



Maryland State Licensed Beverage Association

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ALCOHOL RELATED LEGISLATION THAT PASSED IN 2023

	<u>Page</u>
<u>Statewide</u>	2 - 3
<u>Anne Arundel County</u>	3
<u>City of Annapolis</u>	3
<u>Baltimore City</u>	3 - 4
<u>Baltimore County</u>	5
<u>Caroline County</u>	5
<u>Carroll County</u>	5
<u>Frederick County</u>	5 - 6
<u>Garrett County</u>	6
<u>Harford County</u>	6 - 7
<u>Howard County</u>	7
<u>Montgomery County</u>	7
<u>Prince George's County</u>	7 - 8
<u>Queen Anne's County</u>	8
<u>Worcester County</u>	8

STATEWIDE ALCOHOL RELATED LEGISLATION THAT PASSED IN 2023

Excerpts from: THE 90 DAY REPORT, A Review of the 2023 Legislative Session

By: Department of Legislative Services, Maryland General Assembly

https://dls.maryland.gov/pubs/prod/RecurRpt/23rs_90_Day_Report.pdf

[Added notes in brackets]

Statewide Alcoholic Beverages [*The 90 Day Report, Part H-30*]

Alcohol and Tobacco Commission

House Bill 1165 (passed) corrects and updates references in the Annotated Code of Maryland to the Alcohol and Tobacco Commission (ATC) as the successor to the Comptroller as the regulator of alcohol and tobacco products in the State under Chapter 12 of 2019. The bill makes numerous technical changes, including updating references to the authority of the Executive Director of the Alcohol and Tobacco Commission and repealing an obsolete reference to alcoholic beverages tax stamps. The bill also specifies concurrent enforcement and regulatory authority over various matters related to alcohol and tobacco in the State. [*Effective Date: July 1, 2023*]

Regulation of Alcoholic Beverages

Senate Bill 322 (passed) authorizes a holder of a Class 4 limited winery license to *prepare*, sell, or serve food and sell wine and pomace brandy produced by the license holder for on- and off-premises consumption, as specified. The bill also extends the general hours of sale for on-premises consumption from 10:00 a.m. to 6:00 p.m. to 10:00 a.m. to 10:00 p.m. and repeals a notice requirement for planned promotional events. [*Effective Date: July 1, 2023*]

Senate Bill 431/House Bill 565 (both passed) authorize holders of a Class 9 limited distillery license to apply for and obtain a Class 8 wholesaler's license, which allows the holder to sell and deliver their own liquor to a retail license holder or permit holder authorized to acquire liquor from a wholesaler, as specified. [*Effective Date: July 1, 2023*]

Senate Bill 448 (passed) extends the termination dates for provisions of Chapters 359 and 360 of 2021 and Chapters 477 and 478 of 2022 related to the sale and delivery of alcoholic beverages by certain alcoholic beverages manufacturers from June 30, 2023, to June 30, 2024. The bill also delays the date from July 1, 2023, to July 1, 2024, that specified license holders are authorized to sell up to 288 ounces of beer to a person at an off-site permitted event.

Under the bill, only holders of manufacturer's licenses that received authorization for direct shipment of alcohol from ATC by April 6, 2023, may ship alcohol directly. The bill also restricts the amount of liquor or beer that holders of specified manufacturer's licenses may ship directly to a consumer during a calendar year. Holders that sold and delivered a product produced under the holder's license to an individual located in the State must submit a report to ATC. [*Effective Date: July 1, 2023*]

Use of Alcoholic Beverages for Educational Purposes

Senate Bill 672/House Bill 987 (Chs. 62 and 63) allow students between the ages of 18 and 21 and enrolled in a course or program in fermenting, brewing, or hospitality and tourism to taste, but not

consume, alcoholic beverages while participating in these educational classes at qualified institutions of higher education in the State without criminal penalty to the student, instructor, or institution. [*Effective Date: July 1, 2023*]

Alcohol, Tobacco, and Cannabis Commission [*The 90 Day Report, Part H-4*]

Senate Bill 516/House Bill 556 (*both passed*) renames the Alcohol and Tobacco Commission to the Alcohol, Tobacco, and Cannabis Commission (ATCC) and, among other things, establish new responsibilities for ATCC related to the regulation of cannabis. The cannabis division may (1) conditionally award licenses; (2) inspect cannabis licensees to ensure compliance; (3) suspend, fine, restrict, or revoke a cannabis license, as specified; and (4) impose penalties or rescind the license of a cannabis licensee that does not meet specified licensure standards. For further discussion of **Senate Bill 516/House Bill 556**, see the subpart “Cannabis Regulations” within this part of this *90 Day Report*. [*Effective Date: May 3, 2023*]

LOCAL ALCOHOL RELATED LEGISLATION THAT PASSED IN 2023

Excerpts from: THE 90 DAY REPORT, A Review of the 2023 Legislative Session

By: Department of Legislative Services, Maryland General Assembly
https://dls.maryland.gov/pubs/prod/RecurRpt/23rs_90_Day_Report.pdf

[*Added notes in brackets*]

Anne Arundel County (The 90 Day Report, Part H-31)

Residency Requirements: **Senate Bill 962** (*passed*) alters the residency requirement for an alcoholic beverages license on behalf of a partnership, corporation or club, or limited liability company in the county and establishes that an individual who is a resident of the State at the time of the application satisfies the applicable residency requirement, as specified. The license remains valid only for as long as the resident applicant remains a resident of the State. [*Effective Date: July 1, 2023*]

City of Annapolis (The 90 Day Report, Part H-31)

Art Establishment Licenses: **Senate Bill 472/House Bill 520** (*both passed*) establish an art establishment beer and wine license in the City of Annapolis that authorizes the license holder to sell or serve beer and wine at retail for on-premises consumption. [*Effective Date: July 1, 2023*]

Baltimore City (The 90 Day Report, Part H-31)

Violation Procedures and Fines: **Senate Bill 847/House Bill 916** (*both passed*) alter the revocation and suspension procedures of the board of license commissioners by authorizing the board to make an offer of compromise to a license holder of an alleged violation instead of conducting a hearing. The offer includes a monetary penalty and requires corrective action as specified. The bills alter the maximum fines for certain violations of Title 12 of the Alcoholic Beverages Article. The board must adopt regulations to implement the bills. [*Effective Date: July 1, 2023*]

Class A-7 License: *Senate Bill 381/House Bill 251 (both passed)* repeal the prohibition against the board of license commissioners issuing a Class A-7 beer, wine, and liquor license in the 43rd legislative district. The bills also repeal the June 30, 2022 sunset on issuing new Class A-7 licenses. **[Effective Date: July 1, 2023]**

Alcoholic Beverages Districts – Legislative Districting Plan References: *Senate Bill 440/House Bill 655 (both passed)* both emergency bills, alter specified statutory references to the boundaries of alcoholic beverages districts, so that they are coterminous with the legislative districts in the Legislative Districting Plan of 2022, rather than the Legislative Districting Plan of 2012. The bills require the board of license commissioners to exempt an activity made unlawful by the bills if the license holder received approval, as specified. **[Effective Date: April 24, 2023]**

40th District: *Senate Bill 588/House Bill 886 (both passed)* authorize the board of license commissioners to issue a Class C beer, wine, and liquor license in a specified area in the 40th district to a holder of a Class C beer and light wine license. The bills also authorize the board to issue a Class A-7 beer, wine, and liquor license in a specified area in the 40th district, as specified; and exempt a Class A-7 license from the prohibition against the board issuing an alcoholic beverages license within 300 feet of a place of worship or school. **[Effective Date: July 1, 2023]**

41st Alcoholic Beverages District: *Senate Bill 765/House Bill 587 (both passed)* authorize the board of license commissioners to (1) issue a Class A-7 beer, wine, and liquor license in the 43rd legislative district, as specified; (2) exchange a Class B-D-7 beer, wine, and liquor license for premises located in a specified area of the 41st district for a Class A-7 license; and (3) issue a Class A-7 license after June 30, 2022. The bills alter the definition of a “marketplace” to include premises expected to open within *24 months* after issuance of the marketplace license in the 41st district. The bills also authorize the marketplace license holder to sell beer, wine, and liquor, as specified, for *off-premises* consumption. **[Effective Date: July 1, 2023]**

46th Alcoholic Beverages District: *Senate Bill 607/House Bill 917 (both passed)* alter the provision for a certain establishment to be considered a restaurant when the board waives the food requirement by allowing an expansion of the licensed premises, as specified. The bills authorize the board to issue, in the 46th district, Class B beer, wine, and liquor license for restaurants in specified areas. The bills allow a Class D beer and light wine licensee in the 46th district to apply to the board to convert to a Class D beer, wine, and liquor license, as specified. The bills also extend the expiration of specified licenses until July 1, 2024, for the purposes of transfer and/or renewal; and alter the Charter of Baltimore City to remove the requirement that the Baltimore City Downtown Commercial District Management Authority enter into a contract with the Baltimore Police Department (BPD) to hire two police officers from BPD to exclusively patrol an area, as specified. **[Effective Date: June 1, 2023]**

Related Event Promoter’s Permit: *Senate Bill 589/House Bill 885 (both passed)* alter provisions associated with a related event promoter’s permit, including changing the time period for submission of an application for the permit, board actions on an application, and when a permit may be altered before a related event. **[Effective Date: June 1, 2023]**

Baltimore County (The 90 Day Report, Part H-32)

Class B Education Conference Facility/Dining Service License: *Senate Bill 347/House Bill 248 (both passed)* authorize the board of license commissioners to issue a Class B-ECF/DS (Education Conference Facility/Dining Service) beer, wine, and liquor license to an individual who is authorized by Towson University, as specified. The license holder may serve at multiple designated outlets at certain university-related events. [*Effective Date: July 1, 2023*]

Caroline County (The 90 Day Report, Part H-32)

Residency Requirements: *House Bill 258 (passed)* alters the residency requirement for an alcoholic beverages license on behalf of a partnership, corporation or club, or limited liability company in Caroline County and a partnership in Queen Anne’s County. The bill establishes that the residency requirement for an applicable license is satisfied if at least one of the applicants is a resident of the State at the time the application is filed and provides that a license only remains valid for as long as at least one of the applicants is a resident of the State. [*Effective Date: July 1, 2023*]

Carroll County (The 90 Day Report, Part H-33)

Residency Requirements: *Senate Bill 393/House Bill 558 (both passed)* alter the residency requirement for an alcoholic beverages license on behalf of a partnership, corporation or club, or limited liability company in Carroll County and establish that an individual who is a resident of the State at the time of the application satisfies the applicable residency requirement, as specified. The license remains valid only for as long as at least one of the applicants remains a resident of the State. [*Effective Date: July 1, 2023*]

Seating Requirements: *Senate Bill 304/House Bill 559 (both passed)* modify the seating requirements for Class B, Class BR, and Class C beer, wine, and liquor licenses in Carroll County. [*Effective Date: July 1, 2023*]

Multiple Event Entertainment Licenses: *Senate Bill 306/House Bill 560 (both passed)* repeal the 40-day limit for which specified multiple event entertainment licenses issued in Carroll County may be used in a calendar year and establish a fee for 41 or more events per year. [*Effective Date: July 1, 2023*]

Frederick County (The 90 Day Report, Part H-33 to H-34)

Display of License: *House Bill 679 (Ch. 83)* specifies that an alcoholic beverages license holder in Frederick County must frame the license and display it conspicuously in the licensed premises. Thus, the Act creates an exception – in Frederick County only – to the statewide requirement that a license must be framed under glass. [*Effective Date: July 1, 2023*]

Sunday Sales: *House Bill 939 (Ch. 84)* extends the Sunday hours of sale for specified alcoholic beverages licenses in Frederick County to generally mirror the existing hours of sale for these licenses on the other days of the week. [*Effective Date: July 1, 2023*]

Class B Golf Simulator Facility Licenses: *House Bill 644 (Ch. 82)* establishes a Class B-GSF (golf simulator facility) alcoholic beverages license in Frederick County and authorizes the board of license commissioners to issue the license for use by a golf simulator facility. The license authorizes the license holder to sell beer, wine, and liquor for on-premises consumption during normal business hours if the license holder offers food on site at all times when alcoholic beverages are being sold. [*Effective Date: July 1, 2023*]

Class B Miniature Golf Course Licenses: Similarly, *House Bill 989 (passed)* establishes a Class B-MGC (miniature golf course) beer, wine, and liquor license in Frederick County and authorizes the board of license commissioners to issue the license for use at a miniature golf course. The license authorizes the license holder to sell beer, wine, and liquor for on-premises consumption during normal business hours if the license holder offers food on site at all times when alcoholic beverages are being sold. [*Effective Date: July 1, 2023*]

Basket of Cheer: *House Bill 991 (Ch. 85)* repeals the restriction that an alcoholic beverages licensee in Frederick County, who has been issued a basket of cheer permit, may only provide a benefit performance prize of a basket of cheer containing alcoholic beverages if the alcoholic beverages were produced in Maryland. [*Effective Date: July 1, 2023*]

Consumption Permits: *House Bill 997 (Ch. 86)* alters how an individual on the licensed premises of either a beer and wine consumption (BWC) permit holder or a beer, wine, and liquor consumption (BWLC) permit holder may consume alcoholic beverages. Specifically, the Act establishes new permissible serving numbers and sizing for both BWC and BWLC permits. [*Effective Date: July 1, 2023*]

Garrett County (The 90 Day Report, Part H-34)

Alcoholic Beverages Act of 2023: *Senate Bill 821/House Bill 905 (both passed)* establish the framework for the expiration of alcoholic beverages licenses in the county. The bills also (1) decrease, from 25 to 10 rooms, the requirement of a Class B beer, wine, and liquor license held by a hotel or motel; (2) expand the authorization of a gift basket permit to include alcoholic beverages purchased from a wholesaler; (3) authorize the holder of a multiple event and specified Class C alcoholic beverages licenses to hold another alcoholic beverages license of a different class or nature; and (4) expand the Sunday sales hours for alcoholic beverages in the county to 6:00 a.m. to midnight. [*Effective Date: July 1, 2023*]

Harford County (The 90 Day Report, Part H-34)

Class HC Licenses: *Senate Bill 654/House Bill 1063 (both passed)* establish 6-day and 7-day Class HC (health club) beer and wine licenses in Harford County. The board of license commissioners may issue a 6-day or 7-day Class HC license to a person who (1) sells health club services, as specified; (2) has a health club facility that offers an indoor or outdoor swimming pool, or pickleball courts; (3) has at least 150 members who pay dues; and (4) owns or leases real property in the county for use as a for-profit or nonprofit health club facility. [*Effective Date: July 1, 2023*]

Performing Arts Theatre Licenses: *Senate Bill 738/House Bill 1059 (both passed)* establish a performing arts theater beer and wine license in Harford County. The board of license commissioners may

issue the license for use on the premises of a performing arts theater operated by a nonprofit organization. **[Effective Date: July 1, 2023]**

License Quotas: *House Bill 1062 (Ch. 87)* increases, from 3,000 to 4,000 individuals, the quota used by the board of license commissioners when issuing specified Class A licenses and reduces the number of these Class A licenses the board may issue within the quota from three to one. **[Effective Date: July 1, 2023]**

Howard County (The 90 Day Report, Part H-34 to H-35)

Resident Agent: *House Bill 146 (Ch. 88)* removes the requirement that the board of license commissioners hold a hearing for a license holder applying for a change of resident agent when the applicant (1) is seeking to be a resident agent for the same license for which the applicant is a license holder and (2) has previously appeared and been approved at a nonviolation hearing for the same license before the board or the Appointed Alcoholic Beverage Hearing Board. **[Effective Date: July 1, 2023]**

Residency Requirements: *House Bill 158 (passed)* allows an individual who is a resident of the State, rather than the county, to meet the residency requirements for an alcoholic beverages license application in Howard County. **[Effective Date: July 1, 2023]**

Petition of Support: *House Bill 218 (passed)* repeals the requirement that alcoholic beverage license applicants in Howard County include a petition of support containing specified information as part of an alcoholic beverages license application. **[Effective Date: July 1, 2023]**

Montgomery County (The 90 Day Report, Part H-35)

Clubhouse/Lodge License and Class 7 Micro-brewery License: *House Bill 277 (Ch. 89)* clarifies that the holder of a Class B-BWL (clubhouse/lodge) license in the county that is issued a Class 7 micro-brewery license is not subject to the general statewide licensure restriction preventing holders of Class 7 micro-brewery licenses from holding or having a financial interest in more than one retail license outside of the premises to which the Class 7 micro-brewery license applies. **[Effective Date: July 1, 2023]**

Alcohol Beverage Services – Advisory Board: *House Bill 345 (Ch. 90)* alters the membership of the Alcohol Beverage Services Advisory Board to allow designees of the directors of the Alcohol Beverage Services and county police department, respectively, to serve as members of the board. **[Effective Date: October 1, 2023]**

Prince George’s County (The 90 Day Report, Part H-35 to H-36)

License Privileges and Enforcement: *House Bill 436 (Ch. 93)* authorizes the board of license commissioners to approve the transfer of a Class A beer, wine, and liquor license to a premises located in a specified area, if there is no other Class A beer, wine, and liquor license operating within one mile of the premises. The Act also (1) updates provisions of law related to the issuance of Class B-DD (Development District) 7-day beer, wine, and liquor license, as specified; (2) allows a Class B-DD license to have an off-sale privilege, as specified; and (3) authorizes the board to issue up to a certain number of B-DD licenses in specified geographic areas. **[Effective Date: July 1, 2023]**

House Bill 784 (passed) establishes a framework for inspections of licensed premises performed by or on behalf of the board of license commissioners, as specified. The bill also requires the board to establish a standard fine structure for violations of alcoholic beverages laws and specifies that a Class B beer, wine, and liquor license holder, a Class C (fraternal/sororal/service organization) beer, wine, and liquor license holder, and a Class C (veterans' organization or club) beer, wine, and liquor license holder may serve beer, wine, and liquor by the glass or by the bottle for on-premises consumption. In addition, the bill establishes a Workgroup to Study Best Practices for Safe Event Promotion and the Leveraging of Alcoholic Beverages Licenses in Prince George's County. [*Effective Date: July 1, 2023*]

Baseball Stadium Beer, Wine, and Liquor License: House Bill 438 (passed) authorizes a Class B-Stadium (baseball stadium) license holder to sell liquor in addition to beer and wine for on-premises consumption. The bill also renames the previous Class B beer, wine, and liquor stadium license as the Class B-Stadium (football stadium) license. The bill specifies that the board of license commissioners may issue one Class B-Stadium (baseball stadium) license and one Class B-Stadium (football stadium) license. [*Effective Date: April 1, 2023*]

Main Street Laurel Development: House Bill 946 (Ch. 94) authorizes the board of license commissioners to issue up to five Class B-DD (Development District) licenses to restaurants located within a specified area of Main Street Laurel. [*Effective Date: July 1, 2023*]

Queen Anne's County (The 90 Day Report, Part H-32)

Residency Requirements: House Bill 258 (passed) alters the residency requirement for an alcoholic beverages license on behalf of a partnership, corporation or club, or limited liability company in Caroline County and a partnership in Queen Anne's County. The bill establishes that the residency requirement for an applicable license is satisfied if at least one of the applicants is a resident of the State at the time the application is filed and provides that a license only remains valid for as long as at least one of the applicants is a resident of the State. [*Effective Date: July 1, 2023*]

Worcester County (The 90 Day Report, Part H-36)

Ocean City Promoter's License: Senate Bill 135/House Bill 113 (both passed) establish an Ocean City promoter's license and authorizes the board of license commissioners to issue the license to a for-profit organization to sell beer, wine, and liquor at entertainment events held on municipality-owned premises in Ocean City, as specified. [*Effective Date: July 1, 2023*]