



ALCOHOLIC BEVERAGE LAWS

Applicable to

ALLEGANY COUNTY,

and

RULES AND REGULATIONS

of the

Board of Alcoholic Beverages License Commissioners

of

Allegany County, Maryland

April, 2021

PREFACE

The following contains the full text of all Rules and Regulations adopted by the Board at this time. The Board will offer updates to this publication if there are additional rules and regulations adopted, amendments made to the current rules and regulations, or any of the current rules and regulations are repealed.

In the past, the Board had prepared a booklet containing not only its Rules and Regulations but also containing excerpts from Article 2B of the Annotated Code of Maryland, wherein the bulk of the laws pertaining to alcoholic beverages are found, and selected pertinent excerpts from the criminal law of Maryland. The last publication by the Board of its Rules and Regulations, as well as selected excerpts from Article 2B and the Criminal Law was in 2004. The lengthy period of time between the publication of that handbook in 2004 has often had the effect of persons relying on out-of-date materials and of believing that the selected provisions of the laws reprinted by the Board were the only pertinent sections of the law. The Board at this time believes that licensees and other interested persons are better served by their accessing of the actual law in its complete and current form.

The full text of the Alcoholic Beverage Laws of the State of Maryland can, as stated above, be found in Article 2B of the Annotated Code of Maryland. The laws and regulations in Article 2B have been replaced by the more recently published Michie's Annotated Code of the General Laws of Maryland – 2016 to 2021. Certain sections of the criminal law relating to the conduct of alcohol sales, the possession of alcohol and certain gaming laws can be located in the Criminal Law Article of the Maryland Annotated Code. The Annotated Code is available in printed form at the branches of the Allegany County Public Library as well as in the Allegany County Bar Library located in the Circuit Court. The Maryland Code both in its annotated and un-annotated forms can also be accessed on-line at various sites. As any publication by the Board is subject to being outdated by changes in state law the Board is not reproducing selected sections of Maryland Law and, instead, refers those interested directly to the source materials that can be located as noted above.

In addition to the Annotated Code of Maryland, the paper gaming law found in Chapter 333 of the Allegany County Code may be applicable to certain license holders. The County Code can be accessed at the Allegany County Library, the county bar library, and on-line.

The Board requests the cooperation of all licensees in compliance with, and enforcement of, all applicable laws, rules and regulations, both in the general public interest and in the interest of their respective businesses.

These regulations are published on the 1st day of May, 2021, by the authority of the Board of License Commissioners of Allegany County, Maryland.

This Book must remain present on the Licensed Premises at all times!


Michael Griffith

Chairman


Charles R. Miller



James S. Stafford

TABLE OF CONTENTS

Part 1 – Michie’s Annotated Code of the General Liquor Laws of Maryland

Titles 1 to 12 – Alcoholic Beverages I (2016 Volume revised)	Page(s)
Subtitle 1 - Definitions -----	1 - 4
Subtitle 2 – Statement of Policy/Construction of Article -----	5
§ 2-207 Class 5 Brewery License -----	6 – 9
§ 2-208 Class 6 Pub-Brewery License -----	9 – 10
§ 2-209 Class 7 Micro-Brewery License -----	10 – 11
§ 2-210 Class 8 Farm Brewery License -----	11 – 14
§ 1-405 Additional Licenses -----	14 – 15
§ 2-308.1 Class 8 Liquor Wholesaler’s License -----	15
§ 2-311 Additional Wholesaler’s License -----	15 - 16
 Subtitle 5. State Caterer’s License -----	 16
§ 2-503 Scope of Authorization -----	16
§ 2-505 Fees -----	16 - 17
 Subtitle 6. Revocation and Suspension of State License Permits -----	 17
§ 3-603 Grounds for Revocation or Suspension -----	17 – 18
§ 4-105 Application on behalf of Limited Liability Company -----	18
§ 4-109 Required Information on Application (General) -----	18 – 19
§ 4-203 Prohibition against issuing Multiple Licenses – Individual/Entity -----	19 – 20
§ 4-204 Prohibition against issuing Multiple Licenses - Premises -----	20
§ 4-1106 Nonrefillable Container Permit – Draft Beer -----	20
 Subtitle 1 - Beer Franchise Fair Dealing Act -----	 21
§ 5-101 Definitions -----	21
§ 5-107 Notice of Intent to Terminate/Refuse to Renew Beer Franchise Agreement -----	22
§ 5-108 Termination/Refuse to Renew without good cause (prohibited) -----	22
§ 5-109 Termination Agreement -----	22 – 23
§ 5-110 Action for Violation of Subtitle -----	23
 Subtitle 3 Prohibited Acts	
Part II. Prohibited Acts by a License Holder	
§ 6-304 Selling/Providing Alcoholic Beverages (to a minor) -----	23
§ 6-305 Proof of Age for Sale of Alcoholic Beverages -----	24
§ 6-311 Restrictions on Purchases and Sales by a Retail Dealer -----	24
 Part III. Prohibited Acts by Individual Consumer	
§ 6-320 Disorderly Intoxication -----	24
§ 6-321 Consumption of Alcoholic Beverages in Public -----	24 - 25
§ 6-322 Possession of Open Container -----	25
 Part IV. Other Prohibited Acts	
§ 6-326 Sale of Alcoholic Beverages in Powder/Crystalline Form -----	25
§ 6-327 Unlicensed out-of-state Sale of Alcoholic Beverages -----	25 - 26
§ 6-328 Tax Evasion -----	26
§ 6-329 Destruction of Evidence -----	26
§ 6-330 Perjury -----	26

DIVISION II.

PROVISIONS AFFECTING INDIVIDUAL JURISDICTIONS

Title 9

Allegany County

Subtitle I. Definitions, General Provisions.

§ 9-101 Definitions -----	27
§ 9-102 Scope of Title -----	27

Subtitle 4. Manufacturer's Licenses.

§ 9-401 Application of General Provisions -----	27 - 28
---	---------

Subtitle 9. Beer, Wine, and Liquor Licenses.

§ 9-905 Class L, Beer, Wine, and Liquor Licenses -----	28
--	----

Subtitle 10. Licenses for Specific Types of Organizations and Venues.

§ 9-1001.1 Class B-TM Beer, Wine, and Liquor Licenses -----	28
---	----

Subtitle 13. Temporary Licenses.

Part II. Festival, Sampling, and Tasting Licenses.

§ 9-1304 Class D (on-sale) Beer and Wine Arts and Entertainment District Licenses -----	28 - 29
§ 9-1304.1 Beer and Wine Festival License -----	29 - 30

Subtitle 19. Conduct of License Holders.

9-1902 Employment of Underage Individuals -----	30
---	----

Subtitle 20. Hours and Days for Consumption and Sale.

§ 9-2002 Beer Licenses -----	30 - 31
§ 9-2003 Beer and Light Wine Licenses -----	31 - 32
§ 9-2004 Beer, Wine, and Liquor Licenses -----	32 - 33
§ 9-2005 Hours for December 31 and January 1 -----	33

Subtitle 27. Prohibited Acts.

§ 9-2704 Selling or Providing Alcoholic Beverages to Habitual Drunkard -----	33
--	----

ALLEGANY COUNTY BOARD OF LICENSE COMMISSIONERS
RULES AND REGULATIONS FOR THE CONDUCT OF BUSINESS

	Page(s)
Hours of Sale -----	34
Clearing of Tables, Etc. -----	34
Entertainment -----	34
Noise -----	34
Sale or Furnishing Alcoholic Beverages to Intoxicated Persons -----	34
Licensees to Own His Own Business -----	34
Display of License -----	35
Record of Employees -----	35
Alcoholic Beverages Containers – Refilling or Tampering -----	35
Sales to Minors -----	35
Rules and Regulations for Minors on a Licensed Premises -----	35
Notices to be Posted on Premises -----	35 - 36
Change of Business Location or Name of Applicant -----	36
Sales Limited to Specific Area of Licensed Premises -----	36
Date for Filing Renewal of Application -----	36
Appeals -----	36 - 37
Consideration of Previous Violations -----	37
Inspections -----	37
Sanitation -----	37
Clubs – Class ‘C’ License -----	37 - 38
Holders of Class ‘C’ License -----	38
Rules for Business -----	38
Bowling Establishments -----	38 - 39
Sunday License -----	39
Temporary License -----	39
Special Pouring Permit -----	39
Penalty – Failing to Obey Rules and Regulations -----	39
Wine and Beer Tasting Events -----	39 - 40
Delivery of Alcohol -----	40
In-State and Out-of-State Distillers -----	40
Employees – Allegany County Beverage Rules and Regulations -----	40
Free Drinks -----	40
Purchase and Selling of Alcohol -----	41
Resolutions set forth regarding Effort to Reduce Over-Consumption of Alcoholic Beverages -----	41
Display of License -----	41
Physical Alterations to the Licensed Premises -----	41
Sunday Sales -----	41
Prohibited Practices -----	41– 42
Age of Persons sitting at bar -----	42

Local Bills – Alcoholic Beverages in Allegany County.

Change in the Minimum Age to Serve Liquor -----	42
Sunday Sales for Class ‘A’ Off-Sale Licenses: Senate Bill 994 (both passed) -----	42
Sunday Sales: Senate Bill 878 & House Bill 995 (both passed) -----	42

MICHIE'S ANNOTATED CODE OF THE
PUBLIC GENERAL LAWS OF MARYLAND

ALCOHOLIC BEVERAGES I

Titles 1 to 12

DIVISION I.

GENERAL PROVISIONS AFFECTING MULTIPLE JURISDICTIONS.

Title 1.

Subtitle 1. Definitions.

§ 1-101. Definitions.

(a) *In general.* - (1) In this article the following words have the meanings indicated..

(b) Alcoholic beverage. - "Alcoholic beverage" means a spirituous, vinous, malt, or fermented liquor, or compound that:

(i) contains at least one-half of 1% alcohol by volume, and:

(ii) is suitable for beverage purposes.

(2) "Alcoholic beverage" includes alcohol, brandy, whiskey, rum, gin, cordial, beer, and wine.

(3) "Alcoholic beverage" does not include a confectionery food product that contains up to 5% of alcohol by volume and is regulated by the Maryland Department of Health under § 21-209 of the Health - General Article.

(c) (1) "Beer" means a brewed alcoholic beverage.

(2) "Beer" includes:

(i) ale;

(ii) porter;

(iii) stout;

(iv) hard cider that:

1. Is derived primarily from apples, apple concentrate and water, pears, or pear concentrate and water, and

2. contains no other fruit product but contains at least one-half of 1% and less than 8.5% of alcohol by volume;

(v) an alcoholic beverage that contains:

1. 6% or less alcohol by volume, derived primarily from the fermentation of grain, with not more than 49% of the alcoholic beverage's overall alcohol content by volume obtained from flavors and other added nonbeverage ingredients containing alcohol; or

2. more than 6% alcohol by volume, derived primarily from the fermentation of grain, with not more than 1.5% of the alcoholic beverage's

overall alcohol content by volume obtained from flavors and other added nonbeverage ingredients containing alcohol; and

(vi) mead;

(d) *Central Repository*. – “Central Repository” means the Criminal Justice Information System Central Repository of the Department of Public Safety and Correctional Services.

(e) *Club* – “Club” means an association or a corporation that is:

(1) organized and operated exclusively for educational, social, fraternal, patriotic, political, or athletic purposes; and:

(2) nonprofit.

(f) *Commission* – “Commission” means the Alcohol and Tobacco Commission.

(g) *Comptroller* – (1) “Comptroller” means the Comptroller of the State.

(2) “Comptroller” includes a deputy, an inspector, a clerk, or any other individual authorized to act by the Comptroller.

(h) *Consumer* – “Consumer” means an individual at least 21 years old or a corporation not otherwise prohibited by this article or any other State law, that buys, possesses, keeps, or transports alcoholic beverages on which the taxes under Title 5 of the Tax – General Article have been paid, for the individual’s or corporation’s own use and not for sale.

(i) *County* – “County” means a county in the State or Baltimore City.

(j) *Executive Director* – (1) “Executive Director” means the Executive Director of the Commission.

(2) “Executive Director” includes a deputy, an inspector, a clerk, or any other individual authorized to act by the Executive Director.

(k) *Family beer* – (1) “Family beer” means homemade beer produced for home consumption and not for sale.

(2) “Family beer” includes beer produced at a family beer and wine facility that has been granted a permit under § 2-138 of this article.

(l) *Family wine* – (1) “Family wine” means homemade wine produced for home consumption and not for sale.

(2) “Family wine” includes wine produced at a family beer and wine facility that has been granted a permit under § 2-138 of this article

(m) *Hotel* – (1) Subject to paragraph (2) of this subsection, “hotel” means an establishment that:

(i) accommodates the public;

(ii) is equipped with at least 10 bedrooms and a dining room with facilities for preparing and serving regular meals, and

(iii) has average daily receipts from the rental of rooms and sale of food that exceed the average daily receipts from the sale of alcoholic beverages.

(2) By regulation, a local licensing board may set a different standard as to what constitutes a hotel.

(n) *Illicit alcoholic beverage* – “Illicit alcoholic beverage” means an alcoholic beverage that has been manufactured, bottled, or rectified:

(1) in the State at a location not licensed under this article; or

(2) outside the State at a location not licensed under the United States Internal Revenue Code or the laws of a foreign country.

(o) *Jurisdiction* – “Jurisdiction” means a county or the City of Annapolis.

(p) *License* – “License” means an alcoholic beverages license issued under this article.

(q) *License holder* – (1) “License holder” means the holder of a license issued or a permit granted under this article.

(2) “License holder” includes:

(i) a county liquor control board and a county dispensary; and

(ii) for the billing purposes of Title 2, Subtitle 3 and §§ 2-213 and 2-314 of this article, a corporation on behalf of which an individual has obtained a license.

(r) *Liquor* – “Liquor” has the same meaning as “distilled spirits” under § 5-101(g) of the Tax – General Article.

(s) *Local collecting agent* – (1) “Local collecting agent” means:

(i) in the City of Annapolis, the city clerk;

(ii) in Allegany County, Baltimore County, Howard County, Prince George’s County, or Wicomico County, the director of finance;

(iii) in Calvert County, Dorchester County, St. Mary’s County, or Somerset County.

The treasurer of the county; or

(iv) in each other county, the board of license commissioners unless another governmental unit is expressly authorized to collect fees under this article.

(2) “Local collecting agent” does not include a clerk of the circuit court.

(t) *Local licensing board* – “Local licensing board” means a board of license commissioners or other governmental unit of a jurisdiction that issues licenses.

(u) *Manufacturer’s license* – “Manufacturer’s license” means a license issued under Title 2, Subtitle 2 of this article that is:

(1) a Class 1 distillery license;

(2) a Class 2 rectifying license;

(3) a Class 3 winery license;

(4) a Class 4 limited winery license;

(5) a Class 5 brewery license;

(6) a Class 6 pub-brewery license;

(7) a Class 7 micro-brewery license;

(8) a Class 8 farm brewery license;

(9) a Class 9 limited distillery license;

(v) *Mead* – “Mead” means a fermented alcoholic beverage consisting primarily of honey and water.

(w) *Off sale* – “Off sale” means the sale of alcoholic beverages that are to be consumed off the licensed premises.

(x) *On sale* – “On sale” means the sale of alcoholic beverages that are to be consumed on the licensed premises.

(y) *Person* – “Person” means:

(1) an individual;

(2) an association, a partnership, a corporation, trust, or other entity; or

(3) (i) the State or a political subdivision of the State, or a unit or an instrumentality of the State or a political subdivision of the State; or

(ii) another state or a political subdivision of that state.

(z) *Pomace brandy* – “Pomace brandy” means brandy that is distilled from the pulpy residue of wine pressing, including the skins, pips, and stalks of grapes.

(aa) *Restaurant* – (1) Subject to paragraph (2) of this subsection, “Restaurant” means an establishment that:

- (i) accommodates the public;
 - (ii) is equipped with a dining room with facilities for preparing and serving regular meals; and
 - (iii) has average daily receipts from the sale of food that exceeds the average daily receipts from the sale of alcoholic beverages.
- (2) By regulation, a local licensing board may set a different standard as to what constitutes a restaurant.
- (bb) *Retail dealer* – (1) “Retail dealer” means a person that sells an alcoholic beverage to any person other than a license holder.
- (2) “Retail dealer” includes a county dispensary.
- (cc) *7-day license* – “7-day license” means a license that is in effect every day of the week.
- (dd) *6-day license* – “6-day license” means a license that is in effect Monday through Saturday.
- (ee) *State* – (1) Except as provided in paragraph (2) of this subsection, “state” means:
- (i) a state, possession, territory, or commonwealth of the United States, or
 - (ii) the District of Columbia.
- (2) When capitalized, “State” means Maryland.
- (ff) *Tobacco* – “Tobacco” includes cigarettes regulated under Title 16 of the Business Regulation Article and other tobacco related products regulated under Title 16.5 and 16.7 of the Business Regulation Article.
- (gg) *Wholesaler* – (1) “Wholesaler” means:
- (i) person that purchases or imports an alcoholic beverage an alcoholic beverage for sale to wholesale dealers or retail dealers only; or
 - (ii) A limited winery that sells wine to retail dealers.
- (2) “Wholesaler” includes:
- (i) a county liquor control board; and
 - (ii) a county wholesale dispensary.
- (hh) *Wholesaler license* – “wholesaler license” means a license issued under Title 2, Subtitle 3 of this article that is:
- (1) a Class 1 beer, wine, and liquor license;
 - (2) a Class 2 wine and liquor license;
 - (3) a Class 3 beer and wine license;
 - (4) a Class 4 beer license;
 - (5) a Class 5 wine license;
 - (6) a Class 6 limited wine license;
 - (7) a limited beer license.
- (ii) *Wine* – (1) “Wine” means a fermented beverage.
- (2) “Wine” includes:
- (i) light wine;
 - (ii) sparkling wine that is naturally or artificially carbonated; and
 - (iii) fortified wine to which alcohol, spirits, or other ingredients are added. (2019, ch.

Subtitle 2. Statement of Policy, Construction of Article.

§ 1-201. Statement of policy.

(a) *Regulation and control of alcoholic beverages.* – (1) (i) To obtain respect and obedience to law and to foster and promote temperance, it is the policy of the State to regulate and control:

1. the manufacture, sale, distribution, transportation, and storage of alcoholic beverages in the State, and

2. the transportation and distribution of alcoholic beverages into and out of the State.

(ii) To carry out this policy in the best public interest, it is the intent of the General Assembly that the Comptroller, local licensing boards, liquor control boards, enforcement officers, and judges of the courts of the State be empowered to administer this article.

(2) It is also the policy of the State to:

(i) tax alcoholic beverages as provided in the Tax – General Article; and

(ii) deny to a political subdivision in the State, by public general or public local law, the power to impose a tax on distilled spirits, beer, wine, and all other alcoholic beverages.

(3) The restrictions, regulations, provisions, and penalties contained in this article are for the protection, health, welfare, and safety of the people of the State.

(b) *Sales and distribution of alcoholic beverages.* – (1) It continues to be the policy of the State to authorize the exercise of the powers provided by this article to displace or limit economic competition by regulating and engaging in the sale or distribution of alcoholic beverages to:

(i) obtain respect and obedience to law;

(ii) foster and promote temperance;

(iii) prevent deceptive, destructive, and unethical business practices; and

(iv) promote the general welfare of its residents by controlling the sale and distribution of alcoholic beverages.

(2) The officials and units granted powers by this article to regulate and engage in the alcoholic beverages industry may:

(i) displace or limit economic competition by regulating and engaging in the sale or distribution of alcoholic beverages on an exclusive basis as provided in this article; and

(ii) adopt and enforce regulations authorized by this article notwithstanding any anticompetitive effect.

(3) The powers granted to an official or a unit in accordance with this subsection do not:

(i) grant to the official or unit powers in any substantive area not otherwise granted to the official or unit by other public general or public local law;

(ii) restrict the official or unit from exercising any power granted to the official or unit by other public general or public local law or otherwise;

(iii) authorize the official or unit or officers of the unit to engage in any activity that is beyond their power under a public general or public local law or otherwise;

(iv) preempt or supersede the regulatory authority of a State unit under a public general law. (An. Code 1957, art. 2B, § 1-101; 2016, ch. 41, § 2.)

§ 2-207. Class 5 brewery license.

(a) *"Affiliate" defined.* – In this section, "affiliate" means a person that directly or indirectly through one or more intermediaries controls, is controlled by, or is under common control with a holder of a Class 5 brewery license.

(b) *Established.* – There is a Class 5 brewery license.

(c) *Scope of authorization.* – A license holder may:

(1) establish and operate a plant for brewing and bottling malt beverages at the location described in the license;

(2) import beer from a holder of a nonresident dealer's permit;

(3) contract to brew and bottle beer with and on behalf of the holder of a Class 2 rectifying license, Class 5 brewery license, Class 7 micro-brewery license, Class 8 farm brewery license, or a nonresident dealer's permit;

(4) sell and deliver beer to:

(i) a holder of a wholesaler's license that is authorized to acquire beer; or

(ii) a person outside of the State who is authorized to acquire beer;

(5) subject to subsection (i) of this section, serve, at the location described in the license and at no charge, samples of beer, consisting of no more than 18 ounces of beer per visit, to an individual who:

(i) has attained the legal drinking age; and

(ii) is participating in a guided tour of the brewery or attends a scheduled promotional event or other organized activity at the brewery;

(6) subject to subsections (d) and (i) of this section, sell beer for off-premises consumption at the location described in the license, at retail in a container other than a keg to an individual who has attained the legal drinking age;

(7) subject to subsection (f) of this section, sell beer at the location described in the license for on-premises consumption; and

(8) brew and bottle malt beverages at a location listed on a permit issued to the license holder in accordance with § 2-113 of this title.

(d) *Purchases by individual.* – An individual may purchase beer under subsection (c)(6) of this section if the individual:

(1) purchases not more than 288 ounces of beer per visit; and

(2) has attained the legal drinking age.

(e) *Fee.* – The annual license fee is \$1,500.

(f) *On-site consumption permit – Scope of authorization.* – (1) (i) A local licensing board may grant an on-site consumption permit to an applicant that holds a Class 5 brewery license and, subject to paragraph (5) of this subsection, a Class D beer license.

(ii) On request, a local licensing board may grant an applicant a conditional on-site consumption permit or a conditional Class D beer license.

(iii) The conditional permit or conditional license shall become effective after the applicant:

1. files a completed brewer's notice form with the U.S. Department of Treasury;

2. obtains a Class 5 brewery license; and

3. fulfills any other obligation required by law that the local licensing board identifies.

(2) Subject to the maximum volume limit under paragraph (4) of this subsection, a Class D beer license or an equivalent license under paragraph (5) of this subsection entitles the holder to sell to an individual who has attained the legal drinking age, for on-premises consumption at the brewery:

(i) beer:

1. of which the holder of the Class 5 license is the brand owner; and
2. that was fermented and brewed entirely by the license holder at a location authorized by this section;

(ii) beer that is fermented and brewed entirely at the brewery under contract with a brand owner who does not possess a Class 5 license; and

(iii) subject to paragraph (3) of this subsection, beer brewed at a location other than the Class 5 brewery if:

1. the brand owner of the beer is the holder of the Class 5 license or an affiliate of the holder of the Class 5 license;

2. the number of barrels of the beer sold for on-premises consumption under the Class D beer license or an equivalent license or an on-site consumption permit in a calendar year does not exceed the greater of:

A. 25% of the total number of barrels of beer sold for on-premises consumption under the Class D license or an equivalent license or an on-site consumption permit in that calendar year; or

B. 1.2% of total finished production under the Class 5 brewery license; and

3. A. the license holder contracts with or on behalf of a holder of a manufacturer's license or nonresident dealer's permit; or

B. the beer is manufactured by an affiliate of the license holder.

(3) (i) This paragraph applies to a Class 5 brewery with more than 1,000,000 barrels of finished production annually, alone or in combination with its affiliates.

(ii) Beer that has been delivered to the Class 5 brewery in finished form may be sold for on-premises consumption under paragraph (2)(ii)2 of this subsection only if it is purchased from a licensed wholesaler.

(4) The total amount of beer sold each year for on-premises consumption under this subsection may not exceed 5,000 barrels.

(5) Before a local licensing board that does not issue a Class D beer license may grant an on-site consumption permit, the local licensing board shall:

(i) establish an equivalent license; and

(ii) require the applicant to obtain that equivalent license.

(6) A local licensing board may charge a fee for an on-site consumption permit.

(7) A local licensing board shall require the holder of an on-site consumption permit or a Class D beer license or an equivalent license under paragraph (5) of this subsection to:

(i) comply with the alcohol awareness requirements under § 4-505 of this article; and

(ii) abide by all trade practice restrictions.

(g) *Brewery promotional event permit.* – (1) The Comptroller may issue a brewery promotional event permit to a Class 5 brewery license.

(2) Subject to subsection (i) of this section, the permit authorizes the holder to conduct on the premises of the brewery a promotional event at which the holder may, with respect to individuals who have attained the legal drinking age:

(i) provide samples consisting of a total of not more than 18 fluid ounces a consumer;
and

(ii) sell beer to individuals who participate in the event.

(3) Subject to subsection (i) of this section, the beer at the event shall be sold by the glass for on-premises consumption only.

(4) To obtain a permit, an applicant, at least 15 days before the event, shall file with the Comptroller an application that the Comptroller provides.

(5) A holder of a Class 5 brewery license may not be issued more than 12 permits in a calendar year.

(6) A single promotional event may not exceed 3 days.

(7) The permit fee is \$25 per event.

(h) *Applicability; hours and days of sale.* – (1) This subsection does not apply to:

(i) the holder of a Class 5 brewery license that held on-site consumption permit and a Class D license or an equivalent license on or before April 1, 2017, and any transferee of those licenses;

(ii) an individual who held a minority interest in an on-site consumption permit and a Class D license or an equivalent license on or before April 1, 2017, and then obtains by transfer a majority interest in the same license or permit;

(iii) a location in the State for which a completed brewer's notice form was filed with the U. S. Department of Treasury on or before April 1, 2017;

(iv) a promotional event conducted under subsection (g) of this section; and

(v) a guided tour during which:

1. samples of beer are served under subsection (c)(5) of this section; or

2. beer is sold for off-premises consumption under subsection (c)(6) of this section.

(2) This subsection applies to:

(i) a holder of a Class 5 brewery license who:

1. after April 1, 2017, obtains an on-site consumption permit and a Class D beer license or equivalent license for on-premises consumption; or

2. not holding a minority interest in an on-site consumption permit and a Class D license or an equivalent license on or before April 1, 2017, obtains a majority interest by transfer in an on-site consumption permit and a Class D license or an equivalent license, and

(ii) notwithstanding paragraph (1)(iii) of this subsection, a manufacturer of beer with more than 1,000,000 barrels of finished production annually alone or in combination with its affiliates.

(3) Notwithstanding any provision in Division II of this article, the sales and serving privileges of an on-site consumption permit and a Class D license or an equivalent license may be exercised only from 10a.m. to 10p.m. Monday through Sunday.

(i) *Additional requirements.* – All beer offered, served, or sold to a consumer under subsection (c)(5) or (6) or (g) of this section shall be:

(1) fermented and brewed entirely at the Class 5 brewery; or

(2) beer of which the license holder or an affiliate of the license holder is the brand owner.

(j) *Refillable container permit.* – (1) (i) The Comptroller may issue a refillable container permit for draft beer under § 4-1104 or Subtitle 11 of the various titles in Division II of this article to a holder of a Class 5 brewery license:

1. on completion of an application form that the Comptroller provides; and

2. at no cost to the holder of the Class 5 brewery license.

(ii) A refillable container permit may be renewed each year concurrently with the renewal of the Class 5 brewery license.

(2) The hours of sale for a refillable container permit issued under this subsection are the same as the hours when a guided tour, a promotional event, or other organized activity at the licensed premises authorized under subsection (c) of this section may be conducted. (2017, ch. 813, § 2.)

§ 2-208. Class 6 pub-brewery license.

(a) *Established.* – There is a Class 6 pub-brewery license.

(b) *Authorized holder and premises.* – (1) The license may be issued only to the holder of a Class B beer, wine, and liquor (on sale) license that is issued for use on the premises of a restaurant.

(2) The pub-brewery shall be located immediately adjacent to the restaurant where the malt beverage is to be sold to the public.

(c) *Scope of authorization.* – A license holder:

(1) may brew malt beverages at a single location for consumption on the restaurant premises; but

(2) may not brew more than 2,000 barrels of malt beverage each calendar year.

(d) *Refillable containers - Off-premises consumption.* – (1) A license holder may sell at retail malt beverages for off-premises consumption in a sealed refillable container.

(2) The container:

(i) may be returned for refilling; and

(ii) Shall be sealed by the license holder when refilled.

(3) A license holder may not sell malt beverages to a retail dealer in the State for subsequent sale or distribution of the malt beverage under the retail license.

(e) *Transfer.* – Except for a license transferred to a new location, the license may be transferred under Title 4, Subtitle 3 of this article if an application for the transfer is filed at the same time with the local licensing board and the Comptroller.

(f) *Suspension.* – If the Class B beer, wine, and liquor (on-sale) license of the holder is suspended, the Class 6 pub-brewery license shall be suspended for the same period.

(g) *Termination.* – The license is void if:

(1) the restaurant described in subsection (b)(1) of this section ceases to be operated as a restaurant; or

(2) the Class B beer, wine, and liquor (on-sale) license of the license holder is revoked or transferred to a different location.

(h) *Fee.* – The annual license fee is \$500.

(i) *Reports of total beer production.* (1) On or before October 1 each year, the Comptroller shall report to the Senate Education, Health, and Environmental Affairs Committee and the House Economic Matters Committee, in accordance with § 2-1257 of the State Government Article, the total beer production of each Class 6 license holder in the preceding fiscal year, identified by jurisdiction and license holder.

(2) Each holder of a Class 6 license shall report to the Comptroller the information needed to prepare the annual report required under this subsection..

(3) The Comptroller shall include the information reported under this subsection in the annual report submitted under 1-316 of this article.
(2019, ch. 12 § 11.)

§ 2-209. Class 7 micro-brewery license.

- (a) *Established.* – There is a Class 7 micro-brewery license.
- (b) *Authorized holder.* – Except as provided in Division II of this article, the license may be issued only to the holder of a Class B beer, wine, and liquor (on-sale) license that is issued for use on the premises of a restaurant.
- (c) *Scope of authorization.* – A license holder may:
 - (1) Brew and bottle malt beverages at the location described in the license;
 - (2) Obtain a Class 2 rectifying license for a premises located within 1 mile off the existing Class 7 micro-brewery location to bottle malt beverages brewed at the micro-brewery location only;
 - (3) Contract to brew and bottle malt beverages with and on behalf of the holder of a Class 2 rectifying license, Class 5 brewery license, Class 7 micro-brewery license, Class 8 farm brewery license, or a nonresident dealer's permit;
 - (4) Store the finished product under an individual storage permit or at a licensed public storage facility for subsequent sale and delivery:
 - (i) To a holder of a wholesaler's license;
 - (ii) To an authorized person outside the State; or
 - (iii) For shipment back to the micro-brewery location for sale on the retail premises;
 - (5) Enter into a temporary delivery agreement with a distributor only for delivery of beer to a beer festival or a wine and beer festival, and the return of any unused beer, if:
 - (i) The festival is in a sales territory for which the license holder does not have a franchise with a distributor under the Beer Franchise Fair Dealing Act in Title 5, Subtitle 1 of this article; and
 - (ii) The temporary delivery agreement is in writing;
 - (6) Hold an additional Class 7 micro-brewery license provided that both licenses remain subject to the production limits of subsection (d) of this section; and
 - (7) Subject to subsection (d) of this section, brew and bottle malt beverages at a location listed on a permit issued in accordance with § 2-113 of this title.
- (d) *Limitations – Production.* – (1) Subject to paragraph (2) of this subsection, a license holder may not collectively brew, bottle, or contract for more than 45,000 barrels of malt beverages each calendar year.
 - (2) (i) In determining the barrelage limitation under paragraph (1) of this subsection, any saleable beer produced under a contractual arrangement accrues only to the license holder that owns the brand.
 - (ii) A license holder that wishes to produce more than the barrelage authorized under paragraph (1) of this subsection shall:
 - 1. Divest itself of any retail license; and
 - 2. Obtain a Class 5 brewery license.

- (3) A license holder that has licenses for two locations may not collectively brew, bottle or contract for more than 45,000 barrels of malt beverages in aggregate from both of its locations each calendar year.
- (e) *Limitations – Affiliation and licensure.* – A license holder may:
- (1) May not own, operate, or be affiliated with another manufacturer of beer except for a Class 2 rectifying license authorized under subsection (c)(2) of this section or more than one additional Class 7 micro-brewery license; and
 - (2) May not be granted a wholesaler's license other than a Class 7 limited beer wholesaler's license.
- (f) *On-sale and off-sale privileges.* – (1) The on-sale privilege authorizes the license holder, each calendar year, to sell at retail for on-premises consumption:
- (i) up to 5,000 barrels of beer brewed under the license; or
 - (ii) if the license holder has licenses for two locations, beer that:
 1. totals annually up to 5,000 barrels at each location, and
 2. has been brewed at the location where it is sold.
- (2) A license holder may sell and deliver beer brewed under the license to:
- (i) a holder of a wholesaler's license, or
 - (ii) a person outside the State that is authorized to acquire beer.
- (g) *Hours and days of sale.* - the hours and days for retail sales under the license are established for a Class B license or for the holder of a Class B beer, wine, and liquor license.
- (h) *Refillable containers and prepackaged beer – Off premises consumption.* – A license holder may sell at retail under the license for off-premises consumption:
- (1) in a sealed refillable container that:
 - (i) may be returned for refilling; and
 - (ii) shall be sealed by the license holder when refilled; and
 - (2) as prepackaged beer in a nonrefillable container.
- (i) *Fee.* – The annual license fee is \$500.
- (j) *Reports.* – (1) On or before October 1 each year, the Comptroller shall report to the Senate Education, Health, and Environmental Affairs Committee and the House Economic Matters Committee, in accordance with § 2-1257 of the State Government Title, on the following, identified by jurisdiction and Class 7 license holder:
- (i) the total beer production of the license holder in the preceding calendar year; and
 - (ii) the total sales of the license holder for on-site consumption.
- (2) Each holder of a Class 7 license shall report to the Comptroller the information needed to prepare the annual report required under this subsection.
- (3) The Comptroller shall include the information reported under this subsection in the annual report submitted under § 1-316 of this article. (2019), ch. 12, § 11.)

§ 2-210. Class 8 farm brewery license.

- (a) *Established.* – There is a class 8 farm brewery license.
- (b) *Scope of authorization – In general.* – (1) Subject to paragraph (2) of this subsection, a license holder may sell and deliver beer manufactured in a facility on the licensed farm or in a facility other than one on the licensed farm to:
- (i) a wholesaler licensed to sell and deliver beer in the State; or

(ii) a person in another state authorized to acquire beer.

(2) The beer to be sold and delivered under paragraph (1) of this subsection shall be manufactured with an ingredient from a Maryland agricultural product, including hops, grain, and fruit produced on the licensed farm.

(c) *Scope of authorization – Specific acts.* – A license holder may:

(1) (i) sell beer produced by the license holder for on-site consumption;

(ii) in an amount not to exceed 6 fluid ounces per brand, provide samples of beer that the license holder produces to a customer:

1. at no charge; or

2. for a fee;

(iii) sell or serve:

1. bread and other baked goods;

2. chili;

3. chocolate;

4. crackers;

5. cured meat;

6. fruits (whole and cut);

7. hard and soft cheese (whole and cut);

8. salads and vegetables (whole and cut);

9. ice cream;

10. jam;

11. jelly;

12. vinegar;

13. pizza;

14. prepackaged sandwiches and other prepackaged foods ready to be eaten;

15. soup; and

16. condiments; and

(iv) subject to subsection (e) (2) of this section, sell or serve any food if the license holder is licensed to operate a food establishment under Title 21, Subtitle 3 of the Health – General Article;

(2) store, in a segregated area approved by the Comptroller, beer provided by the license holder for sale and delivery to a wholesaler licensed in the State or a person outside the State authorized to acquire beer;

(3) brew, bottle, or contract for not more than 15,000 barrels of beer per calendar year;

(4) contract with the holder of a Class 2 rectifying license, a Class 5 brewery license, or a Class 7 micro-brewery license to brew and bottle beer from ingredients produced on the licensed farm;

(5) import, export, and transport its beer in accordance with this section;

(6) store, brew, and bottle beer in a facility listed on a permit issued to the license holder in accordance with § 2-113 of this title, for sale and delivery to a wholesaler licensed in the State or a person outside the State authorized to acquire the beer, or shipment back to the licensed farm, if:

(i) the license holder does not serve or sell beer at the warehouse; and

(ii) the Comptroller has access at all times to the warehouse to enforce this article; and

(7) enter into a temporary delivery agreement with a distributor only for delivery of beer to a beer festival or a wine and beer festival, and the return of any unused beer, if:

(i) the festival is in a sales territory for which the license holder does not have a franchise with a distributor under the Beer Franchise Fair Dealing Act in Title 5, Subtitle 1 of this article; and

(ii) the temporary delivery agreement is in writing.

(d) Limitation on brewery location. – (1) A Class 8 farm brewery may be located only at the place stated on the license.

(2) The place listed on the license shall be in compliance with § 1-405(b) of this article.

(e) Preemption of local law; gross receipts ratio requirements. – (1) Except as provided in paragraph (2) of this subsection and notwithstanding any local law, a license holder may exercise the privileges of a Class 8 farm brewery license.

(2) A license holder who sells foods under subsection (c)(1)(iv) of this section shall meet the same ratio of gross receipts between food and alcoholic beverages sales as a holder of a Class D beer and wine license or an equivalent license in the jurisdiction, as the local licensing board determines.

(f) Hours of operation. – Subject to subsections (i) and (j) of this section, a license holder at the location listed on the license may exercise the privileges of the license each day from 10a.m. to 10p.m.

(g) Days of operation. – Except as provided in Division II of this article, a Class 8 farm brewery license allows the license holder to operate 7 days a week.

(h) Section not to limit application of Health – General Article. – Nothing in this section limits the application of relevant provisions of Title 21 of the Health General Article, and regulations adopted under that title, to a license holder.

(i) Multibrewery activity. – (1) A license holder may sponsor a multibrewery activity at the location issued on the license that:

(i) includes the products of other Maryland breweries; and

(ii) provides for the sale of beer by the glass for on-premises consumption only.

(3) In a segregated area approved by the Comptroller at the location listed on the license, a license holder may store the products of other Maryland breweries for the multibrewery activity.

(4) The multibrewery activity:

(i) May be held from 10 a.m. to 10 p.m. each day; and

(ii) May not exceed 3 consecutive days.

(j) Brewery promotional event permit. – (1) The Comptroller may issue a brewery promotional event permit to a license holder.

(2) At least 15 days before holding a planned promotional event, the license shall obtain a permit from the Comptroller by filing a notice of the promotional event on the form that the Comptroller provides.

(3) The permit authorizes the license holder to conduct at the location listed on the license a promotional event at which the license holder may:

(i) provide samples of not more than 6 fluid ounces per brand to customers; and

(ii) sell beer produced by the license holder to persons who participate in the event.

(4) The beer at the event shall be sold by the glass and for on-premises consumption only.

(5) The license holder may not be issued more than 12 permits in a calendar year.

(6) A single promotional event:

(i) may be held from 10 a.m. to 10 p.m. each day; and

(ii) may not exceed 3 consecutive days.

(7) The permit fee is \$25 per event.

(k) *Fee.* – The annual license fee is \$200.

(l) *Reports on total beer production.* – (1) On or before October 1 of each year, the Comptroller shall report to the Senate Education, Health, and Environmental Affairs Committee and the House Economic Matters Committee, in accordance with § 2-1257 of the State Government Article, the total beer production of each Class 8 license holder in the preceding fiscal year, identified by jurisdiction and license holder.

(2) Each holder of a Class 8 license shall report to the Comptroller the information needed to prepare the annual report required under this subsection.

(3) The Comptroller shall include the information reported under this subsection in the annual report submitted under with § 1-316 of this article. (2019, ch. 12, with § 11.)

§ 1-405 Additional licenses.

(a) *Manufacturer's license.* – (1) This subsection does not apply to a Class 6 pub-brewery license.

(2) The holder of a distillery, rectifying, winery, limited winery, brewery, or farm brewery license may apply for and obtain, under a different name, one or more additional distillery, rectifying, winery, limited winery, brewery, or farm brewery licenses for the same or different premises.

(3) (i) The holder of multiple manufacturer's licenses at the same location may allow the sampling, sales, and consumption of products produced under the licenses at each of the licensed premises.

(ii) The additional licenses may be issued to different persons or under trade names used by persons occupying all or part of the same premises.

(4) The additional licenses may be issued to different persons or under trade names used by persons occupying all or part of the same premises.

(5) A holder of a license listed in paragraph (2) of this subsection may hold additional licenses listed in paragraph (2) of this subsection of the same or of a different class.

(6) The holder of a micro-brewery license may apply for and obtain not more than one additional micro-brewery license for another premises.

(b) *Certain holders of manufacturer's licenses eligible for wholesaler's licenses.* – (1) The holder of a rectifying or winery license may apply for and obtain a wholesaler's license of any class for the same premises or elsewhere as provided under this article.

(2) The holder of a Class 4 limited winery license may apply for and obtain a Class 6 limited wine wholesaler's license for the same premises or elsewhere as provided under this article.

(3) (i) The holder of a Class 5 brewery license or Class 7 micro-brewery license may apply for and obtain a Class 7 limited beer wholesaler's license in accordance with this paragraph.

(ii) A holder of a Class 5 brewery license that was selling the holder's own beer at wholesale in the State as of January 1, 2013, may obtain a Class 7 limited beer wholesaler's license to continue to sell the holder's own beer at wholesale in the same location in an amount not more than 3,000 barrels annually.

(iii) A holder of a Class 5 brewery license that produces in aggregate from all its locations not more than 22,500 barrels of beer annually may obtain a Class 7 limited beer wholesaler's license and distribute not more than 3,000 barrels of its own beer annually.

(4) A holder of one or two Class 7 micro-brewery licenses that produces in aggregate from all its locations not more than 22,500 barrels of beer annually may obtain a Class 7 limited beer wholesaler's license and distribute beer that:

- (i) totals annually not more than 3,000 barrels in aggregate from all its locations; and
- (ii) has been brewed at the location from where it is distributed.

(5) The holder of a Class 1 distillery license may apply for and obtain a Class 8 liquor wholesaler's license for the same premises or elsewhere as provided under this article. (An. Code 1957, art. 2B, § 2-201(b); 2016, ch. 41, § 2; chs. 310, 627.)

§ 2-308.1. Class 8 liquor wholesaler's license.

(a) *Established.* – There is a Class 8 liquor wholesaler's license.

(b) *Authorized holder.* – The license may be issued only to a person that:

- (1) holds a Class 1 distillery license; and
- (2) produces in aggregate from all its locations not more than 100,000 gallons of liquor annually.

(c) *Scope of authorization.* – The license authorizes the license holder to:

- (1) sell and deliver its own liquor produced at the license holder's premises to:
 - (i) a holder of a retail license that is authorized to acquire liquor from a wholesaler;

and

- (ii) a holder of a permit license that is authorized to acquire liquor from a wholesaler;

and

- (2) distribute not more than 27,500 gallons of its own liquor annually.

(d) *Fee.* – The annual license fee is \$100.

(e) *Additional location.* – The license holder may use an additional location for the warehousing, sale, and delivery of liquor:

(1) if approved by the Comptroller following the submission of a separate application for each location; and

- (2) on the payment of a \$100 fee for each additional location. (2016, ch. 310.)

§ 2-311. Additional wholesaler's license.

(a) *For licensed wholesalers.* – The holder of a Class 1, Class 2, or Class 3 wholesaler's license may obtain more than one such license provided separate records are kept.

(b) *For licensed manufacturers.* – (1) The holder of a rectifying or winery license may apply for and obtain a wholesaler's license of any class for the same premises or elsewhere as provided under this article.

(2) The holder of a Class 4 limited winery license may apply for and obtain a Class 6 limited wine wholesaler's license for the same premises or elsewhere as provided under this article.

(3) (i) The holder of a Class 5 manufacturer's license or a Class 7 micro-brewery license may apply for and obtain a Class 7 limited beer wholesaler's license in accordance with this paragraph.

(ii) A holder of a Class 5 manufacturer's license that was selling the holder's own beer at wholesale in the State as of January 1, 2013, may obtain a Class 7 limited beer wholesaler's license to continue to sell the holder's own beer at wholesale in the same location in an amount that is not more than 5,000 barrels annually.

(iii) A holder of a Class 5 manufacturer's license that produces in aggregate from all its locations not more than 45,000 barrels of beer annually may obtain a Class 7 limited beer wholesaler's license and distribute not more than 5,000 barrels of its own beer annually.

(iv) A holder of one or two Class 7 micro-brewery licenses that produces in aggregate from all of its locations not more than 45,000 barrels of beer annually may obtain a Class 7 limited beer wholesaler's license and distribute beer that:

(1) totals annually not more than 5,000 barrels in aggregate from all of its locations; and;

(2) has been brewed at the same location from where it is distributed. (An. Code 1957, art. 2B, §§ 2-201(b)(5), 2-301(c); 2016, ch. 41, § 2; 2019, chs. 317, 318.)

Subtitle 5. State Caterer's Licenses.

§ 2-503. Scope of authorization.

(a) *For all State caterer's licenses.* – (1) A general statewide or limited statewide caterer's license authorizes the holder to:

(i) acquire alcoholic beverages:

1. if the holder operates under a retail license that may be annually renewed, through a holder of a wholesaler's license, or

2. except as provided in §§ 25-307, 29-306, 32-306, 32-309(e), and 33-305 of this article, through a licensed retail dealer that has off-sale privileges;

(ii) serve alcoholic beverages at a catered event anywhere in the State to individuals who have attained the legal drinking age on premises that are unlicensed or for which a temporary license has been issued by the local licensing board; and

(iii) except as provided in § 2-504(b)(2) of this subtitle, store unused alcoholic beverages at the holder's principal place of business for use at other catered events.

(2) The holder may sell and serve alcoholic beverages during the hours and days that a holder of a Class B license may operate in the jurisdiction where the catered event is conducted.

(b) *For general statewide caterer's licenses only.* – A general statewide caterer's license authorizes the holder to provide catering services in any jurisdiction in the State.

(c) *For limited statewide caterer's licenses only.* – A limited statewide caterer's license authorizes the holder to provide catering services in not more than three contiguous and designated jurisdictions in the State if the total population of the designated jurisdictions does not exceed 1,000,000, based on the most recent population records of the Maryland Department of Health. (An. Code 1957, art. 2B, § 6-701(c), (d)(2)-(4), (f)(1), (1); 2016, ch. 41, § 2; 2017, ch. 214, § 7.)

§ 2-505. Fees.

(a) *General statewide caterer's license.* – The annual fee for a general statewide caterer's license is \$2,000.

(b) *Limited statewide caterer's license.* – (1) The annual fees for a limited statewide caterer's licenses are:

(i) for designated jurisdictions that have a total population of not more than 300,000, \$750,

(ii) for designated jurisdictions that have a total population of more than 300,000 but less than 600,000, \$1,000,

(iii) for designated jurisdictions that have a total population of at least 600,000, \$1,500.

(2) The fee for a limited statewide caterer's license is based on the most recent population records of the designated jurisdictions in which the applicant or limited statewide caterer's license holder provides catering services, as compiled by the Maryland Department of Health.

(c) *Credit against license fee.* – (1) Subject to paragraph 2 of this subsection, an applicant for a general statewide or limited statewide caterer’s license that holds a retail license that may be annually renewed and a special catering license or that is required to pay an additional fee to provide catering services in the applicant’s jurisdiction is entitled to a credit against the license fee.

(2) The credit may be granted if:

- (i) the credit does not exceed the additional catering fee required to be paid in the jurisdiction; and
- (ii) after the credit is applied against the license fee, at least a \$250 fee remains paid. (An. Code 1957, art. 2B, § 6-701e; 2016, ch. 41, § 2; 2017, ch. 214, § 7.)

Subtitle 6. Revocation and Suspension of State Licenses and Permits.

§ 3-603. Grounds for revocation or suspension.

(a) *Discretionary grounds.* – The Comptroller may revoke or suspend a license or permit:

(1) for any reason to promote the peace or safety of the community in which the premises are located; or

(2) for offenses as provided in this article.

(b) *Mandatory grounds.* – The Comptroller shall revoke a license or permit or, except as provided in § 3-606 of this subtitle, suspend a license or permit for:

(1) conviction of the license holder or permit holder for violation of this article or a provision of the Tax – General Article that relates to the alcoholic beverage tax;

(2) willful failure or refusal of the license holder or permit holder to comply with:

(i) this article or provisions of the Tax – General Article that relate to the alcoholic beverage tax; or

(ii) a regulation adopted under this article or under the provisions of the Tax – General Article that relate to the alcoholic beverage tax;

(3) making a material false statement in an application for a license or permit;

(4) two or more convictions within 2 years of an agent or employee of a license holder or permit holder for on-premises violations of this article or provisions of the Tax – General Article that relate to the alcoholic beverage tax;

(5) on-premises possession by a retail dealer, other than a holder of a Class E, Class F, or Class G license, of an alcoholic beverage on which the tax imposed by § 5-102 of the Tax – General Article has not been paid;

(6) violation of § 2-216 or § 2-315 of this article;

(7) willful failure of a license holder or permit holder to:

(i) keep the records required under this article or under provisions of the Tax – General Article that relate to the alcoholic beverage tax; or

(ii) allow inspections of the records by an authorized person;

(8) on-premises possession of an alcoholic beverage that a license holder or permit holder, other than a holder of a Class E, Class F, or Class G license, is not licensed to sell;

(9) revocation or suspension of a permit issued to a license holder or permit holder by the federal Alcohol and Tobacco Tax and Trade Bureau or for conviction of violating a federal law relating to alcoholic beverages;

(10) failure to furnish bond as required by this article within 15 days after notice from the Comptroller; and

(11) violation of § 3-604 of this subtitle. (An. Code 1957, art. 2B, § 10-401(a)(2)-(4); 2016, ch. 8, § 5; ch. 41, § 2; 2017, ch. 62, § 1.)

§ 4-105. Application on behalf of limited liability company.

(a) *In general.* – (1) A license for the use of a limited liability company shall be applied for and issued to authorized persons of the limited liability company, as individuals.

(2) (i) All of the authorized individuals shall apply for the license, if the limited liability company has fewer than three authorized individuals.

(ii) Three authorized individuals shall apply for the license, if the limited liability company has three or more authorized individuals.

(3) At least one of the authorized individuals shall:

(i) have been a resident of the jurisdiction or municipality for at least 2 years before the application was filed; and

(ii) be a registered voter and tax payer of the jurisdiction or municipality when the application is filed.

(b) *Contents of application.* – An application for a limited liability company license shall include:

(1) the name, address, and signature of each authorized individual to whom the license shall be issued; and

(2) the name and address of the limited liability company. (An. Code 1957, art. 2B, § 9-101(c)(1)(i), (2), (3)(i), (5)(i); 2016, ch. 41, § 2; ch. 228.)

§ 4-109. Required information on application – In general.

(a) *Statements of applicant.* – A license application shall state:

(1) the class of license for which the applicant is applying;

(2) the name and address of the applicant and how long the applicant has resided at that address;

(3) that at least one applicant is a citizen of the United States;

(4) that for the 2 years immediately before filing the application the applicant has been a resident of the jurisdiction in which the applicant proposes to operate under the license for which the applicant is applying;

(5) the age and sex of the applicant;

(6) the birthplace of the applicant, and if the applicant is a naturalized citizen, the date and place the applicant was naturalized;

(7) a description of the place for which the license is sought, including:

(i) the street and number, if practicable, or other description that definitively locates the place, and

(ii) a description of the portion of the building in which the business will be conducted;

(8) the name of the owner of the location where the business to be licensed is to be conducted;

(9) that the applicant has never been convicted of a felony;

(10) whether the applicant has ever been found guilty of violating the law in the State governing the sale of alcoholic beverages or the prevention of gambling;

- (11) whether the applicant has a financial interest in the business to be conducted under the license;
- (12) that the applicant has not had a license for the sale of alcoholic beverages revoked;
- (13) that the applicant or a person on behalf of whom the application is filed does not have a financial interest in any other place of business in the jurisdiction for which an alcoholic beverage license has been applied for or issued;
- (14) whether the applicant has been found guilty of violating a State or federal law;
- (15) whether the applicant has held a license for the sale of alcoholic beverages and, if so, the name of the state and location where the license was held;
- (16) that during the term of the license, a person other than the applicant will not have a financial interest in the license or in the business to be conducted under the license;
- (17) that a manufacturer, brewer, distiller, or wholesaler, directly or indirectly, does not have a financial interest in the premises or business of the applicant;
- (18) that after receipt of the license, the applicant will not convey or grant an interest in the location or business to a manufacturer, brewer, distiller, or wholesaler, except as authorized under this article;
- (19) that, except for the purchase of alcoholic beverages, when applying for the license, the applicant does not have indebtedness or other financial obligations to a manufacturer, brewer, distiller, or wholesaler;
- (20) that after the license is issued, the applicant will not incur, directly or indirectly, indebtedness or other financial obligations other than for the purchase of alcoholic beverages to a manufacturer, brewer, distiller, or wholesaler;
- (21) that, if issued a license, the applicant will conform to all laws and regulations relating to the business in which the applicant proposes to engage.
- (b) *Statements of owner of premises.* – The application shall also include a statement executed and acknowledged by the owner of the location where the business is to be conducted that:
- (1) agrees to the issuance of the license; and
 - (2) authorizes a warrantless inspection and search of the premises at any time in any part of the building in which the business is to be conducted by:
 - (i) the Comptroller;
 - (ii) the local licensing board and its authorized agents and employees; or
 - (iii) a peace officer of the county or municipality where the business is to be located.
- (An. Code 1957, art. 2B, § 10-103(b)(1),(2), (3)(i), (4)(i), (5)-(9)(i), (10)-(13)(i)1, (14)-(17)(i); 2016, ch. 41, § 2, ch. 228.)

Subtitle 2. Issuance or Denial of Local Licenses.

§ 4-203. Prohibition against issuing multiple licenses to individual or for use of entity.

(a) *In General.* – Except as otherwise provided in Division II of this article, Title 3, Title 4, or Title 5 of this division, or subsection (b) of this section, more than one license may not be issued:

- (1) to an individual; or
- (2) for the use of a partnership, a corporation, an unincorporated association, or a limited liability company.

(b) *Licenses issued by different local licensing boards to single license holder.* – (1) A single individual may hold a Class B beer, wine, and liquor licenses or Class BLX or equivalent licenses issued by different local licensing boards only for restaurants, hotels, or motels.

(2) The number of licenses that a single individual may hold is limited only by the cap imposed by each local licensing board on the licenses that the local licensing board issues.

(3) The licenses may be issued for the use of:

(i) the license holder, or

(ii) a partnership, a corporation, an unincorporated association, or a limited liability company.

(c) *Issuance of multiple Class A, C, or D licenses throughout the State.* – Except as otherwise provided in Division II of this article or Title 3, Title 4, or Title 5 of this division, an individual may not be issued in the State more than one Class A, Class C, or Class D license for the use of:

(1) that individual, or

(2) a partnership, a corporation, an unincorporated association, or a limited liability company. (An. Code 1957, art. 2B, §§ 9-102(a)(1), 9-107(a), 2016, ch. 41, § 2, 2017, ch. 306; 2018, ch. 225.)

§ 4-204. Prohibition against issuing multiple licenses for same premises.

(a) *In general.* Except as otherwise provided in Division II of this article and subsection (b) of this section, a local licensing board may not issue more than one license for use at the same premises.

(b) *Exception.* – The prohibition in subsection (a) of this section does not apply to a license issued in accordance with §§ 4-1201 through 12-1205 of this title. (An. Code 1957, art. 2B, § 9-102(a)(2); 2016, ch. 41, § 2; 2018, ch. 12, § 1.)

§ 4-1106. Nonrefillable container permit – Draft beer.

(a) *Established.* – There is a unrefillable container permit.

(b) *Scope of authorization.* – A nonrefillable container permit authorizes the permit holder to sell draft beer for off-premises consumption by packaging the beer in a nonrefillable container that meets the standards set out in subsection (d) of this section.

(c) *Permit term; hours of sale; notice and hearing requirements.* – (1) The term of a nonrefillable container permit is the same as that of the underlying license.

(2) The hours of sale for a nonrefillable container permit are the same as those for the underlying license.

(3) An applicant who holds an underlying license without an off-sale privilege shall meet the same advertising, posting of notice, and public hearing requirements as those for the underlying license.

(d) *Container standards.* – To be used as a nonrefillable container for draft beer under the authority of a nonrefillable container permit, a container shall:

(1) be constructed of aluminum;

(2) be sealable;

(3) have a capacity of 32 ounces;

(4) be branded with the identifying marks of the container; and

(5) bear the federal health warning statement required for the containers of alcoholic beverages under 27 C.F.R. § 16.21 (2017, chs. 317, 318.)

Subtitle 1. Beer Franchise Fair Dealing Act.

§ 5-101. Definitions.

(a) *In general.* – In this subtitle the following words have the meaning indicated.

(b) *Beer distributor.* – “Beer distributor” means a person that imports or causes to be imported into the State, or purchases or causes to be purchased in the State, beer for sale or resale to a retail dealer licensed under this article without regard to whether the business of the person is conducted under a franchise agreement or another form of agreement with a beer manufacturer.

(c) *Beer franchise agreement.* – “Beer franchise agreement” means:

- (1) a commercial relationship between a beer distributor and beer manufacturer that:
 - (i) is of a definite or indefinite duration; and
 - (ii) is not required to be in writing;
- (2) a relationship in which a beer manufacturer grants a beer distributor the right to offer and sell the brands of beer offered by the beer manufacturer;
- (3) a relationship in which a beer distributor, as an independent business, constitutes a component of a beer manufacturer’s distribution system;
- (4) a relationship in which a beer distributor’s business is substantially associated with a beer manufacturer’s brand, advertising, or another commercial symbol that designates the beer manufacturer;
- (5) a relationship in which a beer distributor’s business relies substantially on a beer manufacturer for the continued supply of beer; or
- (6) a written or oral arrangement of definite or indefinite duration in which:
 - (i) a beer manufacturer grants to a beer distributor the right to use a trade name, trademark, service mark, or related characteristic; and
 - (ii) there is a community of interest in the marketing of goods or services at wholesale or retail, by lease, or by another method.

(d) *Beer manufacturer.* – “Beer manufacturer” means:

- (1) a brewer, fermenter, processor, bottler, or packager of beer located in or outside the State; or
- (2) a person located in or outside the State that enters into a beer franchise agreement with a beer distributor doing business in the State;

(e) *Fair market value.* – “Fair market value” means the price at which an asset would change hands between a willing seller and a willing buyer when:

- (1) neither is acting under any compulsion; and
- (2) both have knowledge of all the relevant facts.

(f) *Franchisee.* – “Franchisee” means:

- (1) a beer distributor to whom a beer franchise agreement is granted or offered; or
- (2) a beer distributor that is a party to a beer franchise agreement,

(g) *Franchisor.* – “Franchisor” means a beer manufacturer that:

- (1) enters into a beer franchise agreement with a beer distributor; or
- (2) is a party to a beer franchise agreement.

(h) *Sales territory.* – “Sales territory” means the area of sales responsibility designated by a beer franchise agreement for the brand or brands of beer of a beer manufacturer. (2019, ch. 379.)

§ 5-107. Notice of intent to terminate or refuse to renew beer franchise agreement.

(a) *Scope of section.* This section does not apply to a temporary delivery agreement under § 2-209(c) of this article for a beer festival or a wine and beer festival.

(b) *Notice required.* – (1) Except as provided in subsection (d) of this section, if a franchisor intends to terminate or refuses to renew a beer franchise agreement, the franchisor shall notify the franchisee in writing of its intent:

(i) at least 45 days before the termination or refusal to renew takes effect, for a franchisor that annually produces 20,000 or fewer barrels of beer in aggregate, in conjunction with any affiliate; and

(ii) at least 180 days before the termination or refusal to renew takes effect, for all other franchisors.

(2) The notices required by this section shall state all the reasons for the intended termination or nonrenewal.

(c) *Rectifying deficiency.* – (1) If a deficiency is claimed in the notice provided under subsection (b)(1)(ii) of this section, the franchisee has 180 days to rectify the deficiency.

(2) If the franchisee rectifies the deficiency within 180 days after the notice provided under subsection (b)(1)(ii) of this section is received, the intended termination or nonrenewal of the beer franchise agreement is void.

(d) *Exception.* – The notice requirement of subsection (b) of this section does not apply if the reason for the intended termination or nonrenewal is insolvency, the occurrence of an assignment for the benefit of creditors, or bankruptcy. (2019, ch. 379.)

§ 5-108. Termination or refusal to renew beer franchise agreement without good cause prohibited.

(a) *Scope of section.* – This section does not apply to a temporary delivery agreement under § 2-209(c) of this article for a beer festival or a wine and beer festival.

(b) *In general.* – (1) (i) This paragraph does not apply to a franchisor that annually produces 20,000 or fewer barrels of beer in aggregate, in conjunction with any affiliate.

(ii) Notwithstanding the terms of a beer franchise agreement, a franchisor may not terminate or refuse to continue or renew a beer franchise agreement, or cause a franchisee to resign from a beer franchise agreement, without good cause.

(2) For purposes of paragraph (1) of this subsection, good cause includes the revocation of a franchisee's license to do business in the State. (2019, ch. 373.)

§ 5-109. Termination agreement.

(a) *Applicability of section.* – This section applies only to a franchisor that annually produces 20,000 or fewer barrels of beer in aggregate, in conjunction with any affiliate.

(b) *Terms of agreement.* – (1) § 5-107 of this subtitle, and except as provided in subsection (d) of this section, before termination of or refusal to renew a beer franchise agreement, a franchisor shall enter into a termination agreement with the terminated franchisee.

(2) The termination agreement shall:

(i) compensate the terminated franchisee for the fair market value of the terminated franchise; and

(ii) provide for the repurchase of all the franchisor's beer at an amount equal to the laid-in cost of the franchisee's inventory of the franchisor's products that are in the warehouse or in transit to the franchisee.

(c) *Binding arbitration.* – (1) If an agreement on the compensation authorized under subsection (b)(2)(i) of this section is not reached within 45 days after the franchisor provides the notice required by § 5-

107(b)(1)(i) of this subtitle, the matter shall be submitted to binding arbitration for the purpose of determining the compensation.

(2) The binding arbitration shall:

(i) take place in the State;

(ii) be heard by one arbitrator who shall be appointed in accordance with the commercial arbitration rules; and

(iii) be heard by one arbitrator who shall be appointed in accordance with the commercial arbitration rules; and

(iv) be limited to 45 days, unless otherwise agreed to by the parties.

(3) During the period of arbitration, the beer franchise agreement shall remain in effect and may terminate only on the decision of the arbitrator.

(4) The arbitrator shall be governed by the laws of the State, The Maryland Rules, and the commercial arbitration rules.

(5) In determining the fair market value of the terminated franchise, the arbitrator:

(i) may consider only the period before the franchisor provided the notice required by § 5-107(b)(1)(i) of this subtitle; and

(ii) may not consider any period following the providing of that notice.

(6) The ruling of the arbitrator shall be final and subject to enforcement in the courts of the State.

(7) The cost of the arbitration shall be shared equally by the parties.

(d) *Other method of terminating franchise agreement.* – By written mutual agreement, the franchisor and franchisee may determine another method of terminating the franchise agreement and providing compensation to the terminated franchisee.

(e) *Support and distribution of franchisor's products.* – Until resolution regarding fair market value is reached under subsection (b) or (c) of this section and the terminated franchise has received payment in accordance with the determination of fair market value:

(1) the franchisor and terminated franchisee shall support the franchisor's products to at least the same extent that the products had been previously supported immediately before the franchisor provided the notice required by § 5-107(b)(1)(i) of this subtitle; and

(2) the terminated franchisee shall continue to distribute the products. (2019, ch. 379.)

§ 5-110. Action for violation of subtitle.

(a) *In general.* – (1) A beer distributor or franchisee may bring an action in a court of general jurisdiction to recover damages against a beer manufacturer, franchisor, or franchisee for violation of this subtitle.

(2) If appropriate, the beer distributor or franchisee is entitled to injunctive relief.

(b) *Costs of action.* – In an action for violation of this subtitle, the prevailing beer distributor or franchisee is entitled to the costs of the action including reasonable attorney's fees. (2019, ch. 379.)

Subtitle 3. Prohibited Acts.

Part II. Prohibited Acts by a License Holder.

§ 6-304. Selling or providing alcoholic beverages to individuals under the age of 21 years.

A license holder or an employee or the license holder may not sell or provide alcoholic beverages to an individual under the age of 21 years. (An. Code 1957, art. 2B, § 12-108(a)(1)(i), (b)(1), (c)(2); 2016, ch. 41, § 2.)

§ 6-305. Proof of age for sale of alcoholic beverages.

A license holder or an employee of the license holder may accept as proof of an individual's age:

- (1) if the individual is a resident of the State, the individual's driver's license or identification card as provided for in the Maryland Vehicle Law;
- (2) a United States military identification card; or
- (3) the individual's electronic credential issued by the Motor Vehicle Administration under Title 16, Subtitle 10 of the Transportation Article. (An. Code 1957, art. 2B, § 12-108(a)(3)(ii); 2016, ch. 41, § 2; 2019, ch. 142.)

§ 6-311. Restrictions on purchases and sales by retail dealer.

(a) *Scope of section.* – This section does not apply to a holder of a Class E, Class F, or Class G license:

(b) *Prohibited.* – A retail dealer may not:

- (1) purchase any alcoholic beverage except from a licensed manufacturer or wholesaler, private bulk sale permit holder, or nonresident winery permit holder;
- (2) sell any alcoholic beverages to any other retail dealer except the holder of a Class C per diem beer, beer and wine, or beer, wine, and liquor license; or
- (3) keep or allow to be kept any alcoholic beverage on the licensed premises except those that have been purchased by the retail dealer. (An. Code 1957, art. 2B, § 12-107(a); 2016, ch. 41, § 2; 2018, ch. 12, § 1.)

Part III. Prohibited Acts by Individual Consumer.

§ 6-320. Disorderly intoxication.

(a) *Prohibited.* – An individual may not:

- (1) be intoxicated and endanger the safety of another individual or property; or
- (2) be intoxicated or consume an alcoholic beverage in a public place and cause a disturbance.

(b) *Penalty.* – A person who violates this section is guilty of a misdemeanor and on conviction is subject to imprisonment not exceeding 90 days or a fine not exceeding \$100 or both. (An. Code 1957, art. 2B, §§ 19-101(a), 19-102; 2016, ch. 41, § 2.)

§ 6-321. Consumption of alcoholic beverages in public.

(a) *"Public property" defined.* – In this section, "public property" includes property that is:

- (1) a structure, road, parking area, or grounds; and
- (2) located on land owned, leased, or operated by:
 - (i) the State;
 - (ii) a county;
 - (iii) a municipality;
 - (iv) the Washington Suburban Sanitary Commission;
 - (v) the Maryland -National Capital Park and Planning Commission;
 - (vi) the Montgomery County Revenue Authority; or
 - (vii) the Washington Metropolitan Area Transit Authority.

(b) *Prohibited.* – (1) Except as provided in paragraphs (2) and (3) of this subsection, an individual may not consume an alcoholic beverage:

- (i) on public property;
- (ii) on the mall, adjacent parking area, or other outside area of a shopping center;

- (iii) on an adjacent parking area or other outside area of any other retail establishment; and
- (iv) in a parked vehicle located in an area described under item (i), (ii), or (iii) of this paragraph.
- (2) An individual may consume an alcoholic beverage on:
 - (i) public property if authorized by the governmental entity that has authority over the property; or
 - (ii) private property described under paragraph (1)(i) through (iv) of this subsection if authorized by the owner of the property.
- (3) If the owner or operator of a motor home or chartered bus has consented to the consumption of the alcoholic beverages, paragraph (1) of this subsection does not apply to passengers:
 - (i) in the living quarters of a motor home equipped with a toilet and central heating; or
 - (ii) of a chartered bus in transit.
- (c) *Penalty.* – (1) A violation of this section is a Code violation and a civil offense.
- (2) A person who violates this section:
 - (i) shall be issued a citation under § 10-119 of the Criminal Law Article; and
 - (ii) is subject to a fine not exceeding \$100. (An. Code 1957, art. 2B, §§ 19-201(a), 19-202, 19-204(a); 2016, ch. 41, § 2; 2019, ch. 578.)

§ 6-322. Possession of open container.

- (a) *Prohibited.* – (1) Except as provided in paragraph (2) of this subsection, an individual may not possess an alcoholic beverage in an open container while:
 - (i) on the mall, adjacent parking area, or other outside area of a shopping center,
 - (ii) on an adjacent parking area or other outside area of any other retail establishment, or
 - (iii) in a parked vehicle located in an area described under item (i) or (ii) of this paragraph.
- (2) An individual may possess an alcoholic beverage in an open container on private property described under paragraph (1) of this subsection if the individual is authorized by the owner of the establishment.
- (b) *Penalty.* – (1) A violation of this section is a Code violation and a civil offense.
- (2) A person who violates this section:
 - (i) shall be issued a citation under § 10-119 of the Criminal Law Article; and
 - (ii) is subject to a fine not exceeding \$100. (An. Code 1957, art. 2B, §§ 19-301(b), 19-302(a); 2016, ch. 41, § 2; 2019, ch. 578.)

Part IV. Other Prohibited Acts.

§ 6-326. Sale of alcoholic beverages in powder or crystalline form prohibited.

- (a) *Prohibited.* – A person may not sell or offer for sale alcoholic beverages that are sold in powder or crystalline form for direct use or use in combination with water or any other substance.
- (b) *Penalty.* – (1) A person who violates this section is guilty of a misdemeanor and on conviction, is subject to a fine not exceeding \$1,000.
- (2) Each violation of this section is a separate offense. (2016, ch. 564, § 2; 2018, ch. 224.)

§ 6-327. Unlicensed out-of-state sale of alcoholic beverages.

- (a) *Prohibited.* – (1) A person in the business of selling or distributing alcoholic beverages in or from another state may not ship, cause to be shipped, or deliver alcoholic beverages directly to a recipient in the State if the seller, distributor, shipper, transporter, or recipient does not hold the required license or permit.
- (2) The prohibition under paragraph (1) of this subsection applies to alcoholic beverages ordered or purchased through a computer network.

(b) *Penalty.* – A person who violates this section is guilty of a felony and on conviction is subject to imprisonment not exceeding 2 years or a fine not exceeding \$1,000 or both. (An. Code 1957, art. 2B, § 16-506.1; 2016, ch. 41, § 2; ch. 564, § 1.)

§ 6-328. Tax evasion.

(a) *Prohibited.* – A person may not:

(1) knowingly or willfully possess, transport, sell, offer for sale, or, on the person's property, store or authorize storage of an alcoholic beverage on which the tax imposed by the Tax – General Article has not been paid;

(2) evade a tax imposed on an alcoholic beverage under the Tax – General Article;

(3) counterfeit a stamp or certificate required under this article or the Tax – General Article;

(4) violate a regulation that the Comptroller adopts under this article or the Tax – General Article.

(b) *Penalty.* – A person who violates this section is guilty of a misdemeanor and on conviction is subject to imprisonment not exceeding 5 years or a fine not exceeding \$10,000 or both. (An. Code 1957, art. 2B, § 16-506; 2016, ch. 41, § 2; ch. 564, § 1.)

§ 6-329. Destruction of evidence.

(a) *Prohibited.* (1) A person may not remove or destroy or cause to be removed or destroyed property that has been seized under:

(i) this article; or

(ii) the provisions of the Tax – General Article relating to the tax on alcoholic beverages.

(2) A person may not prevent or attempt to prevent the seizure of property by:

(i) pouring out the contents of the property;

(ii) breaking or destroying the property;

(iii) removing the property from the property;

(iv) otherwise disposing of the property;

(b) *Fluid presumed to be alcoholic beverage.* – When a premises, place, or thing is being searched or about to be searched, any fluid poured out or otherwise disposed of by a person in violation of subsection (a) of this section is prima facie evidence that the fluid is an alcoholic beverage and intended for sale or other use in violation of this article or the Tax – General Article. (An. Code 1957, art. 2B, § 1-201(g); 2016, ch. 41, § 2; ch. 564, § 1.)

§ 6-330. Perjury.

(a) *Prohibited.* – A person may not make a false statement when taking an oath or in any of the following documents required under this article:

(1) a signed statement;

(2) a report; or

(3) an affidavit.

(b) *Penalty.* – A person who violates this section is guilty of the misdemeanor of perjury and on conviction is subject to the penalty stated under § 9-101 of the Criminal Law Article. (An. Code 1957, art. 2B, § 16-501; 2016, ch. 41, § 2; ch. 564, § 1.)

DIVISION II.

PROVISIONS AFFECTING INDIVIDUAL JURISDICTIONS.

Title 9.

Allegany County.

Subtitle 1. Definitions; General Provisions.

§ 9-101. Definitions.

(a) *In general.* – In this title.

(1) except as provided in subsection (c) of this section, the definitions in § 1-101 of this article apply without exception or variation; and

(2) the following words have the meanings indicated.

(b) *Board.* – “Board” means the Board of License Commissioners for Allegany County.

(c) *Club.* – The Board shall determine whether an establishment meets the definition of a “club” under § 1-101 of this article.

(d) *County.* – “County” means Allegany County.

(e) *Light wine.* – “Light wine” means wine that contains not more than 15.5% alcohol by volume. (An. Code 1957, art. 2B, §§ 1-102(a)(4)(ii), 4-101(a), (b); 2016, ch. 41, § 2.)

§ 9-102. Scope of title.

This title applies only in Allegany County. (2016, ch. 41, § 2.)

Subtitle 4. Manufacturer's Licenses.

§ 9-401. Application of general provisions.

(a) *Without exception or variation.* – The following sections of Title 2, Subtitle 2 (“Manufacturer’s Licenses”) of Division I of this article apply in the county without exception or variation:

- (1) § 2-201 (“Issuance by Comptroller”);
- (2) § 2-202 (“Class 1 distillery license”);
- (3) § 2-203 (“Class 9 limited distillery license”);
- (4) § 2-204 (“Class 2 rectifying license”);
- (5) § 2-205 (“Class 3 winery license”);
- (6) § 2-206 (“Class 4 limited winery license”);
- (7) § 2-207 (“Class 5 brewery license”);
- (8) § 2-210 (“Class 8 farm brewery license”);
- (9) § 2-211 (“Residency requirement”);
- (10) § 2-212 (“additional Licenses”);
- (11) § 2-213 (“Additional fees”);
- (12) § 2-214 (“Sale or delivery restricted”);
- (13) § 2-215 (“Beer sale on credit or retail restricted”);
- (14) § 2-216 (“Interaction between manufacturing entities and retailers”);
- (15) § 2-217 (“Distribution of alcoholic beverages – Prohibited practices”); and

- (16) § 2-218 (“Restrictive agreements between producers and retailers – Prohibited”).
- (b) *Exceptions.* – Section 2-208 (“Class 6 pub-brewery license”) does not apply in the county:
- (c) *Variation.* – Section 2-209 (“Class 7 micro-brewery license”) of Division 1 of this article applies in the county, subject to § 9-43 of this subtitle. (An. Code 1957, art. 2B, §§ 2-202.1(b)(2), 2-207(a)(4)(i); 2016, ch. 8, § 5; ch. 41, § 2; ch. 308.)

Subtitle 9. Beer, Wine, and Liquor Licenses.

§ 9-905. Class L beer, wine, and liquor license.

- (a) *Established.* – There is a Class L beer, wine, and liquor license.
- (b) *Authorized holder.* – The Board may issue the license to the holder of a manufacturer’s license.
- (c) *Scope of authorization.* – The license authorizes the license holder, for on-premises consumption, to:
- (1) sell beer, wine, and liquor produced by the holder or another holder of a manufacturer’s license; and
- (2) provide a sample of the beer, wine, or liquor that is authorized under item (1) of this subsection at no cost.
- (d) *Hours of sale.* – The hours of sale for a Class L beer, wine, and liquor license are the same as those for the underlying manufacturer’s license.
- (e) *Fee.* – The annual license fee is \$250. (2019, ch. 699, § 2; ch. 700, § 2.)

Subtitle 10. Licenses for Specific Types of Organizations and Venues.

§ 9-1001.1. Class B-TM beer, wine, and liquor license.

- (a) *Established.* – There is a Class B-TM (theater/museum) beer, wine, and liquor license.
- (b) *Authorized holder.* – The Board may issue the license for the use of a theater/museum that has a ballroom with seating for a maximum of 300 individuals per event.
- (c) *Scope of license.* – The license authorizes the license holder to sell at retail beer, wine, and liquor for on-premises consumption and in conjunction with:
- (1) a regular exhibit opening; or
- (2) a fund-raising event for the benefit of the theater/museum.
- (d) *Hours and days of sale.* – the license holder may sell beer, wine, and liquor for on-premises consumption on Sunday through Saturday beginning 2 hours before the exhibit opening or event, during the exhibit opening or event, and for 2 hours after the end of the exhibit opening or event.
- (e) *President and two other officers.* – (1) A license on behalf of the theater/museum shall be applied for and issued to the president and two other officers of the theater/museum.
- (2) At least two of the applicants shall be residents of the county.
- (f) *Fee.* – The annual fee for the license is \$350. (2018, chs. 163, 164.)

Subtitle 13. Temporary Licenses.

Part II. Festival, Sampling, and Tasting Licenses.

§ 9-1304. Class D (on-sale) beer and wine Arts and Entertainment District license.

- (a) *Established.* – There is a Class D (on-sale) beer and wine Arts and Entertainment District license.
- (b) *Authorized holder.* – The Board may issue the license to a for-profit festival promoter.

(c) *Scope of authorization.* – (1) The license authorizes the holder to exercise any of the privileges conferred by the license at an entertainment event that is held in an arts and entertainment district in the county:

(2) During the event for which the license is issued, an individual, within the approved event area in the arts and entertainment district and with a designated container unique to the event, may:

(i) purchase beer or wine from the license holder, or purchase beer or wine from, and consume on the premises of, any other license holder with on-sale privileges within the approved event area;

(ii) transport the beer or wine in the designated container to the premises of another license holder with on-sale privileges within the approved event area; and

(iii) consume that beer or wine within the approved event area, including the premises of any license holder with on-sale privileges.

(d) *Application.* – (1) An applicant for the license shall submit an application under oath on the form that the Board provides.

(2) Subtitles 14 and 15 of this title do not apply to an applicant for the license.

(e) *Wristband.* – (1) The license holder:

(i) at the entertainment event for which the license is issued shall distribute a wristband to each individual who is at least 21 years old, and

(ii) may not serve beer or wine to an individual who does not wear a wristband.

(2) A person who violates this subsection is subject to:

(i) for a first offense, a fine of \$250, and

(ii) for a second offense, a fine not exceeding \$1,000 and denial of further applications for a Class D (on-sale) beer and wine Arts and Entertainment District license.

(f) *Holding of another license allowed.* – The license holder may hold another license of a different class or nature.

(g) *Time period.* – The license:

(i) may be used for a maximum of 3 consecutive days, and

(ii) May not be issued to an individual for-profit festival promoter more than once in a calendar year.

(h) *Fee.* – The license fee is \$500 per day. (2019, ch. 699, § 2, ch. 700, § 2.)

§ 9-1304.1 Beer and wine festival license.

(a) *Established.* – (1) There is a beer and wine festival license.

(2) The Board may issue one festival license each year.

(b) *Authorized holder.* – The Board may issue the license to a holder of a retail license, Class 3 winery license, or a Class 4 limited winery license.

(c) *Scope of authorization.* – The license authorizes the holder to display and sell:

(1) wine that is:

(i) manufactured and processed in any state; and

(ii) distributed in the State when the license application is filed, or

(2) beer that is brewed by a brewer:

(i) that brews less than 60,000 barrels of beer annually; and

(ii) whose product is distributed in the State when the license application is filed.

(d) *Time and conditions of display and sale.* – A license holder shall display and sell beer and wine:

(1) at retail for on- and off-premises consumption; and

(2) during the hours and days designated for the festival.

(e) *Time, location, and focus of festival.* – The Board:

(1) each year may choose 1 weekend, Friday through Sunday inclusive, for the festival;

(2) may not choose the weekend selected for the Maryland Wine Festival in Carroll County;

- (3) shall choose a location that is not already licensed; and
- (4) shall ensure that the primary focus of the festival is the promotion of Maryland beer and wine.
- (f) *Holding another license is allowed.* – The license holder may hold another license of a different class or nature.
- (g) *Invoicing and delivery.* – Beer and wine displayed and sold shall be:
 - (1) invoiced to the license holder by a wholesaler, Class 3 winery, or Class 4 limited winery; and
 - (2) delivered to the festival from the licensed premises of the wholesaler, Class 3 winery, or Class 4 limited winery.
- (h) *Delivery agreement.* – A holder of a wholesale, Class 3 winery, or Class 4 limited winery license may enter into an agreement with the license holder to:
 - (1) deliver beer and wine not earlier than 2 days before the effective date of the license; and
 - (2) accept returns no later than 2 days after the expiration date of the license.
- (i) *Fee.* – The Board may set the license fee.
- (j) *Regulation.* – The Board shall adopt regulations to carry out this section. (An. Code 1957, art. 2B, § 8-301(c)-(i); 2016, ch. 41, § 2; 2019, ch. 699, § 1; ch. 700, § 1.)

Subtitle 19. Conduct of license holders.

§ 9-1902. Employment of underage individuals.

- (a) *For general purpose of employment.* – A license holder may employ an individual between the ages of 18 and 21 years.
- (b) *Individuals at least 18 years old.* – To be allowed to sell beer, light wine, and liquor, an individual shall be at least 18 years old. (An. Code 1957, art. 2B, § 12-201(b); 2016, ch. 41, § 2; ch. 69.)

Subtitle 20. Hours and Days for Consumption and Sale.

§ 9-2002. Beer licenses.

- (a) *Class A beer license.* – (1) Except as provided in § 9-2005 of this subtitle for December 31 and January 1, a holder of a Class A beer license may sell beer:
 - (i) on Monday through Saturday from 7a.m. to 2a.m. the following day; and
 - (ii) on Sunday from 11a.m. to 2a.m. the following day if the holder:
 - (1) pays an additional fee of \$250; or
 - (2) is issued a 2-day Sunday sales permit in accordance with paragraph (2) of this subsection.
- (2) (i) The Board may issue a 2-day Sunday sales permit to a holder of a Class A beer license.
- (ii) An applicant for a 2-day Sunday sales permit need not have kitchen facilities on the licensed premises.
- (iii) A 2-day Sunday sales permit authorizes the holder to sell beer for off-premises consumption on not more than two Sundays in a year from 11a.m. to 2a.m. the following day.
- (iv) The permit fee is \$50 for each time the permit is used.
- (b) *Class B beer license.* – Reserved.
- (c) *Class C beer license.* – (1) Except as provided in § 9-2005 of this subtitle for December 31 and January 1, a holder of a Class C beer license may sell beer:
 - (i) on Monday through Saturday, for on-premises and off-premises consumption, from 7a.m. to 2a.m. the following day; and
 - (ii) on Sunday, for on-premises and off-premises consumption, from 11a.m. to 2a.m. the following day if the holder:
 - (1) pays an additional fee of \$250; or

- (2) is issued a 2-day Sunday sales permit in accordance with paragraph (2) of this subsection.
- (2) (i) The Board may issue a 2-day Sunday sales permit to a holder of a Class C beer license.
- (ii) An applicant for a 2-day Sunday sales permit need not have kitchen facilities on the licensed premises.
- (iii) A 2-day Sunday sales permit authorizes the holder to sell beer for on-premises and off-premises consumption on not more than two Sundays in a year from 11 a.m. to 2 a.m. the following day.
- (iv) The permit fee is \$50 for each time the permit is used.
- (d) *Class D beer license.* (1) Except as provided in § 9-2005 of this subtitle for December 31 and January 1, a holder of a Class D beer license may sell beer:
- (i) on Monday through Saturday, for on-premises and off-premises consumption, from 7 a.m. to 2 a.m. the following day;
- (ii) on Sunday, for on-premises and off-premises consumption, from 11 a.m. to 2 a.m. the following day if the holder pays an additional fee of \$250; or
- (iii) in accordance with a 2-day Sunday sales permit issued under paragraph (2) of this subsection.
- (2) (i) The Board may issue a 2-day Sunday sales permit to a holder of a Class D beer license.
- (ii) An applicant for a 2-day Sunday sales permit need not have kitchen facilities on the licensed premises.
- (iii) A 2-day Sunday sales permit authorizes the holder to sell beer for on-premises and off-premises consumption on not more than two Sundays in a year from 11 a.m. to 2 a.m. the following day.
- (iv) The permit fee is \$50 for each time the permit is used. (An. Code 1957, art. 2B, § 11-501(a)-(c); 2016, ch. 41, § 2; chs. 286, 588, 589; 2017, ch. 145.)

§ 9-2003. Beer and light wine licenses.

- (a) *Class A beer and light wine licenses.* – (1) Except as provided in § 9-2005 of this subtitle for December 31 and January 1, a holder of a Class A beer and light wine license may sell beer and light wine:
- (i) on Monday through Saturday from 7 a.m. to 2 a.m. the following day; and
- (ii) on Sunday from 11 a.m. to 2 a.m. the following day if the holder:
- (1) pays an additional fee of \$250; or
- (2) is issued a 2-day Sunday sales permit in accordance with paragraph (2) of this subsection.
- (2) (i) The Board may issue a 2-day Sunday sales permit to a holder of a Class A beer and light wine license.
- (ii) An applicant for a 2-day Sunday sales permit need not have kitchen facilities on the licensed premises.
- (iii) A 2-day Sunday sales permit authorizes the holder to sell beer and light wine for off-premises consumption on not more than two Sundays in a year from 11 a.m. to 2 a.m. the following day.
- (iv) The permit fee is \$50 for each time the permit is used.
- (b) *Class B beer and light wine license.* – Reserved.
- (c) *Class C beer and light wine license.* – (1) Except as provided in § 9-2005 of this subtitle for December 31 and January 1, a holder of a Class C beer and light wine license may sell beer and light wine:
- (i) on Monday through Saturday, for on-premises and off-premises consumption, from 7 a.m. to 2 a.m. the following day; and
- (ii) on Sunday, for on-premises and off-premises consumption, from 11 a.m. to 2 a.m. the following day if the holder:
- (1) pays an additional fee of \$250; or
- (2) is issued a 2-day Sunday sales permit in accordance with paragraph (2) of this subsection.
- (2) (i) The Board may issue a 2-day Sunday sales permit to a holder of a Class C beer and light wine license.

(ii) An applicant for a 2-day Sunday sales permit need not have kitchen facilities on the licensed premises.

(iii) A 2-day Sunday sales permit authorizes the holder to sell beer and light wine for on-premises consumption and off-premises consumption on not more than two Sundays in a year from 11 a.m. to 2 a.m. the following day.

(iv) The permit fee is \$50 for each time the permit is used. (An. Code 1957, art. 2B, § 11-501(a)-(c); 2016, ch. 41, § 2; chs. 286, 588, 589; 2017, ch. 145.)

§ 9-2004. Beer, wine, and liquor licenses.

(a) *Class A beer, wine, and liquor licenses.* – (1) Except as provided in § 9-2005 of this subtitle for December 31 and January 1, a holder of a Class A beer, wine, and liquor license may sell beer, wine, and liquor for off-premises consumption:

(i) on Monday through Saturday from 7 a.m. to 2 a.m. the following day; and

(ii) on Sunday from 11 a.m. to 2 a.m. the following day if the holder:

(1) pays an additional fee of \$250; or

(2) is issued a 2-day Sunday sales permit in accordance with paragraph (2) of this subsection.

(2) (i) The Board may issue a 2-day Sunday sales permit to a holder of a Class A beer, wine, and liquor license.

(ii) An applicant for a 2-day Sunday sales permit need not have kitchen facilities on the licensed premises.

(iii) A 2-day Sunday sales permit authorizes the holder to sell beer, wine, and liquor for off-premises consumption on not more than two Sundays in a year from 11 a.m. to 2 a.m. the following day.

(iv) The permit fee is \$50 for each time the permit is used.

(b) *Class B beer, wine, and liquor license.* – (1) Except as provided in § 9-2005 of this subtitle for December 31 and January 1, a holder of a Class A beer, wine, and liquor license may sell beer, wine, and liquor:

(i) on Monday through Saturday, for on-premises or off-premises consumption, from 7 a.m. to 2 a.m. the following day; and

(ii) on Sunday, for on-premises or off-premises consumption, from 11 a.m. to 2 a.m. the following day if the holder:

(1) pays an additional fee of \$250;

(2) is issued the license for use in a restaurant in a permanent building with ample space and accommodations where meals are usually prepared, sold, or served to the public when the restaurant is regularly open for business; or

(3) is issued a 2-day Sunday sales permit in accordance with paragraph (2) of this subsection.

(2) (i) The Board may issue a 2-day Sunday sales permit to a holder of a Class B beer, wine, and liquor license, including a Class B beer, wine, and liquor license issued for use in a restaurant or banquet room in a hotel or motel.

(ii) An applicant for a 2-day Sunday sales permit need not have kitchen facilities on the licensed premises.

(iii) A 2-day Sunday sales permit authorizes the holder to sell beer, wine, and liquor for on-premises and off-premises consumption on not more than two Sundays in a year from 11 a.m. to 2 a.m. the following day.

(iv) The permit fee is \$50 for each time the permit is used.

(c) *Class C beer, wine, and liquor license.* – (1) Except as provided in § 9-2005 of this subtitle for December 31 and January 1, a holder of a Class C beer, wine, and liquor license may sell beer, wine, and liquor:

(i) on Monday through Saturday, for on-premises and off-premises consumption, from 7a.m. to 2a.m. the following day; and

(ii) on Sunday, for on-premises and off-premises consumption, from 11a.m. to 2a.m. the following day if the holder:

(1) pays an additional fee of \$250; or

(2) is issued a 2-day Sunday sales permit in accordance with paragraph (2) of this subsection.

(2) (i) The Board may issue a 2-day Sunday sales permit to a holder of a Class C beer, wine, and liquor license.

(ii) An applicant for a 2-day Sunday sales permit need not have kitchen facilities on the licensed premises.

(iii) A 2-day Sunday sales permit authorizes the holder to sell beer, wine, and liquor for on-premises consumption and off-premises consumption on not more than two Sundays in a year from 11a.m. to 2a.m. the following day.

(iv) The permit fee is \$50 for each time the permit is used.

(d) *Class D beer, wine, and liquor license.* – (1) Except as provided in § 9-2005 of this subtitle for December 31 and January 1, a holder of a Class D beer, wine, and liquor license may sell beer, wine, and liquor:

(i) on Monday through Saturday, for on-premises and off-premises consumption, from 7a.m. to 2a.m. the following day; and

(ii) on Sunday, from 11a.m. to 2a.m. the following day if the holder pays an additional fee of \$250; or

(iii) in accordance with a 2-day Sunday sales permit issued under paragraph (2) of this subsection.

(2) (i) The Board may issue a 2-day Sunday sales permit to a holder of a Class D beer, wine, and liquor license.

(ii) An applicant for a 2-day Sunday sales permit need not have kitchen facilities on the licensed premises.

(iii) A 2-day Sunday sales permit authorizes the holder to sell beer, wine, and liquor for on-premises and off-premises consumption on not more than two Sundays in a year from 11a.m. to 2a.m. the following day.

(iv) The permit fee is \$50 for each time the permit is used. (An. Code 1957, art. 2B, § 11-501(a)-(c); 2016, ch. 41, § 2; chs. 286, 588, 589; 2017, ch. 145.)

§ 9-2005. Hours for December 31 and January 1.

The Board shall determine the hours of sale for December 31 and January 1, regardless of the days of the week on which those days fall. (An. Code 1957, art. 2B, § 11-402(b)(2); 2016, ch. 41, § 2.)

Subtitle 27. Prohibited Acts.

§ 9-2704. Selling or providing alcoholic beverages to habitual drunkard.

(a) *“Knowingly” defined.* – In this section, “knowingly” means the knowledge a reasonable individual would have under ordinary circumstances based on the habits, appearance, or personal reputation of an individual.

(b) *Prohibited.* – A license holder or an employee of a license holder may not knowingly sell or provide an alcoholic beverage to a habitual drunkard.

(c) *Penalty.* – A license holder who violates this section is guilty of a misdemeanor and on conviction is subject to imprisonment not exceeding 2 years or a fine not exceeding \$1,000 or both. (An. Code 1957, art. 2B, § 12-110(a), (b); 2016, ch. 41, § 2; 2018, chs. 305, 306.)

ALLEGANY COUNTY BOARD OF LICENSE COMMISSIONERS
RULES AND REGULATIONS FOR THE CONDUCT OF BUSINESS

1. Hours of Sale.

Alcoholic beverages may be sold in licensed establishments between the hours of 7 a.m. and 2 a.m. the following day, except that:

- (a) Alcoholic beverages may be sold on Sunday between the hours of 11 a.m. and 2 a.m., with Special Permit; and
- (b) Beverages may be sold on December 31 and January 1 at such times, and under such conditions, as the Board may determine. (Subsection 91. Art. 2B).

2. Clearing Tables, Etc.

All bars, tables and other areas of any licensed establishment must be cleared of bottles, glasses or other containers used in the sale and consumption of alcoholic beverages by 2: 00 a.m.

3. Entertainment.

All music or other entertainment of any kind of description must end at 1:00 a.m.

4. Noise.

Disturbance of the Neighborhood

- (1) Excessive noise emanating from licensed premises is prohibited.
- (2) The Board of License Commissioners may regulate the time and noise level of the playing of mechanical music boxes, live music, and sound making devices that are used on the licensed premises where the sound disturbs the peace, tranquility, safety, and/or health of the surrounding neighborhood.

5. Sales or furnishing alcoholic beverages to intoxicated persons.

No license holder, his/her clerks, agents, employees or servants shall sell or servants shall sell any alcoholic

Beverages to any intoxicated person, any person under the influence of narcotic drugs, or any person acting in a disorderly manner

6. Licensees to Own His Own Business.

- (a) No licensee shall lease his business to another operator.
- (b) No licensee shall be employed by, or work on the premises, of another licensee.
- (c) Corporations and LLC must have at least one Allegany County resident on the license.
- (d) Licensees of any individual business, company or corporation cannot own stock, be an officer, employee or licensee of another individual business, company or corporation which other individual business, company or corporation holds an alcoholic beverage license.
- (e) No person may be a stock-holder or own stock or be officer or be a licensee in a corporation or club who has been convicted of a felony without the approval of the Board.

7. Display of License.

Every license holder shall at all times display his license in a suitable frame under glass, placed on the wall in the main room of his licensed establishment in full view of the public, along with a copy of the Alcohol Awareness Certificate certified by law. (Subsection 130).

8. Record of Employees.

All license holders shall keep on their premises a record containing the names, addresses and ages of all persons employed by them on said premises.

9. Alcoholic Beverages Containers/refilling or Tampering

- A. No licensee, his/her clerks, agents, employees or servants shall reuse or refill any bottle or container of alcoholic beverages; nor shall any licensee adulterate, dilute, or fortify the contents of any such bottle or container.
- B. Consumption of alcoholic beverages on "off sale" license holder premises is prohibited. No licensee, his/her clerks, agents, employees or servants shall permit any person to consume or open any alcoholic beverages on the licensed premises nor any other portion of the property of the establishment, including parking areas adjacent to the licensed establishment.

10. Sales to Minors

No license holder, his/her clerks, agents, employees or servants shall sell any alcoholic beverages to anyone under the age of 21. The licensee shall have full responsibility to determine with reasonable certainty, that the person to whom the sale is made is 21 years old or older. In disciplinary proceedings, it shall be no defense that a clerk, agent, employee or servant of the establishment acted contrary to orders or that a licensee did not participate in the violating action or actions.

11. Rules and Regulations for Minors on a Licensed Premise.

- (a) *Minors on a licensed premises; under 21 years of age.* - Holders of a Class C, D, or A license shall not permit anyone under the age of 21 on a licensed premises unless accompanied by a parent or legal guardian.
 - (1) Minors from the age 18 to 21 can be on the premises without a parent or legal guardian only under the following conditions:
 - (i) For the purpose of purchasing food.
 - (ii) Performing as a musician or providing entertainment.
 - (iii) For the purpose of employment, or to serve or sell beer, wine, and/or liquor, effective 7/1/2017
 - (2) In no case shall anyone under the age of 21 be permitted to loiter upon or about the licensed premises.
- (b) *Minors on a licensed premises for a special function; under 21.* - Holders of Class C or D License shall permit anyone under the age of 21 on a licensed premises, only during a special function providing:
 - (1) Alcoholic beverages cannot be sold or served.
 - (2) Alcoholic beverages cannot be present in the room where the function is being held.
 - (3) The sponsor of the function shall provide adult supervision.
 - (4) All events must stop no later than 11:00 p.m., Sunday through Thursday.
 - (5) All events must stop no later than 12:00 midnight, Friday and Saturday.
 - (6) The Board of License Commissioner's Office must be notified 5 days prior to the event.

12. Notices to be posted on premises.

- (a) In establishments licensed for the sale of beer only, or beer and wine only, there shall be

posted in at least four (4) conspicuous places on the premises, notices or signs on suitable heavy paper, measuring at least 8 1/2 by 10 inches with the following words printed thereon in heavy dark type: **"UNLAWFUL TO DRINK OR EXPOSE LIQUOR UPON THESE PREMISES!"**.

(b) All licensees in Allegany County shall have posted in a conspicuous place, at all times, a notice to the effect that it is unlawful for any minor to misrepresent his age to obtain any alcoholic beverages on the premises.

13. Change of business location or name of applicant.

(a) No license holder shall be permitted to transfer his place of business to another location or change the name of the applicant (as in the case of a club) without the express approval of the Board. Paperwork must be filled with the Board for these transactions.

(b) Before the Board may approve such a change the applicant shall proceed in the manner and procedure required by law pertaining to new and original applications.

(c) Licensees, upon approval by the Board, may transfer a license to another location for **special events, not to exceed three (3) days**. In the event of such transfer, the business or club premises for which the license has been issued must be closed for the duration of the use of the license at such other location. Written explanation must be provided to the Board stating the location, date, and time of the event.

14. Sales limited to specific area of Licensed Premises.

No person shall be permitted to consume or open any alcoholic beverages on the licensed premises of a Class "A" Off Sale, nor any other portion of the property of the establishment, including the parking areas adjacent to the licensed establishment.

(1.) The licensee is prohibited from selling, giving, or otherwise providing any alcoholic beverage in any synthetic container, glass or unsealed bottle, can or container through any drive-in, or walk-up window, which is actually removed from the licensed premises.

(2) The licensee is prohibited from selling, giving, or otherwise providing any patron with the simultaneous sale of any alcoholic beverages:

(a) any synthetic cup or glass except in the original factory unopened packages.

(b) any ice in individual containers

(3) It is unlawful for any licensee or establishment to store or keep any alcoholic beverages except on the premises covered by the license or at a public or government-controlled warehouse having a permit issued under the provisions of Article 2 B of the Annotated Code of Maryland and no alcoholic beverages any be stored in trailers or trucks on or about the licensed premises.

15. Date for filing renewal of applications.

All applications for renewal of licenses must be filed with the Board of License Commissioners between March 1, and March 15, of each year. Each licensee will be provided a schedule for their renewal. That schedule must be followed. Applications will be delivered, but it is the responsibility of the licensee to return the application and to "pick-up" the new license during the specified dates, before May 1st. A late fee of not less than \$50 will be issued to licensees who fail to renew their license on the dates specified.

16. Appeals.

(a) Any licensee, applicant for a license, or group of not less than ten (10) persons who are residents or real estate owners in the district in which a licensed place of business is located or proposed to be located, may within thirty (30) days from the date of any final decision of the Board in approving, suspending,

revoking, restricting or refusing to approve, suspend, revoke, or restrict any license or licensee, appeal such decision to the Circuit Court for Allegany County.

(b) The appellant shall be required to pay, in advance, a sum of \$200 estimated to cover the expense of transcribing the hearing of the decision being appealed.

CONSIDERATION OF PREVIOUS VIOLATIONS.

(a) Records of any violation of the alcoholic beverage laws of this State and/or the rules and regulations of this Board shall be retained for consideration in connection with a subsequent violation for a period of three (3) years from the date that the Board enters a finding of violation into the record. If a licensee requests a postponement of a hearing of a violation, the Board may in its discretion also extend the three (3) year period if it would expire during the period of postponement. After the expiration of the said (3) year time period, the violation shall not be considered by the Board in determining sanctions to be imposed for a subsequent violation. However, if within three (3) year time period, the license is transferred, the violations shall not extend or be applicable to the transferee of the license for the premises upon which the previous violation occurred.

17. Inspections.

The members of the Board, the Alcoholic Beverage Inspectors and all other law enforcement officials shall be permitted to inspect all licensed premises on any day and at any time, without a search warrant. No licensee or his agent shall refuse to admit any such official to enter upon the licensed premises and inspect said premises. All establishments must post their days and hours of operation on a window or door in full view. Licensee must contact the office if the hours of business change.

18. Sanitation.

- (a) *Toilet facilities.* - All on-sale license holders shall provide on the licensed premises complete and suitable toilet facilities for the use and convenience of all customers, and such facilities shall be maintained in a clean and sanitary manner at all times.
- (b) *Hand washing facilities.* - All on-sale license holders shall provide suitable hand washing facilities for all patrons and employees.
- (c) *Bar cloths.* - All on-sale license holders using bar cloths shall change them at frequent intervals and said cloths shall not be used to dry or wipe glasses or other receptacles of which food or drinks are served.
- (d) *Garbage.* - No license holder shall permit any unreasonable amount of garbage, trash, rubbish, or other waste material to accumulate on the licensed premises. All premises shall be kept free of rodents, flies and other insects and vermin.
- (e) No licensee shall employ on the licensed premises any person infected with an infectious or contagious disease.
- (f) All license holders must comply with all State, County and City Sanitary Health Laws and Regulations, and it shall be necessary for an applicant for a new business to first obtain approval of the Health Department prior to the granting of an application for a license.
- (g) No establishment shall permit pets on the premises except those for medical reasons.

19. Clubs - Class "C" License.

1. Clubs holding Class C licenses are to be patronized by members and guests only, and no club may hold itself out, or advertise, as being open to "the general public".

- (a) Any public advertisement for any event or function sponsored by the Club shall indicate that the event or function is for "Members and Guests".
- (b) All club licenses shall contain the names of three elected officers of the organization seeking

or holding a license, and all must be bona fide elected officers of the organization for which said license is applied. The Board may require satisfactory documentation of such club or organization.
(c) Clubs shall provide a “sign in” and “sponsor” book. Guests must sign this book on each visit and list the club member sponsoring that guest on each visit by that individual guest.

20. Holders of Class “C” license.

Holders of a Class C license must limit the numbers of visits by any individual guest to three (3) visits in any calendar year. Pursuant to Md. Ann. Code Art. 2B. 6-302(b)(iv), (2011). Holders of a volunteer company license are not subject to this limitation upon guests, nor the limitation on the number of visits by non-members.

(a) Veterans organizations holding Class “C” (Club) licenses; and organizations that hold Classes “C” (Club) licenses that are affiliates of National organizations where that national organization through its by-laws and/or rules limits potential membership to those holding specific qualifications.

(b) The limit of three visits by non-members to any club does not include visits by members of other clubs who are present for the purpose of participating in league competitions between various clubs, e.g., shuffleboard or pool competitions. Visits made to a club by a member of another club not made in conjunction with a league competition are subject to the three-visit limit set forth above.

(c) The Limitation on guest visits does not apply to members’ spouses when accompanied by the club member.

(d) Access to the premises at all establishments holding club licenses shall be limited to members who are supplied with keys, in either mechanical or electronic form, or by coded locking systems with only members being given the access code.

(e) Clubs must submit a Sponsor Form Request when hosting functions for non-members, e.g., wedding receptions, holiday parties, reunions, retirement parties, etc.

20. Rules for Business:

1. No sale of a business, or transfer of a license, will be approved until actual ownership of the new business is established and there has been a closing on the building, if it is being purchased.
2. Licensees making any changes to their establishment (construction or adding rooms, decks, outside smoking area, days and hours of operation, vacation, major remodeling and any other reason you would need to be closed, must notify the Board of License Commissioners.
3. All licensed establishments with Sunday Sales must have a Sunday Sales Sticker in order to sell on Sunday to go.
4. Patrons may not “bring their own bottle” (**BYOB**) into any licensed establishment. Special exception may be made by prior approval of the Board.
5. If alcohol is sold outside of your premises by way of a lease agreement from the city, you must rope off the leased area and the Board must approve this area and receive a copy of the agreement for our records.
6. All licensed establishments must obtain a Traders License.
7. All licensees must prominently display their Traders License, Health Permit (for food service), and County Alcohol License in full view of the public.

21. Bowling establishments

Bowling Alleys and Bowling Centers are set up for the primary purpose of bowling activities for the public.

(a) In Allegany County, all bowling establishments must erect a separate partition between the bar area and the bowling area. If a separate partition is not erected, no one under the age of 21 can be on the licensed premises without their parent or legal guardian.

(b) Alcohol must be consumed in the bar area or at the concourse area of the bowling lanes. In no case can alcohol be taken or consumed in any other area of the establishment.

(c) No one under the age of 21 can be in the bar area without their parent or legal guardian except for the following reasons:

1. to be served food,
2. employment, 18-21,
3. performing as a musician or entertainer,

(d) In accordance with the provisions of article 2B, § 12-20 I (I), a teen event may be held by first contacting the Liquor Board.

22. Sunday license.

Effective July 1, 2017, Class A, C, D licensees may apply for Sunday Sales and sell to go on Sunday from 11 a.m. to midnight, after paying an additional \$250 fee. A kitchen is no longer required to be open on Sunday. This does not apply to Class "B" Theater. They can only sell "on premises" but can operate at 11 a.m.

23. Temporary license.

The issuance of Temporary Licenses is restricted to clubs, societies and associations, and no club, society or association may serve or sell alcoholic beverages upon any unlicensed premises without first having obtained a Temporary License. Application for such license shall provide such information as required by the Board, and must be made by not less than three (3) officers of the applicant.

24. Special Pouring Permit.

(a) The Board of License Commissioners may issue a Special Pouring Permit to holders of Class "D" beer, Class "D" Beer and Light Wine licenses, On & Off Sale, that allows the sale of beer, wine and liquor which is by the drink only and for consumption only on the premises.

(b) A holder of this special permit may continue to sell beer or beer and wine for consumption on or off the premises, but the holder may not sell liquor for consumption off the premises, or purchase or possess liquor for sale on the premises in any size container smaller than 23 ounces or 680 milliliters.

(c) Licenses issued pursuant to § 25 (I) ("special permits") are not transferrable and shall revert to the Board upon forfeiture, revocation, non-renewal, transfer or termination of business.

(d) Application for this Special Pouring Permit shall be made not less than 30 days prior to the day on which the permit is to take effect.

(e) The annual fee for this permit is \$500 per year.

25. Penalty - Failing to obey rules and regulations.

Any licensee who fails to comply with Rules and Regulations of the Board shall be summoned before the Board for a hearing. The Board may revoke or suspend any license if the licensee is adjudged guilty of violation of the Rules and Regulations of the Board.

26. Wine and Beer Tasting Event.

If you have an (On-Sale) License, Class B, C or D, and you plan to have a wine tasting event, you must notify the Liquor Board Office. Your notification can be in the form of a phone call or in writing, however, the Board must be notified 5 days prior to the event; stating the name of the distributor you will

be using and the hours of the event. The licensee must purchase all products used in the event. Sample of serving sizes:

1. Beer.
 - (a) The Maximum of beer in a cup is 2 ounces.
 - (b) Serving to an individual: Maximum of 10 ounces per person.
2. Wine.
 - (a) Maximum of 1 ounce of each brand per cup.
 - (b) Maximum of 5 samples for each individual.

27. Delivery of Alcohol

(a) Delivery may be made only by a retail license holder who has been granted authority in advance by the Board and agrees to comply with these Regulations. Only holders of a Class "D" selling prepared food will be granted such permission. Any license holder granted permission must comply with the following conditions:

1. The customer must place a minimum of a \$10.00 order for food.
2. Delivery will be limited to either one six pack of 12oz. bottles or cans of beer, or one bottle of Wine, or one bottle of liquor (not all three).
3. The delivery employee must be at least 21 years of age.
4. The licensee will be responsible for the sale in the same manner as if the sale had taken place on the licensed premises. Recipient must sign for the delivery.

(b) The Board in its sole discretion will determine which licensees are eligible for retail deliveries and any licensee violating the Regulations will immediately have its privileges to make deliveries terminated.

28. In-State and Out-of-State Distillers

In-state distillers must have an "off-site" permit that is issued through the Comptroller's office (Lou Berman can be contacted for assistance). This permit allows the distiller to give samples and/or sell bottles directly to the public. Non-resident distillers must purchase a non-resident distillers license that allows them to sell to the "committee" who in turn can sell to the public. A non-resident distiller cannot sell directly nor give samples of their product. This must be done through the committee permit. If a non-resident distiller has a distributor in Maryland the committee must purchase from the distributor. (Call: Lou Berman: 410-260-7392.

29. Employees - Allegany County Beverage Rules and Regulations.

Bartenders, waiters, waitresses, employees working at a license establishment, shall not consume alcoholic beverages or spirits while on duty or within one hour of starting work. License holders, effective July 1, 2017, may hire an individual 18 to 21 years of age or older to serve or sell beer, wine and liquor. No one under the age of 18 will be allowed to work on a licensed premises. Under no conditions can a license establishment hire 17, 16 or under to bus tables, work in the kitchen, as dishwashers or any other type of employment on a license premises. Employees must be 18 years old or older.

29. Free Drinks:

Alcohol beverages or spirits may not be given away but special exceptions may be made for complimentary New Year's toast with prior approval from the Board.

30. Purchase and selling of alcohol.

Alcoholic beverages or spirits may not be sold for less than wholesale cost paid by the licensee. Retailers must purchase alcoholic beverages and spirits from wholesalers only and not from another retailer.

31. Resolutions set forth regarding its effort to reduce over-consumption of alcoholic beverages:

- (a) Whereas, various licensed establishments have offered "all you can drink" for a onetime fee;
- (b) Whereas, various licensed establishments have advertised and offered contests in which a patron is provided with alcoholic beverages at a reduced price as part of a contest;
- (c) Whereas, within the community there is a concern that binge drinking and overconsumption of alcoholic beverages:

(1) it has been resolved by the Allegany County Board of License Commissioners that in an effort to promote temperance and moderation with regard to the consumption of alcoholic beverages, licensed establishments are prohibited from activities that suggest, encourage, or promote the over-consumption of any alcoholic beverage, to include such specials "all you can drink" and contests that involve as part of the contest the consumption of alcoholic beverages. All alcoholic beverages must be offered at a reasonable and fair value.

(2) licensed establishments are prohibited from promoting or encouraging drinking games. No licensee may offer unlimited alcoholic beverages for a set price. However, if a licensee wishes to have an open bar in conjunction with a meal for a special occasion, the licensee must request written permission from the Board, 2 weeks prior to the event and, advertisement must state that an "Open Bar" not "all you can drink" is being offered in conjunction with the meal.

33. Display of License.

- (a) All licensees must prominently display their trader's license, health permit (for food service and alcohol), and Liquor License on the licensed premises in full view of the public.

34. Physical Alterations to the Licensed Premises.

- (a) Licensees making any changes or improvements to the licensed premises shall notify the Board of those changes or improvements to the premises.

35. Sunday Sales.

- (a) Sunday Sales is available to Class A, C, D license holders providing they paid a fee of \$250 for a Sunday Sales Permit.
- (b) Service on Sunday will be not permitted before 11:00 a.m..

36. Prohibited Practices:

Violations of the following prohibited practices may result in the suspension or revocation of a license or the imposition of a fine. The penalty imposed for any particular violation shall be at the discretion of the Board.

- (a) Consumption by Servers.

(i) No licensee, his/her clerks, agents, employees or servants shall consume alcohol while working or within one hour of the beginning of their scheduled work shift.

- (b) Relation with Wholesalers.

(i) No Licensee, his/her clerks, agents, employees or servants shall purchase alcoholic beverages

- except from a duly licensed manufacturer or wholesaler.
- (c) Sale Under Wholesale Cost; Free Drinks.
- (i) No licensee, his/her clerks, agents, employees or servants shall sell any alcoholic beverages at less than wholesale price paid by the licensee. Alcoholic beverages (liquor, wine, beer) shall not be provided without charge; exceptions may be made for complimentary New Year's Eve Toasts if prior approval is granted by the Board.
- (d) Consumption of alcoholic beverages limited to purchases made from licensee.
- (i) Patrons may not bring alcoholic beverages purchased elsewhere in to any licensed establishment for consumption on the premises. No licensee, his/her clerks, agents, employees or servants shall permit patrons to BYOB for consumption on that licensee's premises.
- (ii) It is a violation to serve any type of alcohol from an un-licensed establishment, such as a Beauty Shop, Nail Salon or any type of business without a license.
- (iii) Music on a licensed premises (inside) must stop playing at 1:00 a.m. Music played outside of the licensed premises must stop playing at 11:00 p.m.

37. Age of persons sitting at a bar.

Any person physically sitting at a bar must be no younger than 21 years of age.

Local Bills - Alcoholic Beverages in Allegany County.

Change in the minimum age to serve Liquor.

Minimum age to serve liquor, Senate Bill 483 (See Reg. 29) decreases the minimum age to serve liquor in Allegany County from age 21 to age 18. This makes the minimum age to serve liquor consistent with the minimum age to serve beer and wine. Persons 18 years of age or older can now serve liquor, beer and wine.

Sunday Sales for Class "A" Off Sale, licenses: Senate Bill 994 (both passed).

Authorizes a holder of a class "A" beer license, Class "A" Beer and Light Wines, or a Class "A" Beer, Wine and Liquor license to sell alcoholic beverages consistent with the license classification on Sunday from 11:00 a.m. to midnight after paying an additional \$250 fee. The bill also authorizes the Board of License Commissioners to issue a 2-day Sunday Sales permit to a holder of a Class "A" beer, or Beer and Wine, or a Beer, Wine and Liquor license under specified circumstance.

Sunday Sales: Senate Bill 878/House Bill 995 (both passed)

Alter the hours of sale, from 1 p.m. to 2 a.m. the following day and 11 a.m. to 2 a.m. the following day, for a holder of a Class "D" Beer, Beer and Wine, Beer, Wine and Liquor license. It also allows the hours of 11 a.m. to 12 a.m. on Sunday for the one-day and two-day licenses.

