

Bill No.: \_\_\_\_\_  
Requested: \_\_\_\_\_  
Committee: \_\_\_\_\_

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By: **Montgomery County Delegation**

A BILL ENTITLED

1 AN ACT concerning

2 **Montgomery County – Alcoholic Beverages License Fees – Repeal of Sunset**

3 **MC 24–10**

4 FOR the purpose of repealing the termination date of certain Class B alcoholic  
5 beverage license fees applicable in Montgomery County; and generally relating  
6 to alcoholic beverages in Montgomery County.

7 BY repealing and reenacting, without amendments,  
8 Article 2B – Alcoholic Beverages  
9 Section 6–201(q)  
10 Annotated Code of Maryland  
11 (2005 Replacement Volume and 2009 Supplement)

12 BY repealing and reenacting, with amendments,  
13 Chapter 91 of the Acts of the General Assembly 2001, as amended by Chapter  
14 48 of the Acts of the General Assembly of 2005  
15 Section 2

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

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.  
[Brackets] indicate matter deleted from existing law.



**Article 2B – Alcoholic Beverages**

6–201.

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

(ii) 1. In this subsection the following words have the meanings indicated.

2. “Board” means the Board of License Commissioners.

3. “Dining area” means the area occupied by patrons for the consumption of food and includes a cocktail area where food need not be served if there is no separate outdoor entrance to the cocktail area.

(2) (i) 1. The Board may issue this license only to the owner of any restaurant or hotel.

2. The restaurant shall be located in the second, third, fourth, sixth, seventh, eighth, ninth, tenth, or thirteenth election districts.

3. The licensee may not be located in the Towns of Poolesville, Takoma Park, and Kensington.

(ii) 1. As a prerequisite for the initial issuance of a license under this subsection, the owner shall attest in a sworn statement that gross receipts from food sales in the restaurant or hotel will be at least equal to the gross receipts from the sale of alcoholic beverages.

2. As a prerequisite for each renewal of a license issued under this subsection, the owner shall attest in a sworn statement that the gross receipts from food sales in the restaurant or hotel for the 12-month period immediately preceding the application for renewal have been at least equal to the gross receipts from the sale of alcoholic beverages.

3. The Board by regulation shall provide for periodic inspection of the premises and for audits to determine the ratio of gross receipts from the sale of food to gross receipts from the sale of alcoholic beverages.

1                   4.     Any regulations adopted by the Board shall include a  
2 requirement of at least monthly physical inspections of the premises during the initial  
3 license year of any licensee and the submission by the licensee to the Board, during  
4 the initial license year, of monthly statements showing gross receipts from the sale of  
5 food and gross receipts from the sale of alcoholic beverages for the immediately  
6 preceding month.

7                   5.     In the event that a licensee, during the initial license  
8 year, fails to maintain the sales ratio requirement provided in this paragraph for a  
9 period of three consecutive months or after the initial license year for each license or  
10 calendar year, the Board, in its discretion, may revoke the license. The Board may  
11 require any licensee to provide supporting data as it, in its discretion, deems  
12 necessary, in order to establish that the requirements of this section relating to the  
13 ratio of gross receipts from the sale of food to those from the sale of alcoholic beverages  
14 have been met.

15                   (iii)    A license issued under this subsection authorizes its holder  
16 to keep for sale and sell alcoholic beverages for consumption on the premises only, and  
17 alcoholic beverages may not be served to patrons or consumed at any bar, counter  
18 without seats, or other room but in the dining area. However, the seats in the cocktail  
19 area may not exceed 25 percent of the seats normally available for the general public  
20 in the dining area, including the cocktail area portion, but excluding special banquet  
21 and private party facilities.

22                   (iv)    Signs visible from the exterior of the building, advertising  
23 the sale of alcoholic beverages, are not permitted in connection with any restaurant or  
24 hotel holding a license issued under the provisions of this section except for the display  
25 of the menu then in use by the licensee.

26                   (v)    1.     The annual license fee is \$2,500.

27                                 2.     For the third license that is not restricted by location  
28 and is obtained by a licensee under § 9–102.1 of this article, the annual fee is \$5,000.

29                   (3)    (i)     There is a special Class B license known as Class B–BWL  
30 (H–M) which shall be issued only for hotels and motels that meet the minimum  
31 requirements set forth in subsection (a)(3) of this section. All of the privileges and

1 restrictions provided for in paragraph (2) of this subsection are applicable to this  
2 special Class B license except that the gross receipts from the sale of alcoholic  
3 beverages may not exceed the gross receipts from the sale of food, and registered  
4 guests may be served in their rooms. In any instance where there is more than one  
5 licensed establishment within the hotel or motel, the foregoing sales ratio shall be  
6 applicable only to one license and that shall be the one that provides the food and  
7 beverage service to the conventions, banquets and other groups that utilize facilities  
8 within the hotel or motel.

9 (ii) The annual license fee is \$2,500.

10 (4) (i) In this paragraph, “performing arts facility” means a facility  
11 that is used for artistic, corporate, and community related activities.

12 (ii) There is a special Class B–BWL (performing arts facility)  
13 license.

14 (iii) The Board of License Commissioners may issue a special  
15 Class B–BWL (performing arts facility) license to apply only to a performing arts  
16 facility that has:

17 1. A minimum capital investment, not including real  
18 property, of \$1,000,000;

19 2. A minimum capacity of 1,500 persons; and

20 3. A food service facility permit and 40 seats in a food  
21 service area.

22 (iv) The Board may issue a special Class B–BWL (performing  
23 arts facility) license for use by a not–for–profit partnership, limited liability company,  
24 corporation, or other entity that leases the performing arts facility to host artistic,  
25 corporate, and community related activities.

26 (v) 1. A special Class B–BWL (performing arts facility)  
27 license authorizes the holder to sell beer, wine, and liquor by the drink from one or  
28 more outlets on the licensed premises for consumption on the licensed premises.

