



## ALCOHOLIC BEVERAGES ADVISORY BOARD

Marc Elrich  
County Executive

Meeting  
Tuesday, May 14, 2019  
Department of Liquor Control Meeting Room  
201 Edison Park Drive, 1<sup>st</sup> Floor, Gaithersburg, MD 20878

### Minutes

*Members and Staff Present:* John Gaughan, Chair; Vernon Ricks, ABAB Member; Alicia Sparks, ABAB Member, Edgar Gonzalez, Deputy Director, DLC; Susan Heltemes, BLC (by phone); Kathie Durbin, Chief of Licensure, Regulation & Education, DLC; and Evelin Chavez, Senior Administrative Assistant, DLC.

*Absent:* Lt. Ruane, Montgomery County Police Department

John Gaughan called the meeting to order at 9:12 am. A motion was made to approve the March meeting minutes by Ms. Sparks, seconded by Mr. Ricks, and unanimously approved by the members present.

#### Evelin Chavez, ABAB Update:

Mrs. Chavez gave an update on the board vacancies. The ABAB vacancy interviews took place in early April and a decision memo was sent to the County Executive's office for review. ABAB still has one more vacancy. The board vacancy was re-announced on April 10, 2019.

#### Kathie, DLC, Update:

Mrs. Durbin provided board members with Legislation updates on the following:

#### **Department of Liquor Control - Renaming**

The Department of Liquor Control will become Alcohol Beverage Services effective July 1<sup>st</sup>.

#### **Alcoholic Beverages - Sale of Chilled Beer and Chilled Wine**

This bill will authorize a dispensary of the Montgomery County Department of Liquor Control to sell chilled beer and chilled wine for off-premises consumption from a keg for the purpose of filling a refillable or a nonrefillable container for beer, and a refillable container for wine.

#### **Alcoholic Beverages - Community Performing Arts Facility Special Event Permit**

Establishing in Montgomery County a community performing arts facility special event permit; specifying that only a holder of a community performing arts facility license may obtain a community performing arts facility special event permit; specifying the scope for the community performing arts facility special event permit; providing a \$200 annual fee; etc.

#### **Alcoholic Beverages - Class 1 Distillery License - On-Site Consumption Permit**

This bill will authorize the holder of a Class 1 distillery license to sell mixed drinks made from liquor manufactured by the license holder and other nonalcoholic ingredients for on-premises consumption; authorizing a local licensing board to grant an on-site consumption permit to the holder of a Class 1 distillery license; prohibiting the holder from using more than an aggregate of 7,750 gallons annually of liquor the holder produces for certain mixed drinks; authorizing a local licensing board to establish and charge a permit fee; etc.

### **Brewery Modernization Act of 2019**

This bill will authorize the holder of a Class 5 brewery license to brew and bottle malt beverages at a location listed on an individual storage permit; authorizing a local licensing board to conditionally grant an applicant an on-site consumption permit or a Class D beer license that will become effective after the applicant meets certain requirements; authorizing a holder of a micro-brewery license to hold another license; altering the amount of beer that certain manufacturers may sell at retail; etc.

Mrs. Durbin gave a presentation on alcohol compliance checks. The presentation included a historical perspective on the Montgomery County Council Office of Legislative Oversight and the recognition Montgomery County has received on the Alcohol Compliance Program. Inspectors are now able to issue citations electronically (right away). Before, businesses were given their citations the next business day. Mrs. Durbin has an annual meeting with the police department to discuss ways on how DLC can help with compliance checks.

A copy of the presentation was given to all the board members to reference back on. The program was fortunate enough to have underage volunteers during the summer. Compliance checks vary throughout the year. There are many things that factor in when making compliance checks. The presentation also included information on the 2019 Mystery Shop initiative which previously received a NACo Award.

Alcohol compliance checks have always been a priority to the Police Department, but unfortunately when it comes to budget cuts, prevention programs are the first ones to be eliminated. Mrs. Durbin explained that rate of compliance needs to take into account many factors to include culture change, current generation, etc.

### General Discussion:

Mr. Gaughan recapped some of what was discussed in the March meeting. He explained that concern was expressed in regard to the number of compliance checks in the county. He said he believes that this county has done a good job with compliance checks and perhaps leading the way for other jurisdictions.

Mrs. Sparks agreed with Mr. Gaughan. She believes that county is doing a good job with compliance checks. Mrs. Sparks also mentioned that she sent all the board members information on compliance checks.

Mrs. Durbin explained that it takes three months to utilize a tool? and determine its effectiveness. She gave the ID check scanner as an example.

Ms. Heltemes added that BLC is discussing the possibility of increasing the fines for selling to minor offenses. This idea to increase the fine fee is still in discussion and not confirmed yet, but perhaps this will help reduce the number of violations. The other option is doing more

suspensions to help this problem. The board is frustrated about the sale to minor violations and believe it is probably time to make it a little tougher on those businesses.

Vernon asked about the status on Ruth's Chris violation. Ms. Heltemes responded by explaining that their license was suspended for two weeks.

Mrs. Durbin talked about some of the issues the county is having with the Silver Spring area. There are businesses that stay open later than they should and that's a problem. One of the biggest problems Mrs. Durbin and Captain Didone identified is adults buying alcohol to minors.

Mr. Gaughan asked how Montgomery County's compliance checks compare to other counties. Mrs. Durbin explained that no other county performs 400 compliance checks a year. If ten (10) businesses are checked and all pass, that's 100 percent in compliance.

Mr. Gonzalez asked about the article Mrs. Sparks sent to the board members. Ms. Sparks explained that the county has a good program in place and that often times it's not about the business selling to minors, it's about businesses overselling. Mrs. Sparks agree to send the article to Mr. Gonzalez.

Mrs. Durbin explained that our goal is to take care of the community and take it personally. She further explained the inspector's protocol on the sale to minor checks and how its done.

-Mr. Ricks asked how compliance checks are handled. Mrs. Durbin gave an example - if an inspector happens to walk-in on a restaurant and sees an underage person drinking taking place they will take the steps necessary to ensure businesses are held responsible. There are currently five (5) different types of inspections.

Mrs. Durbin will send information on the three smoking bans that will take place. There are different bans. The Licensing, Education and Regulation is working on the tobacco sell.

Ms. Heltemes stated that last month more than 1,000 licenses were approved for renewal. The BLC understands that the sale to minor is a serious issue and hopes to make some changes in suspensions and fines. There is a vacancy coming up on the BLC Board. This position can be for a democrat or republican.

Edgar Gonzalez, DLC Update:

DLC informed the board member that DLC is currently looking to modernize the retail stores. We hope to have proof of delivery to licensees soon. This new feature will allow us to know exactly when a delivery has been made. We experienced a few issues with beer because we have so many different types, but we were able to fix it.

DLC has also been focusing on overtime. The warehouse is currently dealing with lots of over-time, but that's because we have a shortage on drivers. The shortage on drivers has caused a ripple effect for the overtime in the warehouse. Our budget was approved. We got a couple million dollars to make improvements to our County Stores.

This will be Mr. Gonzalez's last meeting. He thanked the board for everything. A lot has changed from four years ago when he first came, and he is grateful to have had the opportunity to be a part of the change and his experience in DLC.

Mr. Gaughan took a moment to personally thank Mr. Gonzalez for all his work over the past few years.

*Next Meeting:*

The next meeting of the ABAB is scheduled for Tuesday, July 9, 2019 at 9:00 a.m.

*Adjournment:*

There being no other business before the Board, the meeting was adjourned at 10:24 a.m.