# Rules and Regulations of the Board of License Commissioners

for Charles County, Maryland

## To All Licensees

This booklet is published by the Board of License Commissioners to acquaint all licensees and their employees with the Rules and Regulations governing the sale of alcoholic beverages in Charles County.

It is recommended that these Rules be carefully studied and that all employees are familiar with them.

Revised and adopted: 2023

# **Chapter 1: Financial Interest**

## Rule 1.101 - Financial Interest

No member of the Board of License Commissioners (BOLC) for Charles County shall have any financial interest directly or indirectly in a license issued for the sale, manufacture, blending, brewing, distilling, rectifying or wholesaling of any alcoholic beverage purchased or sold under the provisions of the Alcoholic Beverages Article of the Annotated Code of Maryland.

# **Chapter 2: Procedure**

## Rule 2.101 - Organization

The Board of License Commissioners for Charles County shall consist of five (5) members who shall be appointed by the County Commissioners of Charles County, Maryland. The members shall serve for a period of four (4) years. The Chairman shall be elected by a majority of the Board members on an annual basis.

The County Attorney shall be the legal advisor for the Board of License Commissioners. The County Attorney shall provide advice and assistance to any member desiring to publish an independent or minority opinion. The County Attorney may delegate these duties, from time to time, to an Associate County Attorney.

The Clerk shall have the duty and responsibility and shall be responsible to the Chairman for the overall coordination of the officers and employees of the Board of License Commissioners.

#### Rule 2.102 - Meetings and Hearings

The Board of License Commissioners shall hold such meetings and sessions, from time to time, as may be scheduled by the Clerk or be directed by the Chairman. All evidence and testimony shall be presented to the Board of License Commissioners in hearings open to the public. All hearings are broadcast and recorded, and comply with the open meetings act.

#### Rule 2.103 - Place of Hearings

The Place of hearings of the Board of License Commissioners shall be the County Commissioners Hearing Room, Charles County Government Building, La Plata, Maryland, unless otherwise advertised or designated at the time of hearing.

#### Rule 2.104 - Time of Hearings

Hearings shall be held at such times as the Chairman shall direct, or as scheduled by the Clerk.

#### Rule 2.105 - Transcripts

- 1. The Board of License Commissioners shall cause to be prepared an official record of its proceedings in each case which shall include testimony and exhibits.
- 2. The Board of License Commissioners shall make, furnish and/or arrange to furnish to any person upon request, a transcript or recording, of any part of said recorded proceedings, upon the payment by such a person of the expenses of such transcript or recording as herein provided.
- 3. All requests for transcripts shall be made in writing. Any person who orders a typewritten transcript of the proceedings as above provided, shall be deemed to have personally guaranteed the payment of the cost of the transcript. The Clerk shall require a reasonable deposit before proceeding with the transcription. The deposit shall be equal to three fourths (¾) of the Clerk's estimate of the cost of transcription. The cost of the transcription shall be the same as provided in the rules of the Seventh Judicial Circuit of Maryland for Court Reporters.

#### Rule 2.106 - Public Attendance

The general public and representatives of the news media are encouraged and invited to attend all hearings and reasonable seating facilities shall be provided. All persons attending hearings are expected to maintain order and decorum and to refrain from disturbing the orderly process of the hearing. It shall be the duty of the Chairman to maintain order.

#### Rule 2.107 - Applications

Applications for a license, or the transfer or renewal thereof, shall be made upon standard printed forms obtainable at the office of the Board of License Commissioners which shall not be altered by the applicant, except by handwritten notation. The information requested thereon shall be filled in by the applicant or under his personal supervision and shall be typewritten or printed so as to be clearly legible. The completed application shall be signed and notarized under oath that statements therein are true. The completed application (including all documentation as outlined below, with the exception of items 12 and 13 only) shall be submitted to the Board and a review for legal sufficiency will be conducted

within fifteen (15) days of receipt. In the event that the application is deemed to be incomplete, the application together with the application fees will be returned to the applicant along with a statement as to why the application was deemed to be incomplete, subject to any exclusions or limitations by State law. The applicant will be required to resubmit the application, which will need to be reviewed anew for legal sufficiency. Public notice posters (as required under Rule 2.109) shall not be issued until the County Attorney's Office has confirmed that the application together with the required documentation has been reviewed for legal sufficiency and is, in fact, complete. Furthermore, applications will not be placed on the Board's agenda unless the application package is deemed to be complete. In addition, the applicant(s) must append the following documentation:

- 1. Completed Application, along with posting and legal notice fees.
- 2. Statement of Owner of Premises.
- 3. Drawing or diagram of Premises (if new license) including seating/ bar area.
- 4. Consent to Transfer (if applicable).
- 5. Petition (signed by at least ten (10) citizens who are owners of real property and registered voters of the precinct in which the business is to be conducted).
- 6. Maryland and FBI criminal history report (electronically filed with the BOLC on approved applications).
- 7. Authorization for Release of Personal Information.
- 8. Open Container Affidavit.
- 9. Bulk Transfer Affidavit (signed by each outgoing owner, if pertinent).
- 10. Credit rating for each applicant.
- 11. Certification from an approved Alcohol Awareness Course.
- 12. Health Permit
- 13. Use and Occupancy Permit
- 14. Maryland State Sales Tax ID Certificate.
- 15. Workers' Compensation certificate of compliance.
- 16. Lease and/or contract of sale (naming corporate entity)
- 17. Deed for Property
- 18. Affidavit of posting in accordance with Alcoholic Beverages Article, §18-1504.
- 19. Certification that the applicant and/or his designee has successfully completed the Crowd Manager E-Course training program offered by the State Fire Marshal found at www.firemarshal.state.md.us/ crowd manager.
- 20. In addition to complying with Rule 2.107, where the applicants proposed to operate as a corporation the following requirements must be met:
  - a. The applicant(s) shall provide the Board of License Commissioners with copies of the current corporate charter and by-laws and a certification of good standing from the Maryland Department of Assessments and Taxation (or if applicable, the certifying agency in another state); a stock sheet showing the total amount of stock outstanding and the amount and class owned by each stockholder. This sheet shall also state the name, address and phone number of each officer, director of the corporation and of each stockholder; and copies of relevant corporate minutes.
  - b. All of the individuals applying for the license must have a pecuniary interest in the corporation. "Pecuniary interest" is defined as ownership of at least twenty percent (20%) of the stock in the corporation. This provision does not apply to an applicant who applies for a BLX license.
  - c. A stockholder making an application under the provision contained in the Alcoholic Beverages Article of the Annotated Code of Maryland, must be a registered voter and taxpayer of Charles County and must have resided in Charles County for a least two (2) years prior to the application. In addition, s/he must meet the "pecuniary interest" requirement referred to in section (b) above.

- d. Licensees who operate an establishment under the corporate form must report to the Board any stock transfers, redemption, issue or reissue. These transactions must be reported to the Board in writing within thirty (30) days of the occurrence.
- e. Licensees who operate an establishment under the corporate form shall submit with their renewal application a sworn statement giving the name and address of each officer and director of the corporation. The sworn statement shall also include the name and address of each stockholder who owns outstanding stock and shall show the number of shares and class of stock owned by each stockholder.
- 21. In addition to complying with Rule 2.107, where the applicants proposed to operate as a limited liability company the following requirements must be met:
  - a. If the application is made for a limited liability company, the license shall be applied for by and issued to three (3) of the authorized persons of that limited liability company, as individuals, for the use of the limited liability company, at least one (1) of whom shall be a registered voter and taxpayer of Charles County and shall also have resided there at least two (2) years before the application.
  - b. The application shall also set forth the names and addresses of each of the authorized persons and shall be signed by the three (3) authorized persons to whom the license shall be issued.
  - c. The application for each license shall disclose the name and address of the limited liability company and the name and address of the applicants.
    - i. In the case of a limited liability company, in which there are less than three (3) authorized persons of the limited liability company, all authorized persons shall make the application as provided in this section.
  - d. All of the individuals applying for the license must have a pecuniary interest in the limited liability company. "Pecuniary interest" is defined as ownership of at least twenty percent (20%) membership of the limited liability company. This provision does not apply to an applicant who applies for a BLX license.
  - e. Licensees who operate an establishment under a limited liability company must report to the Board any membership transfers, additions or redemption. These transactions must be reported to the Board in writing within thirty (30) days of the occurrence.
  - f. Licensees who operate an establishment under a limited liability company shall submit with their renewal application a sworn statement giving the name and address of each member of the limited liability company.
- 22. Except as otherwise provided by law, a person (individual, entity, partnership, corporation, limited liability company, or unincorporated association) may not have direct or indirect interest in more than one license issued by the Board. The identity, address and percentage of ownership of any person, having 5% or more of direct or indirect ownership interest in the business conducted on the licensed premises shall be disclosed to the Board in writing.

#### Rule 2.108 – Application Fee

No application for the issuance of a license or transfer shall be accepted unless made on forms prescribed by the Board and unless application and posting fee of Two Hundred Thirty-Five Dollars (\$235) is paid, along with Legal Notice Publication fee, payable to the newspaper of general circulation in Charles County.

## Rule 2.109 - Advertising

- 1. The applicant shall cause notice of such application to be published two (2) times, in successive weeks, in one (1) newspaper of general circulation in Charles County. The said notice shall specify the name of the applicant, the corporate entity and trade name, the kind of license applied for, the location of the place of business proposed to be licensed and the time and place fixed by the Board for hearing upon the application which shall not be less than seven (7) days nor more than thirty (30) days after the last publication.
  - If the application is for a new alcoholic beverage license, the Clerk shall notify in writing, the Board of Education and Charles County Public Schools.
- 2. In addition to the posting requirements set forth in the Alcoholic Beverages Article of the Annotated Code of Maryland, the public notice poster shall be not less than 24" x 36" in size, and if the proposed premises is under

construction or renovation or not easily accessible to the general public, an additional public notice shall be posted at a perimeter location easily accessible to the public, i.e., at the entrance, driveway or curbside.

#### Rule 2.110 - License Fees

Fees shall be paid by the applicant at the time of the issuance of the license. All checks shall be made payable to the Charles County Treasurer.

## Rule 2.111 - Schedule of Hearings

Upon receipt of the application with all its supporting documents, the Clerk of the Board of License Commissioners shall determine and schedule the time and date of the hearing. S/He shall then promptly notify the applicant in writing of the time, date and place of the hearing and enter a copy of the notice in the Record of Proceedings.

#### Rule 2.112 - Conduct of Hearing for License, Transfer or Renewal Application

- 1. At the beginning of the hearing the Chairman shall call the docket. At the Chair's discretion, S/he may cause to be heard and disposed of all preliminary matters, requests for continuance and other motions.
  - Those cases which are not concluded as scheduled may be continued to a day and time fixed by the Board of License Commissioners.
- 2. The applicant shall have the opportunity to state his case by presenting witnesses, exhibits and other evidence. All persons testifying shall be required to take the following oath given by the Chairman or Clerk:
  - "Do you declare and affirm under penalty of perjury that the testimony which you are about to give is the truth?"
- 3. The Board may take judicial notice of the neighborhood for which the license is sought and the number and the types of licenses therein.

#### Rule 2.113 – Order of Presentation for License, Transfer, or Renewal Applications

- 1. Introduction of reports and official documents.
- 2. Applicant's presentation.
  - a. Direct examination of witnesses.
  - b. Cross-examination of witnesses by the opposition's attorney and by the County Attorney. Normally, the cross-examination shall be conducted by the opposition's attorney or a spokesman, but any person desiring to question the applicant's witness, shall first address the Chair and be recognized, request leave of the Chair to ask questions of the witness and shall not proceed until such leave is granted. Upon initial recognition by the Chair, the person shall give the following information before questioning the witness:
    - Name and address. Questions shall be brief; shall pertain only to statements made by the witness; and shall be interrogatory in nature and not argumentative.

Questions shall not be preceded by statements nor shall they contain allusions or motives.

- 1. Opposition's presentation
  - a. Direct examination of opposition's witnesses.
  - b. Cross examination of opposition's witnesses.
- 2. Rebuttal by applicant

The applicant may present evidence to rebut any evidence introduced by the opposition, but no new evidence may be introduced at this time.

- a. Summation of applicant.
- b. Summation of opposition.
- 3. Board of License Commissioners' action

The Board of License Commissioners may determine to grant or deny the application at the end of the presentation, or it may take the case under advisement, for further deliberation and later decision. For proper reasons shown, the Board may continue the case to receive additional evidence at a later time if it is essential in making its decision.

The Board may not consider any additional evidence from either side after the hearing is concluded, except in a continued case and then only in public hearing. Any further attempts by either side to influence the decision of the Board after the hearing, is not permitted. Any communications of any kind concerning the subject matter of the hearing shall not be considered.

#### Rule 2.114 – Conduct and Order of Presentation in License Suspension and Revocation Show Cause Hearings

Such conduct and order of presentation in license suspension and revocation shall conform to Rule 2.112 and Rule 2.113, supra, except that the complaining party shall be deemed to be the applicant.

#### **Show Cause Orders.**

- 1. A Show Cause Order shall be served on the licensed establishment.
- 2. Within ten (10) days of receipt of a Show Cause Order, a Licensee shall notify the Clerk in writing of an intent to: (a) admit to the charge(s); or (b) contest the charge(s).
  - a. If the Licensee intends to admit the charge(s), s/he shall attend the Show Cause Hearing on the date indicated in the Show Cause Order.
  - b. If the Licensee notifies the Clerk that the charges are contested, the Show Cause Hearing shall automatically continue to the next meeting date.
- 3. The Board shall decide whether to proceed with a Show Cause Hearing notwithstanding voluntary surrender of the license by the Licensee, or to dismiss the Show Cause Order. If the Board proceeds with the Show Cause Hearing, the Board may impose monetary fine and/or a revocation of the license upon a finding of a violation.
- 4. All the Licensees shall attend the Show Cause Hearing.

#### Rule 2.115 – Questions by Members

Any member, upon recognition by the Chair, may question any witness.

#### Rule 2.116 – Transfers

- 1. In transfers of ownership at the same location or different location, the factors set forth in the Alcoholic Beverages Article of the Annotated Code of Maryland shall apply.
- 2. During the month of April of each and every year the Board shall not act on applications for new licenses or transfers but shall exclusively act on renewal applications.
- 3. The Board's approval of any transfer to another person or persons may be conditioned upon the submission of evidence that all retail sales, amusement, admission and withholding taxes have been paid to the Comptroller of the Treasury of the State and that a bulk transfer permit has been obtained if the stock of alcoholic beverages is to be transferred whether by sale, gift, inheritance, assignment or otherwise, and irrespective of whether or not consideration is paid, and that all state and local real and property taxes owed have been paid.
- 4. Transfer of the management responsibility and/or of any economic benefit associated with the establishment in question may not be made prior to the Board's final approval of the transfer. However, a prospective transferee(s) may work under the existing license for a period not exceeding thirty (30) days provided that the Board approves the arrangement in advance.
- 5. No transfer other than that referred to in Section 4 above will be effective until final approval by the Board and no person may assume economic benefit of a license except as may be provided in Section 4 above.

#### **Rule 2.117 – Zoning**

No license shall be issued which will result in a use of premises which violates any zoning or other statutory land use restriction.

#### Rule 2.118 - Applicant's and Transferor's Obligations

No application for a new license, a transfer or a renewal of a license shall be granted unless all financial obligations of the applicant and transferor concerning the purchase of alcoholic beverages and local, state and federal taxes pertaining to the licensed establishment have been fully paid.

#### Rule 2.119 – Per Diem (Temporary Licenses) and Special License(s)

#### A. Per Diem (Temporary Licenses)

- 1. The Alcoholic Beverages Article authorizes the Board to issue two (2) types of per diem (temporary) licenses: (a) Class D (beer only) and (b) Class C (beer, wine, and liquor).
- 2. An application for a temporary license must be filed at least thirty (30) days prior to the desired hearing date. The person signing the Application on behalf of the Applicant must be (1) an Officer or Authorized Person with the authority to bind the entity (e.g. club, association, etc.) or (2) shall present a signed and sworn affidavit from the Officer or Authorized Person that confirms that the Applicant is vested with the authority to apply for and hold the per diem license on behalf of the entity and (3) a resident of Charles County. Prior to the hearing, the Clerk will verify that the entity is in "good standing" with the State of Maryland's Department of Assessments & Taxation (SDAT). Applicants should verify the entity's status prior to filing the Application. Temporary licenses will not be issued to an entity that is not in good standing.

#### B. On-Site Consumption Permits Issued to Holders of a Class 1 Limited Distillery License

- 1. In accordance with HB 549 (2019), the Board is authorized to issue an On-Site Consumption Permit to the holder of a Class 1 Limited Distillery License (hereinafter referred to as "Licensee" in this Rule 2.119.B).
- 2. The Licensee must complete the form approved by the Board for use in administering this On-Site Consumption Permit program. The form shall be filed at least thirty (30) days prior to a regularly-scheduled hearing date to enable Board staff to review the application for legal sufficiency. There shall be an application fee of \$100. Upon verification of legal sufficiency, the Clerk shall place the item on the Board's agenda for consideration.
- 3. The Licensee shall appear at a regularly-scheduled hearing to seek initial approval of the On-Site Consumption Permit. The Licensee shall agree to be bound by AB § 4-505 and § 18-1902.1 and the issuance of the On-Site Consumption Permit shall be conditioned upon the same. Additionally, the Licensee shall agree to be bound by all applicable trade practices and the issuance of the On-Site Consumption Permit shall be conditioned upon the same. If approved by the Board, the On-Site Consumption Permit shall automatically expire on April 30 of each year.
- 4. The Licensee shall file a renewal application and the same shall be processed pursuant to § 4-401 et seq. and § 18-1802. The annual renewal fee shall be \$50.
- 5. In the event that the Class 1 Limited Distillery License is revoked for any reason, the On-Site Consumption shall immediately expire by operation of law and without any action by the Board.
- 6. The Licensee shall abide by all applicable provisions of the Alcoholic Beverages Article relative to sale and service of alcoholic beverages by holders of locally-issued retail licenses for on-site consumption. In the event that a Licensee is alleged to have violated a provision of the Alcoholic Beverages Article, the same process and procedures used for locally-issued retail licenses shall apply, and if the Board determines by a preponderance of the evidence that the violation has occurred, the Board may decide to suspend or revoke the permit.

## Rule 2.120 - Decision

The final decision or order of the Board of License Commissioners denying the application or granting the application or suspending or revoking the license shall be in writing and signed by the Chairman. The decision shall be made a part of the Record of Proceedings and shall be filed with the Clerk and maintained as part of the official records of the Board.

Each case shall be decided and final decision and order shall be issued not later than forty-five (45) days after conclusion of the hearing, unless cause to the contrary be shown. The Board may, upon its own motion and with reason, therefore, extend the time of final decision for a period not exceeding ninety (90) days from the hearing date.

Upon receipt of the Board's final decision and order in any case, the Clerk shall cause copies thereof to be made and mailed to the applicant and distributed to representatives of the news media, and at reasonable cost to any person desiring a copy thereof.

#### Rule 2.121 - Penalties

All orders of the Board shall take effect immediately unless determined otherwise by the Board. Suspensions of license privileges shall begin within ten (10) days of the order and shall be on consecutive days, unless determined otherwise by the Board.

## Rule 2.122 - Appeals

- 1. The decision of the Board of License Commissioners may be appealed by an aggrieved party as provided in the laws of Maryland and the Maryland Rules of Procedure.
- 2. The Clerk of the Circuit Court for Charles County, Maryland, before accepting an order for appeal, shall first require that the person or persons so appealing, file a statement from the Clerk to the Board of License Commissioners stating that all costs assessed by the Board of License Commissioners have been paid.
- 3. Before filing an order for appeal in the Circuit Court for Charles County, the person or persons appealing shall pay a fee of Seventy Five Dollars (\$75) to the Board of License Commissioners which shall be non-refundable.

#### Rule 2.123 – Suspension or Revocation of Licenses

All licenses, whether issued before or after the date of adoption of the foregoing Rules and Regulations, shall be subject to suspension and/or revocation by the Board of License Commissioners for Charles County upon violation of any of the Rules and Regulations set forth herein or the provisions of the Alcoholic Beverages Article of the Annotated Code of Maryland.

- If after a hearing the Board of License Commissioners find a licensee in violation of the laws of Maryland and/or these Rules and Regulations, the Board of License Commissioners may impose a fine not in excess of Two Thousand Five Hundred dollars (\$2,500) or suspend an alcoholic beverage license or both, upon a license holder for any violation that is cause for suspension under the alcoholic beverage laws affecting Charles County, unless otherwise prohibited by the laws of Maryland.
- 2. If an alcoholic beverages licensee or an employee of an alcoholic beverage licensee sells alcoholic beverages to a person under twenty-one (21) years of age, the Board of License Commissioners may:
  - a. For the first offense, suspend the license for not more than three (3) days or impose a fine not to exceed Seven Hundred Fifty Dollars (\$750) or both; and
  - b. For each subsequent offense, impose a penalty as determined by the Board of License Commissioners.
  - c. If an employee of an alcoholic beverages licensee sells alcoholic beverages to a person under twenty-one (21) years of age, the Board of License Commissioners may impose a fine on the employee not to exceed Five Hundred Dollars (\$500) per offense.
    - (I) If an employee of an alcoholic beverages licensee fails to comply with the written order of the Board of License Commissioners, the Board of License Commissioners shall recommend to the Alcohol Enforcement Officer/Coordinator that a criminal citation/complaint be filed with the State's Attorney for further criminal prosecution.
    - (ii) If an employee of a license holder is for the first time issued by the Board a Show Cause Order for selling or providing alcoholic beverages to individual under twenty-one (21) years of age, such employee may sign a letter in lieu, stating that he/she: 1) will forego attending the Board hearing; and 2) agrees to pay \$100 fee. Signing the letter in lieu does not mean the admission of guilt by an employee. Both signed letter in lieu and proof of payment of \$100 shall be submitted to the Clerk of the Board before the close of business of the day before the scheduled hearing date on the same Show Cause Order, otherwise, the hearing on Show

Cause Order will go forward as scheduled. The Clerk to the Board shall maintain a list of first-time offenders. This rule is not applicable to licensees.

#### Rule 2.124 - Notice of Suspension

If the Board of License Commissioners suspends an alcoholic beverage license of any licensee, the licensee must post a Notice provided by the Board, on the date the suspension takes effect. The Notice must be posted in a conspicuous place on the licensed premises at its primary public entrance. The Notice must indicate that the license has been suspended by order of the Board, and must include any specific violation of the Maryland State Alcoholic Beverages Laws, Rules and Regulations of the Board of License Commissioners of Charles County, or both. No person may remove or alter the Notice until the suspension period has expired. The Board may have the premises inspected regularly during the suspension period for compliance with this regulation. This posting requirement does not apply to any assessed days of suspension held in abeyance.

# **Chapter 3: Standard of Operation**

## Rule 3.101 - Ownership and Operation

- 1. In individual or partnership situations, every licensee shall be the actual owner of the business conducted on the licensed premises.
- 2. The identity of any person, not a licensee, having any financial interest in said business shall be disclosed to the Board in writing. The disclosure shall also set forth the percentage of each individual's ownership in the business.

#### Rule 3.102 - Records/Invoices

Licensees shall keep on their premises records containing the legal names, addresses, ages and social security numbers of all persons employed by them. Such records shall be open for inspection at all times by duly authorized representatives of the Board, the Sheriff's Office of Charles County, the State Police and other governmental agencies. Invoices, records, and/or receipts shall be maintained for 2 years, and in vendor order.

#### Rule 3.103 – Health, Fire, and Safety Requirements

All licenses will be held to a strict accountability for the enforcement and observance of all health regulations in effect in Charles County, or any incorporated municipality therein, as the case may be, concerning the proper sanitation of eating and drinking establishments.

All license holders shall maintain their premises at all times, in such a manner as to comply with the rules and regulations in reference to fire prevention and safety.

All licensees with an on-sale provision to their alcoholic beverage license shall certify to the Board of License Commissioners that they or their designee have successfully completed and continue to maintain Crowd manager training program certification through the State Fire Marshal's Office.

#### Rule 3.104 - Noise and Music

All licensees shall operate their establishments in such a manner as to avoid disturbing the peace, safety, health and quiet of the neighborhood where located.

#### Rule 3.105 - License Changes

Any changes that would alter pertinent information in the files of the Liquor Board, e.g., change of resident licensee's home address, change of telephone number, change of officers and/or any other information necessary for the Board's records are to be immediately reported to the Office of the Board of License Commissioners in writing.

#### Rule 3.106 - Non-use License

The holder(s) of any license issued by the Board whose establishment is to be closed for more than ten (10) consecutive calendar days must obtain the prior written approval of the Board. Failure to comply with this requirement may result in a determination by the Board that the license has expired or is no longer an accommodation to the public in accordance with the provisions of Alcoholic Beverages Article §4-702(b) of the Annotated Code of Maryland.

#### Rule 3.107 - Purchase by License Holder

No license holder shall purchase alcoholic beverages except from a duly licensed manufacturer or wholesaler. No license holder shall at any time keep, or permit to be kept, upon the licensed premises any alcoholic beverages unless so purchased.

#### Rule 3.108 - Place of Sale

No alcoholic beverages may be sold, served or consumed anywhere on the licensed premises except inside those portions of the permanent building thereon provided for such purpose, unless permission is granted by the Board to serve elsewhere on the premises.

#### Rule 3.109 - Licensed Premises

For the purposes of assessing responsibility for any violations of the liquor laws, the licensed premises shall be deemed to include any and all appurtenant property which the licensee(s) lease, own or otherwise have an interest in, including the parking lot.

#### **Rule 3.110 - Clubs**

In Charles County, if an existing license has been issued to individuals for the use of a club and thereafter the licensee desires to substitute one of more of the officers of such club, such substitution may be requested by filing with the Board of License Commissioners a petition setting forth the necessary information for such substitution without the necessity of filing a formal application of transfer. The person or persons seeking to have his name placed on the license shall make affidavit as to the information and requirements of Alcoholic Beverages Article of the Ann. Code of MD on a Substitution of Officer form provided by the Clerk.

#### Rule 3.111 - Trade Names

In Charles County, the trade name of the business shall be the same as that appearing on the application and legal notice of hearing. Any change in trade name may be approved by the Board of License Commissioners upon written request and a hearing before the Board of License Commissioners.

# **Chapter 4: Charles County Beer and Wine Festival**

#### Rule 4.101 - Promoter application

- A prospective promoter of a Beer and Wine Festival to be held in accordance with Alcoholic Beverages Article §18.1304 of the Ann. Code of Maryland shall make written application to the Board of License Commissioners (the "Board") for approval of a promoter, location and date for the event.
- 2. The prospective promoter shall make application to the Board in a form prescribed by the Board not less than 6 months before the first day of the planned event, at which time it will be placed on the Board's agenda for a public hearing.
- 3. Upon approval of a promoter application for the Beer and Wine Festival by the Board, a Class G Beer and Wine Festival license shall be issued to qualifying vendors in accordance with the provisions with Section 4.102 of these Rules and Regulations.
- 4. The date selected for the Festival shall comply with the requirements of Alcoholic Beverages Article §18.1304 Annotated Code of Maryland.
- 5. The location of the Festival shall comply with the requirements of Alcoholic Beverages Article §18.1304 of the Ann. Code of MD.
- 6. Upon approval by the Board of License Commissioners of the promoter, location, and dates of the Charles County Beer and Wine Festival, the promoter shall pay to the Charles County Commissioners a permit fee in the amount of Two Thousand Dollars (\$2,000). The permit fee may be waived by the Board of License Commissioners if the promoter qualifies as a bona fide non-profit charitable group or organization licensed to do business in the State of Maryland and at least 50% of the net proceeds to be distributed to Charles County bona fide non-profit charitable group(s) or organization(s).

## Rule 4.102 – Class G – Beer and Wine Vendor's Licenses; Conditions

- 1. A vendor license may be granted to qualifying, prospective participants, upon approval by the Board, payment of the fee, and endorsement of the promoter. A public hearing for each vendor shall not be required unless requested by petition from ten persons who are registered voters in the same election district wherein the event is scheduled.
- 2. The fee for a vendor license for each participating vendor shall be Fifty Dollars (\$50) and is payable at the time application is made.
- Participating vendors shall hold an existing state retail alcoholic beverage license, a state class 3 or a state class 4 winery license. A copy of that license shall be attached to the vendor application.
- 4. In the event that the applicant is an alcoholic beverage license holder for a state other than Maryland, in addition to the following, the applicant must supply copies of the necessary permits (i.e., comptroller and any other necessary permits and/or documentation) showing compliance with all laws, rules and regulations relating to the sale, purchase and consumption of alcoholic beverages in the County of Charles and the State of Maryland.
- 5. Completed vendor applications must be filed with the Board not less than forty-five days before the first day of the event. A completed application shall include:
  - a. A copy of the state license currently held by the applicant;
  - b. Endorsement of the promoter;
  - c. The signatures of all those licensees whose names appear on the state license;
  - d. Fifty Dollar (\$50) application fee; and
  - e. If out of state vendor, such additional information the Board may require.
- 6. Participating winery vendors may only sell and display wine that is licensed for sale in the State of Maryland and contiguous states. Wine sales shall be at retail and open containers shall be consumed on the festival premises only on the days and at hours designated by the Board for the Charles County Beer and Wine Festival. All opened containers must be consumed or disposed of on the festival premises. Only unopened containers that are commercially sealed with proof of purchase may be removed from the premises of the Beer and Wine Festival.

- 7. Participating brewery vendors may only sell and display beer that is brewed by a brewer who brews less than 60,000 barrels of beer annually. Beer sales shall be at retail and open containers shall be consumed on the festival premises only on the days and at hours designated by the Board for the Charles County Beer and Wine Festival. All opened containers must be consumed or disposed of on the festival premises. Only unopened containers that are commercially sealed with proof of purchase may be removed from the premises of the Beer and Wine Festival.
- 8. The Board may issue a Class G Charles County Beer and Wine Festival license to a vendor holding an existing alcoholic beverage license of a different class.
- 9. In accordance with Alcoholic Beverages Article §4-508, all vendor's shall be required to display at their concession, their vendor's license so as to be conspicuous and easily read.
- 10. Licensees shall be subject to all provisions of:
  - a. Alcoholic Beverages Article of the Annotated Code of Maryland; and
  - b. The Rules and Regulations of Charles County Board of License Commissioners, which are not inconsistent with this Chapter

## Rule 4.103 - Open Air Exception a/k/a Outside Service Area

A licensee, wishing to make application to the Board of License Commissioners for an Open Air Exception to expand their licensed serving area to include an outside area, shall submit a written request and appear before the Board at a regular meeting. In determining whether or not an Open Air Exception shall be granted, the Board shall review each request on an individual basis and consider the impact on the general health, safety and welfare of the community, including issues related to crime, traffic conditions, parking and/or convenience, and the safety of the persons that would use the Open Air Exception area.

An application for an Open Air Exception must include the following:

- A diagram identical to that submitted to Planning and Growth Management for its Use and Occupancy Permit;
  and
  - b. Photographs of the proposed Open Air Exception area and surrounding area, depicting proximity to street and parking area; and
  - c. The Clerk shall publish a legal notice, as well as prepare a public notice to be posted upon the property by the applicant, in accordance with the publication and posting requirements described in Alcoholic Beverages Article, §18-1504 Publication in Charles County and Rule 2.109 of these Rules and Regulations, the cost of which shall be borne upon the applicant.
- 2. The Open Air Exception area shall not exceed 50% of the area of the licensed premises (the area where alcohol is sold and consumed).
- 3. An Open Air Exception for an outside service area is prohibited if located adjacent to a residential area.
- 4. Live entertainment and amplified music shall be prohibited in an outside service area.
- 5. a. The Open Air Exception area shall be enclosed in a manner to restrict access so that the sale and consumption of alcoholic beverages can be restricted and controlled, by a barrier (wall or fencing), at least 4 ft. tall.
  - b. Ingress and Egress to the Open Air Exception area shall be through the licensed premises only.
  - c. Barriers sufficient to protect against vehicular traffic must be installed and maintained.
  - d. A Use and Occupancy Permit for the outside area (if required), along with photographs incorporating the above-listed requirements, must be submitted to the Clerk before final approval of the outside service area is given.
- 6. Bars or service areas within the confines of the Open Air Exception area shall be prohibited.
- 7. Restraints on the days and times of operation may be imposed by the Board.
- 8. The Board may consider the percentage of food sales vs. alcohol sales.

The Board may waive any of these criteria or requirements if it concludes, based upon the evidence presented, that the granting of the Open air Exception would not unduly disturb the peace or otherwise negatively impact the general health, safety and welfare of the community.

## **Procedure**

Upon receipt of the written request for an Open Air Exception in reasonable detail, along with a diagram, before photographs and the Legal Notice fee, the Board of License Commissioners will conduct a public hearing to determine if tentative approval is to be granted. If approved, upon build-out, the applicant must present a copy of the approved Use and Occupancy Permit if amended, and photographs depicting the improvements to the Open Air Exception area to the Clerk to the Board of License Commissioners.

If granted, the applicant and the Board shall enter into a consent agreement identifying the physical dimensions of the open air exception area and the conditions according to which it shall operate. Any deviation from those terms without prior approval of the Board; any relevant violations of the Alcoholic Beverages Article; or, any other indication that the open air exception is disturbing the peace or otherwise negatively impacting the general health, safety and/ or welfare of the community, may result in the Board revoking its consent to the Open Air Exception.

Any deviation from the approved Consent Order and/or previously approved specifications and agreements shall be prohibited without a written request and a new hearing before the Board of License Commissioners.

#### Rule 4.104 – Minors and Intoxicated Persons

- 1. It is against the law in Maryland to serve alcoholic beverages to any person under the age of twenty-one (21) and/or intoxicated persons. Violations could lead to the issuance of criminal summons and/or the revocation of license.
- 2. It is also against the law in Charles County for any person under the age of twenty-one (21) to sell or serve alcoholic beverages except in the capacity of a waiter or waitress serving in conjunction with a meal, unless otherwise noted in the Alcoholic Beverages Article of the Annotated Code of Maryland.

## Rule 4.105 – Nudity and Sexual Displays

In Charles County, licensees shall abide by all provisions of the Alcoholic Beverages Article §4-605 prohibiting nudity and sexual displays. A license issued under the provisions of the Alcoholic Beverages Article of the Annotated Code of Maryland, and the Charles County Rules and Regulations shall be revoked if after a hearing any of the activities listed in that section are found to occur on any premises or location for which the license was issued.

# **Chapter 5: Validity**

#### Rule 5.101 – Severability

Should any section, subsection, sentence, clause or phrase of these Rules and Regulations be declared invalid by a court of competent jurisdiction such decision shall not affect the validity of the Rules and Regulations in their entirety or of any part thereof, other than that so declared to be invalid.

The Board of License Commissions for Charles County hereby declares that it would have adopted these Rules and Regulations and each section, subsection, sentence, clause or phrase thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases may be declared invalid.

#### Rule 5.102 - Amendments

The Board may amend these Rules and Regulations from time to time.

## Sections of the Alcoholic Beverages Article, Annotated Code of Maryland

#### Pertaining to Charles County (NOT all inclusive.)

4.505	Alcohol Awareness Program
4.109, 18.1405	Application, what to contain
4.210	Approval or Denial of License Application
5.303	Beer keg registration
18.1605, 18.1703	BLX Luxury Restaurant License
4.1102	Corkage – consuming wine not purchased at licensed establishment
4.103, 104; 18.1404, 1703	Corporation/LLC Application
4.802, 803; 18.2302	Death of Licensee
4.508	Display of License
3.605	Effects of Revocation
4.504, 18.1902	Employment of underage individuals
18.2702, 2802	Fines - Penalties
18.2001, 2002, 2003, 2004	Hours of Sale/Consumption; Removal of Bottles/Containers; Sale of Non-alcoholic items
4.212	License not property
4.206	Limitation on Retail Floor space
18.2005	New Year's Day
18.1601	Off-sale license quota

4.210; 18.501	Procedure for Issuance
4.203, 204; 18.1601, 1605	Prohibition – more than 1 license/person, premises; BLX Exception
18.2501	Prohibition – Bottle Clubs
4.205, 303, 410	Prohibition – Chain store
6.308	Prohibition – Allowing on-premises possession or consumption of alcoholic beverages not purchased from license holder.
6.309	Prohibition – Allowing on-premises consumption or possession of alcoholic beverages by individual under the age of 21.
18.2705	Prohibition – Go cups
4.605, 18.2502	Prohibition - Nudity and Sexual Displays
6.322	Prohibition – Open containers
6.311	Prohibition - Purchase from other than a wholesaler
6.304, 307	Prohibition – Sale to minor/intoxicated person
6.313	Prohibition – Tampering/refilling containers
1.408	Recordkeeping and Reporting Requirements – Invoices and Employee records
4.806	Refunds
4.210, 214, 407; 18.1507	Refusal to issue/renew license
4.402, 405, 406, and 805; 18.1801, 1804	Renewals, revocation of license, Protest to Renewal
18.901	Sampling
18.2202	Seasonal Closing
4.602	Suspend/Revoke, authority
18.1307	Temporary – Class D – Beer Only
18.1308	Temporary – Class C – Beer, Wine, and Liquor
4.302, 18.1702	Transfer of license
4.702	Vacation of premises

#### **Age of Persons Consuming Alcoholic Beverages**

In Charles County, a licensee may not sell or furnish and alcoholic beverages at any time to a person under the age of twenty-one (21) years. (For exact language see Alcoholic Beverage Article §6.304, Annotated Code of Maryland.)

#### **Age of Persons Serving Alcoholic Beverages**

In Charles County, a person eighteen (18) years of age or older may serve alcoholic beverages in restaurants in connection with the serving of a meal. Persons under twenty-one (21) years of age may not act as bartender in any solely bar-related capacity in Charles County. (For exact language see Alcoholic Beverages Article §18.1902, Annotated Code of Maryland.)

#### **Death of Licensee**

In Charles County, upon the death of any married licensee, a license shall be issued to the surviving spouse, for a period not exceeding 18 months after the death of the licensee.

In Charles County, upon the death of any licensee holding that license for the benefit of a partnership or corporation, upon application to the Clerk of the Board of License Commissioners, a license shall be issued to the surviving partners for the benefit of the partnership, or the senior surviving officer for the benefit of the corporation without the necessity of any further proceedings for the balance of the current license year. A renewal license may be issued to the surviving members of a partnership or corporation, if they qualify to hold a license (For exact language see Alcoholic Beverages Articles § 4.802, 4.803, 18.2302, Annotated Code of Maryland.)

#### **Display of Licenses**

In Charles County, every person receiving a license shall frame his license under glass and place the same so that it shall at all times be conspicuous and easily read in his place of business. (For exact language see Alcoholic Beverages Article §4.508 Annotated Code of Maryland.)

#### **Employment of Minors by Retail Dealers**

In Charles County, a person under 21 years of age may not be employed by any holder of a Class D beer, wine and liquor license in the sale of alcoholic beverages and no person under the age of 18 shall be employed for the sale of alcoholic beverages in any other licensed establishment. (For exact language see Alcoholic Beverages Article §4.504 Annotated Code of Maryland.)

#### **Hours and Days for Sale of Alcoholic Beverages**

(For exact language see Alcoholic Beverages Article §18.2001, 2002, 2003, 2004, Annotated Code of Maryland.)

- 1. In Charles County, notwithstanding any other provisions of this subtitle, the hours of sale for alcoholic beverages shall be Monday through Saturday from 6:00 a.m. to 2 a.m. the following day; and on Sunday from 6 a.m. to Midnight.
- 2. An alcoholic beverages licensee may sell non-alcoholic beverages licensee may sell non-alcoholic items on:
  - (I) Monday through Saturday, from 5 a.m. to 2 a.m. the next day; and
  - (II) Sunday, from 6 a.m. to Midnight.
- 3. It is unlawful for any licensee, his agent or employee, to sell any alcoholic beverages on any day between the hours of 2 o'clock a.m. and 6 o'clock a.m. and that part of any premises where alcoholic beverages are sold or displayed shall be open only during the hours of sale for alcoholic beverages set out in subsection (a) of this section. In the case of any on–sale class of license, all bottles and containers must be removed from the table on or before the hours of closing indicated in subsection (a) of this section. It is unlawful to sell any alcoholic beverages between midnight, Sunday, and 6 o'clock a.m. Monday.
- 4. The hours established in this section for the sale of alcoholic beverages are hereby declared to be in accordance with Eastern Standard Time whenever such time is in effect or in accordance with daylight time whenever such time is in effect. Any person violating any of the provisions of this section shall be deemed guilty of a misdemeanor and upon trial and conviction shall be subjected to a fine of not less than Fifty Dollars (\$50) nor more than Two Hundred

and Fifty Dollars (\$250), or may be confined in the county jail or in the house of correction for not less than sixty days, or both, in the discretion of the court.

#### Windows and Doors to be Unobstructed

In Charles County, no licensee and no agent, servant or employee of said licensee shall be permitted to sell any alcoholic beverages except in a room having one or more plain glass windows or doors so as to enable persons standing on the outside to observe the interior of the premises at all hours, and no curtain, blind, screen or other obstruction shall be placed before such windows or doors. (For exact language see Alcoholic Beverages Article §18.1903, Annotated Code of Maryland.)

#### **Sales to Intoxicated Persons**

In Charles County, a licensee or employee of the licensee is prohibited from selling or furnishing alcoholic beverages at any time to a person who is visibly under the influence of any alcoholic beverage. (For exact language see Alcoholic Beverages Article §6.307, Annotated Code of Maryland.)

#### **Alcohol Awareness Program**

In Charles County, a holder of any class of retail alcoholic beverage license who is authorized to sell alcoholic beverages or an employee designated by the holder shall complete training in an approved alcohol awareness program. (For exact language see Alcoholic Beverages Article §4.505, Annotated Code of Maryland.)

## "Go Cup" Prohibited

In Charles County, a retail alcoholic beverage licensee may not sell or give any person or otherwise provide any person with a cup commonly known as a "go cup" for off-premises use for consuming alcoholic beverages. (For exact language see Alcoholic Beverages Article §18.2705 Annotated Code of Maryland.)

#### **Alcoholic Beverage Containers**

In Charles County, no licensee shall reuse or refill any bottle or other container of alcoholic beverages; nor shall any licensee adulterate, dilute or fortify the contents (tamper with) of any such bottle or container, with the exception of Alcoholic Beverages Article 18.1102 – Refillable Container Permit – Draft Beer. (For exact language see Alcoholic Beverages Article §6.313 Annotated Code of Maryland.)