

City of Annapolis

ALCOHOLIC BEVERAGE CONTROL BOARD

RULES AND REGULATIONS

TO ALL LICENSEES

This book is published by the Alcoholic Beverage Control Board of the City of Annapolis to acquaint all licensees and their employees with the Rules and Regulations governing the sale of alcoholic beverages at retail in the City of Annapolis.

Study these Rules and Regulations carefully and make sure that all employees are familiar with them.

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Adopted by the Alcoholic Beverage Control Board on July 3, 2000
Revised November 25, 2002
Revised April 5, 2006
Approved City Council R-07-06
Approved City Council R-31-07
Revised December 5, 2007

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**CHAPTER 1
GENERAL PROVISIONS**

1.01 ATTORNEY.

Where these Rules and Regulations provide that a party may or shall act, such act may be performed by the party's attorney except as otherwise provided.

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:

- A. "Alcohol Awareness Program" means a program sanctioned by the State of Maryland for persons who sell or serve 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, ale, porter, stout, 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 percentum ($\frac{1}{2}$ 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. (Sec. 7.12.010)
- D. "Attorney" means an attorney-at-law admitted to practice before the bar of the Court of Appeals of Maryland.
- E. "Beer Tasting" means the consumption for tasting or sampling only, on premises, of beer. The licensee may not serve more than three ounces from any brand to any one person.
- F. "Board" means the Alcoholic Beverage Control Board of the City of Annapolis.
- G. "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. (Sec. 7.12.010)
- H. "Expansion" means a change in the licensed premises to include an area not previously approved for the service of alcoholic beverages.
- I. "Holder" means collectively the persons to whom a license is issued, the licensees. "Holder Designee" is a licensee or an employee of the licensee designated by the Holder to obtain a certificate of completion from an Alcohol Awareness Program.
- J. "Hotel" means any establishment for the accommodation of the public and equipped with not less than twenty bedrooms, containing not less than one bed in each room, with sufficient covering thereof, and one room with toilet and bathing facilities for each seven bedrooms; and it shall contain a restaurant as defined by these Rules. (Sec. 7.12.010C)

- K. "Institution for the Care of the Aged" means a facility, as defined in Section 21.04.336, which has received a special exception under Chapter 21.72 of the Code of the City of Annapolis.
- L. "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.
- M. "Licensed Premises" means that area within the "Premises" wherein alcohol beverages may be served.
- N. "Licensee" means any individual, firm, or corporation whose name appears on a license issued by the Board; any officer or member of a firm or corporation 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 establishment licensed, as herein defined.
- O. "Light Wine" means any naturally fermented wine containing not in excess of 14 percent of alcohol by volume.
- P. "Liquor Tasting" means the consumption of liquor for tasting or sampling only, on premises. The licensee may not serve more than one ounce from any brand to any one person.
- Q. "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 will be permitted. (Sec. 7.12.220)
- R. "Person" means any natural person, any partnership, corporation, unincorporated association or society, municipal or other corporation of any character whatsoever, or any other legal entity.
- S. "Premises" means that area upon which the licensed establishment is located and which is under the direct control of the operator of the establishment, including the area outside the structure, to include, but not limited to: walkways, yards, and parking lots.
- T. "Enclosed Premises" means those areas within the walls of a structure, and including open patios and decks attached thereto, whether or not alcoholic beverages are served therein.
- U. "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 table, 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. (Sec. 7.12.010C)
- V. "Sidewalk Café" means an extension of licensed premises onto a public sidewalk, approval for which has been applied for in accordance with Chapter 7.42 of the City Code.
- W. "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. (Sec. 7.12.010D)

- X. "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 (pastries, sandwiches and other food items) may be sold and consumed in wine bars.
- Y. "Wine Tasting" means the consumption of light wine for tasting or sampling only, on premises. The licensee may not serve more than one ounce from any brand to any one person.
- Z. "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 club be open to the public generally, but shall be maintained for its members and guests. (Sec. 7.12.270)

1.03 APPLICABILITY OF OTHER LAW.

Except as otherwise provided in these Rules and Regulations, the provisions of Article 2B of the Annotated Code of Maryland (1957 Edition and Supplements), and applicable provisions of the Code of the City of Annapolis shall apply to the sale and consumption and licensing for sale of alcoholic beverages in the City of Annapolis. (Sec. 7.12.020)

1.04 SALE AND STORAGE OF ALCOHOLIC BEVERAGES; EXCEPTION.

No person shall sell, offer for sale or keep for sale any alcoholic beverages except as provided by these Rules. This section shall not apply to sales made by a person under a provision of law or order, or decree of a court of competent jurisdiction requiring the sale of personal property.

1.05 ZONING.

No license shall be issued which will result in a use of premises which violates any zoning or other statutory land use restriction. (Sec. 7.04.040)

1.06 LIGHTING.

Licensees shall ensure that every portion of the enclosed premises which is open to the public is illuminated by sufficient natural or artificial light to permit patrons with normal eyesight to read a menu or newsprint.

1.07 COMPLIANCE WITH LAW.

No licensee shall commit any act or allow the commission of any act on the licensed premises which violates any federal, state, or local statute, law, ordinance, or rule, regulations or ruling of any regulatory agency. Any such violation shall in itself be a violation of these Rules and Regulations and may be cause for disciplinary action by the Board.

1.08 RESTROOM FACILITIES.

- A. Licensees holding a license for on-sale consumption shall provide toilet facilities on the licensed premises for patrons of both sexes. All such restrooms shall be completely enclosed and shall be used exclusively as toilet and sanitary facilities. All restrooms shall have self-closing doors; each toilet in each restroom shall be installed in a separate enclosure; each restroom shall be lighted so that the level at the floor throughout the room is not less than fifty foot-candles. Restrooms shall be ventilated by electric fans capable of exhausting at least one hundred cubic feet per minute if there are fewer than four enclosed toilets, and at least two hundred cubic feet per minute if there are four or more enclosed toilets.

B. Restrooms shall be designed and equipped in the following manner:

1. Walls shall be of ceramic tile or plaster without holes or cracks, concrete blocks or concrete painted with an epoxy compound, or sealed with a sealer and painted with a high gloss, lead-free oil based paint extending from the floor to a height of at least four feet;
2. Floors shall be of non-skid ceramic tile, vinyl tile in good repair without holes or cracks, or smooth concrete painted with a non-skid epoxy compound;
3. Properly operating open-seat toilets in each restroom, and urinals in the men's restroom;
4. Hand washing basins with hot and cold running water;
5. Individual towels and soap;
6. Covered waste receptacle in the women's restroom.

C. All restrooms shall be regularly cleaned at least once daily and as often as necessary to maintain a clean, sanitary condition at all times.

1.09 RUNNING WATER.

Hot and cold running water shall be provided at all bar fixtures and in all areas where food is prepared or dishes and utensils are washed and cleaned.

1.10 EMPLOYEE SANITATION.

Signs provided by the Anne Arundel County Health Department shall be prominently displayed in the kitchens, employee work areas not open to the public, and in the restrooms reminding employees of the requirement to wash hands after using the toilet facilities.

1.11 PUBLIC WELFARE.

Licensees shall ensure that the establishment is operated in a manner such as to avoid disturbing the peace, safety, health, quiet, and general welfare of the community and the neighborhood in which the premises are located.

1.12 TELEPHONE.

At least one public telephone shall be provided on the premises, except for establishments holding a Class A, off sale, package goods license. Licensees shall provide a telephone number where they can be reached during operation and when the establishment is closed.

**CHAPTER 2
APPLICATIONS, HEARINGS, TYPES AND HOURS**

2.01 FILING APPLICATIONS FOR LICENSE, EXPANSION OF LICENSE, AND/OR TRANSFER OF LICENSE, AND SUBSTITUTION OR DELETION OF LICENSEE.

- A. Every individual, partnership, corporation or limited liability company applying for a license to sell alcoholic beverages in the City shall file an application with the Board for such license on a form prescribed by the Board.
- B. In the case of individuals, at least one person named in the application shall for two years next preceding the date of the application, be a resident, taxpayer and registered voter of the City; and during the term of the license continue to be a resident voter in the City.
- C. In the case of partnerships, all partners shall be named as licensees and all shall for two years next preceding the date of the application, be a resident, taxpayer and registered voter of the City; and during the term of the license continue to be a resident voter in the City.
- D. In the case of corporations, three officers, or all, if less than three, shall make application, one of whom must be a resident, taxpayer and registered voter of the City for two years next preceding the date of the application, continue to be so resident during the term of the license, and be registered to vote in the City. All stockholders holding fifteen percent or more of the outstanding common stock shall be identified in the application and if ownership changes such that a person or entity obtains fifteen percent or more of the outstanding common stock, such change shall be recorded with the board.
- E. In the case of limited liability companies, three members, or all if less than three, shall make application, one of whom must be a City resident for two years next preceding the date of the application, continue to be so resident during the term of the license, and be registered to vote in the City. All members holding fifteen percent or more interest in the LLC shall be identified in the application and if ownership changes such that a person or entity obtains fifteen percent or more interest, such change shall be recorded with the board.
- F. Class C licenses may be issued only to clubs when the following conditions are met:
 - 1. The club has been in operation within the City for a period of one year.
 - 2. The club has a sufficient number of members to support its operation with such a license and without the patronage of guests and other non-members.
 - 3. The club was not formed for the purpose of obtaining an alcoholic beverage license.
 - 4. Guests or non-members will not be admitted unless sponsored by a member who is present during the guest's presence; *provided, however*, a Class C licensee may be permitted to sponsor four events each calendar year during which the general public is invited. The licensee shall petition the Board for approval at 30 days before each event and approval shall be in the sole discretion of the Board.
 - 5. In cases where club premises are rented for private functions, e.g., wedding receptions, birthday parties, the party or organization sponsoring such a function must apply for and be granted a Special Class C license if alcohol is to be served. Club stock of alcohol may not be used to serve guests when a Special Class C license has been issued.
- G. Every application for any class of license shall be accompanied by architect's plans of the premises and enclosed premises to be licensed. Detail is to include, but is not necessarily limited to:

1. Food and beverage preparation and service areas to include patron seating arrangements;
 2. Location of restrooms and detail thereof;
 3. Types of material used on floors, ceilings, and walls;
 4. Locations of storage areas and, if pertinent, sales areas;
 5. Location of signs required by these Rules and Regulations, the Fire Department, and other governmental agencies; and
 6. Transfer applications may include an affidavit stating that the plans on file with the Board fully and correctly conform with these requirements. If such plans do not so conform, the transfer applicant must provide new or amended plans.
 7. Currency of the plans shall be maintained and changes effected during the term of the license shall be filed with the Board immediately upon completion of those changes.
- H. Every application for a new license, substitution of licensee, expansion or transfer of a license shall be accompanied by a non-refundable fee of Two Hundred Dollars. Applicant shall pay the costs of advertising the public hearing on the application. (Sec. 7.12.120)
- I. Substitution or Deletion of Licensee.
1. A corporation, club or limited liability company holding an alcoholic beverage license may, during the license year, substitute or delete names of those officers on the license if the deleted officer:
 - a. Is deceased;
 - b. Is retired;
 - c. Has been removed from office; or
 - d. No longer holds an office in the corporation, club or limited liability company.
 2. An affidavit shall be filed that names those substituted and/or deleted:
 - a. An explanation for the substitution or deletion; and
 - b. In the case of a corporation, a statement that the ownership of the corporation has not changed.
 3. A partnership or limited liability company (LLC) holding a license shall disclose by name all those persons holding an interest in the business. Any change in the persons holding the partnership interest or interest in the LLC shall be registered with the board by letter. If the board deems the change to significantly change the ownership of the business, it may then order an application for transfer be processed.
 4. A licensee may, without action by other licensees, petition the board for removal by filing a statement citing the reasons. The board may then permit the withdrawal and require the submission of an application for the substitution of an officer. A licensee may not be removed if disciplinary action is pending.

- J. Approval of a new application or a transfer may be denied if the Planning and Zoning Department has not given unconditional approval, or, if the Planning and Zoning Department has given conditional approval, the requested action may be approved contingent upon satisfaction of such conditions.

- K. Applicants, at their own expense, for all classes of license (except One-Day Class C) shall undergo fingerprinting to facilitate criminal background checks by the Maryland State Police. Neither the public hearing on applications nor the issuance of the license will be delayed by the fingerprinting and background check, however, adverse information revealed as a result may be grounds for revocation.

2.02 NOTICES OF APPLICATION FOR NEW LICENSE, EXPANSION OF LICENSE, OR TRANSFER; PAYMENT OF FINANCIAL OBLIGATIONS OF TRANSFEROR PRIOR TO APPROVAL OF TRANSFER; PAYMENT OF FINANCIAL OBLIGATIONS PRIOR TO RENEWAL APPLICATIONS.

- A. Notice by Publication. The City Clerk shall give notice, by publication at least two times, not on consecutive days, in a newspaper published in the City and having a general circulation in the City, of all applications for licenses, expansion of licenses, or transfers and the date and place of the public hearing.
- B. Notice by Posting. The applicant shall give further public notice by posting a conspicuous sign upon the premises at the main entrance on the main street or artery bounding the premises, stating the time, place, and purpose of the public hearing. The sign shall be of a size and type-size to permit persons in passing automobiles to determine the purpose of the application; the telephone number of the City Clerk shall appear in large type so that interested parties may obtain further information regarding the application and public hearing. The sign shall be posted at least fifteen days prior to the scheduled hearing and shall remain in place in readable form until after the hearing.
- C. Payment or Satisfaction of Financial Obligations Prior to Transfer. The Board shall not approve an application for the transfer of a license until all of those financial obligations of the transferor business have been paid or satisfied. Claims of bona fide creditors must be submitted to the Board under affidavit not less than one day before the public hearing on the transfer; provided, however, claims submitted by taxing authorities or other government agencies need not be under affidavit. Claims shall (1) be related to the operation of the business, or (2) the business assets shall have been posted as security for a debt, in which case the debt need not necessarily be related to the business. The board may require new applicants to submit to the requirements of this section if claims are presented to it for unpaid accounts related to past operation of a licensed business or if the business assets of the past operation have been posted as security and the underlying debt is unsatisfied. (Sec. 7.12.180)
- D. Payment or satisfaction of financial obligations prior to license renewal. Renewal applications will be placed on the renewal meeting agenda only if there are no claims of arrearages. In case there are claimed arrearages, the licensees will be notified prior to the public hearing and if there is a rebuttal of the claim of arrearage, the applicant and claimant shall appear before the board at which time a determination will be made whether to approve the renewal application.

2.03 HEARINGS.

- A. The Board shall hold a public hearing at which any person may comment upon granting, expanding, transferring or renewing a license, and shall be the sole judge of the propriety of granting, expanding, transferring or renewing a license.
- B. Any person, including a licensee, who plans to present a legal argument during a disciplinary hearing or a hearing to grant a new license or transfer of an existing license, shall present such argument in written form at least seven business days before the hearing. Failure to do so may, in the discretion of the Board, be cause for dismissal of the argument without consideration of its merits.
- C. Licensees may be summoned to a disciplinary hearing by letter or official summons. Failure of any licensee to attend the hearing shall be considered an additional offense and subject the licensees to additional sanctions. For just cause the Chairman may excuse attendance if requested.

2.04 PROTESTS.

- A. Protests against the issuance, expansion, or transfer of a license must be filed in any written form with the City Clerk before the date fixed for the public hearing.
- B. Protests against the renewal of an expiring license must be signed by not less than ten City residents and taxpayers and must be filed with the City Clerk during the month of March. Protest hearings shall be held on April 20, or the next business day, or for good cause and without objection of the parties, on any other date in April and before May 1.
- C. The Board may protest the renewal of an expiring license during the month of March before the expiration of the license.

2.05 VACATION OF PREMISES; EVICTION; CESSATION OF NORMAL OPERATION.

- A. On the tenth day after a licensee has vacated the premises OR been evicted, the license shall automatically expire and shall be surrendered to the Board immediately; provided, however, if application is made for transfer, the Board may revive the license for purposes of hearing the application for transfer; and further provided, if the operation has ceased because of fire or other property casualty causing the property to become unsuitable for use as a liquor licensed establishment, or if the licensee has previously given written notice to the Board that the premises will undergo renovation, the Board may postpone the expiration of the license upon a showing that restoration or renovation will be accomplished in a timely manner.
- B. If normal operation under the license has ceased for any reason other than vacation of the premises or eviction therefrom, the license shall expire and forthwith shall be surrendered to the board; provided, however, if the operation has ceased pending sale or reorganization, of the business, the licensees may petition the board to grant a reasonable time to complete the transaction before the license lapses. The City Clerk may grant such a request pending review at the next meeting of the board.

2.06 APPEALS.

Any action or decision by the Board, except for the adoption, amendment or repeal of any rule or regulation, may be appealed to the Circuit Court for Anne Arundel County, in accordance with Article 2B of the Annotated Code of Maryland and the Maryland Rules of Procedure relating to appeals from decisions of administrative agencies.

2.07 RECORDS AND VOTES.

The Board shall keep a record of all applications filed with the Board, the testimony proffered in public hearings, and its deliberations. The records of the Board shall be open to inspection by the public during normal business hours.

2.08 EFFECTIVE DATE OF LICENSE.

An applicant for a new license may state the effective date of a license and the business licensed shall commence operation within six months of that date. If it does not commence operation within that time, the license shall expire; provided, however, upon written application of the licensee received prior to the expiration and with sufficient time to give consideration before the expiration, the Board may, in its sole discretion, extend the license for an additional three months. If the applicant has not specified an effective date, the effective date shall be deemed to be the date of approval by the board. (Sec. 7.12.160)

2.09 TERM OF LICENSE.

- A. Licenses shall expire on April 30 of each year. If there are protests against the renewal of a license prior to the March 31 deadline, the Board shall hold a public hearing. If there are no protests, the licenses may be routinely renewed by the City Clerk.
- B. Renewal applications shall be filed with the Board not less than 30 days nor more than 60 days before May 1. Applications filed after April 1 may in the discretion of the Board be heard upon payment of a \$20.00 per day penalty for late filing.
- C. A license approved for renewal by the board is not effective until the fee has been paid and the renewed license posted as required in these rules and regulations. Alcohol may not be served after the expiration of the previous license until this requirement is met.

2.10 NEW APPLICATION AFTER DENIAL OF AN APPLICATION; EXCEPTIONS.

- A. First and subsequent denials. If a license is denied, no subsequent application shall be received by the Board for any of the same applicants or for the same premises within a period of six months from the date of the denial. If a subsequent application is denied within two years of the first denial, no further applications shall be received within two years of the first denial.
- B. Exceptions:
 - 1. If a license was denied because the Board determined that it was not necessary as an accommodation to the public or that the premises were not suitable, a new application may be filed at any time without a waiting period if all other conditions for a new license have been met.
 - 2. If a license was denied because the Board determined that an applicant was unfit, a new application may be filed for the premises if the unfit applicant has been removed from the application and all other conditions for a new license application have been met.

2.11 TEMPORARY SPECIAL CLASS C LICENSES.

Temporary Special Class C licenses may be issued by the City Clerk on behalf of the Board to non-profit clubs not otherwise licensed to serve alcoholic beverages, if they are operated exclusively for educational, social, fraternal, charitable, civic, political, patriotic or athletic purposes; provided, however, if the event is to be held on City Property, the City Clerk shall not issue the license but shall place the application on the agenda for the next meeting of the Board. The deadline for submission of the application is thirty (30) days before the date of the event. Temporary Special Class C licenses shall be issued only to officers of such non-profit clubs and in furtherance of the purposes of the club. (Sec. 7.12.330)

A Temporary Special Class C license authorizes the licensees to exercise the privileges of other Class C licenses; provided, however, the City Clerk may limit the days and daily hours of operation.

A denial of the application or any limitation placed upon it by the City Clerk may be appealed to the Board.

2.12 TEMPORARY OPERATION DURING TRANSITION; ANNEXATION.

The Board may, upon written request from a holder(s) of an Anne Arundel County alcoholic beverage license issued for premises located in an area subject to annexation, allow the licensees to conduct the same business during a 60-day period beginning on the effective date of an annexation resolution which brings the licensed premises into the City. Operation shall continue under the same terms as the Anne Arundel County license or such other terms as the Board may specify. The holder(s) shall acknowledge that issuance does not commit the Board to issue a subsequent license upon receipt of the formal application, which application shall be

subject to the same rules governing an application for a new license. The written request shall be signed by all signatories to the County license application. Operation under this Rule may be extended by the Board for such periods and under such terms as it may in its discretion deem appropriate, however, in no event shall such license be extended more than 120 days after the effective date of annexation.

2.13 FEES.

After approval of a license, the applicant shall pay the appropriate fee to the City of Annapolis.

CHAPTER 3
RULES AND PROHIBITED PRACTICES APPLICABLE TO LICENSEES

3.01 APPLICABLE TO ALL LICENSEES.

- A. Type of beverage; hours of service. No person shall sell or furnish any alcoholic beverages to any person, except of the types and at hours specified by the class of license held. (Sec. 7.12.200)
- B. Sale to intoxicated persons. No licensee, in person or by an agent or employee, directly or indirectly, may serve, sell, give or deliver an alcoholic beverage to a person who is intoxicated or visibly affected by alcoholic beverages or drugs. (Sec. 7.12.360) Further, if a licensee shall have been given written notice by a parent, guardian, husband, wife, son, daughter, brother or sister that a person is of intemperate habits, or of unsound mind, or on account of his or her physical condition should not consume alcoholic beverages, that licensee shall not knowingly serve or furnish alcoholic beverages to that person. (Annotated Code of Maryland, Article 2B, Sec. 12-110(a))
- C. Premises to be closed. No licensed premises shall remain open to the public or private persons or parties for any purpose for more than fifteen minutes after the hours and days for sale set forth in the license; provided, however, a holder of a Class B (restaurant) license may petition the Board for permission to continue serving food to the general public. The Board, in its sole discretion, may permit such food sales under such terms as it deems appropriate.

A holder of any class license may petition the Board for permission to retain a limited number of employees on the premises after the closing hour in order to perform cleaning, restocking and other tasks without the presence of members of the public. The petition shall specify the purpose, length of time, and number of employees. No person shall be permitted to consume an alcoholic beverage after the hour specified in the class of license held. (Sec. 7.12.300)

- D. No licensee shall permit any person to leave the premises with an alcoholic beverage open for consumption: *provided, however, a patron who has purchased a wine product and the product has only been partially consumed, may request that it be re-corked after which it may be removed from the premises.* (Sec. 7.12.310)
- E. Signs to be posted by licensee. Licensees shall place in a prominent position in all places where intoxicating beverages are sold or served, one or more signs not less than eight inches by ten inches in size, with print in black ink on a white background, in type not smaller in size than 30-point, and bearing the following inscription:

The sale, gift or delivery, directly or indirectly, of alcoholic beverages to persons under the age of twenty-one years for their own use or for the use of any other person, is prohibited by law.

Such signs shall upon request be furnished by the Board without cost to the licensee. (Sec. 7.12.380)

- F. Licenses for consumption on the premises only. Subject to all other applicable provisions contained in these Rules and Regulations, the Code of the City of Annapolis, and Article 2B of the Annotated Code of Maryland pertaining to the issuance of alcoholic beverage licenses, the Board may issue a beer, wine and liquor license which authorizes the holder to keep for sale and to sell beer, wine and liquor at any establishment within the City for consumption on the premises only. (Sec. 7.12.320)
- G. Special hours for New Year's Day. Notwithstanding any other restriction contained in these Rules and Regulations with respect to the hours of sale by a licensed establishment, the licensee of any on-sale alcoholic beverage license shall be permitted to remain open for business until 2:00 a.m. on January 1st of any year, and shall be permitted to sell any alcoholic beverage authorized by the

class of license until 2:00 a.m. During such extended hours, the licensee shall comply in all other respects with the terms, conditions or restrictions applicable to the license and to all rules and regulations set forth herein. (Sec. 7.12.290)

H. Additional rules for licensees. All licensees shall observe these following additional rules and regulations:

1. All mechanical, electronic, live, or other form of music shall cease fifteen minutes prior to the closing hour designated on the license, except that entertainment in establishments holding Class C and Class F licenses shall cease no later than 2:00 a.m.
2. All doors, entrances and exits must be closed at all times except for establishments holding Class A licenses.
3. Appropriate sound suppression techniques shall be employed to ensure that noise or sounds of music originating within a structure on the licensed premises shall not be audible off the licensed premises.
4. No mechanical, electronic, live or other music shall be played or performed on exterior portions of licensed premises without the express, written approval of the Board and in compliance with conditions imposed by the Board.
5. An alcoholic beverage served within a structure on the premises shall be consumed only within that structure. An alcoholic beverage served within an approved exterior portion of the premises shall be consumed solely within the approved exterior portion of the licensed premises, or within a structure on the premises. (Exception: see 3.01 D)
6. The licensee shall not permit the removal of open containers of alcoholic beverages from the licensed premises. (Exception: see 3.01 D) (Sec. 7.12.310)
7. Dress codes, if any, shall be posted. (Sec. 7.12.340)
8. A description of all live music or entertainment shall be filed at least annually with the City Clerk; provided, however, this rule shall not apply to non-profit organizations organized and operated exclusively for education, social, fraternal, charitable, civic, political, patriotic or athletic purposes. (Sec. 7.12.340)
9. Licensees shall maintain records on the premises containing the name, aliases, address, date of birth and Social Security number of all persons currently employed on the premises or so employed during the previous six months. Further, licensees shall maintain certificates issued to employees who have completed state-approved alcohol awareness training. All such records shall be promptly provided to any inspector or police officer upon request.
10. Licensees shall display their alcoholic beverage license on the licensed premises under glass, in a conspicuous place so that it is easily readable by the public. Licenses shall not be copied by xerographic, photographic, or other means for any purpose; such copying or display of a copy shall be a violation of these Rules and Regulations.
11. Licensees shall immediately suspend the sale or dispensation of alcoholic beverages upon the seizure of the license by any governmental authority. The licensee may then petition the Board for a hearing which shall be granted unless the license is returned.
12. On that date when change from Daylight Savings Time to Standard Time occurs, Licensees shall observe Daylight Savings Time in respect to hours of initial closing and shall not reopen until normal Standard Time as permitted by the license.

- I. Special events. The Board may permit consumption of alcoholic beverages in or on any of the following areas or places, if in the judgment of the Board such consumption would not be contrary to the public interest:
 - 1. Any street, public way, highway, alley, sidewalk, road or parking area;
 - 2. Any station or terminal;
 - 3. Any park, playground, parking lot, or any public facility leased, owned or operated by the City, including the Market House; and
 - 4. On the premises outside the licensed premises of any establishment holding an alcoholic beverage license, including parking lots adjacent to the licensed premises, and shopping center parking lots if there is a licensed establishment in the shopping center. (Sec. 7.12.100)
- J. No licensee shall enter into an agreement with any third party for the management of licensed premises without first securing board approval. Failure to so notify the board shall be deemed an abandonment of the license and it shall be promptly returned to the city clerk.
- K. No licensee shall permit the consumption of any alcoholic beverage on the licensed premise unless such beverage shall have been sold by the licensee for consumption on the premises.

3.02 SPECIAL RULES APPLICABLE TO CERTAIN CLASSES OF LICENSE.

- A. Package goods retail stores (Class A).
 - 1. There shall be no display of the stock of alcoholic beverages during hours or days when sales are prohibited if the premises are open for other purposes. 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. Restaurant licensees shall keep complete records of food purchases and food sales in their restaurants, and shall also maintain in similar form records of purchases and sales of alcoholic beverages. They shall also preserve the original invoices or sales tickets for food and alcoholic beverage purchases. Upon applying for renewal of a Class B license, the applicant shall furnish a report showing 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. Such report shall be prepared by a Certified Public Accountant and that CPA shall certify the accuracy of the report. (Sec. 7.12.230 (A) and (B))
- C. Taverns. The premises shall be closed from 12 Midnight to 6:00 a.m. (Sec. 7.12.250(B))
- D. Institution for the Care of the Aged (Class ICA)
 - 1. The ICA license shall explicitly define the premises within which alcohol may be served.

2. The facility must provide full meal service in a common dining room; however, the licensed premises are not necessarily limited to the dining room.
3. Alcohol shall be served only to residents and their bona fide guests.
4. Alcohol shall be consumed on the licensed premises; closed or open containers shall not be removed from the licensed premises; provided, however, beverages may be delivered to residents for consumption in their quarters.
5. Hours of service shall be determined by the Board.
6. Terms of the Special Exception shall become explicit terms of the ICA license and directly enforceable by the Board.

E. Wine Bars (WB)

1. This license is available only in the MX Zoning District and permits the sale of wine and beer. It is not available to establishments holding any other license for the sale of alcohol.
2. Wine, in any quantity, may be served to patrons for consumption on premises; provided, however, licensees shall be bound by Maryland Code, Article 2B, Sec. 12-108, which prohibits service to persons who may be intoxicated.
3. Wine, in any quantity, may be purchased for consumption off premises. Partially consumed wine bottles may be removed from the premises after being re-corked or capped by licensee or employee only if the patron has also consumed food.
4. Beer may be served for consumption on premises and unopened containers may be sold for consumption off premises.
5. Light fare may be served with or without consumption of wine or beer.

- F. All licensees shall preserve the original invoices or sales tickets for alcoholic beverage purchases and display them to any authorized inspector upon request within two years of the invoice or sales ticket date.

3.03 ALCOHOLIC BEVERAGE CONTAINERS.

- A. Licensees shall not reuse or refill any bottle or other container of alcoholic beverages, unless otherwise provided in Article 2B of the Annotated Code of Maryland (1957 Edition and supplements); nor shall a licensee adulterate, dilute, or fortify the contents of any such bottle or container.
- B. No licensee shall sell or otherwise transfer or offer to sell or otherwise transfer the contents of a keg for consumption off premises unless:
 1. The licensee provides the purchaser with a keg registration form approved and distributed by the State Comptroller that is designed to be affixed to the keg and that indicates the name and address of the licensed establishment and a registration number.
 2. The purchaser provides valid identification and completes and signs a registration form with (i) the purchaser's name and address; (ii) the birth date of the purchaser; and (iii) the date of purchase.

3. The licensee affixes the completed registration form to the keg and retains a copy of the form for at least thirty (30) days on the licensed premises.
- C. The licensee, upon return of the registered keg, shall remove or obliterate the keg registration form attached to the keg and note the removal, the date of that removal and the person's name and address, if different than the purchaser as shown on the copy of the keg registration form retained by the licensee.
- D. If a keg is returned without a registration form attached, the licensee shall cause the Annapolis City Clerk to be notified no later than the close of business the following business day and provide all pertinent information necessary to permit an investigation by the Annapolis Police Department. The licensee shall not return the keg to the wholesaler or alter the keg in any way pending the completion of an investigation on behalf of the Board.
- E. If a keg is made of disposable packaging that is not returned to the licensee, the licensee shall so indicate on the keg registration form.
- F. A licensee may charge a non-refundable keg registration fee to a purchaser.
- G. The existence of a completed keg registration form signed by the purchaser shall be prima facie evidence of compliance with these Rules and Regulations.
- H. All licensees engaged in selling kegs must maintain records of sales in a form easily readable and understandable by City Police Officers or Inspectors authorized to enforce these Rules and Regulations.
- I. A licensee who sells kegs in violation of any provision of these regulations is subject to a fine not exceeding one hundred dollars or suspension or revocation of the alcoholic beverages license, or both fine and suspension or revocation.

3.04 SEXUALLY ORIENTED PRACTICES.

- A. No licensee shall permit or condone any of the following activities on the licensed premises:
 1. Employment or use of any person to mingle with the patrons, or to sell or serve alcoholic beverages or food on the premises while the person is unclothed or in attire, costume or clothing so as to expose to view any portion of the female breast below the top of the areola, or any portion of the pubic hair, anus, cleft of the buttocks or genitals.
 2. Touching, caressing or fondling the breasts, buttocks, or genitals of any person.
 3. Performance or simulation of acts of a sexual nature.
 4. The approach of an entertainer closer than six feet from a patron, unless the entertainer is fully clothed and in a manner not prohibited by these Rules and Regulations.
 5. Exhibition of any motion picture, still picture, or other visual reproduction depicting acts of a sexual nature.
 6. Permit any person to remain on the premises who exposes to public view any portion of the genitals or the anus.

3.05 UNDERAGE PERSONS.

- A. No licensee, in person or by an agent or employee, directly or indirectly, may serve, sell, give or deliver an alcoholic beverage to a person who is under the age of twenty-one years.
- B. Persons under the age of twenty-one years shall not be employed or permitted to sell or serve alcoholic beverages; provided, however, a person at least eighteen years of age may serve alcoholic beverages while acting in the capacity of a waiter or waitress; and persons sixteen years or older may be employed as a stock clerk. Persons under the age of twenty-one may not serve as a bartender or barmaid, or in any other capacity which is solely related to a tavern or bar notwithstanding any provision in these Rules and Regulations to the contrary. (Sec. 7.12.400)

3.06 PURCHASE FOR RESALE.

Licensees shall not purchase alcoholic beverages except from a duly licensed manufacturer or wholesaler; nor shall a licensee sell to another licensee. No alcoholic beverage shall be permitted on the premises unless purchased in accordance with state and local law and these Rules and Regulations.

3.07 CONTROLLED DANGEROUS SUBSTANCES.

Licensees shall not permit or condone the possession, transfer or use of controlled dangerous substances as defined in the Criminal Law Article of Annotated Code of Maryland. The arrest and conviction of persons engaging in such prohibited activity on the premises, shall be prima facie evidence to the Board of the licensee's permission for, or condonation of the activity.

3.08 TRADE NAME.

Licensees shall notify the Board before changing the name under which the establishment does business.

3.09 OFF-SITE DELIVERY BY CLASS A LICENSEES.

Deliveries of alcoholic beverages may be ordered in person or by telephone from Class A licensees, in which case such delivery must be made by a regular employee of the licensee 21 years old or older. The licensee shall be strictly liable for ensuring that delivery is made only to persons who are 21 years old or older. The licensee shall only make such deliveries when in the possession of a letter from the Board authorizing off-site deliveries; such authorization shall be requested at each annual renewal if the licensee proposes to continue the delivery policy. Requests for letters of authorization shall be made in a form prescribed by the Board and shall include detailed descriptions of the methods to be used to avoid delivery to persons under the age of 21 years.

**CHAPTER 4
SIDEWALK CAFES**

4.01 REQUIREMENTS FOR APPROVAL OF SERVICE OF ALCOHOLIC BEVERAGES.

Licensees who wish to amend their license to serve alcoholic beverages in those premises comprising a Sidewalk Café shall make application on forms provided by the City Clerk. The Board shall then consider such application and apply those same standards applicable to the issuance of a new alcoholic beverage license; provided, however, if the application is for renewal, no proof of public need will be required.

4.02 ADHERENCE TO TERMS OF SIDEWALK CAFÉ PERMIT.

- A. Alcohol may be served only in conjunction with service of food. (7.2.020 E)

- B. Licensees who fail to observe the terms of a Sidewalk Café Permit, including but not limited to, number of seats and tables, unobstructed passage, service area as defined in accompanying and approved plans, and requirements of the Historic District Commission, and/or the Department of Public Works, shall be deemed in violation of their license, which license shall then be subject to the same sanctions for any other violation.

**CHAPTER 5
ENFORCEMENT AND PENALTIES**

5.01 GENERAL POWERS OF ENFORCEMENT.

The Board may suspend or revoke an alcoholic beverage license or take any other action not prohibited by law, ordinance, or these Rules and Regulations, in order to serve the public interest.

5.02 INFRACTION CITATIONS AND HEARINGS.

Infractions of Article 2B of the Annotated Code of Maryland, the Code of the City of Annapolis, or of these Rules and Regulations shall cause a citation to be issued and delivered to the licensee or an agent on the premises. A copy of the citation shall then be delivered to the City Clerk and placed on the Board's agenda for public hearing. The licensee shall be notified of the time and place of the public hearing.

5.03 FINES, SUSPENSIONS, REVOCATIONS.

The board, upon finding that a licensee has violated Article 2B of the Annotated Code of Maryland, the Code of the City of Annapolis, or these Rules and Regulations, may order the licensed establishment where the violation occurred to pay a fine not exceeding one thousand dollars (one hundred dollars in the case of a violation of Section 3.03(l)) for each violation; or may order the suspension or revocation of the license. In the discretion of the Board, previous violations may be considered in determining the penalty. Orders of the Board shall become effective at the time specified by the Board. Copies of all decisions of the Board shall be posted in the Municipal Building and mailed to the licensees.

5.04 WARNINGS.

The Board may, in lieu of a fine, suspension, or revocation, issue warnings to licensees, which warning may be considered in determination of penalties in connection with subsequent violations.

CHAPTER 6
ALCOHOL AWARENESS

6.01 TRAINING.

- A. A holder of any class of retail alcoholic beverage license shall at all times while alcohol is sold or served, have a person on the premises who has completed training in a state approved alcohol awareness program.
- B. Certification under such a program shall be valid for a period of four years and re-training shall be accomplished for each successive four year period.
- C. If an establishment is found guilty of serving a minor the board may then in its discretion require re-certification by attending training in a state approved alcohol awareness program.

**APPENDIX A
TYPES AND CLASSES OF LICENSES; FEES**

(R-18-09)
(Effective July 1, 2009)

A, off sale, package goods:

-1	Six a.m. to twelve midnight, Monday through Saturday	
	Beer	\$730
	Beer and light wine	1,810
	Beer, wine and liquor	3,280
-2	Six a.m. to twelve midnight, seven days per week (Special Sunday License)	
	Beer	\$880
	Beer and light wine	2,320
	Beer, wine and liquor	4,140
.b	Plus beer, wine and liquor tasting	
	Beer, light wine and liquor	\$480

B, restaurant:

-1	Only with meals, six a.m. to twelve midnight, Monday through Saturday	
	Beer	\$510
	Beer and light wine	1,190
	Beer, wine and liquor	1,890
-2	Only with meals, six a.m. to twelve midnight, seven days per week (Special Sunday License)	
	Beer	\$760
	Beer and light wine	1,470
	Beer, wine and liquor	2,230
-3	On sale, six a.m. to twelve midnight, Monday through Saturday	
	Beer	\$680
	Beer and light wine	1,890
	Beer, wine and liquor	2,940
-4	On sale, six a.m. to twelve midnight seven days per week (Special Sunday License)	
	Beer	\$1,190
	Beer and light wine	2,410
	Beer, wine and liquor	3,800

.x	In addition, sales as authorized from twelve midnight to two a.m.	
	Beer	\$410
	Beer and light wine	1,020
	Beer, wine and liquor	1,360
.a	In addition, off-sale Monday through Saturday during hours	
	Beer	\$210
	Beer and light wine	410
	Beer, wine and liquor	920
.b	In addition, off-sale Sunday during authorized hours (Special Sunday License)	
	Beer	\$110
	Beer and light wine	160
	Beer, wine and liquor	410

C, clubs:

	On sale, six a.m. to two a.m., seven days per week	
	Beer	\$1,130
	Beer and light wine	1,890
	Beer, wine and liquor	2,260

D, taverns:

-1	On sale, six a.m. to twelve midnight, seven days per week (Special Sunday License)	
	Beer	\$1,130
	Beer and light wine	2,070
	Beer, wine and liquor	3,090
.a	In addition, off-sale, Monday through Saturday during authorized hours	
	Beer	\$560
	Beer and light wine	680
	Beer, wine and liquor	1,070
.b	In addition, off-sale Sunday during authorized hours (Special Sunday License)	
	Beer	\$160
	Beer and light wine	250
	Beer, wine and liquor	420

E, hotels:

-1	On sale, six a.m. to twelve midnight, seven days per week (Special Sunday License)	
	Beer	\$1,020
	Beer and light wine	2,410
	Beer, wine and liquor	3,460
.x	In addition, sales as authorized from twelve midnight to two a.m.	
	Beer	\$610
	Beer and light wine	1,020
	Beer, wine and liquor	1,890
.a	In addition, off-sale Monday through Saturday during authorized hours	
	Beer	\$410
	Beer and light wine	610
	Beer, wine and liquor	820
.b	In addition, off-sale Sunday during authorized hours (Special Sunday License)	
	Beer	\$160
	Beer and light wine	210
	Beer, wine and liquor	280

F, yacht clubs

	On sale, all hours, seven days per week (Special Sunday License)	
	Beer	\$2,270
	Beer and light wine	4,560
	Beer, wine and liquor	6,830

ICA, Institutions for the Care of the Aged

	On sale, seven days per week, during authorized hours	
	Beer, wine and liquor	\$2,660

WB, wine bars

	On and off sale, seven days per week, eleven a.m. to twelve midnight, Monday through Sunday	
	Wine and Beer	\$2,300