHALL DISPLAY AND SELL BEER, WINE, AND
26 LIQUOR:

27 (1) AT RETAIL FOR ON- AND OFF-PREMISES CONSUMPTION; AND

28 (2) DURING THE HOURS AND DAYS DESIGNATED FOR THE FESTIVAL.

29 (G) THE BOARD SHALL:

(1) HOLD A HEARING ON A LICENSE APPLICATION; AND

(2) PUBLISH NOTICE OF A LICENSE APPLICATION HEARING IN A NEWSPAPER OF GENERAL CIRCULATION IN THE COUNTY ONE TIME AT LEAST 7 DAYS BEFORE THE HEARING.

(H) (1) THE BOARD SHALL CHOOSE A LOCATION FOR THE FESTIVAL THAT IS NOT ALREADY LICENSED.

(2) IF THE LOCATION CHOSEN ALLOWS FOR SUNDAY SALES, SUNDAY SALES MAY BEGIN AT 10 A.M.

(I) BEER, WINE, AND LIQUOR DISPLAYED AND SOLD SHALL BE:

(1) INVOICED TO THE LICENSE HOLDER BY A RETAILER OR WHOLESALER; AND

(2) DELIVERED TO THE FESTIVAL FROM THE LICENSED PREMISES OF THE RETAILER OR WHOLESALER.

(J) A HOLDER OF A RETAIL LICENSE OR STATE WHOLESALER'S LICENSE MAY ENTER INTO AN AGREEMENT WITH THE HOLDER OF THE BEER, WINE, AND LIQUOR FESTIVAL LICENSE TO:

(1) DELIVER BEER, WINE, AND LIQUOR NOT EARLIER THAN 2 DAYS BEFORE THE EFFECTIVE DATE OF THE LICENSE; AND

(2) ACCEPT RETURNS NOT LATER THAN 5 DAYS AFTER THE EXPIRATION DATE OF THE LICENSE.

(K) THE BOARD SHALL ESTABLISH THE BEER, WINE, AND LIQUOR FESTIVAL LICENSE FEE.

(L) THE BOARD SHALL ADOPT REGULATIONS TO CARRY OUT THIS SECTION.

21-1401.

(a) The following sections of Title 4, Subtitle 1 ("Applications for Local Licenses") of Division I of this article apply in the county without exception or variation:

(1) § 4-102 ("Applications to be filed with local licensing board");

(2) § 4-103 ("Application on behalf of partnership");

(3) § 4–104 (“Application on behalf of corporation or club”);

(4) § 4–105 (“Application on behalf of limited liability company”);

(5) § 4–106 (“Payment of notice expenses”);

(6) § 4–108 (“Application form required by Comptroller”);

(7) [§ 4–109 (“Required information on application – In general”);

(8)] § 4–110 (“Required information on application – Petition of support”);

[(9)] (8) § 4–113 (“Refund of license fees”); and

[(10)] (9) § 4–114 (“Fees for licenses issued for less than 1 year”).

(b) The following sections of Title 4, Subtitle 1 (“Applications for Local Licenses”) of Division I of this article apply in the county:

(1) § 4–107 (“Criminal history records check”), subject to §§ 21–1402 through 21–1405 of this subtitle;

(2) **§ 4–109 (“REQUIRED INFORMATION ON APPLICATION – IN GENERAL”), SUBJECT TO § 21–1408 OF THIS SUBTITLE;**

(3) § 4–111 (“Payment of license fees”), subject to § 21–1406 of this subtitle; and

[(3)] (4) § 4–112 (“Disposition of license fees”), subject to § 21–1407 of this subtitle.

21–1408.

(A) AT THE TIME AN APPLICATION FOR AN ALCOHOLIC BEVERAGES LICENSE IS FILED, AT LEAST ONE OF THE APPLICANTS SHALL BE A RESIDENT OF THE STATE.

(B) THE LICENSE REMAINS VALID ONLY FOR AS LONG AS AT LEAST ONE OF THE APPLICANTS REMAINS A RESIDENT OF THE STATE.

21–2002.

(a) This section does not apply to the hours of sale on December 31 and January 1 set out in § 21–2007 of this subtitle.

(f) Sunday sales for a Class A, Class B, or Class D license are allowed from [10 a.m.] **6 A.M.** to midnight in:

(1) election districts 11 and 15; and

(2) any other election district or precinct of an election district in which the voters in a referendum authorized by law approve Sunday sales as specified in this paragraph.

21–2003.

(a) This section does not apply to the hours of sale on December 31 and January 1 set out in § 21–2007 of this subtitle.

(b) (1) A holder of a Class A beer and wine license may sell beer and wine on Monday through Saturday, from 6 a.m. to 2 a.m. the following day.

(2) Sunday sales are allowed from [10 a.m.] **6 A.M.** to midnight in:

(i) election districts 11 and 15; and

(ii) any other election district or precinct of an election district in which the voters in a referendum authorized by law approve Sunday sales as specified in this paragraph.

(c) (1) A holder of a Class B beer and wine license may sell beer and wine on Monday through Saturday, from 6 a.m. to 2 a.m. the following day.

(2) Sunday sales are allowed from [10 a.m.] **6 A.M.** to midnight in:

(i) election districts 11 and 15; and

(ii) any other election district or precinct of an election district in which the voters in a referendum authorized by law approve Sunday sales as specified in this paragraph.

(d) Reserved.

(e) (1) A holder of a Class D beer and wine license may sell beer and wine on Monday through Saturday, from 6 a.m. to 2 a.m. the following day.

(2) Sunday sales are allowed from [10 a.m.] **6 A.M.** to midnight in:

(i) election districts 11 and 15; and

(ii) any other election district or precinct of an election district in which the voters in a referendum authorized by law approve Sunday sales as specified in this paragraph.

21–2004.

(a) This section does not apply to the hours of sale on December 31 and January 1 set out in § 21–2007 of this subtitle.

(b) Reserved.

(c) (1) A holder of a Class B beer, wine, and liquor license may sell beer, wine, and liquor on Monday through Saturday, from 6 a.m. to 2 a.m. the following day.

(2) Sunday sales are allowed from [10 a.m.] **6 A.M.** to midnight in:

(i) election districts 11 and 15; and

(ii) any other election district or precinct of an election district in which the voters in a referendum authorized by law approve Sunday sales as specified in this paragraph.

(d) (1) A holder of a Class BDR (deluxe restaurant) beer, wine, and liquor license may sell beer, wine, and liquor on Monday through Saturday, from 6 a.m. to 2 a.m. the following day.

(2) Sunday sales are allowed from [10 a.m.] **6 A.M.** to midnight in:

(i) election districts 11 and 15; and

(ii) any other election district or precinct of an election district in which the voters in a referendum authorized by law approve Sunday sales as specified in this paragraph.

(e) (1) A holder of a Class C beer, wine, and liquor license may sell beer, wine, and liquor on Monday through Saturday, from 6 a.m. to 2 a.m. the following day.

(2) Sunday sales are allowed from [10 a.m.] **6 A.M.** to midnight in:

(i) election districts 11 and 15; and

(ii) any other election district in which the voters by referendum approve Sunday sales.

(f) (1) A holder of a Class D beer, wine, and liquor license may sell beer, wine, and liquor on Monday through Saturday, from 6 a.m. to 2 a.m. the following day.

(2) Sunday sales are allowed from [10 a.m.] **6 A.M.** to midnight in:

(i) election districts 11 and 15; and

(ii) any other election district or precinct of an election district in which the voters in a referendum authorized by law approve Sunday sales as specified in this paragraph.

21-2502.

(A) ALCOHOLIC BEVERAGES MAY NOT BE BROUGHT INTO AN ESTABLISHMENT AND CONSUMED OR TRANSFERRED IF THE ESTABLISHMENT IS A PLACE OF ADULT ENTERTAINMENT OF THE TYPE PROHIBITED UNDER § 4-605 OF THIS ARTICLE.

(B) (1) A PERSON WHO OPERATES A PLACE OF ADULT ENTERTAINMENT WHO KNOWINGLY ALLOWS A VIOLATION OF THIS SECTION IS GUILTY OF A MISDEMEANOR AND ON CONVICTION IS SUBJECT TO A FINE NOT EXCEEDING \$5,000 FOR EACH VIOLATION.

(2) EACH DAY OF OPERATION IN VIOLATION OF THIS SECTION IS A SEPARATE VIOLATION.

21-2802.

The Board may impose a fine not exceeding [\$3,000] **\$5,000** or suspend a license for a violation of the alcoholic beverages laws affecting the county.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2024.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.