

**Proposed Changes to Revised Alcoholic Beverage Control Board Rules and Regulations
Based on Comments from September 3, 2014 Public Hearing**

1.02 DEFINITIONS.

For the purpose of these Rules and Regulations, the following words and phrases have the meaning ascribed to them by this Section 1.02. Those definitions in Article 2B of the Annotated Code of Maryland, as may be amended, and the Code of the City of Annapolis, as may be amended, which are not indicated in these Rules are incorporated herein by reference.

- A. "Alcohol Awareness Program" means a program sanctioned by the State of Maryland for persons who sell, serve, give, or deliver alcohol to the public. Such a program is designed to train persons selling or serving alcohol to identify customers who should not be permitted to consume or purchase Alcoholic Beverages.
- B. "Affidavit" means an oath or affirmation sworn or made before an official or other person authorized to administer an oath or take an affirmation that the matters and facts set forth in the paper or writing to which it pertains are true to the best of the affiant's knowledge, information and belief.
- C. "Alcoholic Beverages" means alcohol, brandy, whiskey, rum, gin, Beer, Wine and cider, and in addition thereto, any spirituous, vinous, malt or fermented liquor, liquids and compounds, by whatever name called, containing one-half of one per centum ($\frac{1}{2}$ of 1%) or more of alcohol by volume, which are fit for beverage purposes; provided, that the foregoing definition shall not extend to Wine and cider manufactured for home consumption and which are not sold for the maker or manufacturer, nor by the maker or manufacturer, nor to alcohol used exclusively for the manufacture of medicinal, antiseptic or toilet preparation, flavoring extracts and other preparation unfit for beverages.
- D. "Attorney" means an attorney-at-law admitted to practice in the Court of Appeals of Maryland.
- E. "Beer" means any brewed alcoholic beverage, including, but not limited to, beer, ale, porter, stout, hard cider, and all other Alcoholic Beverages that contain: (1) six percent (6%) or less alcohol by volume, derived primarily from the fermentation of grain, with not more than forty-nine percent (49%) of the beverage's overall alcohol content by volume obtained from flavors and other added non-beverage ingredients containing alcohol; or (2) more than six percent (6%) alcohol by volume, derived primarily from the fermentation of grain, with not more than one and one-half percent (1.5%) of the beverage's overall alcohol content by volume obtained from flavors and other added non-beverage ingredients containing alcohol.
- F. "Beer Tasting" means the consumption for tasting or sampling only, on Premises, of Beer. The Licensee shall not serve more than three ounces from any brand to any one person.
- G. "Board" means the Alcoholic Beverage Control Board of the City of Annapolis.

- H. "Club" means an association or corporation which is organized and operated exclusively for educational, social, fraternal, charitable, civic, political, patriotic or athletic purposes and not for profit.
- I. "City" means the City of Annapolis, Maryland, a municipal corporation of the State of Maryland.
- J. "City Clerk" means the City Clerk for the City of Annapolis, Maryland, or the Deputy City Clerk as may be designated by the City Clerk, both located at the Office of the City Clerk, or such other legally authorized designee of the City Clerk for the City of Annapolis, Maryland.
- K. "Class A License", "Class B License", "Class C License", "Class D License", "Class E License", "Class F License" means a License, as defined below, and as further described in Appendix A.
- L. "Day", unless otherwise designated, means a calendar day and includes every day shown on the calendar with Saturdays, Sundays and holidays included.
- M. "Deliver", either uppercase or lowercase, and any conjugation thereof, includes to sell, to serve, to give and to furnish.
- N. "Enclosed Premises" means those areas of the Premises within the walls of a structure, including, but not limited to, open patios and decks attached to such structure, whether or not Alcoholic Beverages are sold, served, given, or delivered therein.
- O. "Entity", either uppercase or lowercase, means any legal entity in good standing in the State of Maryland, including, but not limited to, a corporation, limited liability company, partnership of any type, or sole proprietorship.
- P. "Expansion" means a change in the Licensed Premises to include an area not previously approved for the service of Alcoholic Beverages.
- Q. "Furnish", either uppercase or lowercase, and any conjugation thereof, includes to sell, to serve, to give and to deliver.
- R. "Give", either uppercase or lowercase, and any conjugation thereof, includes to sell, to serve, and to deliver.
- S. "Holder" or "License Holder" means all the individual Licensees to whom a License is collectively issued.
- T. "Hotel" means any establishment for the accommodation of the public and equipped with not less than twenty (20) bedrooms, containing not less than one (1) bed in each room, with sufficient covering thereof, and one (1) room with toilet and bathing facilities for each seven (7) bedrooms; and it shall contain a Restaurant as defined by these Rules.
- U. "Institution for the Care of the Aged" means a building or buildings which provide housing for senior citizens aged sixty-two (62) and older and which include seniors-specific amenities and services that meet the nutritional, social, recreational, medical,

safety and transportation needs of the residents, as further defined in Chapter 21.72 of the Code of the City of Annapolis, as may be amended.

- V. "Keg" means a container of Beer with a capacity of at least four (4) gallons which is designated to dispense Beer directly from the container.
- W. "License" or "Alcoholic Beverage License" means any license or permit issued under the provisions of these Rules and Regulations, the City Charter and Code, and Article 2B of the Annotated Code of Maryland, including, but not limited to, Class A, Class B, Class C, Class D, Class E, Class F, and Temporary Special Class C. Where a specific class or type of License is not defined in these Rules and Regulations, it shall be defined and further described in Appendix A to these Rules and Regulations.
- X. "Licensed Premises" means only that area within the Premises wherein alcohol beverages may be served.
- Y. "Licensee" means any Person whose name appears on a License issued by the Board; any officer or member of an entity who is a U.S. Citizen to which a License is issued by the Board. With regard to any prohibited practice stated in these Rules and Regulations, the term "Licensee" shall also include any agent, servant, or employee of a Licensee, or of the Premises licensed.
- Z. "Light Wine" means any naturally fermented Wine containing not in excess of fifteen and one-half percent (15.5%) of alcohol by volume.
- AA. "Liquor Tasting" means the consumption of liquor for tasting or sampling only, on Premises. The Licensee shall not serve more than one (1) ounce from any brand to any one person.
- BB. "Package Goods Retail Store" means an establishment for the retail sale of unopened containers of Beer, Wine and liquor to the general public for consumption off the Licensee's Premises; provided, however, that upon proper application for a Class A-1b or Class A-2b License, which License is then granted by the Board, Beer and Wine Tasting in conformance with the rule pertaining thereto shall be permitted.
- CC. "Person", either uppercase or lowercase, means any individual person, or any legal entity in good standing in the State of Maryland.
- DD. "Premises" means that area upon which the Restaurant, Tavern, Wine Bar, Yacht Club, or Hotel, and the Licensed Premises are located, including the area outside any Enclosed Premises, to include, but not limited to, walkways, yards, alleys and parking lots.
- EE. "Private Function" means a function or event that is limited to attendance by Club members and Club members' families and/or guests, or otherwise restricted to select individuals rather than the general public as a whole.
- DD-FF. "Public Event" means a function or event open to the general public as a whole, and not limited to attendance by only Club members and Club members' families and/or guests.

- | ~~EE~~.~~GG~~. "Refillable Container" means a jug, growler, or other vessel used to transport draft Beer.
- | ~~FF~~.~~HH~~. "Restaurant" means any lunchroom, café or other establishment located in a permanent building and with ample space and accommodations wherein hot meals are habitually served and sold to the public during the hours it is regularly open for business. It shall be equipped with a public dining room, with sufficient tables, chairs, cutlery and glassware to serve the meals prepared therein; and with a kitchen having complete facilities and utensils for preparing and serving hot and cold meals to the public. A Restaurant shall maintain a menu or card advertising the serving of a variety of hot meals. There shall be maintained on the Premises, at all times, sufficient food to fill orders made from such menus. No drug or grocery store shall be construed as a Restaurant.
- | ~~GG~~.~~II~~. "Sell", either uppercase or lowercase, and any conjugation thereof, includes to serve, to give, to deliver, and to furnish.
- | ~~HH~~.~~JJ~~. "Serve", either upper case or lowercase, and any conjugation thereof, includes to serve, to give, to deliver, and to furnish.
- | ~~II~~.~~KK~~. "Sidewalk Café" means an extension of Licensed Premises onto a public sidewalk where food, refreshments, and/or beverages are sold by a Restaurant, delicatessen, ice cream shop or coffee shop for public consumption at tables or counters located on such public sidewalk, approval for which has been applied for in accordance with Chapter 7.42 of the Code of the City of Annapolis, as may be amended.
- | ~~JJ~~.~~LL~~. "Tavern" means an establishment operated primarily for the sale of Alcoholic Beverages for consumption on the Enclosed Premises; provided, however, that nuts, pretzels, potato chips, sausages, sandwiches, salads and similar food products may be sold and consumed thereon.
- | ~~KK~~.~~MM~~. "Taxpayer" means an individual who owns real property in the individual's name, individually or jointly with others, and pays real property taxes to the City of Annapolis.
- | ~~LL~~.~~NN~~. "Temporary Special Class C License" means the License as described in Section 2.12 of these Rules and Regulations.
- | ~~MM~~.~~OO~~. "Wine" means any fermented beverage, including Light Wines, and wines the alcoholic content of which has been fortified by the addition of alcohol, spirits or other ingredients.
- | ~~NN~~.~~PP~~. "Wine Bar" means any properly Licensed Premises used and operated for the sale of Wine and to a lesser extent the sale of Beer for consumption on or off Premises; *provided however*, light fare generally associated with Wine Bars (e.g. pastries, sandwiches and other food items) may be sold and consumed in Wine Bars.
- | ~~OO~~.~~QQ~~. "Wine Tasting" means the consumption of Light Wine for tasting or sampling only, on Premises. The Licensee shall not serve more than one (1) ounce from any brand to any one person.

- | ~~PP.RR.~~ _____ "Written" or "Written Form" or "In Writing", either uppercase or lowercase, means a written form completed and submitted by a Holder, Licensee, or other Person, but expressly excluding the Board and any employee of the City, which written form shall be provided by or to the satisfaction of the Board and include original signatures.

- | ~~QQ.SS.~~ _____ "Yacht Club" means a bona fide organization maintaining wharves and docking facilities, with a membership of at least twenty-five paid-up members. The Yacht Club shall adjoin its wharves and docking facilities and shall not be open for private profit; nor shall the Yacht Club be open to the public generally, but shall be maintained for its members and guests.

2.01 APPLICATIONS FOR NEW LICENSE, EXPANSION OF LICENSE, UPGRADE OF LICENSE, AND/OR TRANSFER OF LICENSE, AND SUBSTITUTION OR DELETION OF LICENSEE(S).

F. Class C Licenses shall only be issued to Clubs when the following conditions are documented in writing to the satisfaction of the Board:

1. Three (3) officers of the Club, or all officers if the Club has less than three (3) total officers, shall be named as Licensees in the application, and one (1) of the named officers shall meet the following additional qualifications:
 - a. For the two (2) years preceding the date of the application shall be a resident, real property taxpayer and registered voter of the City or Anne Arundel County, Maryland; and
 - b. During the term of the License shall continue to be a resident, real property taxpayer and registered voter of the City or Anne Arundel County, Maryland.
2. The Club shall have been in operation within the City for a period of one (1) year prior to filing an application for a Class C License.
3. The Club shall have a sufficient number of members to ~~fully~~ support its operation ~~with~~ such a License and without the patronage of guests and other non-members.
4. The Club shall not have been formed for the purpose of obtaining an Alcoholic Beverage License.
5. Guests or non-members shall not be admitted into a Club's Licensed Premises unless sponsored by a Club member who shall be present at all times during such guest's presence at the Club's Licensed Premises.
6. A Class C Licensee may be permitted to sponsor four (4) ~~Public e~~Events each calendar year during which the general public may be invited. The Licensee shall petition the Board in writing for approval not less than forty-five (45) days before each such ~~general p~~Public ~~event~~Event. Approval of each event shall be in the sole discretion of the Board.

G. A Club possessing a Class C License shall notify the Board in writing ~~forty-fivet~~en (4510) days in advance of any ~~private-Private function~~Function, including, but not limited to, wedding receptions, anniversary parties, and birthday parties, to be held at the Club's Premises where both members and non-members may attend such ~~private-Private function~~Function, and where alcohol may be sold, served, given, delivered, or otherwise provided. Such notice to the Board shall including the following:

1. Date and hours of the ~~private-Private function~~Function.
2. Sponsor of the ~~private function~~Private Function.
3. Type of ~~private function~~Private Function.

4. Approximate number of attendees at the ~~private-function~~Private Function, including both members and non-members.
5. Type(s) of alcohol that may be sold, served, given, delivered, or provided.
6. Plan and/or provisions to prevent any and all underage drinking.
7. Any other documentation that the Board deems necessary.

As soon as reasonably possible, a Club possessing a Class C License may submit a written request to the City Clerk asking for a waiver of the notice requirement in this Section 2.01(G) for reasonable cause. This request for waiver will be handled administratively by the City Clerk, and the City Clerk will respond to such request within two (2) business days. No ~~private-function~~Private Function or other event at a Club shall occur until the Club provides proper and timely notice to the Board in full and complete compliance with this Section, or receives a written waiver of the notice requirement from the Board. Failure by a Club to comply with all aspects of this Section may result in a disciplinary hearing before the Board, infraction citations or fines issued pursuant to these Rules and Regulations, and/or suspension or revocation of the Club's License. The Club's License shall govern all such ~~private-function~~Private Functions, and any and all violations of these Rules and Regulations during such ~~private-function~~Private Functions shall be the sole responsibility and liability of the Club regardless of whether or not the violation was committed by a member or non-member.

3.02 SPECIAL RULES APPLICABLE TO CERTAIN CLASSES OF LICENSE.

A. *Package Goods Retail Stores (Class A)*. The following special rules shall apply to all Class A Licenses:

1. Even if the Premises are open for other legal purposes, there shall be no display of the stock of Alcoholic Beverages during hours or days when sales are prohibited by the License. At such times, the stock of Alcoholic Beverages shall be hidden from view by shutters, blinds, or doors, or shall be stored within closets or cabinets so as not to be visible, and such shutters, blinds, doors, closets or cabinets shall be locked with padlocks that are visible to the observer.
2. A notice shall be prominently displayed in such a manner and location to be easily read by those purchasing Alcoholic Beverages, which notice shall read:

Consumption of Alcoholic Beverages on the public streets, parks and other public ways of the City is prohibited by law. (Sec. 7.12.220 (A) and (B))

B. *Restaurants (Class B)*. A Class B Licensee shall keep complete records, including, but not limited to, original invoices, sales tickets, and sales receipts, of food purchases, food sales, and purchases and sales of Alcoholic Beverages on the Premises for three (3) years from the date of generation. ~~The Board may issue a subpoena for production of such records and shall display such records to any authorized government inspector, and shall upon request state the records to be produced, the reason for the subpoena, and providing the Licensee with at least ten (10) days to produce the records unless extraordinary circumstances, in the discretion of the Board, warrant less than ten (10) days.~~ Upon applying for renewal of a Class B License, the applicant shall furnish a sworn statement reporting the ratio of daily receipts from the sale of food to the combined daily receipts from the sale of food and Alcoholic Beverages. The daily average for each quarter of the calendar year preceding the calendar year in which renewal application is made shall be reported.

C. *Taverns (Class D)*. A Class D Licensee shall close their Premises closed from 12 Midnight to 6:00 a.m.

D. *Institution for the Care of the Aged (Class ICA)*. The following special rules shall apply to all Class ICA Licenses:

1. The ICA License shall explicitly define the Licenses Premises within which alcohol shall be served.
2. The ICA Licensee and its facility shall provide full meal service in a common dining room, but the Licensed Premises are not necessarily limited to that common dining room.
3. Alcohol shall be served only to ICA residents and their guests.

4. Alcohol shall be consumed on the Licensed Premises. Closed or open containers of Alcoholic Beverages shall not be removed from the Licensed Premises by ICA residents or their guests. However, the Class ICA Licensee may deliver Alcoholic Beverages to its residents for consumption in the residents' quarters.
5. Hours of service of Alcoholic Beverages shall be determined by the Board.
6. Terms of any Special Exception issued by the City shall be incorporated into the Class ICA License, and shall be directly enforceable by the Board.

E. *Wine Bars (Class WB)*. The following special rules shall apply to all Class WB Licenses:

1. A Class WB License shall only be available in the MX Zoning District. A Class WB License shall not be available for Premises holding any other License for the sale of Alcoholic Beverages.
2. Wine may be served to patrons for consumption on the Licensed Premises. Unopened containers of Wine may be purchased from the Class WB Licensee for consumption off the Licensed Premises. Partially consumed Wine bottles may be removed from the Premises by patrons only after such bottles are re-corked or capped by the Class WB Licensee, and only if that patron has also consumed food on the Premises.
3. Beer may be served for consumption on the Licensed Premises, and unopened containers of Beer may be sold for consumption off of the Premises.
4. Light fare, as defined in Section 1.02(NN) and rather than a full meal, may be served by a Class WB Licensee on the Premises with or without consumption of Wine or Beer.

F. *Record Retention*. All Licensees shall keep complete records, including, but not limited to, original invoices, sales tickets, and sales receipts, of food purchases, food sales, and purchases and sales of Alcoholic Beverages on the Premises for three (3) years from the date of generation, ~~and shall display such records to any authorized government inspector upon request.~~ The Board may issue a subpoena for production of such records, and shall state the records to be produced, the reason for the subpoena, and providing the Licensee with at least ten (10) days to produce the records unless extraordinary circumstances, in the discretion of the Board, warrant less than ten (10) days. This Section 3.02(F) shall not apply to Class B Licenses and/or Licensees, who are governed by Section 3.02(B) of these Rules and Regulations.

