



October 2019

Comparative Analysis of Alcohol Regulatory Systems:

A Maryland Case Study



Maryland Alcohol Licensing
Association (MALA)

Email: info@mdalcoholaws.org
www.mdalcoholaws.org

TABLE OF CONTENTS

BACKGROUND	1
1. METHODS.....	3
1.1 DATA.....	3
1.1.1 Statutes	3
1.1.2 Rules and Regulations	3
1.1.3 Online Surveys.....	4
1.1.4 Phone Survey.....	4
1.1.5 Alcohol Outlet License Data.....	4
1.2 CODING.....	4
1.2.1 Review of Alcoholic Beverages Statutes in the Maryland Code.....	4
1.2.2 Additional Coding of Division II-only Statutes.....	5
1.2.3 Review of Local Rules/Regulations, Ordinances, and Standard Operating Procedures.....	5
2. FINDINGS.....	5
2.1 BUDGETING	5
2.1.1 Budgets.....	6
2.1.2 Fees.....	6
2.1.3 Penalties	6
2.2 ALCOHOL OUTLET ENVIRONMENT	8
2.2.1 Density of Outlets.....	8
2.2.1.1 Number of Licenses by Jurisdiction	9
2.2.1.2 Population Ratios.....	9
2.2.1.3 Sensitive Land Use Locations	9
2.2.1.4 License/Permit Types.....	10
2.2.2 Contextual Factors.....	11
2.2.2.1 Food-Drink Minimums/Ratios.....	11
2.2.2.2 Responsible Beverage Service Training	12
2.2.2.3 Age of Employment.....	12
2.3 SURVEY RESULTS	13
2.3.1 General Administration, Budgets & Staffing.....	13
2.3.2 Records and Technology.....	16
2.3.3 Licensing.....	17
2.3.4 Inspections and Enforcement.....	18
2.3.5 Inspections and Compliance Checks.....	18
2.3.6 Violations/Hearings.....	22
2.4. INTERVIEWS	23
2.4.1 State and Local Coordination.....	23
2.4.2 Administrative Training.....	24
2.4.3 Alcohol Awareness Program.....	24
2.4.4 Local Partnerships.....	25
3. DISCUSSION	25
3.1 BUDGETING	26
3.2 OPERATIONS	27
3.3 DENSITY AND CONTEXT	27
3.4 ADMINISTRATIVE ENFORCEMENT	28
3.4.1 Partnerships	29
3.4.2 Penalties	29

3.4.3 Compliance Checks.....	30
3.4.4 Protocols and Training.....	30
3.5 COMMUNICATION/COORDINATION.....	30
4. CONCLUSION	31
APPENDICES	33
APPENDIX A: NUMBER OF LICENSES, POPULATION, AND DENSITY OF JURISDICTIONS.....	34
APPENDIX B: ALCOHOLIC BEVERAGES STATUTES.....	35
APPENDIX C: JURISDICTIONAL BUDGETS	42
APPENDIX D: FEES ^A	44
APPENDIX E: LOCAL LICENSES AND PERMITS.....	47
APPENDIX F: ALCOHOL AWARENESS PROGRAM	53
REFERENCES.....	55

FIGURES

FIGURE 1. MARYLAND JURISDICTIONS	1
--	---

TABLES

TABLE 1. LIQUOR BOARD PENALTIES AND LOOKBACK PERIODS.....	7
TABLE 2. SENSITIVE LAND USE RESTRICTIONS.....	9
TABLE 3. VARIATIONS TO STATE RESTAURANT DEFINITION	11
TABLE 4. AGE OF EMPLOYMENT RELATED TO SELLING, SERVING, DELIVERING OR HANDLING ALCOHOL, VARIATIONS	13
TABLE 5. STAFFING INFORMATION, SURVEY PART I	14
TABLE 6. "ADEQUATE STAFFING" RESPONSES, SURVEY PART I	14
TABLE 7. BUDGETARY PRIORITIES AND DECISION-MAKING, SURVEY PART I.....	15
TABLE 8. SUPPLEMENTAL FUNDING FOR OTHER TYPES OF INSPECTIONS, PAST 5 YEARS, SURVEY PART I	16
TABLE 9. LIQUOR BOARD PUBLICLY AVAILABLE INFORMATION ONLINE, SURVEY PART II	17
TABLE 10. LICENSE CONSIDERATIONS FOR NEW/TRANSFER APPLICATIONS, SURVEY PART II.....	17
TABLE 11. INSPECTION SCHEDULES, OPERATING FUNDS, SURVEY PART II	19
TABLE 12. TYPES OF INSPECTIONS, SURVEY PART II	20
TABLE 13. TYPES OF INSPECTIONS-"OTHER" RESPONSES, SURVEY PART II.....	20
TABLE 14. PARTNERING WITH LOCAL LAW ENFORCEMENT, TYPES OF INSPECTIONS, SURVEY PART II	20
TABLE 15. PARTNERING WITH LOCAL LAW ENFORCEMENT, AGENCIES, NATURE OF PARTNERSHIP, SURVEY PART II.....	21
TABLE 16. MOST COMMON VIOLATIONS, SURVEY PART II	22
TABLE 17. PRESENCE OF INTERNAL MATRICES ^A FOR ASSESSING PENALTIES, SURVEY PART II	23

Comparative Analysis of Alcohol Regulatory Systems: A Maryland Case Study

After the repeal of federal Prohibition by the 21st Amendment in 1933, states were given the primary task of regulating and taxing alcoholic beverages. Largely based on the recommendations outlined in the influential book, *Towards Liquor Control*, two forms of alcohol regulatory systems emerged: one in which the state is a market participant and retains ownership of the product throughout the business cycle at the wholesale and/or retail level, known today as a control jurisdiction, and the other in which the state gives the responsibility of distributing and selling alcohol to the private sector, known today as a license jurisdiction.¹ While the majority of states chose the license model, 18 jurisdictions adopted the control form of regulation.

Whether control or license, each system shares four key regulatory principles: (1) they use licensing to give permission to individuals to sell alcohol, (2) they have oversight of enforcing laws to reduce underage and excessive drinking, (3) they adopt regulations that limit availability of alcohol through restricting the days/hours of sale, location of premises, and density of outlets, and (4) they require all products flow through a closed, three-tier system (manufacturers - distributors/wholesalers - retailers).

BACKGROUND

In Maryland, the main responsibility of the Office of the Comptroller is to collect taxes;^a it is also the primary regulatory agency for statewide licensure of the supply and wholesale tiers of alcohol. The retail tier is managed through a Board of Liquor License Commissioners (“Liquor Board”) in the 25 jurisdictions: one in each of the 23 counties, one in the City of Annapolis, and one in Baltimore City (Figure 1). Depending on the jurisdiction, the Liquor Board members serve for a set period of time and are generally appointed by the Governor, the County Executive, Mayor or county commissioners and then sometimes confirmed by the Senate or county council. Each Liquor Board has varying levels of staff who oversee the day-to-day operations of regulating and monitoring the alcohol retail license holders in their respective jurisdictions.

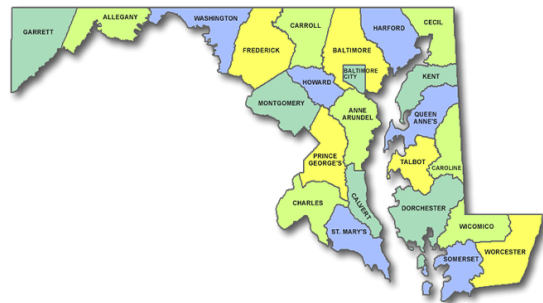


Figure 1. Maryland Jurisdictions

The alcohol regulatory structure in Maryland provides a natural experiment to pilot a comparative analysis of alcohol regulatory systems, laws, rules, and regulations because of its locally focused regulatory scheme versus a single, statewide system. Additionally, of the 25 jurisdictions in the state, there are three counties (Montgomery, Somerset, and Wicomico) that adopted a control alcohol regulatory system, selling the product at wholesale and/or retail stores/dispensaries, while the remaining 22 adopted license alcohol regulatory systems.

^a https://comptroller.marylandtaxes.gov/Public_Services/Agency_Information/Office_of_the_Comptroller/

Dorchester and Worcester, once control jurisdictions, privatized their county-controlled liquor dispensaries in 1999 and 2016, respectively.

The three-tier system of alcohol regulation in the U.S. has been extensively written about and will not be covered in depth in this analysis. Likewise, this report will not provide an analysis of alcoholic beverage regulation in Maryland; a report was prepared by the Department of Legislative Services in 2017, providing a review for the overall system in the state and can be accessed at http://dlslibrary.state.md.us/publications/OPA/I/RABIM_2017.pdf.

Regulation of alcoholic beverages is motivated by several important objectives, including (1) collecting taxes, (2) maintaining an orderly and competitive marketplace, and (3) protecting the public from alcohol-related harm. Protecting the public's health was a foundational goal of alcohol beverage control (ABC) laws after the repeal of federal Prohibition in 1933. A 1981 publication from The National Academies cited one of the lessons learned from Prohibition was "The quantity of alcohol consumption and the rates of problems varying with consumption can, however, be markedly reduced by substantial increases in real prices and reductions in the ease of availability."² The authors went on to state that this lesson has been co-opted by mainstream messaging that alcohol-related problems are caused by a small group of irresponsible, heavy drinkers and alcoholics, and any restrictions on the availability of alcohol is likened to Prohibition and doomed to fail.

However, the scientific literature paints a very different picture. A 2018 study from the Centers for Disease Control and Prevention found that 17% (37.4 million) of U.S. adults reported binge drinking^b about once a week in the past year, a pattern of alcohol use associated with greater risk of injury and death.³ Half the alcohol consumed in the U.S. is in the form of binge drinking,⁴ and half the deaths and three-quarters of the annual economic costs of excessive alcohol use^c stem from binge drinking episodes (\$191 billion out of a total \$249 billion).^{5,6} Nine out of 10 excessive drinkers are not alcohol dependent.⁷ In 2010, the latest year of available data, excessive alcohol use in Maryland cost \$5 billion, with \$2 of every \$5 paid by government.⁶ A little over \$300 million is collected in taxes a year.^d

The Maryland General Assembly has been explicit in its intent for the state's alcohol regulatory structure as outlined in The Alcoholic Beverages Article in the Code of Maryland: "The restrictions, regulations, provisions, and penalties contained in this article are for the protection, health, welfare, and safety of the people of the State" (Md. Annotated Code art. AB, § 1-201). Beverage alcohol is not an "ordinary product" like laundry detergent, but a substance with both pleasurable and toxic properties. Ensuring a healthy marketplace for such a product necessitates a strong, organized regulatory structure comprised of evidence-based state laws combined with local rules, regulations, and ordinances; communication across state and local governmental and non-governmental agencies to coordinate activity and monitor trends; and consistently-funded criminal and administrative enforcement efforts.

^b Binge drinking is defined as consuming four or more drinks during a single occasion for women or five or more drinks during a single occasion for men.

^c Excessive use of alcohol includes binge drinking, heavy drinking (i.e., consuming eight or more drinks per week for women and 15 or more drinks per week for men), and any drinking by pregnant women or people younger than age 21.

^d https://taxes.marylandtaxes.gov/Business_Taxes/Business_Tax_Types/Alcohol_Tax/

With this structure in mind, the objective for this comparative analysis is to: a) compile, categorize, and assess laws, rules, and regulations by jurisdiction; b) survey Liquor Board administrators, inspectors, and staff on aspects of alcohol regulation that impact the regulation, enforcement, and operations of the Liquor Boards; and c) compare the different modalities of alcohol regulation in Maryland by jurisdiction.

1. METHODS

This analysis included a policy surveillance of alcoholic beverages statutes for all 25 jurisdictions in The Alcoholic Beverages Article in the Code of Maryland, a review of the rules and regulations promulgated by each jurisdictional Liquor Board, and a three-part survey of a subset of jurisdictions conducted both online and by phone. See Appendix A for a table of jurisdictions, including information on area and population.

1.1 Data

1.1.1 Statutes

The Alcoholic Beverages Article^e (“the Article”) in the Code of Maryland (“the Code”) was the primary source of statutes and was accessed online through Westlaw^f with an effective date as of July 1, 2018. The Article is organized into two divisions: Division I is titled General Provisions Affecting Multiple Jurisdictions [Titles 1-8] and Division II is titled Provisions Affecting Individual Jurisdictions [Titles 9-33]. Generally, statutes in Division I are effective across the state, unless otherwise specified. Each Title within Division II refers to a specific jurisdiction. Statute § 1-202 indicates the construction of the Article: a) if a general rule of law conflicts or is inconsistent with any type of exception or qualification, the exception or qualification prevails, and b) a Division II provision prevails over a Division I provision (in other words, the local jurisdiction law prevails over the statewide law).

The statutes used in this analysis can be found in Appendix B.

1.1.2 Rules and Regulations

Jurisdictional Liquor Boards and their staff have primary responsibility for enforcing state and local statutes and may create local rules to assist with this enforcement (contained within documents of various types, including rules and regulations [RRs], local ordinances, and standard operating procedures [SOPs]). These documents were downloaded from each jurisdictional Liquor Board’s website, when publicly available, or requested directly from administrative staff in the fall/winter of 2018. All jurisdictions except five (Allegany, Dorchester, Kent, Queen Anne’s and Somerset) counties had local RR, the City of Annapolis had RR and a Code of Ordinances, and Baltimore City had RR and SOPs.

^e Referred to as “Article 2B” until 2016, when it underwent a major overhaul and consolidation process to remove redundancies.

^f [https://govt.westlaw.com/mdc/Browse/Home/Maryland/MarylandCodeCourtRules?guid=N6483DEC0F13611E5A488AE14E2AC63A6&originationContext=documenttoc&transitionType=Default&contextData=\(sc.Default\)](https://govt.westlaw.com/mdc/Browse/Home/Maryland/MarylandCodeCourtRules?guid=N6483DEC0F13611E5A488AE14E2AC63A6&originationContext=documenttoc&transitionType=Default&contextData=(sc.Default))

1.1.3 Online Surveys

A two-part online survey was sent to an administrative staff contact through the Maryland Alcohol Licensing Association (MALA) in each of the 25 jurisdictions. Part I covered General Administration, Budgets, and Staffing; Records & Technology; and Licensing. Sixteen (16) jurisdictions completed Part I: (Anne Arundel (AA), Baltimore County, Caroline, Carroll, Cecil, Charles, Frederick, Garrett, Harford, Howard, Kent, Montgomery, Prince George's (PG), Queen Anne's (QA), St. Mary's, and Worcester). Part II covered Inspections & Enforcement and Violations & Hearings. Fourteen (14) jurisdictions completed Part II: (Baltimore County, Carroll, Cecil, Charles, Frederick, Garrett, Howard, Kent, Montgomery, PG, QA, St. Mary's, Worcester, and Wicomico). All surveys were completed through Survey Monkey.

1.1.4 Phone Survey

For the final part of the data collection, a 30-minute phone interview was conducted with Liquor Board staff which covered State & Local Coordination, the Alcohol Awareness Program, and provided an opportunity for open-ended comments. The phone survey was also used to clarify any incomplete, conflicting, or interesting findings from the online surveys. Ten (10) jurisdictions completed Part III: (Carroll, Cecil, Charles, Frederick, Garrett, Kent, Montgomery, QA, St. Mary's, and Worcester).

1.1.5 Alcohol Outlet License Data

Information on the number of alcohol outlet licenses in each jurisdiction was obtained in two primary ways for this analysis: (1) by requesting the number directly from jurisdiction staff or (2) through a database on the Office of the Comptroller's website^g. The number provided by jurisdiction staff was used if available; otherwise, the number from the Comptroller's database was used. The number of active licenses is as of December 2018. These data are available in Appendix A.

1.2 Coding

1.2.1 Review of Alcoholic Beverages Statutes in the Maryland Code

The first phase of this project was to review and code select statutes from the Article. Based on the literature review of alcohol policies, four overarching categories of laws were chosen: (1) budgeting, (2) operations, (3) density and context, and (4) administrative enforcement. Then, a broad list of relevant statutes related to these categories were pulled and categorized from Division I statutes. Through an iterative process of discussion with experts in the alcohol policy and regulatory field and through additional referrals to the literature, the initial list of statutes was refined and finalized to a list of 22 statutes (Appendix B).

From there, Division II was used to code each jurisdiction under the 22 statutes. All statutes were coded on a scale as follows: (1) Without exception or variation, (2) With variation, (3) Exception with replacement or (4) Exception without replacement. If an exception or variation was identified, it was documented in either a note or additional coding was applied. For example, for § 4-504: Employment of Underage Individuals, a jurisdiction was coded as "1" for having no

^g https://interactive.marylandtaxes.gov/webapps/licprt/user/ilu_QueryRetailer.asp

exception or variation to the statewide statute or “2” indicating a variation (no jurisdictions had exceptions to this statute and therefore would not have been coded as “3” or “4”). Five separate categories were identified for the variations, including a minimum age for waitstaff and a minimum age for bar sales, for example. Another example of coding the variations is § 4-505: Alcohol Awareness Program. Four separate categories were identified for the variations, including who is certified, which was then coded for an additional three variations.

1.2.2 Additional Coding of Division II-only Statutes

Statutes in Division II for each jurisdiction were reviewed to find additional laws that would fall under the four overarching categories (budgeting, operations, density, administrative enforcement), but did not have a state-level (Division I) equivalent. One statute that was parallel across all jurisdictions was added: § *Jurisdiction ID-2802: Penalty Imposed by Board*. The information from individual jurisdictions in Division II was used to identify laws related to license fees and distance requirements, for example, but none of these were consistent across all jurisdictions. For example, five jurisdictions had a License Application Fee in Division II, while the remainder were generally found in local RRs or in online materials.

1.2.3 Review of Local Rules/Regulations, Ordinances, and Standard Operating Procedures

After a thorough review of the Article, the available RRs, ordinances, and SOPs were reviewed across the 22 statutes to code any discrepancies. The RRs, ordinances, and SOPs were also reviewed for additional information that was not present in the Article, such as license application details, administrative fees, jurisdiction-specific penalties or other pertinent laws based on the four overarching categories.

2. FINDINGS^h

Findings are reported as a compilation of results from the review of all statewide (Division I) and jurisdictional (Division II) statutes in the Article and the additional review of RRs, ordinances, and SOPs, with survey results primarily being reported separately.

2.1 Budgeting

A Liquor Board’s budget is set locally. While the three control system jurisdictions (Montgomery, Somerset, Wicomico) are county agencies, the remaining 22 jurisdictions’ Liquor Boards are state agencies; however, local jurisdictions (county/city) have direct oversight of their budgets, and in general, all revenues collected go to the General Fund of the local jurisdiction. A Liquor Board’s budget directly influences its infrastructure and capacity to perform administrative monitoring of laws, rules, and regulations. To better understand the variations between Liquor Boards’ capacity to do their core functions of administrative licensing and inspections, the analysis assessed both Liquor Boards’ operating budgets and revenues from FY2018 that were publicly available online and through surveys conducted by Liquor Board staff and inspectors from a subsample of the 25 jurisdictions, ensuring there was representation from rural, urban, and suburban communities

^h Specific statutes from the Article will generally not be referenced in the report text and tables, but are available in supplementary data tables.

2.1.1 Budgets

Mostⁱ jurisdictions' Liquor Board FY2018 budgets were available online and ranged from \$50,906 in Calvert to \$2,169,654 in Baltimore City. While efforts were made to appropriately identify each jurisdiction's budget, costs may not be fully representative due to how expenses are tracked and logged in each jurisdiction. See Appendix C for a complete list.

2.1.2 Fees

Fees are collected by the Liquor Boards' staff, and the type of fees collected by jurisdictions varied widely. Finding where the fees were listed was challenging because they were listed throughout multiple documents, including in the Article, in RRs, and on websites; some were not listed publicly at all and were uncovered during the surveys and interviews. All jurisdictions have a New Application fee and a State Mandated Transfer Fee of \$20 (§ 4-305). The New Application fee ranged from \$75 in Wicomico to \$750 in Frederick. At least 20 jurisdictions have a License Transfer fee, which ranged from \$10 in Talbot to \$750 in Frederick. Nine jurisdictions have a Renewal fee ranging from \$45 (Harford) to \$500 (Baltimore County).

Several fees were found only in a few jurisdictions, and some fees were unique to a single jurisdiction. For example, AA has a \$200 Administrative Fee in statute § 11-1405, which is for "an administrative action by the county that requires a hearing, including...an application for a new license and a change in ownership of a majority interest in a license..." and is non-refundable regardless of the outcome. The RRs in AA provide for a Judicial Review fee of \$50. Cecil had several unique jurisdictional fees, including a New Application Issuance Fee (\$1,000-\$3,000), a Pending Application fee (\$410), a Change of License Class fee (\$1,000), a Reclassification Fee (\$200), and a Special License fee (\$35). A Legal Notice Publication fee is listed in Charles (\$62), Garrett ("equal to the size of the ad"), Kent (\$143), St. Mary's (\$60), and Washington (\$100). A Replacement License fee is listed in several jurisdictions, including AA ("determined by Board"), Baltimore City (\$20), Garrett (\$10), Montgomery (\$1), and Talbot (\$10).

For a full list of all fees, see Appendix D

2.1.3 Penalties

Through quasi-judicial hearings, Liquor Boards administer penalties for violations of alcoholic beverage laws. Generally, penalties come in the form of monetary fines, suspensions (mandatory closure for a period of time), revocations (removal of license from license holder) or a combination of the above. In some cases, through the courts, criminal penalties are also assessed, including prison time.

State Statute § 6-402 describes a general penalty that is applicable for any violation within the Article when no penalty is specified "other than the suspension or revocation of a license or permit...." A jurisdiction may consider the violation a misdemeanor accompanied by up to two years in prison, a fine up to \$1,000 or both. Two jurisdictions have exceptions; in Allegany, this statute is superseded by a statute reducing the time in prison to up to a max of one year and a fine of no more than \$500, and in Harford, the prison term is also reduced to a max of one year.

ⁱ Garrett, Harford, Queen Anne's, and Washington were not publicly available.

Late License Renewal penalties range from a base fine of \$45 to \$600, with an additional \$20-100 a day fine both with and without a maximum cited. For example, in AA a Late License Renewal base fine is \$600 plus \$50 a day up to a max of \$2,500. In Frederick, the base Late License Renewal fine is \$100 plus \$100 for each day thereafter with no cap noted.

All jurisdictions except Harford have statutes in Division II (found under § *Jurisdiction ID-2802*, except Allegany, which is § 9-2803) providing for a Board-issued administrative penalty (Table 1). Generally, these are comprised of a monetary fine and a suspension or revocation of the license. Some jurisdictions allow for both the fine and the suspension or revocation, while others allow either one or the other. Comparing these penalties by jurisdiction was complicated; penalties depended on a number of considerations, including the type of violation and the license holder’s violation history, to name a few.

The Board-issued penalties for any offense (or a first offense in jurisdictions with enhanced penalty structures for subsequent offenses) of the Article ranged from a low of \$500 (Baltimore City—excluding underage sales, which is \$1,000) to a high of \$20,000 (Montgomery). For the rest of the jurisdictions, five have a max fine of \$1,000, one has a max of \$1,500, five have a max of \$2,000, six have a max of \$2,500, two have a max of \$3,000, an additional two have a max of \$4,000, and one has a max of \$5,000. Three jurisdictions administer graduated sanctions for subsequent offenses (Baltimore City, Kent, PG), and two jurisdictions administer graduated sanctions only for subsequent violations of underage sales (Calvert and Garrett). In Talbot, a violation of the County Code may result in a misdemeanor and, upon conviction, a fine of up to \$1,000 or imprisonment up to six months or both.

A “lookback period” is a time period which a Liquor Board may use to either expunge a license holder’s record of any violations or enhance penalties for certain offenses. Four jurisdictions have lookback periods for any violations (Cecil: 5 years, Kent: 7 years, PG: 2 years, Washington: 5 years), three jurisdictions have lookback periods related to underage sales only (Calvert: 3 years, Garrett: 2 years, St. Mary’s: 3 years), and Talbot has a seven (7) year lookback period for a violation of the Alcohol Awareness requirements.

Table 1. Liquor Board Penalties and Lookback Periods

Jurisdiction	Fine (\$)	Fine AND/OR suspension/revocation /closure	Suspension (days)	Suspend (days) or revoke	Prison (years)	Lookback period (years)	Statute for lookback period
Allegany	2500	OR		X			
Annapolis	2000	OR	X				
Anne Arundel	2500	AND	X				
Baltimore City	500/3000 ^a	AND	X				
Baltimore Co.	2000	AND		X			
Calvert	1000 ^b	OR	X			3 ^c	§ 14-2802
Caroline	2500	AND	X				
Carroll	2000	AND	X				
Cecil	1000	OR	X			5	§ 17-2802

Charles	2500	AND	X				
Dorchester	2500	AND	X				
Frederick	3000 ^d	AND	X				
Garrett	3000 ^e	OR	X			2 ^c	RRs 2017
Harford ^f							
Howard	2000	AND	X				
Kent	1000/2000/2500 ^g	AND	15/30/90			7	§ 24-2803
Montgomery	20000	OR		X			
Prince George's	1500/6000/7500 ^h	AND		30 (4th offense)		2	§ 26-2802
Queen Anne's	2000	AND	X				
Somerset	4000	AND	X				
St. Mary's	1000	AND		X		3 ^c	RRs 2018
Talbot	1000	AND			2	7 ^c	Ordinance
Washington	2500	AND	X			5	§ 31-2803
Wicomico	5000	AND	X				
Worcester	4000	AND	X				

^a \$3,000 is for any subsequent offenses. First offense for underage (UA) sales: \$1000 AND suspend; Failure to obtain a pub crawl promoter's license: \$1,000-\$3,000 AND suspend

^b First offense for UA sales: \$500 AND suspend 3 days. Subsequent offenses for UA sales: \$1,000 AND suspend 30 days

^c Lookback period only applies to specific violations

^d Suspension may be reduced by allowing license holder to pay an additional fine not exceeding \$1000 for each week the suspension is reduced

^e First offense for UA sales: \$300/letter of reprimand, Second offense: \$500/10 day suspension, Third offense: \$1,000/30 days suspension, Subsequent offenses: max fine/1 year suspension

^f Harford does not have a statute for a Liquor Board administrative penalty in its Division II statutes similar to other jurisdictions

^g The third level is for a different offense. If the offense is the same as the first two, the penalty is a revocation of license, prohibition of licensure of the violator, and prohibition of licensure of the premises for up to 1 year.

^h For the first three offenses in a 24-month period; for a fourth offense, Board may suspend for 30 days or revoke the license

2.2 Alcohol Outlet Environment

The alcohol outlet environment encompasses a number of factors that provide insight into the demands placed on administrative and enforcement operations and resources. These include, but are not limited to, the number of outlets in a jurisdiction (density) and contextual factors, such as requirements related to certain operating procedures (e.g., for restaurants and training of retail employees).

2.2.1 Density of Outlets

Alcohol outlet density is the concentration of alcohol outlets in a geographic area. The General Assembly primarily promulgates laws related to alcohol outlet density; however, density-related factors that impact the alcohol outlet environment may be created through local zoning laws. Ideally, density of outlets should be guided by considerations of community factors, such as population, spacing between outlets, and sensitive locations (e.g., schools, churches). The following section provides comparisons between jurisdictions looking at these local factors of alcohol outlet density measurement. To learn more about measuring alcohol outlet density, the

Centers for Disease Control and Prevention has created a guide to help communities measure their alcohol outlet density.^j

2.2.1.1 Number of Licenses by Jurisdiction

The number of active licenses reported in each jurisdiction as of December 2018 ranged from 54 in Caroline to 1,263 in Baltimore City. Using 2017 population estimates, retail liquor license density ranged from 1:300 in Kent and 1:550 in QA to approximately 1:1000 in Carroll and Montgomery (Appendix A). Population is not the only measure of density, therefore land-based area estimates were also calculated. Density ranged from 0.1-0.2 licenses per square mile in Caroline, Dorchester, Garrett, Kent, QA, and Somerset to 16-17 licenses per square mile in Annapolis and Baltimore City. The higher the number of licenses per square mile the denser the alcohol outlet distribution is in a jurisdiction.

2.2.1.2 Population Ratios

Ten (10) jurisdictions place limits on the number of alcohol outlet licenses based on the number of people in a certain defined area. These vary by type of license (e.g., liquor stores vs restaurants) or type of geographic level on which the restrictions are imposed (e.g., entire jurisdiction, legislative district) and include various exceptions, such as for transfers or renewals. Baltimore City has had a moratorium on the issuance of new licenses, except for Class B licenses (e.g., restaurants, hotels, and arenas), since 1968.^k Allegany limits off-premise^l Class A and D beer, wine, and liquor licenses to one of each class per 1,300 residents and the total number of Class A and D beer or beer and light wine licenses to one per 1,300 residents. AA limits Class A, B, and D licenses to one per 4,000 individuals. Charles has a limit of one off-premise license per 1,350 residents in an election district, except the 6th district where the limit is one off-premise license per 2,700 residents.

2.2.1.3 Sensitive Land Use Locations

There are four primary sensitive land use locations with distance requirements (Table 2) in the Article: (1) places of worship, (2) schools (Dorchester/St. Mary’s: public or nonpublic kindergarten, elementary or secondary school; Howard: public school building; PG: private kindergarten or nursery school; QA: elementary or secondary school; Wicomico: public or private elementary or secondary school), (3) youth centers and libraries, and (4) public parks. It is possible that there are other distance requirements in local zoning codes or other local land use regulations, but reviewing these documents was beyond the scope of this analysis.

Table 2. Sensitive Land Use Restrictions

Jurisdiction	Locations	Distance (ft)	Exceptions
Anne Arundel (§ 11-1603, R/Rs)	POW ^a , school, public parks	1,000	Transfer; club; restaurant destroyed by fire, etc; Class H; Hotel/Motel; off-sale in Piney Orchard Plan Units (Art 27:10-103 AA County Code)
Baltimore City (§ 12-1605)	POW, school	300	Class B BW, BWL outside 46th district, Class C BW, BWL; 500ft in 45th for Class A

^j <https://www.cdc.gov/alcohol/pdfs/CDC-Guide-for-Measuring-Alcohol-Outlet-Density.pdf>

^k <https://llb.baltimorecity.gov/moratorium>

^l Off-premise: sales are direct to consumers for consumption off the premises

Baltimore Co. (§ 13-1601)	POW, school	300	Transfer of ownership or within building
Charles (§ 18-1602)	School	500 ^b /1000 ^c	Class B BWL, school that locates to within 500ft, renewal/transfer before 2014
Dorchester (§ 19-1601)	POW, school	300	Licensed before 1996; Class B BWL in Cambridge, Secretary, Hurlock; temp license
Harford (§ 22-1602)	POW, school	300 ^d /1000 ^c	1 day license; hotel/motel/restaurant/club/ caterer; Class H BWL if used by volunteer fire dept
Howard (§ 23-1602)	School	400 ^f /500 ^g	License may not be revoked/denied renewal if Board of Education locates a public school within 500ft. Licenses issued on or before June 30, 1971
Prince George's (§ 26-1604)	POW, school	500 ^d /1000 ^c	Class B BWL, BH, BLX, BCE, B-DD, B-TP, B-AE, per diem; consent of place of worship; private kindergarten/nursery school
Queen Anne's (§ 27-1601)	POW, school, library, youth center	500	Renewal of transfer of license issued before 5-1-76 or Class B any type
Somerset (§ 29-1601)	POW, school, library, youth center	300	Establishment existing before location built; temporary license; establishment with previous holder of license
St. Mary's (§ 28-1602)	POW, school	300	Class B BWL in Leonardtown; if a place of worship locates to within 300 ft of existing license
Wicomico (§ 32-1601)	POW, school	500	Temporary license; Downtown Plaza of Salisbury; within 6 months of termination of previous license

^a Place of worship

^b Off-premise restriction

^c On-premise restriction

^d Applies to place of worship

^e Applies to school

^f Applies to Class B license

^g Applies to any other license type except Class B

2.2.1.4 License/Permit Types

A local license may be a stand-alone license, such as a license for a country club or it may be an adjunct to an existing license, such as a Beer Tasting license. Permits are exclusively issued to existing license holders (e.g., Music or Entertainment permits, Sunday Sales permits). Over 80 different license and permit categories were found within the Article specifically in Division II across the 25 jurisdictions. Many were specific to the region or a single venue, such as a Yacht Club license (Annapolis, AA, Somerset), Baseball Stadium license (Charles, Frederick, Harford, Washington, Wicomico) or Racetrack license (AA, Baltimore City, Baltimore County, Howard, Worcester). More common categories included a Beer and Wine Tasting license (14 jurisdictions), a Local Caterer's license (16), and a Municipal or Private Golf Course license (11). These licenses are created at the jurisdictional level (pending state approval), and as a result, there are variations within each category; for example, the Beer and Wine Tasting license may restrict who may hold the permit or how many tastings can be offered each year.

A number of licenses were specific to only one jurisdiction, such as the Wine Shop and Lounge license in Kent, the Hotel Lobby license in Frederick, and a Youth and Civic Center license in Wicomico. Additionally, a number of license categories were even more specific to a particular venue or organization, such as the Public Market (Cross Street) license (Baltimore City) or Frederick's Middletown Wine Festival, St. Katherine Drexel Roman Catholic Congregation,

Inc., Holy Family Catholic Community, and Weinberg Arts Center licenses. See Appendix E for a complete list.

2.2.2 Contextual Factors

The operations of a licensed alcohol establishment are important contextual factors that play a role in shaping the alcohol outlet environment in a community. These operational provisions, such as hours and days of sales, food-to-drink ratios, age of employees, and security often require both regulatory and enforcement oversight. Operational provisions help jurisdictions ensure the type of license is appropriate for its surrounding community, and they can help mitigate the “morphing” of outlets over time. License morphing is when a license holder who was granted one license type morphs his business operationally into a different license type. Examples of license morphing include when a restaurant starts to resemble a nightclub after a certain time or when a tavern neglects its on-premise sales requirements and operates as a pseudo liquor store.

Creating rules and regulations to help mitigate morphing and/or blurring of license categories can be helpful to alcohol regulators who are working to create a safe and competitive marketplace and collect appropriate fees assessed to different license categories. Additionally, operational provisions, such as responsible beverage service training, can help ensure license holders and their employees understand the laws, rules, and regulations. This is of particular importance in Maryland where these laws can vary widely by jurisdiction. Although not exhaustive, the categories below provide a comparison of several known operational provisions by jurisdiction.

2.2.2.1 Food-Drink Minimums/Ratios

All jurisdictions have a definition for a restaurant; statute § 1-101 indicates that the “average daily receipts from the sale of food...[must] exceed the average daily receipts from the sale of alcoholic beverages.” Seven (7) jurisdictions have variations to this definition (Table 3). Calvert specifies that monthly sales receipts must be submitted for a renewal (§ 14-1803). QA indicates that a restaurant license can be revoked if they fail to maintain >50% food sales for a 6-month period (§ 27-1504). While additional food-drink regulations may exist in local zoning codes, reviewing those documents was beyond the scope of this analysis.

Table 3. Variations to State Restaurant Definition

Jurisdiction	Exception	Statute
Baltimore City	Food/drink: 60%/40% total daily receipts	§ 12-104
Carroll	Average monthly receipts from food must be at least 41%	Rules 2015
Cecil	Food/drink: 25%/75% total annual receipts	§ 17-2001
Frederick	Food: 40% of total sales until 10PM; after 10PM no ratio required	§ 20-104
Harford	If they have gross food sales over \$1500, may not be required to sell food in excess of 1/2 average monthly receipts	§ 22-103
Kent	Food: 25%	§ 24-104
Worcester	6-day license: seating 70+, food receipts > 33% 7-day license: seating 70+, meals twice daily, food receipts > alcohol	Rules/Regs 2017

2.2.2.2 Responsible Beverage Service Training

Responsible beverage service training, known as an “Alcohol Awareness Program” (AAP) in Maryland, by statute (§ 4-505), “includes instruction on (1) how alcohol affects an individual's behavior and body; (2) provides education on the dangers of drinking and driving; and (3) defines effective methods to: (i) determine whether a customer is under the legal drinking age; (ii) serve customers to minimize the chance of intoxication; and (iii) stop service before a customer becomes intoxicated.” The Office of the Comptroller certifies both programs and program trainers.^m There are at least 23 state-approved programs and over 300 state-certified program trainers in the state.

State law requires a license holder or a designee to be trained in a state-approved AAP, and certification must be renewed every four years. There are 13 jurisdictions that have at least one exception to the state requirement related to one of the following: who must be certified, what type of establishment must have a certified person present or whether the certified person must be present or not (Appendix F). Liquor Boards, by law (included in § 4-505), must be provided the names, addresses, and certification dates for all individuals trained and the name/address of the establishment where they will be working within five days of the training. This responsibility of notification is vested in the AAP trainers unless specified otherwise. AA indicates in its RRs that the license holder or employee must forward their own certification within 10 days of completing the training. Dorchester prohibits the use of a certification by an employee or an employee’s employer “at more than one licensed establishment” (§ 19-1903). Twelve (12) jurisdictions require the person certified be on premise while alcohol is being served; however, seven (7) of these jurisdictions allow for the certified person to be absent for up to two hours in case of emergency (Caroline, Frederick, Howard, Kent, Washington, Wicomico, Worcester). Cecil is the only jurisdiction that requires more than a single person to be certified per licensed establishment (license holder, each supervisor, each bartender [§ 17-1903]).

2.2.2.3 Age of Employment

Statute § 4-504 mandates that an individual under the age of 18 may not be engaged in the sale of alcohol; an individual between 18-21 may be employed to sell beer and light wine; and an individual under 21 may not be employed by a Class D beer, wine, and liquor establishment (retail locations allowing on- and off-premise sales). Twenty (20) jurisdictions have at least one exception to this law (Table 4). For example, five (5) jurisdictions allow a server to be 18 (which could allow them to serve alcohol on premise in a Class D establishment), but a bartender must be 21 (AA, Carroll, Charles, Harford, St. Mary’s). Harford has an exception to their bartender age 21 law; if the bartender is the son/daughter of the owner then he/she can serve alcohol at age 18. Worcester has a general age of employment of 18, but an employee may be younger with a permit from the Sheriff and the State’s Attorney. Nine (9) jurisdictions define a specific age for delivery: 18+ (Baltimore City, Cecil, Frederick, Montgomery, PG, Washington) and 21+ (Garrett, Kent, QA).

^m https://interactive.marylandtaxes.gov/webapps/licprt/user/ilu_QueryPermit.asp

Table 4. Age of Employment Related to Selling, Serving, Delivering or Handling Alcohol, Variations

Jurisdiction	General age of employment	Waitstaff	Bartender	Stock Clerk	Delivery	Statute
Allegany	18					§ 9-1902
Anne Arundel		18	21	16 ^a		§ 11-1902
Baltimore City	18				18	§ 12-1903
Baltimore Co.	18 ^b					§ 13-1902
Carroll		18	21	18		§ 16-1902
Cecil	18				18	§ 17-1902
Charles		18	21			§ 18-1902
Dorchester				16		§ 19-1902
Frederick	18				18	§ 20-1902
Garrett	21	18		18	21	§ 21-1902, 21-1903
Harford	18	18	21 ^c			§ 22-1902
Howard	18 ^d					§ 23-1902
Kent	21	18		18	21	§ 24-1902
Montgomery	18				18	§ 25-1904
Prince George's	18				18	§ 26-1902
Queen Anne's	21	18		18	21	§ 27-1902
St. Mary's		18	21			§ 28-1902
Washington	18			16	18	§ 31-1902
Wicomico				16		§ 32-1902
Worcester	18 ^e					§ 33-1902

^a Class A license only

^b A member of a license holder's immediate family who is under the age of 18 years may not be employed by the license holder to sell, deliver, or otherwise deal with alcoholic beverages.

^c The son/daughter of the license holder may work as a bartender at age 18 years.

^d Class A, B, C, D

^e Or less than 18 years with a permit from the Sheriff and State's Attorney

2.3 Survey Results

Sixteen (16) jurisdictions completed Part I of the online survey on General Administration, Budgets & Staffing; Records & Technology; and Licensing. Fourteen (14) jurisdictions completed Part II of the survey on Inspections & Enforcement and Violations/Hearings. Ten (10) jurisdictions completed the phone survey on State and Local Coordination and the Alcohol Awareness Program.

2.3.1 General Administration, Budgets & Staffing

Table 5 displays full- and part-time staffing for administration, inspections, and legal services. Full-time administrators ranged from 0 (Caroline, Charles) to 5 (Montgomery) and full-time inspectors ranged from 0 (Caroline, St. Mary's, Garrett, Baltimore County, Worcester) to 6 (Montgomery). All 16 jurisdictions reported either having a full- or part-time legal expert. Six jurisdictions reported that the staffing is not adequate for the workload and indicated suggestions

for how many and what type of staff would be necessary to adequately conduct the functions of their agencies' duties (Table 6).

Table 5. Staffing Information, Survey Part I

Jurisdiction	Licenses	Staff in each category							State or county employee	Adequate staffing
		FT Admin	PT Admin	FT Inspect	PT Inspect	FT Legal	PT Legal	Other		
Anne Arundel	684	3			18		1		County	No
Baltimore Co.	852	4			14		1		County	No
Caroline	54		2		1		1		County	Yes
Carroll	170	1		1	1		1		County	Yes
Cecil	169		2	1	4		1	2 ^a	County	Yes
Charles	194		1		2		1	4 ^b	County	Yes
Frederick	353	3		2		1			County	Yes
Garrett	96	1					1		County	No
Harford	228	3	1	1		1			Other ^c	Yes
Howard	322	2		1		1			County	Yes
Kent	76	2		1		1			County	No
Montgomery	1033	5	1	6			1		County	No
Prince George's	677	5		3	11		1		County	Yes
Queen Anne's	84	1			1	1			County	Yes
St. Mary's	172	1	1		1		1		County	No
Worcester	318	2			1		1		County ^d	Yes

^a PT Temp. Compliance and Stay Alert Agents

^b Shared staff with Office of County Attorney

^c "Staff are not city, county or state employees -They are employees of the Harford County Liquor Board. They do not however participate in the MD State Retirement System."

^d "When we say "full time" administration, we also have other duties to do with other boards as well as liquor, but we are full time employees"

^e Attorney is contractual

Table 6. "Adequate Staffing" Responses, Survey Part I

Jurisdiction	How many more staff and what type would you (ideally) need?
Cecil	At least 2 more full-time office staff
Charles	Full-time inspector
Garrett	1 who's duties are solely Board related
Harford	Due to my working for the Department of Planning and Land Development my time away from the office is limited. Ideally more time for more frequent inspections would be sought
Howard	1 education/outreach, 1 administrative
Kent	Eliminate part time and go to 2 full-time inspectors

Budget-relevant questions on the surveys were primarily focused on Liquor Board priorities and resources and adequacy of funding for administrative enforcement (Table 7). Budgets largely drive the capacity of a Liquor Board and tend to be relatively flat. While some Liquor Boards receive grant funding to enhance their administrative enforcement capacity, these funds are not

consistent revenue streams and come sporadically, if at all, and can divert staff time from core tasks in order to apply and administer them (Table 8). Appendix C contains publicly available jurisdictional budgets.

Table 7. Budgetary Priorities and Decision-Making, Survey Part I

Jurisdiction	Board's top three budgetary priorities ^a			How budget is determined each year
Anne Arundel	Payroll	Hearing space and location	Advertising	By reviewing last year's budget, determined by the Board
Baltimore Co.	Not to exceed our budget	Ensure administrative fees cover administrative costs	Utilize a portion of our budget for social responsible programs	Based on prior year expenditures-discussed and approved by our budget office-then voted on by county council
Caroline	Licensing	Enforcement	Education	Caroline County Commissioners
Carroll	Funding for staff	Educating retailers	Staying up to date with training	Based on previous years and recommendations from the Board of Licensed Commissioners
Cecil	Stay Alert and Compliance Checks	Educational Materials	Training	County Executive / County Council
Charles	Alcohol enforcement	Administration	Training	County government budgetary process
Frederick	Outreach Program (such as low cost alcohol awareness)	Educational Materials	Compliance Measures	By the county (license fees)
Garrett	Legal and professional	Training and travel	Administrative costs	Garrett County Commissioners / Finance Office approval
Harford	Office salaries and compensation	Other general operating expenses	Training opportunities	Determined in-house based on actual expenditures (previous years(s)) and projected routine expenses
Howard	--	--	--	Unknown
Kent	Overall budget for County ^b			Budget hearings
Montgomery	Compliance checks	Prevention of over-service	Education for licensees	Approval from County Executive
Prince George's	Staffing			County government
Queen Anne's	Compliance checks	Fake IDs	Business checks	Part of Planning & Zoning budget
St. Mary's	Office staff (admin & inspector)	Responsible Alcohol Service Training	Overhead	Needs & past history of use
Worcester	Staff-salaries	Supplies	Vehicle expenses	On all relative expenses and projected revenue

^a Survey respondents were not asked to rank responses in any order of importance

^b Board is also the Kent County Commissioners (written in response)

Table 8. Supplemental Funding for Other Types of Inspections, Past 5 Years, Survey Part I

Jurisdictions	Supplemental funds ^a	Where the funds came from ^b
Baltimore Co.	Yes	local budget-health department
Carroll	No	
Cecil	Yes	Stay Alert and Compliance Checks - Maryland Strategic Prevention Framework (MSPF) Maryland Highway Safety
Charles	Yes	Tobacco funds fm. Health Dept; Alcohol Funds previously from Drug Free Communities Support Coalition Grant (expired @ 2015); Md Highway Safety Office (expired @ 2016)
Frederick	No	
Garrett	No	N/A Health Dept conducts compliance checks
Howard	No	
Kent	Yes	Health Department
Montgomery	Yes	Alcohol compliance checks part of annual budget. Tobacco CC funding comes from state
Prince George's	No	
Queen Anne's	Yes	Co. Commissioners
St. Mary's	No	
Wicomico	Yes	Alcohol Compliance Checks - Health Department Grant monies
Worcester	No	

^a “In the past five years, have you received supplemental funds to support additional inspections (e.g., alcohol or tobacco compliance checks for sales to minors)?”

^b “If yes, please list the type of inspection(s) and where the funds came from (e.g., health department, local coalition, highway safety).”

2.3.2 Records and Technology

Technology, such as electronic records and online materials, can increase efficiency and transparency in any organization’s administrative processes, but may be overlooked due to budgetary constraints or limited staffing or expertise. Publicly available electronic records are also useful for surveillance and evaluation purposes and to more easily track trends in licensing and violations. While a publicly available electronic records portal may take time and expertise to implement, it can save time in the long term by creating efficiencies of scale and can increase transparency and trust between an organization and the public.

Ten (10) of 16 jurisdictions reported having applications (e.g., new, renewal, transfer) available online, but no jurisdictions accept online application submissions (Table 9). Only Montgomery reported an online archive of licensee information, such as applications, inspections, and violations. Six (6) jurisdictions (AA, Baltimore County, Caroline, Howard, Kent, Montgomery) have an online list or map of current licenses. No jurisdiction reported having a list of 1-day event license details, including locations, dates, and applicants.

Table 9. Liquor Board Publicly Available Information Online, Survey Part II

Jurisdictions	Applications: new/renewal/transfers	Archive of licensee info ^a	Rules and regulations	Standard operating procedures	Anonymous tip line	Liquor Board hearing minutes	List/map of current licenses
Anne Arundel	X		X	X			X
Baltimore Co.	X		X	X			X
Caroline	X		X			X	X
Carroll	X		X				
Cecil			X	X	X		
Charles			X			X	
Frederick			X				
Garrett	X		X			X	
Harford							
Howard	X		X			X	X
Kent	X					X	X
Montgomery	X	X	X		X		X
Prince George's	X		X		X	X	
Queen Anne's	X		X			X	
St. Marys			X			X	
Worcester			X				

^a Applications, inspections, violations, etc.

2.3.3 Licensing

In Part I of the survey, staff were also asked, “Does the Board have anything they consider for a new/transfer license outside of the State-mandated application information (such as the character of the applicant, population limited quotas, etc.)?” Seven (7) of 15 jurisdictions reported “No.” The other eight jurisdictions listed a number of considerations, including population density, restrictions, character of the applicant including driving record (Howard), county-specific guidelines, and community protests (St. Mary’s) (Table 10).

Table 10. License Considerations for New/Transfer Applications, Survey Part II

Jurisdiction	Response
Anne Arundel	No
Baltimore Co.	Population limits and ownership limits
Caroline	No
Carroll	No
Cecil	1 license per every 400 registered voters per election district
Charles	Character of applicant, population limited quotas, general reputation of premises and people who congregate there
Frederick	Violation history if the licensee has held license before
Garrett	Garrett has a business requirement (21-1502), however a legislative request to repeal the section will be sought this session (2019)

Howard	They do consider driving records and if applicants are fit and proper; all County agency guidelines including taxes paid
Kent	No
Montgomery	ID test, County-sponsored training
Prince George's	No
Queen Anne's	No
St. Mary's	Community protest & peace & safety
Worcester	No

2.3.4 Inspections and Enforcement

Enforcement of alcoholic beverage laws happens at two levels, state and local, and requires partnership and coordination between Liquor Board inspectors and the local enforcement agencies. At the state level, the Office of the Comptroller is primarily responsible for enforcing payment of state taxes and statutes related to the manufacturer and wholesaler tiers of the alcohol license community. Enforcement of the retailer tier and the respective local statutes, rules, and regulations is the primary responsibility of the Liquor Board and local law enforcement.

Typically, liquor inspectors are responsible for enforcing laws pertaining to inside the retail establishment, such as ensuring the AAP certificate is current, validating that license holders are purchasing alcohol from a licensed wholesaler, and that the food-to-drink ratios are being met. However, Liquor Boards inspectorsⁿ must also rely on and partner with local law enforcement agencies (e.g., sheriff's offices, police departments) to enforce criminal laws pertaining both to the inside of the establishment (e.g., underage sales) and the immediately adjacent areas of the licensed premise (e.g., noise, disturbances, panhandling, open container violations). This analysis focused on the enforcement responsibilities of the Liquor Boards gathered through online surveys and follow-up interviews. To the extent local enforcement agencies were discussed, information is enclosed therein; however, an exhaustive assessment of this coordination was beyond the scope of this analysis.

2.3.5 Inspections and Compliance Checks

Liquor inspectors are tasked with ensuring a licensed outlet is complying with state statutes relative to the jurisdiction and local rules and regulations. There are no state-mandated training requirements for liquor inspectors; however, liquor inspectors are often retired police officers. Liquor inspectors are only permitted to issue administrative citations, and criminal citations must come from the local enforcement agency. The types of inspections vary by jurisdiction and are largely determined based on budget and, in some cases, statutory requirements. Across the 14 jurisdictions, routine inspection schedules varied from being conducted every 3 months to once a year, but half (7) of liquor inspectors reported not having a specific mandate for inspections (Table 11). All jurisdictions except three (PG, Charles, Garrett) reported adequate funding to cover required inspections.

ⁿ While liquor inspectors are sworn officers, they are unable to issue criminal citations.

Table 11. Inspection Schedules, Operating Funds, Survey Part II

Jurisdiction	Mandate for routine inspections	Funds in general operating budget to cover all required inspections?
Baltimore Co.	Every 3 months	Yes
Carroll	Annually	Yes
Cecil	Every 3 months	Yes
Charles	Every 6 months	No
Frederick	No	Yes
Garrett	No	No
Howard	No	Yes
Kent	Every 3 months	Yes
Montgomery	Twice annually	Yes
Prince George's	No ^b	No
Queen Anne's	Every 60 days	Yes
St. Mary's	No ^c	Yes
Wicomico	No	Yes
Worcester	No	Yes

^a Twice annually is for routine inspections. New licensees are inspected quarterly for the first year.

^b “Our licensees have their establishments inspected at least twice a month.”

^c “We inspect annually because we only have one part time inspector.”

The most common type of inspection is a Routine Inspection, which is done to assess if the retail outlet is meeting certain parameters required to maintain the license (e.g., posting of license, production of employee or sales records, working fixtures and appliances) or may be prompted by a particular action that triggers the inspection, such as a new or transfer license application. A Notice Inspection may be prompted upon request from the Liquor Board following a violation hearing.

Compliance check undercover operations^o are often done in coordination with the local enforcement agency to assess youth access to alcohol through retail settings in jurisdictions. Across the country, these are common administrative enforcement operations and are an evidence-based strategy often encouraged by community coalitions in their efforts to reduce youth access to alcohol in retail settings. See Table 12 for jurisdiction responses on types of inspections and Table 13 for “Other” write-in responses on types of inspections. Tables 14 and 15 show the types of operations that are done in coordination with a local law enforcement agency and which agency the jurisdiction is partnering with.

^o Compliance checks are not a type of inspection and are therefore considered separately here.

Table 12. Types of Inspections, Survey Part II

Jurisdictions	Pre-licensing, site visit as part of the new/ transfer application	Final inspection before new/transfer license issued	Routine inspections on a set schedule for all licenses	“Notice” inspections ^a	Alcohol compliance checks: sales/service to minors	Tobacco compliance checks: sales to minors
Baltimore Co.	X	X	X		X	X
Carroll			X	X	X	
Cecil	X	X	X		X	
Charles	X		X	X	X	X
Frederick	X	X				
Garrett			b			
Howard				X	X	
Kent	X		X		X	X
Montgomery	X	X	X	X	X	X
Prince George's	X	X		X	X	
Queen Anne's	X	X	X	X	X	
St. Mary's	X		X	X		
Wicomico	X		X	X	X	
Worcester	X	X	X	X		

^a Prompted by the Liquor Board or an inspector, for example

^b Garrett wrote in that they do routine inspections, but not on a set schedule

Table 13. Types of Inspections--“Other” Responses, Survey Part II

Jurisdictions	Other
Frederick	Alcohol and Tobacco compliance checks are conducted by the Health Department and local law enforcement
Montgomery	Generic to document an incident, conversation with licensee, drop off materials, etc. Also quarterly inspections for all newly issued licenses
Prince George's	"Focus Inspections" We provide a list of inspections we want our inspectors to check for when sent to their locations.

Table 14. Partnering with Local Law Enforcement, Types of Inspections, Survey Part II

Jurisdiction	Do you partner with local law enforcement for:				
	Inspections	Undercover operations for illegal sales/service practices	Alcohol compliance checks for sales/service to minors	Tobacco compliance checks for sales to minors	Other
Baltimore Co.		X	X		
Carroll					We complete age compliance checks without law enforcement support.
Cecil		X			
Charles	X		X		

Frederick			X		We don't partner for inspections, but attend task force meetings and violate offenders when they fail compliance checks.
Garrett					In the past the Health Dept partnered with MSP for compliance checks
Howard	X	X	X		
Kent		X			Partner with local PD when they have loud parties/underage possession; fake IDs. etc. They will contact us upon investigating any alcohol/tobacco-based issues.
Montgomery		X	X		
Prince George's			X		
Queen Anne's	X	X	X		
St. Mary's		X	X	X	
Wicomico		X	X		
Worcester	X	X	X		

Table 15. Partnering with Local Law Enforcement, Agencies, Nature of Partnership, Survey Part II

Jurisdiction	Which agencies do you partner with, and how do you partner with them?
Baltimore Co.	Police--underage/overservice/disturbance
Carroll	<i>N/A</i>
Cecil	Cecil County Sheriff's Department
Charles	Charles County Sheriff's Office
Frederick	Health Department and Police
Garrett	<i>N/A</i>
Howard	We have a liquor board inspector who is a police officer
Kent	Chestertown Police, Rock Hall Police, Kent Sheriff's Dept. On call out or investigative assistance issues.
Montgomery	County police for alcohol cc and to address a specific issue at a business
Prince George's	PG County Police Department, Maryland University Police Dept. The PG County Police Dept. provides plain clothes Detectives to observe the underage sales and Maryland University has provided uniformed officers to assist when needed.
Queen Anne's	Sheriff's Dept.
St. Mary's	Local Sheriff's Office. Had an MOU for over 20 years, but Sheriff has decided not to sign a new MOU
Wicomico	Salisbury Police Department, Fruitland Police Department, Wicomico Sheriff's Office, Maryland State Police
Worcester	All local and state police agencies. Meetings are held regularly where all parties discuss and coordinate efforts for alcoholic beverage licensing enforcement.

2.3.6 Violations/Hearings

When a license holder is found in violation of a state or local law, regulation or ordinance, generally a hearing date is set and a penalty may be assigned by the Liquor Board at that hearing. In Table 16, survey jurisdictions related their top three most common violations and were asked what might be driving these violations. Six (6) of the 14 jurisdictions listed Sales to Minors as one of the most common violations. Six (6) jurisdictions also listed no Alcohol Awareness certification or having no one certified onsite in the top three. Reasons included a lack of training for license holders, being in a college town, failing to read an ID during compliance checks, and being in a rural area with less frequent deliveries. Jurisdictions may have set fines or penalties for certain violations, but often these may be maximums. Eleven (11) jurisdictions noted that they have internal matrices^p that are used by their Liquor Boards for assigning penalties (Table 17).

Table 16. Most Common Violations, Survey Part II

Jurisdiction	Top three most common violations that result from inspections ^a		
Baltimore Co.	Sales to Minors	Disturbance	Over service of alcohol
Carroll	Sales to Minors	Failure to notify the board of changes	
Cecil	No Alcohol Awareness Certification	License not Properly Posted	
Charles	Sales to Minors	Purchase from wholesaler	No Alcohol Awareness Certification
Frederick	Sales to Minors	License not posted	Hours of operation
Garrett	illegal purchase		
Howard	Failure to notify administrator	No one on-site with Alcohol Awareness Training certification	Not have required records on site
Kent	No Alcohol Awareness Certification	Sale by underage employee	Illegal storage
Montgomery	No one on site with Alcohol Awareness Training certification	Records violations. Invoices and employee records	Sales to Minors ^a
Prince George's	Sales to Minors	Purchase by Unauthorized Retailer	Public Nuisances
Queen Anne's	Fake IDs	Alcohol removed from property	Over service of alcohol
St. Mary's	No records on premise (employee or invoices)	No Alcohol Awareness Certification	Expired permits (Health, Traders)
Wicomico	No Tips / Tams	Records not on premise	
Worcester	Sales to Minors	Refilling bottles	Onsite modifications without approvals

^a Jurisdictions were asked to list the top three, but not to rank them

^p Note that these internal matrices are likely not captured in the Part I review of state laws, as they are not encoded in statute or available R/Rs. This table should be considered complementary to Table 1 for Board penalties and lookback periods for enhancements.

Table 17. Presence of Internal Matrices^a for Assessing Penalties, Survey Part II

Jurisdiction	Internal matrices/guidelines ^b	Other
Baltimore Co.	Yes	Start at \$500 and go up from there
Carroll	No	
Cecil	Yes	
Charles	No	
Frederick	Yes	
Garrett	Yes	
Howard	No	
Kent	Yes	Penalties based on prior infractions; similar infractions from another establishment.
Montgomery	Yes	Board by statute may fine up 20k, suspend or revoke a license. Generally, on a first violation it's 1k except where dictated by law, for example AA first offense is \$100, subsequent is \$500
Prince George's	Yes	
Queen Anne's	Yes	
St. Mary's	Yes	For underage compliance checks, a penalty matrix was developed through a partnership of the local Retail Beverage Association, Community Alcohol Coalition, Alcohol Enforcement (Sheriff), and this Board. The final product was added to the Rules & Regs - however, only a guideline.
Wicomico	Yes	The Board has the history of the license establishment and based on history and what they have assessed for the same violation is how the gauge penalties. Do not have in writing a specific penalty for a specific violation within a time frame.
Worcester	Yes	

^a Note that these internal matrices are likely not captured in the Part I review of state laws, as they may not be encoded in statute or available RRs. This table should be considered complementary to the Table 1 for Liquor Board penalties and lookback periods for enhancements.

^b For the Liquor Board to reference when it assesses penalties

2.4. Interviews

Ten (10) jurisdictions participated in Part III of the survey by phone interview. The survey covered topics related to communication and coordination between the state (Office of the Comptroller) and local jurisdictions, the responsible beverage service training/alcohol awareness programs, and clarifying information on topics, such as on partnerships and collaborations with other local agencies.

2.4.1 State and Local Coordination

Most jurisdictions cited having minimal regular interaction with the Office of the Comptroller regarding their efforts in regulating and enforcing the retail tier of the alcohol industry in the state, given the state's main charge is to regulate and enforce the producer and wholesale tiers of the market. Respondents did report that they reach out to state field enforcement officers for advice on state laws and how these laws may impact their local jurisdiction. It was noted by some that occasionally they may reach out to the state field enforcement division to assist with a

difficult case, such as bootlegging (tax issue) or refilling alcohol bottles. Most jurisdictions report that if the state field enforcement officers discover any local infractions, they notify the local Liquor Board staff, which then may trigger an administrative hearing.

There were several areas identified where coordination could be improved. Half (5) of the jurisdictions noted needed improvement in the area of local events run by manufacturers under a state-issued license. The jurisdictions noted that they were not being notified when the state issued a local event license, which led to confusion and a number of related issues, including the event license holder not alerting the appropriate local agencies about the event (e.g., law enforcement, zoning) to ensure proper permits and oversight were in place, the Liquor Board staff and inspectors being unable to answer questions about the event when someone from the public (or the license holder themselves) called with inquires, and questions surrounding who has enforcement responsibility (the state or the jurisdiction). Respondents reported that the state does not typically provide support for enforcement of these events; therefore, the responsibility falls to the jurisdiction. Further, several respondents said they would welcome clearer flowcharts and/or instructions on new state laws for craft producers that can hold multiple licenses and permits. One suggestion as a possible approach to streamlining these communications was a repository on the state website called, “Alcohol Enforcement Corner” that has FAQs for enforcement, license holders, and Liquor Boards. Finally, several respondents reported a need for the online databases to be kept up-to-date for searching local producers and wholesalers.

2.4.2 Administrative Training

Respondents reported a desire for training in two overarching categories: state laws and inspections. While the state field enforcement division is a resource for many jurisdictions, respondents also reported a need for additional resources on state laws and how state laws affect each jurisdiction. As state law changes frequently, regular training of administrative staff and inspectors on new laws was welcomed.

Respondents also reported a lack of available training for inspectors. Many inspectors are former law enforcement professionals and are familiar with Maryland law in general, but may not be aware of best practices in relation to alcohol enforcement and inspections. It was reported that they often reach out to the state field enforcement division or other jurisdictions for advice. Respondents noted that training for new inspectors would be helpful, as would ongoing continuing education on new laws and best practices. Respondents also suggested that the state would be the appropriate level to provide these types of training.

2.4.3 Alcohol Awareness Program

Requirements for the Alcohol Awareness program (AAP) were explored above in Section 2.2.2.2, but the interviews elucidated a few additional contextual points. Two jurisdictions (Carroll, QA) reported that they do not have an on-premise requirement, but they would like there to be one (i.e., the person trained in AAP must be on the premises during open hours). Two jurisdictions reported that they have had issues with inconsistencies in the state-certified AAP trainers, and reported that they would like the state to monitor the trainers’ performance more closely.

2.4.4 Local Partnerships

Three of the 10 respondents⁹ reported having an active Drug Free Communities (DFC) and/or a Maryland Strategic Prevention Framework (MSPF) effort in their community (Garrett, QA, Cecil). In Garrett, the DFC coalition is out of the health department and holds monthly meetings with stakeholders, such as hospitals and the Liquor Board. In QA, the DFC coalition attends the monthly Liquor Board meetings and will occasionally do presentations. Cecil has an MSPF effort, which helps fund alcohol compliance checks three times a year, and a DFC coalition that also holds monthly meetings. These efforts are part of “Drug Free Cecil,” which is a collaborative of all substance-focused grantees in the county that meets quarterly to coordinate their respective efforts. Collectively, Drug Free Cecil was successful in working with the alcohol retailers and the Liquor Board to enhance the jurisdiction’s requirement for AAP training from having only one person on premise trained to requiring the license holder, each supervisor, and each bartender [§ 17-1903] be trained. Additionally, funds from the grants were used to offset the financial costs to businesses for the first three years. The new law took effect July 1, 2018.

Health departments and local law enforcement agencies were cited as regular partners for several respondents; however, it was also noted that funding for enhanced enforcement efforts, such as alcohol compliance checks, have been diminishing in recent years. A health department representative comes to the QA monthly Liquor Board meetings. In Montgomery, there are quarterly meetings with the Safety Alliance. In St. Mary’s, the health department and Sheriff’s Office do alcohol compliance checks together. Cecil reports that the health department used to have grant funds for alcohol compliance checks, but now it only has funds for tobacco. Kent also reported that the health department only has supplemental funds for tobacco compliance checks.

3. DISCUSSION

This report provides a broad overview of alcoholic beverage licensing, enforcement, and regulation in the State of Maryland, with an emphasis on public health-based practices. Maryland has a unique alcohol regulatory framework with 25 local Liquor Boards spanning jurisdictions of different demographics, geographic size, population, outlet density, tourism, and business needs and priorities. To some degree, the alcoholic beverage laws reflect these local differences. Each year, the Maryland General Assembly adopts new laws that not only impact the alcohol marketplace, but impact the state regulatory agency, local Liquor Boards, and local law enforcement agencies. By reviewing the state and local regulatory structures, and the variation in laws within these boundaries, this comparative analysis provides a deeper understanding of the alcohol regulatory landscape, and helps to identify strengths in the system and opportunities for efficiencies and improvements to align with best practices moving forward. The discussion and recommendations enclosed are based on the scientific evidence available and case studies of promising practice experienced by other communities. These recommendations are not only to promote the health, safety, and general welfare of the public, but to foster a fiscally sound alcohol marketplace in the state.

⁹ St. Mary’s also has a DFC Coalition, but this was not discussed during the interview.

3.1 Budgeting

The degree to which a local Liquor Board and its staff are able to enforce regulations effectively is largely dependent on their allocated resources. Therefore, the budget of each jurisdiction has a direct impact on its ability to fulfill its administrative duties, maintain adequate staffing levels, and perform compliance and enforcement activities. Across the country, alcohol regulatory agencies are looking at their annual fees as a matter of effective public policy to ensure the agency can cover its administrative costs of doing business and provide adequate services.

New License Application fees and related administrative costs vary widely across jurisdictions and do not appear to be related to population, geographic area or number of outlets. The New License Application fees ranged from \$75 in Wicomico and \$100 in Kent to \$700 in PG and \$750 in Frederick. Jurisdictions can also create fees to charge for administrative functions, such as Pending Application fees (\$410 in Cecil) or Replacement License fees (e.g., \$10 in Garrett, Talbot and \$20 in Baltimore City) to help cover their costs of doing business. While \$10-\$20 may not seem substantial, generating a replacement license does require staff time and when tasks such as these are added up, may be placing extra and uncompensated burdens on staff.

There are several recent examples from other states where alcohol regulatory authorities have increased their fees to ensure they cover their operating expenses as a result of increasing demands. As of October 1, 2019, the Oregon Liquor Control Commission will increase its annual license fees for the first time in 70 years.⁸

This increase in license fees is hardly unwarranted; while inflation has cheapened the dollar over decades and the cost of living has risen substantially, license fees for many jurisdictions have remained flat. Oregon is not alone; Washington County, IL increased several of its liquor license fees after a unanimous vote by the City Council in Marche 2019.⁹ Increasing these fees are not just a mechanism for state or local Liquor Boards to keep up with real prices in the current economy; in some cases, they provide a direct source of funding to the communities where licensees are operating. For example, in Pennsylvania, the Pennsylvania Liquor Control Board (PLCB) oversees more than 15,000 alcohol licenses; depending on the type of license and the population of the municipality in which the license is located, the license holder pays an annual fee ranging from \$125 to \$700. These fees then get dispersed back to local communities. Over the past five years, the PLCB has returned \$22.5 million in licensing fees to local municipalities. Municipalities have flexibility in allocating and spending the returned license fees to meet local needs.¹⁰ Lastly, license fees provide Liquor Boards with the ability to ensure an efficient marketplace by setting the barrier to entry at an appropriate price point. Implementing fees that are too low lead to an unsustainable

“When we’re looking at something that is 70 years old, we have to look back and then figure out, ‘Okay, what were my grandparents paying for gas 70 years ago? ...and have those costs changed over the years?’ Yes they have. But at the same time, the standard of living has gone up, costs go up, the standard increase of everything goes up over time and so we have to account for those fees and be able to actually deliver those services at today’s dollars.” - Staff person, Oregon Liquor Control Commission

marketplace with a surplus of businesses operating in competition. In contrast, setting fees too high could discourage small businesses from entering the marketplace.

Penalties provide an additional, and important source of revenue for Liquor Boards. A Liquor Board can impose a penalty structure in order to fill budgetary gaps and encourage increased compliance with the law. In Maryland there was a narrower range of variation with Board-imposed administrative penalties, from \$500 (Baltimore City) and \$1000 in five jurisdictions to \$5000 in Wicomico and \$20,000 in Montgomery. Alcohol law enforcement seeks to increase compliance with laws by increasing the level of perceived risk of detection and sanctions, but these monetary fines also contribute to many jurisdictional budgets. A balance should be struck between what is needed for budgetary purposes and what is high enough for deterrence and adherence to the law.

3.2 Operations

The operations of Liquor Boards were reviewed to assess the capacity a given jurisdiction has both from a staffing and inspection perspective. Across the jurisdictions, staffing varied widely, from a single, part-time administrative staff member (Charles) to five full-time staff members (PG, Montgomery). Similarly, jurisdictions had a wide-range of inspector capacity from no full- or part-time inspectors (Garrett) to six full-time inspectors (Montgomery) or 18 part-time inspectors (AA). Some of the full-time staff's time was split, however, as they were also tasked with duties in other county departments, such as Planning, limiting their time and capacity dedicated to liquor board responsibilities. Six jurisdictions (of 15 responding) included specific examples of ways in which they would like to increase their capacity as noted in Part II of the survey, such as expanding administrative and inspection services by hiring additional staff.

3.3 Density and Context

Reducing alcohol outlet density is a recommendation presented by the CPSTF as a mechanism for communities to prevent excessive alcohol consumption. Methods to reduce alcohol outlet density include restricting the number of days alcohol is sold, restricting the number of hours alcohol is sold, and limiting the number of physical locations within a community where alcohol can be sold. Increased alcohol outlet density, the number of locations where alcohol is sold within a geographical parcel, has been associated with an increase in community harms. While the methods for studying this proximal association between the clustering or clusters or outlets in an environment varies, public health researchers agree that limiting alcohol outlet density is one way to prevent excessive alcohol consumption.

There are many aspects of licensing which contribute to outlet density; factors include population, distance regulations, and other contextual factors (e.g., responsible beverage service training) that contribute to the local alcohol environment. In Maryland, less than half of jurisdictions have density limitations explicitly written into the local code, highlighting an area for exploration. Twelve (12) jurisdictions have restrictions around sensitive areas, including schools and places of worship, while 10 have parameters capping the number of licenses based on population (e.g., residents per election district).

Another factor contributing to an increase in alcohol accessibility are the dozens of local licenses

and permits, such as for a single premise type (e.g., a specific public market) or for a business that is not a traditional alcoholic beverage retailer (e.g., a nail salon). Additionally, there are hundreds of special licenses and permits issued throughout the state for local festivals, farmers markets, and other community events that further increase the access to and density of alcohol sales.

The Community Preventive Services Task Force (CPSTF), an independent, non-federal panel of public health and prevention experts, recommended that communities should use both licensing and zoning to limit alcohol outlet density as a way to prevent excessive alcohol consumption.¹¹ To help communities measure their alcohol outlet density environment, the Centers for Disease Control and Prevention (CDC) created a Measurement Guide to Alcohol Outlet Density to guide communities on how to map their alcohol outlet environment as it relates to variables, such as drink driving, violence, binge drinking, underage drinking, crime, etc.¹² Understanding the location of alcohol outlets, their operations and the context of the environment in which they are located are important for alcohol regulatory authorities as they make future decisions about alcohol licensing.

Therefore, it is important for Liquor Boards to consider this entire complex landscape when assessing the impact of an increase in alcohol outlet density and the impact on regulating, monitoring, and enforcing alcohol laws.

The CDC encourages public health surveillance to guide state and local alcohol regulatory authorities in their assessment and measurement of alcohol outlet density, and to inform their licensing and resource allocation (e.g., enforcement) decisions. Partnering with state and local public health departments can be an effective way to achieve assessing alcohol outlet density,

which is a known environmental risk factor.

Certification in a state-approved Alcohol Awareness program (AAP) is the state requirement for responsible beverage service training and is mandated for a license holder or a designee and must be renewed every four years. Many jurisdictions have variations that enhance the minimum state requirements. Some jurisdictions are taking a more proactive approach to reaching out and building partnerships with AAP trainers who are then the only trainers allowed to train AAP in their jurisdictions. While this is an innovative approach, it requires resources and because of that, it may not be scalable for all jurisdictions. To ensure more effective monitoring of AAP trainers' content expertise and training aptitude, incorporating an institutional mechanism to monitor AAP trainers' expertise in state and local jurisdiction-specific laws would be best done at the state level. Further, monitoring who is trained and in which jurisdiction is necessary to help local jurisdictions better track those who are certified. In 2004, the National Research Council/Institute of Medicine (NRC/IOM) published *Reducing Underage Drinking: A Collective Responsibility*,¹³ a seminal document that provided evidence for best-practice recommendations on alcohol regulations and enforcement. One recommendation is that states require all sellers and servers of alcohol to complete state-approved training as a condition of employment.

3.4 Administrative Enforcement

A law is only as good as the enforcement that is afforded it. Without enforcement of the law, a violation is likely to go unpunished, limiting its deterrent effect. The key to deterrence are three

primary components: (1) general perception and agreement that a violation will lead to apprehension and sanction; (2) a short timeline on which the sanction is imposed; (3) and severity of the sanction.¹⁴ Regular monitoring of alcohol retail establishments through routine inspections is a critical element to ensure compliance among license holders. Additionally, regular alcohol compliance checks have long been identified as an important evidence-based strategy to prevent illegal sales to minors, and jurisdictions should review who is doing them, how often they are being done, and whether they are achieving the desired goals.

3.4.1 Partnerships

Inspectors employed by the local Liquor Board are responsible for administrative citations under the state Code, and law enforcement agencies (e.g., police or sheriff's department) are responsible for criminal law. Criminal violations must be cited by a local sheriff or police officer, ideally in conjunction with the liquor inspector at a routine inspection or unannounced compliance check. Of the 14 jurisdictions responding to Part II of the survey, almost all reported partnering with local law enforcement for at least one of the following: inspections, compliance checks for underage alcohol or tobacco sales or undercover operations for illegal sales/service practices. Although Liquor Boards are usually responsible for compliance checks, in certain jurisdictions, such as Frederick, these are coordinated primarily through the local health department in conjunction with local law enforcement. This structure is not uncommon throughout the state. Occasionally, there may also be local community coalitions funded by federal and/or state grants that fund, and in some cases, coordinate, alcohol compliance checks, but these are not sustainable funding sources as grants are time-limited and not guaranteed year after year.

3.4.2 Penalties

Penalties contribute to jurisdiction budgets, but their primary purpose is for deterrence. Many regulatory agencies issue administrative penalty guidelines to alert license holders to the sanctions (i.e., monetary fines, license suspensions and revocations) that will be imposed for offenses. NRC/IOM guidelines recommend graduated sanctions, with temporary suspension of the license at the first offense, up to revocation of the license after three offenses. A number of Maryland jurisdictions have graduated sanctions for second and subsequent offenses within a set time period. For example, in Calvert, a first violation of underage sales may result in a \$500 penalty or 3-day suspension or both; however, for a subsequent violation, the graduated penalty increases to \$1,000 or a 30-day suspension or both. Garrett also has a similar structure, but with four levels ranging from a \$300 fine and letter of reprimand to a \$3,000 fine and one-year suspension. Five jurisdictions (Allegany, Baltimore County, Montgomery, PG, and St. Mary's) allow for revocation of the license at the first offense, and Kent allows for revocation at the second offense. In Part II of the survey, a number of jurisdictions reported that underage sales were one of their most common violations; a review of their current penalty structures for that violation may reveal penalties that are not severe enough to be a deterrent.

Graduated penalties may also be coupled with a look-back period (a set period of time in which penalties can be graduated) that may be for enhancement or expungement. Incorporating a look-back period into the penalty structure provides the Liquor Board discretion to account for the circumstances surrounding the violation. For example, a location that receives two violations in a two-week span could be penalized more severely than a location that receives two violations

over a 10-year period. At least eight jurisdictions, including Kent and PG, have statutes referencing graduated penalty structures and/or look-back periods for enhancing penalties, ranging from two-to-seven years.

In 2006, Congress enacted the Sober Truth on Preventing Underage Drinking Act (STOP Act), henceforth requiring to submit a report to Congress (RTC) annually on current underage alcohol use in the United States as well as federal prevention efforts and related enforcement activities. The 2018 RTC identified that nationwide, minimum fines for a first offense range from \$50 to \$2,000 and are generally in lieu of suspensions. Maximum fines for subsequent offenses increase to as much as \$25,000 (e.g., Utah). At least 11 states have adopted the NRC/IOM recommendation with statutes that allow for the revocation of a license after either three or four offenses.

3.4.3 Compliance Checks

Regardless of the penalty, alcohol compliance checks are only effective to the degree that they are performed regularly and with a consistent protocol. At least three jurisdictions do not have budget support to perform regular inspections, let alone compliance checks, and other jurisdictions rely on sporadic grant-funded agencies and organizations to provide the resources for compliance checks. The NRC/IOM report recommended that the federal government should require states to achieve designated rates of retailer compliance with youth access prohibitions as a condition for receiving relevant block grant funding, similar to the Synar Amendment's requirements for youth tobacco sales. Under this structure, states would be required to prioritize and allocate resources to compliance among on- and off-premise licensed outlets, and report on these efforts to reduce alcohol availability to youth. As with tobacco control efforts, states failing to implement these enforcement strategies would risk losing critical federal funding for substance use prevention, treatment, and enforcement of underage drinking laws.

3.4.4 Protocols and Training

Maryland is in the minority nationwide in that it does not have any state-supported protocols for alcohol license inspections or compliance checks (at least 36 states have them). The majority of survey respondents indicated a desire for state-developed and supported training, with ongoing continuing education on statute changes and updates on best practices. A consistent protocol based on best practices for compliance checks at the state level would enhance their efficacy and optimize scarce resources. Research recommends regular compliance checks at least three-to-four times a year of a random selection from all alcohol retail establishments. Best practice also states that follow-up checks for establishments that fail the compliance check should be done within three months of the inspection date and that administrative penalties, including fines and license suspensions that increase with each offense are important elements to ensure efficacy. Further, research recommends that enhanced media coverage for the purposes of sharing the results of compliance checks be utilized, and that training for alcohol retailers regarding their legal responsibility to avoid selling alcohol to underage youths are critical components to a comprehensive compliance check protocol.¹⁵

3.5 Communication/Coordination

A common theme that continues to surface is one of the need for effective and efficient

communication between the state and local jurisdictions. New license types created at the state level for events in local jurisdictions, effectively bypassing the local licensing framework, were a particularly important area of communication breakdown. A procedure more in line with the division between state and local responsibilities would place the primary decision on a local event into the hands of the local jurisdiction, but at a minimum, these licenses and permits should require final approval by the local Liquor Board to ensure local agency notifications (e.g., zoning, planning) occur and adequate enforcement is available. Additionally, a moratorium on any new statutes for state-level licenses and permits for local use should be considered until a more coordinated process can be established between the state and local Liquor Boards, one that emphasizes the role of the local authority.

Technology and big data hold much promise to creating effective communication mechanisms between state and local agencies (e.g., zoning, police, health, liquor licensing) with various responsibilities for ensuring compliance among the alcohol retail business community. Other jurisdictions across the country are instituting these technological advancements to create economies of scale and needed efficiencies within government agencies.

In Vermont, the Division of Liquor Control developed a low-cost, interactive, publicly available resource allocation web portal for monitoring its alcohol retail environment. The online tool automates the collection of data from multiple sources (e.g., police, zoning, transportation) to inform the Division, in real time, where it should allocate its inspector resources each day for alcohol enforcement efforts. Iowa and Minnesota are compiling and tracking place of last drink data (asking individuals where they had their last drink of alcohol) during drink driving arrests to identify locations of interest for where overservice may be happening in a jurisdiction. These techniques are innovative, data driven approaches that hold promise to create more effective administrative monitoring of the ever-changing, and often growing, alcohol retail environment.

Further, in the current tech era, there are ample resources available to improve coordination among state and local agencies. Creating a database to track the training of employees in a state-approved alcohol awareness program can create transparency necessary for Maryland's localized alcohol regulatory structure to have assurances that those who are employed in their local alcohol retail establishments are trained and ideally trained to understand their jurisdiction-specific alcohol laws. An online, real-time database to track state issued licenses and permits can also help alleviate confusion between the state alcohol authority and local Liquor Boards to create more effective monitoring of special events occurring throughout the state. Additionally, while the producer and wholesaler levels are licensed and regulated by the State, jurisdictions reported a need for more up to date online databases of license and permit holders for the businesses in their communities.

4. CONCLUSION

Maryland's alcohol regulatory landscape is a complex and multifaceted network of state and local laws, rules, and regulations. This analysis identified a number of best practice alcohol regulations in Maryland and provided recommendations where opportunities for improvements exist based on examples of recommended strategies and promising practices experienced elsewhere in the country. By surveilling and categorizing state and jurisdictional alcohol policies,

the analysis helps create transparency between jurisdictions and a deeper understanding of the similarities, differences, and uniqueness by jurisdiction. Assessing the 25 jurisdictions' alcohol policy environments provides Liquor Boards and policy makers ease in comparing their alcohol policy environment to both best practices outlined in the science and other jurisdictions.

Maryland's localized alcohol regulatory structure provides ample opportunities for customizing the regulatory environment to reflect local needs, community norms, and standards. While there are many stakeholders and interests that policy makers and alcohol regulatory bodies must consider when adopting and implementing policies, it is imperative to keep the primary purpose of alcohol regulation at the forefront of these discussions. As stated in *Toward Liquor Control*, alcohol regulation should focus on 1) reducing aggressive sales tactics, 2) preventing vertical integration, 3) restricting alcohol outlet density and hours and days of sales, and 4) placing more limits on high ABV products.

Allowing the policy debate to be driven by economic factors (e.g. jobs, tourism) alone can lead to an imbalanced alcohol marketplace resulting in aggressive marketing and sales practices that are known to lead to increases in heavy alcohol consumption and harms. By using resources, such as the NRC/IOM report, along with the scientific evidence reviewed by the CDC and the WHO, Maryland has the opportunity to improve its current alcohol regulatory and enforcement structures to protect all Marylanders.

APPENDICES

APPENDIX A: Number of Licenses, Population, and Density of Jurisdictions

Jurisdiction	Licenses (Comptroller's website ^a)	Licenses (interviews)	Population (2017)	Outlet Density (population)	Area-land only (miles ²)	Area-land and water (miles ²)	Outlet Density (land area)
Allegany	168		71,615	426.3	424	430	0.4
Annapolis	114		39,321	344.9	6.73	--	16.9
Anne Arundel	684		573,235	838.1	415	588	1.6
Baltimore City	1,514	1,263	611,648	484.3	81	92	15.6
Baltimore Co.	852		832,468	977.1	598	681	1.4
Calvert	156		91,502	586.6	213	345	0.7
Caroline	54		33,193	614.7	319	325	0.2
Carroll	170	157	167,781	1068.7	448	453	0.4
Cecil	169	145	102,746	708.6	346	418	0.4
Charles	194	176	159,700	907.4	458	643	0.4
Dorchester	88		32,162	365.5	541	983	0.2
Frederick	353	331	252,022	761.4	660	667	0.5
Garrett	96	75	29,233	389.8	647	656	0.1
Harford	228		252,160	1106.0	437	527	0.5
Howard	322		321,113	997.2	251	254	1.3
Kent	76	63	19,384	307.7	277	413	0.2
Montgomery	1,033	1,050	1,059,000	1008.6	491	507	2.1
Prince George's	677		912,756	1348.2	483	499	1.4
Queen Anne's	84	89	49,770	559.2	372	511	0.2
Somerset	57		25,918	454.7	320	611	0.2
St. Mary's	172	166	112,667	678.7	357	764	0.5
Talbot	134		37,103	276.9	269	477	0.5
Washington	231		150,578	651.9	458	468	0.5
Wicomico	153		102,923	672.7	374	400	0.4
Worcester	318		51,690	162.5	468	695	0.7

^a https://interactive.marylandtaxes.gov/webapps/licprt/user/ilu_QueryRetailer.asp

APPENDIX B: Alcoholic Beverages Statutes

§ 1-101. Definitions

Restaurant

- (x)(1) Subject to paragraph (2) of this subsection, “restaurant” means an establishment that:
- (i) accommodates the public;
 - (ii) is equipped with a dining room with facilities for preparing and serving regular meals; and
 - (iii) has average daily receipts from the sale of food that exceed the average daily receipts from the sale of alcoholic beverages.
- (2) By regulation, a local licensing board may set a different standard as to what constitutes a restaurant.

§ 4-305. Filing fee and endorsement

Payment to local licensing board

- (a) An applicant shall pay to the local licensing board a fee of \$20, in addition to the costs of publication and notice, when filing an application for the transfer of a license.

Endorsement by local licensing board

- (b) The local licensing board shall endorse on a license the transfer of the license if the applicant has paid the fee required under subsection (a) of this section.

§ 4-504. Employment of underage individuals

Employment of individual under age of 18 years

- (a) An individual under the age of 18 years may not be engaged in the sale of alcoholic beverages.

Employment of individual between ages of 18 and 21 years

- (b)(1) Except as provided in paragraph (2) of this subsection, an individual between the ages of 18 and 21 years may be employed in the sale of beer and light wine.

- (2) An individual under the age of 21 years may not be employed by a holder of a Class D beer, wine, and liquor license in the sale of alcoholic beverages.

Employment of individual at least 18 years old

- (c) An individual at least 18 years old may be employed by a holder of a Class A license to operate a lottery ticket terminal.

§ 4-505. Alcohol awareness program

“Alcohol awareness program” defined

- (a) In this section, “alcohol awareness program” means a program that:
- (1) includes instruction on how alcohol affects an individual's behavior and body;
 - (2) provides education on the dangers of drinking and driving; and
 - (3) defines effective methods to:
 - (i) determine whether a customer is under the legal drinking age;
 - (ii) serve customers to minimize the chance of intoxication; and
 - (iii) stop service before a customer becomes intoxicated.

Scope of section

- (b)(1) This section applies to:
- (i) a licensed premises that sells alcoholic beverages to a customer from a bar or service bar on the premises;
 - (ii) a premises licensed to sell alcoholic beverages for off-premises consumption; and
 - (iii) an unlicensed establishment in a jurisdiction that requires a worker, a supervisor, or an owner of an unlicensed establishment to receive alcohol awareness training.
- (2) This section does not apply to:
- (i) a temporary license;
 - (ii) a Class E (on-sale) water vessel license;
 - (iii) a Class F (on-sale) railroad license; or
 - (iv) a Class G (on-sale) airplane license.

Program certification

- (c) The Comptroller:

- (1) shall approve, certify, and issue an alcohol awareness program permit to each alcohol awareness program that complies with this section; and
- (2) may require recertification of the approved alcohol awareness program to ensure compliance with changes in the program.

Alcohol awareness instructor's permit

(d) Before an individual may teach an alcohol awareness program, the individual shall obtain an alcohol awareness instructor's permit.

Training required

(e) A holder of any retail alcoholic beverages license or an employee designated by the holder shall complete training in an approved alcohol awareness program.

Certificate of completion; notification of local licensing board

(f)(1)(i) For each completion of a certified alcohol awareness program, the alcohol awareness program provider shall issue a certificate of completion that is valid for 4 years from the date of issuance.

(ii) The holder or employee shall complete retraining in an approved alcohol awareness program for each successive 4-year period.

(iii) On request, a valid certificate shall be presented to the proper authority.

(2) Within 5 days after a license holder, an owner of an unlicensed establishment, or an employee of a license holder or owner of an unlicensed establishment is sent a certificate of completion, the alcohol awareness program provider shall inform the appropriate local licensing board of:

(i) the individual's name, address, and certification date; and

(ii) the name and address of the licensed establishment or unlicensed establishment.

Decertification

(g) The Comptroller may decertify the alcohol awareness program of an alcohol awareness program provider who violates subsection (c), (d), or (f) of this section.

Enforcement and penalties

(h)(1) Each local licensing board shall enforce this section.

(2) A license holder who violates subsection (e) of this section is subject to:

(i) for the first offense, a \$100 fine; and

(ii) for each subsequent offense, a fine not to exceed \$500 or a suspension or revocation of the license or both.

Effect of section

(i)(1) This section does not create or enlarge a civil cause of action or criminal proceeding against a license holder.

(2) Evidence of a violation of this section:

(i) may only be used as evidence before the local licensing board in an action brought before the local licensing board for a violation of this section; and

(ii) may not be introduced in a civil or criminal proceeding.

§ 4-507. Retail delivery of alcoholic beverages

Scope of section

(a) This section does not apply to:

(1) the delivery of wine from a direct wine shipper to a consumer using a common carrier in accordance with Title 2, Subtitle 1, Part V of this article; or

(2) the holder of a common carrier permit in the course of delivering directly shipped wine in accordance with Title 2, Subtitle 1, Part V of this article.

Prohibited unless authorized by local licensing board

(b) Retail delivery to a purchaser of alcoholic beverages is prohibited unless:

(1) a retail license holder obtains a letter of authorization from the local licensing board to make deliveries; and

(2) the delivery is made from the licensed premises by the retail license holder or an employee of the retail license holder.

§ 4-1102. Corkage--Consuming wine not purchased from license holder on licensed premises

Individuals who may consume wine

(a)(1) An individual in a restaurant, club, or hotel for which a Class B or Class C license allowing the sale of wine is issued may consume wine not purchased from or provided by the license holder only if:

- (i) the wine is consumed with a meal during the hours of sale specified by the license;
- (ii) the individual obtains the approval of the license holder;
- (iii) the wine is not available for sale on the license holder's wine list; and
- (iv) the license holder obtains a permit from the local licensing board before allowing an individual the privilege of consuming wine not purchased from or provided by the license holder.

(2) A license holder may not allow an individual who is under the age of 21 years or who is visibly under the influence of an alcoholic beverage the privilege of consuming the wine.

Permit to be issued to each license holder

(b)(1) A local licensing board shall issue a permit at no charge to each license holder who seeks to allow an individual to consume wine under the conditions set out in subsection (a)(1) of this section.

(2) A license holder that obtains the permit may determine and charge the individual a fee for the privilege, on which a sales tax applicable to alcoholic beverages shall be imposed.

Removal of wine

(c)(1) Except as provided in paragraph (2) of this subsection, the license holder shall dispose of the wine that remains after the meal is finished.

(2) An individual may remove from the licensed premises a bottle of wine, the contents of which are partially consumed with the meal, if the license holder or an employee of the license holder inserts a cork in or places a cap on the bottle.

(3) A bottle of wine that is removed from the licensed premises under paragraph (2) of this subsection is an "open container" for purposes of § 10-125 of the Criminal Law Article.

§ 4-1103. Removal of partially consumed bottle of wine from licensed premises

In general

(a) An individual who, at a licensed premises, purchases a meal and a bottle of wine, the contents of which are partially consumed with the meal, may remove the bottle and its contents from the licensed premises if the license holder or an employee of the license holder inserts a cork in or places a cap on the bottle.

Bottle as open container

(b) A bottle of wine that is removed from the licensed premises under subsection (a) of this section is an "open container" for purposes of § 10-125 of the Criminal Law Article.

§ 4-1104. Refillable container permit--Draft beer

Established

(a) There is a refillable container permit.

Scope of authorization

(b) A refillable container permit authorizes the permit holder to:

- (1) sell draft beer for off-premises consumption in a refillable container that meets the standards set out in subsection (d) of this section; and
- (2) sell and refill a refillable container that meets the standards set out in subsection (d) of this section.

Permit term; hours of sale; notice and hearing requirements

(c)(1) The term of a refillable container permit is the same as that of the underlying license.

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

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

Container standards

(d)(1) To be used as a refillable container for beer under the authority of a refillable container permit, a container shall:

- (i) have a capacity of not less than 32 ounces and not more than 128 ounces;
- (ii) be sealable;
- (iii) be branded with an identifying mark of the seller of the container;
- (iv) bear the federal health warning statement required for containers of alcoholic beverages under 27 C.F.R. 16.21;

- (v) display instructions for cleaning the container; and
- (vi) bear a label stating that:
 1. cleaning the container is the responsibility of the consumer; and
 2. the contents of the container are perishable and should be refrigerated immediately and consumed within 48 hours after purchase.
- (2) The Comptroller may adopt standards regarding containers that qualify for use as refillable containers for beer, including containers originating from outside the State.
- (3) The holder of a refillable container permit may refill a refillable container originating from inside or outside the State that meets the standards adopted by the Comptroller under paragraph (2) of this subsection.

§ 4-1105. Refillable container permit--Wine

Established

- (a) There is a refillable container permit.

Scope of authorization

- (b) A refillable container permit authorizes the permit holder to:
 - (1) sell wine for off-premises consumption in a refillable container that meets the standards set out in subsection (d) of this section; and
 - (2) sell and refill a refillable container that meets the standards set out in subsection (d) of this section.

Permit term; hours of sale; notice and hearing requirements

- (c)(1) The term of a refillable container permit is the same as that of the underlying license.
- (2) The hours of sale for a refillable container permit are the same as those for the underlying license.
- (3) An applicant who holds an underlying license without an off-sale privilege shall meet the same advertising, posting of notice, and public hearing requirements as those for the underlying license.

Container standards

- (d)(1) To be used as a refillable container for wine under the authority of a refillable container permit, a container shall:
 - (i) have a capacity of not less than 17 ounces and not more than 34 ounces;
 - (ii) be sealable;
 - (iii) be branded with an identifying mark of the seller of the container;
 - (iv) bear the federal health warning statement required for containers of alcoholic beverages under 27 C.F.R. 16.21;
 - (v) display instructions for cleaning the container; and
 - (vi) bear a label stating that cleaning the container is the responsibility of the consumer.
- (2) The Comptroller may adopt standards regarding containers that qualify for use as refillable containers for wine, including containers originating from outside the State.
- (3) The holder of a refillable container permit may refill a refillable container originating from inside or outside the State that meets the standards adopted by the Comptroller under paragraph (2) of this subsection.

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

Established

- (a) There is a nonrefillable container permit.

Scope of authorization

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

Permit term; hours of sale; notice and hearing requirements

- (c)(1) The term of a nonrefillable container permit is the same as that of the underlying license.
- (2) The hours of sale for a nonrefillable container permit are the same as those for the underlying license.
- (3) An applicant who holds an underlying license without an off-sale privilege shall meet the same advertising, posting of notice, and public hearing requirements as those for the underlying license.

Container standards

- (d) To be used as a nonrefillable container for draft beer under the authority of a nonrefillable container permit, a container shall:
 - (1) be constructed out of aluminum;

- (2) be sealable;
- (3) have a capacity of 32 ounces;
- (4) be branded with the identifying marks of the seller of the container; and
- (5) bear the federal health warning statement required for containers of alcoholic beverages under 27 C.F.R. § 16.21.

§ 5-303. Keg registration

Definitions

- (a)(1) In this section the following words have the meanings indicated.
- (2) “Keg” means a container of beer with a capacity of at least 4 gallons, which is designed to dispense beer directly from the container.
- (3) “Keg license holder” means a person who holds a license that authorizes the person to sell beer in kegs at retail.

Sale or transfer of keg

- (b) A keg license holder may not sell or otherwise transfer, or offer to sell or otherwise transfer, the contents of a keg for off-premises consumption unless:
 - (1) the keg license holder provides to the purchaser a keg registration form approved and distributed by the 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) except as provided in § 26-103 of this article, the purchaser provides identification and completes and signs a registration form with the following information:
 - (i) the purchaser's name and address as shown on the identification produced; and
 - (ii) the date of purchase; and
 - (3) the keg license holder affixes the completed registration form to the keg and retains a copy of the form for 30 days on the licensed premises.

Return of keg

- (c)(1) On return of a registered keg from the purchaser, the keg license holder shall remove or obliterate the keg registration form affixed to the keg and note the removal and the date of the removal on the copy of the keg registration form retained by the keg license holder at the licensed premises.
- (2)(i) If a keg is made of disposable packaging that does not have to be returned to the keg license holder, the keg license holder shall indicate on the keg registration form that the keg is disposable.
- (ii) Disposal of empty kegs made of disposable packaging does not constitute obliteration of the keg registration form.

Regulations

- (d) Each local licensing board shall adopt regulations to carry out this section.

Fee

- (e) A keg license holder may charge a keg registration fee to a purchaser.

Penalties

- (f)(1) A keg license holder who violates this section is subject to a fine not exceeding \$100 or a suspension or revocation of the license, or both a fine and suspension or revocation.
- (2) The existence of a completed registration form signed by the purchaser creates a presumption that the keg license holder has complied with the requirements of this section.

§ 6-209. Adoption of standards for authorization of consumption

A local governmental entity that owns or otherwise has jurisdiction over public property may adopt by local law or ordinance standards providing for the authorization of the consumption of alcoholic beverages on public property, otherwise prohibited by this subtitle, and consistent with the intended use of the property by the public.

§ 6-210. State preemption of local disorderly intoxication laws

In general

- (a) A political subdivision of the State may not adopt an ordinance or a resolution identical to or in addition to § 6-320 of this title.

Effect of preemption

(b) An existing ordinance, resolution, or other legislation adopted by a political subdivision of the State that is inconsistent with § 6-320 of this title is repealed.

§ 6-211. Fines and forfeitures

Each fine imposed or recognizance forfeited for a violation of this article is payable to the county where the offense was committed.

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

A license holder or an employee of the license holder may not sell or provide alcoholic beverages to an individual under the age of 21 years.

§ 6-306. Defense to prosecution for sale to underage individual

The establishment of the following facts by a seller of alcoholic beverages to an underage individual is prima facie evidence of innocence and a defense to a prosecution for serving alcoholic beverages to an underage individual:

- (1) the purchaser falsely represented in writing and supported with other documentary evidence that the purchaser was of legal age to purchase alcoholic beverages;
- (2) on the basis of the appearance of the purchaser, an ordinary and prudent individual would believe the purchaser to be of legal age to purchase alcoholic beverages; and
- (3) the sale was made in good faith and in reliance on the written representation and appearance of the purchaser.

§ 6-307. Selling or providing alcoholic beverages to intoxicated individual

A license holder or an employee of the license holder may not sell or provide alcoholic beverages to an individual who, at the time of the sale or delivery, is visibly under the influence of an alcoholic beverage.

§ 6-309. Allowing on-premises consumption or possession of alcoholic beverages by individual under the age of 21 years

Prohibited

(a) A license holder, a proprietor, or an operator of an establishment that provides alcoholic beverages may not allow on-premises consumption or possession of alcoholic beverages by an individual under the age of 21 years, regardless of who purchased or obtained the alcoholic beverages.

Penalty

(b) In addition to any other penalty under this article, a license holder, a proprietor, or an operator who violates this section is guilty of a misdemeanor and on conviction is subject to a fine not exceeding \$50.

§ 6-320. Disorderly intoxication

Prohibited

- (a) An individual may not:
- (1) be intoxicated and endanger the safety of another individual or property; or
 - (2) be intoxicated or consume an alcoholic beverage in a public place and cause a public disturbance.

Penalty

(b) A person who violates this section is guilty of a misdemeanor and on conviction is subject to imprisonment not exceeding 90 days or a fine not exceeding \$100 or both.

§ 6-321. Consumption of alcoholic beverages in public

“Public property” defined

- (a) In this section, “public property” includes property that is:
- (1) a structure, road, parking area, or grounds; and
 - (2) located on land owned, leased, or operated by:
 - (i) the State;

- (ii) a county;
- (iii) a municipality;
- (iv) the Washington Suburban Sanitary Commission;
- (v) the Maryland-National Capital Park and Planning Commission;
- (vi) the Montgomery County Revenue Authority; or
- (vii) the Washington Metropolitan Area Transit Authority.

Prohibited

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

- (i) on public property;
- (ii) on the mall, adjacent parking area, or other outside area of a shopping center;
- (iii) on an adjacent parking area or other outside area of any other retail establishment; and
- (iv) in a parked vehicle located in an area described under item (i), (ii), or (iii) of this paragraph.

(2) An individual may consume an alcoholic beverage on:

- (i) public property if authorized by the governmental entity that has authority over the property; or
- (ii) private property described under paragraph (1)(ii) through (iv) of this subsection if authorized by the owner of the property.

(3) If the owner or operator of a motor home or chartered bus has consented to the consumption of the alcoholic beverages, paragraph (1) of this subsection does not apply to passengers:

- (i) in the living quarters of a motor home equipped with a toilet and central heating; or
- (ii) of a chartered bus in transit.

Penalty

(c) A person who violates this section is guilty of a misdemeanor and on conviction is subject to a fine not exceeding \$100.

§ 6-322. Possession of open container

Prohibited

(a)(1) Except as provided in paragraph (2) of this subsection, an individual may not possess an alcoholic beverage in an open container while:

- (i) on the mall, adjacent parking area, or other outside area of a shopping center;
- (ii) on an adjacent parking area or other outside area of any other retail establishment; or
- (iii) in a parked vehicle located in an area described under item (i) or (ii) of this paragraph.

(2) An individual may possess an alcoholic beverage in an open container on private property described under paragraph (1) of this subsection if the individual is authorized by the owner of the establishment.

Penalty

(b) A person who violates this section is guilty of a misdemeanor and on conviction is subject to a fine not exceeding \$100.

§ 6-402. General penalty

In general

(a) If a person violates this article and no penalty other than the suspension or revocation of a license or permit is provided, the person is guilty of a misdemeanor and on conviction is subject to imprisonment not exceeding 2 years or a fine not exceeding \$1,000 or both.

Imposition of penalty

(b) If a court has imposed a penalty on an individual license holder who has obtained a license for or on behalf of a corporation, a partnership, or an unincorporated association:

- (1) if the penalty is a fine, the corporation, partnership, or unincorporated association also shall be liable for the payment of the fine; and
- (2) if the penalty is imprisonment, the individual license holder shall be liable to serve the term of imprisonment.

APPENDIX C: Jurisdictional Budgets

Jurisdiction	Dollar Amount for FY2018	Link to Source	Expenses According to Comptroller Report (Likely Operating Expenses related to county stores)
Allegany	\$119,610	https://gov.allconet.org/ArchiveCenter/ViewFile/Item/204	
Anne Arundel	\$707,500	https://www.aacounty.org/departments/budget-office/previous-budgets/fy2018/index.html	
Baltimore City	\$2,169,654	https://bbmr.baltimorecity.gov/sites/default/files/Agency_Detail_Vol1_FINAL_2017-05-05.pdf	
Baltimore Co.	\$745,365	https://www.baltimorecountymd.gov/Agencies/auditor/budgetarchive2018.html	
Calvert	\$50,906	https://www.co.cal.md.us/DocumentCenter/View/16227	
Caroline	\$70,938	https://www.carolinemd.org/Archive/ViewFile/Item/149	
Carroll	\$92,230	http://ccgovernment.carr.org/ccg/budget/18-abudget/entire.pdf	
Cecil	\$147,104	http://www.ccgov.org/home/showdocument?id=24050	
Charles	\$247,500	https://www.charlescountymd.gov/sites/default/files/fas/budget/archived/budgetbook/budgetbook.pdf	
Dorchester	N/A	http://www.dorchestercountymd.com/budget-info/	
Frederick	\$503,051	https://frederickcountymd.gov/DocumentCenter/View/299829/FY2018-ADOP TED-BUDGET?bidId=	
Garrett ^a	\$7,000	https://www.garrettcourt.gov/resources/commissioners/pdf/Budgets/budget18/FY18-Approved-Budget.pdf	
Harford ^b	N/A	https://www.harfordcountymd.gov/Archive.aspx?AMID=54	
Howard ^c	\$134,273	https://www.howardcountymd.gov/LinkClick.aspx?fileticket=OyNgIvq4xv4%3d&portalid=0	
Kent ^c	\$64,604	https://www.kentcountymd.com/images/pdf/finance/FY2018Budget.pdf	
Montgomery ^d	\$1,939,863	https://apps.montgomerycountymd.gov/BASISOPERATING/Common/Download.aspx	\$49,168,097
Prince George's	\$1,404,800	https://www.princegeorgescountymd.gov/DocumentCenter/View/17976/Board-of-License-CommissionersPDF	
Queen Anne's	N/A	https://www.qac.org/DocumentCenter/View/8600/FY2018-Resolution-and-Budget	
St. Mary's	\$298,157	https://www.stmarysmd.com/docs/Final%20FY2018%20Approved%20Budget%20for%20Print.pdf	
Somerset ^e	\$1,708,240	https://www.somersetmd.us/document_center/Department/Finance%20Department/Finance%20and%20Accounting/2018Audit.pdf	\$352,870
Talbot	\$15,042	http://www.talbotcountymd.gov/index.php?page=Budget	
Washington	\$5,000	https://www.washco-md.net/wp-content/uploads/2017/08/FY2018AnnualBudget.pdf	
Wicomico ^e	\$262,700	https://www.wicomicocounty.org/DocumentCenter/View/6876/Bill-2018-05--To-Adopt-the-FY19-Annual-Budget	\$1,546,375
Worcester	\$350,913	http://www.co.worcester.md.us/sites/default/files/departments/treasurer/reports/CAFR%2012.17.18.pdf	\$195,779

^a Budget does not include salary/benefits or office space rental for the 1 FTE (covered under Dept. of Building).

^b Liquor Control Board is not a county or state agency and is privately run. No funding is received through the General Fund or other County funds.

^c Board of license commissioners

^d Montgomery County leadership directed us to use the Licensing, Enforcement, and Regulation portion of the jurisdiction's budget (to avoid including expenses related to county store operations).

^e This county budget may include expenses related to county store operations; however, the annual report did not provide sufficient evidence to justify modification or exclusion.

APPENDIX D: Fees^a

Jurisdiction	New Application	New Application Issuance	Pending Application	Transfer	State Mandated Transfer	Additional Municipality License
Allegany				\$200	\$20	
Annapolis	\$200			\$200	\$20	
Anne Arundel	\$600			\$200	\$20	
Baltimore City				\$200	\$20	
Baltimore Co.	\$500			\$500	\$20	
Calvert	\$250			\$250	\$20	
Caroline					\$20	
Carroll	\$500			\$500 + \$350	\$20	
Cecil	\$400	\$1000/\$2000/ \$3000	\$410	\$400	\$20	
Charles	\$235			\$235	\$20	
Dorchester					\$20	
Frederick	\$750			\$750	\$20	
Garrett	\$150	Equal to license type fee		200+150	\$20	
Harford	\$500				\$20	
Howard	\$270			\$270	\$20	
Kent	\$100				\$20	
Montgomery	\$600			\$100	\$20	
Prince George's	\$700			\$500	\$20	
Queen Anne's					\$20	
Somerset	\$350			\$50	\$20	
St. Mary's	\$250			\$100	\$20	
Talbot	\$100-200			\$10 + application fee	\$20	
Washington	\$300			\$400	\$20	
Wicomico	\$75			\$75	\$20	
Worcester				\$50 or 25% of annual fee of license (greater of two)	\$20	20%

Jurisdiction (con't)	Change of License Class	Legal Notice Publication	Replacement License	Re-classification	Special License	Administrative
Allegany						
Annapolis						
Anne Arundel			Board determines			\$200
Baltimore City			\$20			
Baltimore Co.						
Calvert						
Caroline						
Carroll						
Cecil	\$1,000			\$200	\$35	
Charles		\$62				
Dorchester						
Frederick						\$100
Garrett		Equal to size of ad	\$10			
Harford						
Howard						\$5-\$500
Kent		\$143				
Montgomery	\$100		\$1			\$20
Prince George's						
Queen Anne's						
Somerset						
St. Mary's		\$60				
Talbot			\$10			
Washington		\$100				\$100
Wicomico						
Worcester						

Jurisdiction (con't)	Renewal	Late Renewal Base Fee	Subsequent Daily Late Fee	Max fine	Judicial review
Allegany					
Annapolis		\$20	\$20		
Anne Arundel	\$50	\$600	\$50	\$2,500	\$50
Baltimore City	\$50	\$50	\$50	\$1,500	
Baltimore Co.	Based on the license	\$50	\$50	\$500	
Calvert		\$50	\$50	\$500	
Caroline		\$50	\$50		
Carroll		\$50	\$50	\$500	
Cecil	\$200	\$50	\$50		
Charles		\$50	\$50	\$500	
Dorchester					
Frederick	\$100	\$100	\$100		
Garrett	Exempt	\$50	\$50		
Harford	\$45/\$200				
Howard		\$50	\$50		
Kent					
Montgomery		\$50	\$50		
Prince George's		\$1,000			
Queen Anne's					
Somerset	\$50	\$100			
St. Mary's		No grace–license expires			
Talbot	\$100				
Washington		\$50	\$50	\$800	
Wicomico	\$50				
Worcester		\$50	\$50		

^a Blank cells indicate no information was found in statutes, RRs, on websites, etc.

Appendix E: Local Licenses and Permits*

Jurisdiction	Airport Concessionaire	Country and Golf Club	Country Club	Municipal golf course or private golf course	Entertainment Concessionaire	Entertainment Facility	Fraternal/Sororal Organization	Racetrack	Resort Complex	Veterans' Organization	Yacht Club	Local Caterer	Beer festival license	Wine festival license
Allegany														
Annapolis											Ord 7.12.270			
AA	§ 11-1001	§ 11-1002	§ 11-1003		§ 11-1004	§ 11-1005	§ 11-1006	§ 11-1007	§ 11-1008	§ 11-1009	§ 11-1010			
Balt City				§ 12-1002				§ 12-1003				§ 12-1201	§ 12-1304	§ 12-1305
Balt Co.								§ 13-1001.1				§ 13-1201	§ 13-130	§ 13-1305
Calvert														§ 14-1304
Caroline				§ 15-1001.1								§ 15-1201		
Carroll				§ 16-1001								§ 16-1201	§ 16-1304	§ 16-1305
Cecil				§ 17-1003		§ 17-1002						§ 17-1201		§ 17-1304
Charles				§ 18-1003	§ 18-1002.1	§ 18-1002.2								
Dorchester												§ 19-1201		§ 19-1304
Frederick		§ 20-1005	§ 20-1011									§ 20-1201	§ 20-1304	§ 20-1305
Garrett									§ 21-1002			§ 21-1201	§ 21-1304	§ 21-1305
Harford				§ 22-1003								§ 22-1201		
Howard			§ 23-1003	§ 23-1004				§ 23-1006		§ 23-1007			§ 23-1304	§ 23-1305
Kent												§ 24-1201		
Montgomery														
PG														
QA												§ 27-1201		
Somerset		§ 29-1003					§ 29-1001			§ 29-1002	§ 29-1003	§ 29-1201		§ 29-1304
St. Mary's				§ 28-1003								§ 28-1201	§ 28-1304	§ 28-1305
Washington		§ 31-1002		§ 31-1003								§ 31-1201		§ 31-1304
Wicomico				§ 32-1003								§ 32-1201	§ 32-1304	§ 32-1305
Worcester				§ 33-1004				§ 33-1005				§ 33-1201		

* Not all local statutes use exactly the same language. Refer to the most recent version for applicable parameters and fees.

Jurisdiction	Beer and Wine Festival License	Wine Sampling for Nonprofit license	Beer Tasting License	Wine Tasting License	Beer and Wine Tasting License	Liquor tasting license	Beer, Wine, Liquor Tasting	Class D per diem beer license (religious, fraternal, veterans)	Bookstore beer wine license	Wine bar license	Sidewalk café permit	Beach/ amusement park license	Arena license
Allegany	§ 9-1304												
Annapolis		§ 10-1304			§ 10-1305				§ 10-1001	Ord 7.2.210	RR 4.01		
AA	§ 11-1304	§ 11-1305		§ 11-1306	§ 11-1307		§ 11-1308				§ 11-1102		
Balt City		§ 12-1306			§ 12-1307		§ 12-1308				RR 1.09		§ 12-1001
Balt Co.		§ 13-1306			§ 13-1307		§ 13-1308						
Calvert							§ 14-1305						
Caroline					§ 15-1304								
Carroll			§ 16-1306	§ 16-1307		§ 16-1308	§ 16-1308.1						
Cecil				§ 17-1305			§ 17-1306						
Charles	§ 18-1304							§ 18-1307					
Dorchester				§ 19-1305	§ 19-1306								
Frederick					§ 20-1307	§ 20-1308							§ 20-1001
Garrett	§ 21-1304.1				§ 21-1306		§ 21-1307						
Harford					§ 22-1305		§ 22-1306						
Howard		§ 23-1306			§ 23-1307		§ 23-1308						
Kent							§ 24-1304						
Montgomery													
PG													
QA	§ 27-1304			§ 27-1305			§ 27-1306						
Somerset					§ 29-1305								
St. Mary's					§ 28-1306								
Washington	§ 31-1306		§ 31-1307	§ 31-1308		§ 31-1309					§ 31-1103	§ 31-1001	
Wicomico			§ 32-1306	§ 32-1307	§ 32-1308								
Worcester	§ 33-1304				§ 33-1305								

Jurisdiction	Continuing care retirement community license	Marketplace	Public Market (Cross Street)	Video Lottery Concessionaire License	Video Lottery Facility License	Zoo License	Pub Crawl Promoter's permit	Special Amusement permit (restaurant only)	Education Conference Facility/ Dining Service	Theater license	Buffet/ Dinner Theater License	Class B-TM (theater/ museum) license	Volunteer company license (ambulance/ fire)
Allegany				§ 9-1002	§ 9-1003						§ 9-1001	§ 9-1001.1	§ 9-1004
Annapolis	Ord 7.2.210									Ord 7.12.330			
AA													
Balt City	§ 12-1001.1	§ 12-1001.2	§ 12-1002.1	§ 12-1004	§ 12-1005	§ 12-1006	§ 12-1101.1	§ 12-1103					
Balt Co.									§ 13-100	§ 13-1002			
Calvert	§ 14-1001												
Caroline													
Carroll													
Cecil													
Charles													
Dorchester													
Frederick	§ 20-1012.								§ 20-1004	§ 20-1014	§ 20-1007		
Garrett													
Harford	§ 22-1002								§ 22-1004				
Howard	§ 23-1002								§ 23-1001				
Kent										§ 24-1004			
Montgomery													
PG													
QA									§ 27-1001				
Somerset													
St. Mary's													
Washington										§ 31-1006			
Wicomico									§ 32-1001				
Worcester									§ 33-1003				

Jurisdiction	Music permit	Entertainment permit	Dancing permit	Outdoor entertainment permit	Organizational license (fraternal, fire, rescue)	Class B-BB (Bed and Breakfast) BWL	Baseball Stadium License	Entertainment Event License	Multiple Event Entertainment License	Promoter's permit	St. Katherine Drexel Rom Cath Cong, Inc license	Holy Family Catholic Community license	Multivenue Wine License
Allegany													
Annapolis													
AA	§ 11-1102	§ 11-1102	§ 11-1102	§ 11-1102									
Balt City													
Balt Co.													
Calvert					§ 14-1002								
Caroline						§ 15-1001							
Carroll									§ 16-1312				
Cecil					§ 17-1001			§ 17-1309	§ 17-1310				
Charles						§ 18-1002	§ 18-1001						
Dorchester													
Frederick					§ 20-1314^a	§ 20-1003	§ 20-1013			§ 20-1103	§ 20-1315	§ 20-1316	§ 20-1309
Garrett						§ 21-1001.1							
Harford						§ 22-1001	§ 22-1006						
Howard													
Kent						§ 24-1001							
Montgomery													
PG													
QA													
Somerset													
St. Mary's													
Washington							§ 31-1005						
Wicomico							§ 32-1004						
Worcester													

^a Refers to four fire companies specifically in Frederick. Funds must be used to purchase equipment, operating expenses, construction/maintenance of buildings.

Jurisdiction	Middletown Wine Festival License	Art Gallery Beer and Wine License	Banquet Facility License	Barbershop Beer and Wine License	Beautyshop Beer and Wine License	Country Inn License	Draffhouse license	Entertainment Center License	Hotel Lobby License	Private business club license	Weinberg Arts Center License
Allegany											
Annapolis											
AA											
Balt City											
Balt Co.											
Calvert											
Caroline											
Carroll											
Cecil											
Charles											
Dorchester											
Frederick	§ 20-1306	§ 20-1001.1	§ 20-1001.2	§ 20-1001.3	§ 20-1002	§ 20-1006	§ 20-1008	§ 20-1009	§ 20-1009.1	§ 20-1010	§ 20-1015
Garrett		§ 21-1001					§ 21-1103				
Harford						§ 22-1005					
Howard											
Kent						§ 24-1002					
Montgomery											
PG											
QA											
Somerset											
St. Mary's		§ 28-1001			§ 28-1002						
Washington											
Wicomico								§ 32-1002			
Worcester								§ 33-1001			

Jurisdiction	Movie theater BWL License	Fire department multiple event license	Police officers' Local Affiliate License	Educational Event License	Class C entertainment venue license (stadium, theater, etc)	Class D entertainment venue license (stadium, theater, etc)	Wine Shop and Lounge license	Wine license ^b	Youth and Civic Center license	Sunday License (for 6- day Class B/C BWL)	Sunday Club license	Sunday permit
Allegany												
Annapolis												
AA												§ 11-1104
Balt City												
Balt Co.												
Calvert												
Caroline												
Carroll												
Cecil												
Charles												
Dorchester												
Frederick												
Garrett												
Harford	§ 22-1005.1	§ 22-1311										
Howard			§ 23-1005	§ 23-1309	§ 23-1313	§ 23-1314						
Kent							§ 24-1003	§ 24-1102				
Montgomery												
PG												
QA												
Somerset												
St. Mary's												
Washington	§ 31-1001.1											
Wicomico		§ 32-1312							§ 32-1005			
Worcester										§ 33-1307	§ 33-1308	

^b Sell wine by bottle without contributing to daily receipts

APPENDIX F: Alcohol Awareness Program

Jurisdiction	Who is certified ^a	Notification	On Premise requirement	Exceptions
Allegany				
Annapolis				
Anne Arundel		Licensee or employee shall forward copy of certification to Board within 10 days		
Baltimore City			Yes	Applies to unlicensed establishments
Baltimore Co.				
Calvert				
Caroline			Yes*	Certified individual may be absent for emergency for up to 2 hours
Carroll				
Cecil	License holder, supervisor, bartenders		Yes	
Charles			Yes	
Dorchester				An alcohol awareness program certificate of completion held by an employee or an employee's employer may not be used at more than one licensed establishment.
Frederick			Yes*	Certified individual may be absent for emergency for up to 2 hours
Garrett				
Harford			Yes	
Howard			Yes*	Certified individual may be absent for emergency for up to 2 hours
Kent			Yes*	Certified individual may be absent for emergency for up to 2 hours
Montgomery			Yes	
Prince George's				

Queen Anne's				
Somerset				
St. Mary's				
Talbot				
Washington			Yes*	Certified individual may be absent for emergency for up to 2 hours
Wicomico			Yes*	Certified individual may be absent for emergency for up to 2 hours; does not apply to Class C
Worcester			Yes*	Certified individual may be absent for emergency for up to 2 hours; does not apply to Class C

^a Blank cells indicate license holder or other employee/supervisor must be certified

* On-premise requirement with exception to state statute

REFERENCES

1. Fosdick RB, Scott AL. *Toward Liquor Control*. Harper & Brothers; 1933.
2. National Research Council. *Alcohol and Public Policy: Beyond the Shadow of Prohibition*. Washington, DC: National Academies Press (US); 1981.
3. Kanny D, Naimi TS, Liu Y, Lu H, Brewer RD. Annual Total Binge Drinks Consumed by U.S. Adults, 2015. *Am J Prev Med*. 2018;54(4):486-496.
4. Kerr WC, Mulia N, Zemore SE. U.S. trends in light, moderate, and heavy drinking episodes from 2000 to 2010. *Alcohol Clin Exp Res*. 2014;38(9):2496-2501.
5. Stahre M, Roeber J, Kanny D, Brewer RD, Zhang X. Contribution of excessive alcohol consumption to deaths and years of potential life lost in the United States. *Preventing Chronic Disease*. 2014;11:130293.
6. Sacks JJ, Gonzales KR, Bouchery EE, Tomedi LE, Brewer RD. 2010 National and State Costs of Excessive Alcohol Consumption. *Am J Prev Med*. 2015;49(5):e73-79.
7. Esser MB, Hedden SL, Kanny D, Brewer RD, Gfroerer JC, Naimi TS. Prevalence of alcohol dependence among US adult drinkers, 2009-2011. *Prev Chronic Dis*. 2014;11:E206.
8. Larsen J. Oregon liquor licensees react to fees doubling. 2019; <https://www.ktvz.com/news/olcc-set-to-double-liquor-license-fees-this-fall/1095645100>. Accessed August 12, 2019.
9. Stein S. Washington raises liquor license fees, considers higher video gambling fees. 2019; <https://www.washingtontimesreporter.com/news/20190318/washington-raises-liquor-license-fees-considers-higher-video-gambling-fees>. Accessed August 12, 2019.
10. Pennsylvania Liquor Control Board. Pennsylvania Liquor Control Board Returns Nearly \$2.1 Million in Licensing Fees to Local Communities. 2019; <https://www.prnewswire.com/news-releases/pennsylvania-liquor-control-board-returns-nearly-2-1-million-in-licensing-fees-to-local-communities-300815946.html>. Accessed August 12, 2019.
11. Campbell CA, Hahn RA, Elder R, et al. The effectiveness of limiting alcohol outlet density as a means of reducing excessive alcohol consumption and alcohol-related harms. *Am J Prev Med*. 2009;37(6):556-569.
12. Centers for Disease Control and Prevention. *Guide for Measuring Alcohol Outlet Density*. Atlanta, GA: Centers for Disease Control and Prevention;2017.
13. National Research Council and Institute of Medicine. *Reducing Underage Drinking: A Collective Responsibility*. Washington, D.C.: National Academies Press; 2004.
14. Ross HL. *Deterring the drinking driver: legal policy and social control*. Lexington: Lexington Books; 1982.
15. Erickson DJ, Lenk KM, Sanem JR, Nelson TF, Jones-Webb R, Toomey TL. Current use of underage alcohol compliance checks by enforcement agencies in the United States. *Alcoholism, clinical and experimental research*. 2014;38(6):1712-1719.