

HOUSE BILL 784

A2

(3lr1040)

ENROLLED BILL

— Economic Matters/Finance —

Introduced by **Prince George's 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 **Prince George's County – Alcoholic Beverages – Class B *and Class C* Beer, Wine,**
3 **and Liquor Licenses, ~~Entertainment Permits~~, Inspections, ~~and Penalties~~, and**
4 **Workgroup**

5 **PG 302–23**

6 FOR the purpose of authorizing the holder of a Class B beer, wine, and liquor license, a
7 Class C (fraternal/sororal/service organization) beer, wine, and liquor license, and
8 a Class C (veterans' organization or club) beer, wine, and liquor license in Prince
9 George's County to serve beer, wine, and liquor by the glass or by the bottle for
10 on-premises consumption; ~~authorizing the holder of a certain entertainment permit~~
11 ~~to contract with one or more promoters to publicize, sell tickets for, organize, operate,~~
12 ~~produce, or stage an event, which may include patron dancing and entertainment,~~
13 ~~applying certain provisions relating to a certain entertainment permit to contracted~~
14 ~~promoters;~~ authorizing certain inspections of certain licensed premises by or on

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.



behalf of the Board of License Commissioners for Prince George's County; ~~limiting the number of certain inspections~~; requiring a certain inspector to provide a report of an inspection to the license holder and the Board within a certain time period; requiring the Board each year to publish a list containing the number of inspections conducted of each licensed premises in the previous calendar year; requiring the Board to establish a certain fine structure and to publish and maintain a list of penalties ~~penalties~~ certain penalties and fines information for certain violations of alcoholic beverages laws; establishing the Workgroup to Study Best Practices for Safe Event Promotion and the Leveraging of Alcoholic Beverages Licenses in Prince George's County; and generally relating to alcoholic beverages in Prince George's County and the Workgroup to Study Best Practices for Safe Event Promotion and the Leveraging of Alcoholic Beverages Licenses in Prince George's County.

BY repealing and reenacting, without amendments,

Article – Alcoholic Beverages

Section 26–102 ~~and~~, 26–902(a), 26–1011(a), and 26–1017(a)

Annotated Code of Maryland

(2016 Volume and 2022 Supplement)

BY repealing and reenacting, with amendments,

Article – Alcoholic Beverages

Section 26–902(c), 26–1011(c), and 26–1017(c) ~~and 26–1103~~

Annotated Code of Maryland

(2016 Volume and 2022 Supplement)

BY adding to

Article – Alcoholic Beverages

Section 26–2606 and 26–2803

Annotated Code of Maryland

(2016 Volume and 2022 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

That the Laws of Maryland read as follows:

Article – Alcoholic Beverages

26–102.

This title applies only in Prince George's County.

26–902.

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

(c) (1) The license authorizes the license holder, at a hotel or restaurant at retail at the place described in the license, to sell beer, wine, and liquor:

(i) BY THE GLASS OR BY THE BOTTLE for on-premises consumption; and

(ii) subject to paragraph (2) of this subsection, for off-premises consumption only:

1. from the main bar; and

2. in the main portion of the dining room facilities.

(2) The off-sale privilege set out in paragraph (1)(ii) of this subsection is limited to those license holders who had the privilege on July 1, 1970.

26-1011.

(a) There is a Class C (fraternal/sororal/service organization) beer, wine, and liquor license.

*(c) (1) The license authorizes the license holder to sell beer, wine, and liquor **BY THE GLASS OR BY THE BOTTLE** for on-premises consumption by a member or guest accompanied by a member.*

(2) The license holder may allow a person that has leased a private room or other area of the licensed premises for a private social gathering to bring beer, wine, and liquor onto the licensed premises for on-premises consumption.

26-1017.

(a) There is a Class C (veterans' organization or club) beer, wine, and liquor license.

*(c) The license authorizes the license holder to sell beer, wine, and liquor **BY THE GLASS OR BY THE BOTTLE** at retail at the place described in the license for on-premises consumption.*

~~26-1103.~~

~~(a) This section does not apply to a license holder that seeks to provide entertainment if:~~

~~(1) the license of the license holder is issued under § 26-1003, § 26-1006, § 26-1008, § 26-1009, § 26-1010, § 26-1011, § 26-1014, § 26-1015, § 26-1016, § 26-1018.1, or § 26-1616(h) of this title; or~~

~~(2) the license is a veterans or fraternal Class C license and the license holder provides entertainment that:~~

(i) ~~is under the direct supervision of the license holder;~~

(ii) ~~is for adults, children, and families of the organization or the public; and~~

(iii) ~~when offered, ends not later than midnight.~~

~~(b) There is an entertainment permit.~~

~~(e) The Board may issue the permit to a holder of a Class B (on-sale) license in accordance with this section.~~

~~(d) (1) (i) Subject to subparagraph (ii) of this paragraph, the permit authorizes the permit holder to:~~

~~1. impose a cover charge, offer facilities for patron dancing, and provide entertainment; OR~~

~~2. CONTRACT WITH ONE OR MORE PROMOTERS TO PUBLICIZE, SELL TICKETS FOR, ORGANIZE, OPERATE, PRODUCE, OR STAGE AN EVENT, WHICH MAY INCLUDE PATRON DANCING AND ENTERTAINMENT.~~

~~(ii) The permit holder shall comply, AND ENSURE THAT ANY CONTRACTED PROMOTER COMPLIES, with all requirements under county law, including zoning and use and occupancy laws.~~

~~(2) The Board shall determine the number of days in a week that a permit holder may exercise the privileges of the permit.~~

~~(3) The permit is in effect from 9 p.m. to 2 a.m. the following day.~~

~~(e) Before being issued the permit, an applicant shall:~~

~~(1) submit evidence to the satisfaction of the Board that:~~

~~(i) the applicant holds a Class B (on-sale) license;~~

~~(ii) there are no unpaid taxes due from the applicant to the State, the county, or a municipal corporation; and~~

~~(iii) the applicant AND ANY CONTRACTED PROMOTER meets all other requirements for the permit; and~~

~~(2) (i) IN CONSULTATION WITH ANY CONTRACTED PROMOTER, develop a security plan to prevent the premises for which the permit is sought from posing a threat to the peace and safety of the surrounding area; and~~

~~(ii) submit the plan for review to the Board and the Chief of the County Police Department.~~

~~(f) (1) The Chief of the County Police Department may submit comments to the Board on the adequacy of the security plan within 30 days after receipt of the security plan.~~

~~(2) The Board shall consider the comments, if any, of the Chief of the County Police Department and subsequently issue the permit, refuse to issue the permit, or condition the issuance of the permit on changes to the security plan.~~

~~(3) If the Board issues the permit with a security plan that the Chief of the County Police Department does not support, the Board shall specify in writing to the Chief of the County Police Department the reasons why the Board has determined that the security plan is adequate.~~

~~(g) (1) Before issuing the permit, the Board shall hold a public hearing in accordance with the requirements for a public hearing on an application for a license under § 26-1511 of this title.~~

~~(2) At the public hearing, the Board shall give the applicant, supporters of the applicant, and opponents of the applicant an opportunity to be heard.~~

~~(3) In making its determination whether to approve the application and issue the permit, the Board shall consider whether:~~

~~(i) approval and issuance of the permit is necessary for the accommodation of the public;~~

~~(ii) the applicant is a fit person to receive the permit;~~

~~(iii) the applicant has made a material false statement in the application;~~

~~(iv) the applicant has committed any fraudulent act in connection with the application;~~

~~(v) the operation of the business, if the permit is issued, will unduly disturb the peace of the residents of the neighborhood where the place of business is located or to be located; and~~

~~(vi) there are any other reasons that justify the disapproval of the application or the refusal to issue the permit.~~

~~(4) The Board shall hold a similar public hearing on receipt of a petition to:~~

~~(i) revoke the permit; or~~

~~(ii) protest the renewal of the permit.~~

~~(h) The permit holder AND ANY CONTRACTED PROMOTER:~~

~~(1) shall implement and follow the approved security plan described under subsection (c)(2) of this section at all times when the permit holder exercises the privileges of the permit;~~

~~(2) when the privileges authorized by the permit are being exercised, may not allow an individual who is under the age of 21 years on the premises for which the permit is issued unless the individual is employed by or is an immediate family member of the permit holder; and~~

~~(3) may employ sworn security personnel as part of the security plan described under subsection (c)(2) of this section if the sworn security personnel have full police powers in the jurisdiction where the premises of the permit holder is located.~~

~~(i) The Board at any time may prohibit, condition, or restrict the type of entertainment offered by a permit holder, including lewd, exotic, loud, or raucous entertainment, if after a hearing the Board determines that the entertainment:~~

~~(1) adversely impacts or unduly disturbs the community; and~~

~~(2) is not conducive to the peace, health, welfare, or safety of the residents of the county.~~

~~(j) (1) Subject to paragraph (2) of this subsection, the Board may immediately suspend the permit if the Board reasonably believes that the permit holder OR A CONTRACTED PROMOTER:~~

~~(i) violated this section; or~~

~~(ii) is not in compliance with a county zoning property standard or use and occupancy requirement.~~

~~(2) If the Board immediately suspends a permit, the Board shall:~~

~~(i) give the permit holder notice of the suspension and a hearing on the suspension at which the permit holder may be heard and present evidence; and~~

~~(ii) hold the hearing within 30 days after the suspension is imposed.~~

~~(k) (1) At the hearing, the Board shall determine:~~

~~(i) whether the permit holder violated this section or other law; and~~

~~(ii) if a violation occurred, what penalty to impose among those listed in paragraphs (2) and (3) of this subsection.~~

~~(2) Subject to paragraph (3) of this subsection, if the Board finds that a person has violated this section or any other law, the Board:~~

~~(i) may revoke or continue the suspension of the permit; and~~

~~(ii) shall impose on the person a penalty of:~~

~~1. for a first offense, at least \$1,000 but not more than \$12,500; and~~

~~2. for each subsequent offense, at least \$5,000.~~

~~(3) The Board:~~

~~(i) shall revoke the permit of a person who the Board determines violated this section or any other law twice in 24 months; and~~

~~(ii) may not consider an application from the person for a new permit or an application for a new permit for the premises that was the subject of the revocation until at least 12 months after the order of revocation is issued.~~

~~(4) If the Board determines that the permit holder did not violate this section, the Board shall immediately reinstate the permit.~~

~~(l) (1) The circuit court may issue a temporary restraining order to immediately close to the public the entire operation of the premises if the county establishes that:~~

~~(i) the security plan described under subsection (c)(2) of this section has not been implemented; and~~

~~(ii) the public health, safety, or welfare requires emergency action.~~

~~(2) On issuance of a temporary restraining order under paragraph (1) of this subsection, the county shall give the permit holder written notice of and reasons for the closure.~~

~~(3) The permit holder promptly shall be given an opportunity for a hearing in circuit court on the granting of the temporary restraining order in accordance with Title 15, Chapter 500 of the Maryland Rules.~~

~~(m) The Board shall adopt regulations to carry out this section.~~

~~(n) The annual fee for the permit is \$1,500, which is in addition to the annual fee for the Class B license.~~

26-2606.

(A) (1) THIS SECTION APPLIES ONLY TO INSPECTIONS PERFORMED BY OR ON BEHALF OF THE BOARD.

(2) UNLESS THE INSPECTION IS PERFORMED ON BEHALF OF THE BOARD AND DOES NOT RELATE TO HEALTH AND SAFETY, THIS SECTION DOES NOT APPLY TO INSPECTIONS CONDUCTED BY ONE OR MORE OF THE FOLLOWING PERSONS:

(I) A POLICE DEPARTMENT;

(II) A FIRE DEPARTMENT OR FIRE INSPECTOR; OR

(III) A HEALTH DEPARTMENT.

(B) AN INSPECTION OF A LICENSED PREMISES MAY BE CONDUCTED WITH OR WITHOUT PRIOR NOTICE IN ORDER TO:

(1) PROVIDE ASSISTANCE TO THE BOARD IN ANY MATTER PERTAINING TO ALCOHOLIC BEVERAGES;

(2) CONDUCT BACKGROUND INVESTIGATIONS AND CRIMINAL HISTORY RECORDS CHECKS ON ALL LICENSE APPLICANTS;

(3) MAKE ROUTINE INSPECTIONS OF LICENSED ESTABLISHMENTS IN THE COUNTY TO ENSURE THAT THEY ARE IN COMPLIANCE WITH ALL APPROPRIATE STATE LAWS, LOCAL LAWS, RESTRICTIONS, AND BOARD RULES AND REGULATIONS;

(4) COORDINATE INFORMATION WITH OTHER APPROPRIATE REGULATORY AGENCIES;

(5) TAKE APPROPRIATE ACTION ON ANY WRITTEN REPORT OF VIOLATIONS FORWARDED BY A UNIFORMED OFFICER OF A MUNICIPAL OR COUNTY POLICE DEPARTMENT, THE MARYLAND-NATIONAL CAPITAL PARK POLICE, OR THE STATE POLICE;

(6) INVESTIGATE COMPLAINTS MADE AGAINST A LICENSED ESTABLISHMENT; OR

(7) INITIATE COVERT INSPECTIONS AND INVESTIGATIONS OF LICENSED ESTABLISHMENTS THAT MAY BE NECESSARY TO ENSURE COMPLIANCE OR TO PROVE OR DISPROVE ALLEGED VIOLATIONS.

~~(C) EXCEPT FOR AN INSPECTION CONDUCTED IN RESPONSE TO A COMPLAINT, THE BOARD MAY NOT CONDUCT AN INSPECTION OF A LICENSED PREMISES MORE THAN TWO TIMES IN A CALENDAR MONTH WITHOUT THE PRIOR CONSENT OF THE LICENSE HOLDER.~~

~~(D) EXCEPT FOR INSPECTIONS CONDUCTED IN ACCORDANCE WITH SUBSECTION (B)(7) OF THIS SECTION, WITHIN~~ WITHIN 25 BUSINESS DAYS AFTER AN INSPECTION UNDER THIS SECTION, THE INSPECTOR SHALL PROVIDE TO THE LICENSE HOLDER AND THE BOARD A REPORT OF THE INSPECTION.

~~(E) (D)~~ ON OR BEFORE DECEMBER 31 EACH YEAR, THE BOARD SHALL PUBLISH ON THE BOARD'S WEBSITE A LIST OF THE TOTAL NUMBER OF INSPECTIONS CONDUCTED OF EACH LICENSED PREMISES BY THE BOARD IN THE PRIOR CALENDAR YEAR.

26-2803.

(A) THE BOARD SHALL ESTABLISH A STANDARD FINE STRUCTURE FOR VIOLATIONS OF THIS TITLE THAT GIVES THE BOARD FLEXIBILITY TO CONSIDER AGGRAVATING OR MITIGATING FACTORS WHEN DETERMINING THE AMOUNT OF A FINE IMPOSED UNDER THIS TITLE.

(B) THE BOARD SHALL PUBLISH MONTHLY AND MAINTAIN ON ITS WEBSITE;

(1) A LIST OF PENALTIES FOR VIOLATIONS OF THIS TITLE; AND

(2) THE STANDARD FINE STRUCTURE ESTABLISHED UNDER SUBSECTION (A) OF THIS SECTION, INCLUDING A LIST OF AGGRAVATING AND MITIGATING FACTORS THAT THE BOARD MAY CONSIDER WHEN DETERMINING THE AMOUNT OF A FINE IMPOSED UNDER THIS TITLE.

SECTION 2. AND BE IT FURTHER ENACTED, That:

(a) There is a Workgroup to Study Best Practices for Safe Event Promotion and the Leveraging of Alcoholic Beverages Licenses in Prince George's County.

(b) The Workgroup consists of the following members:

(1) the Chair of the Prince George's County Senate Delegation, or the Chair's designee;

(2) the Chair of the Prince George's County House Delegation, or the Chair's designee;

(3) the Chair of the Prince George's County Council, or the Chair's designee;

(4) the State's Attorney for Prince George's County, or the State's Attorney's designee;

(5) the Chair of the Board of License Commissioners for Prince George's County, or the Chair's designee;

(6) the Director of the Board of License Commissioners for Prince George's County, or the Director's designee;

(7) the following members, appointed by the County Executive of Prince George's County:

(i) one representative of the Prince George's County Police Department;

(ii) one representative of the Prince George's County Fire Department; and

(iii) one representative of the Prince George's County Permitting, Inspections and Enforcement Department; and

~~(7)~~ (8) the following members, appointed by the Chair of the Prince George's County House Delegation:

(i) one individual who is knowledgeable of the event promotion industry in Prince George's County;

(ii) one individual who is a current holder of an entertainment permit under § 26-1103 of the Alcoholic Beverages Article; and

(iii) one individual who is a former holder of an entertainment permit under § 26-1103 of the Alcoholic Beverages Article.

(c) The ~~Chair of the Prince George's County House Delegation shall designate the chair of~~ Chair of the Board of License Commissioners for Prince George's County, or the Chair's designee, shall chair the Workgroup.

(d) ~~The Prince George's County House Delegation Board of License Commissioners for Prince George's County~~ shall provide staff for the Workgroup.

(e) A member of the Workgroup or any subgroup established under subsection (g) of this section:

(1) may not receive compensation as a member of the Workgroup or subgroup; but

(2) is entitled to reimbursement for expenses under the Standard State Travel Regulations, as provided in the State budget.

(f) The Workgroup shall:

(1) identify any current barriers to safe event promotion in Prince George's County;

(2) identify available options for safe event promotion activities and promotion restrictions;

(3) review current and previous practices of event promotion; ~~and~~

(4) make recommendations on best practices for safe event promotion and the feasibility of permitting event promoters in Prince George's County; and

(5) examine how other counties in the State leverage alcoholic beverages licenses to generate revenue for their county.

(g) (1) The Workgroup may establish a subgroup within the Workgroup to assist the Workgroup in carrying out its duties, including by conducting research and producing reports.

(2) A subgroup established under paragraph (1) of this subsection may include an individual who is not a member of the Workgroup, including a representative of an insurance carrier or any other relevant expert.

(h) On or before December 1, 2024, the Workgroup shall report its findings and recommendations to the Chair of the Prince George's County Council and the County Executive of Prince George's County and, in accordance with § 2-1257 of the State Government Article, the Chair of the Prince George's County Senate Delegation and the Chair of the Prince George's County House Delegation.

SECTION ~~2~~ 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2023. Section 2 of this Act shall remain effective for a period of 2 years and, at the end of June 30, 2025, Section 2 of this Act, with no further action required by the General Assembly, shall be abrogated and of no further force and effect.