

HB0637/933996/1

BY: Economic Matters Committee

AMENDMENTS TO HOUSE BILL 637
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 11, after “privileges;” insert “altering the capital investment requirement for a public market license; authorizing the holder of a public market license to designate a vendor to sell certain alcoholic beverages for on-premises consumption at a restaurant in a certain premises; requiring that the restaurant have average daily receipts from the sale of food that are at least a certain amount of the total daily receipts of the restaurant; authorizing the vendor to sell alcoholic beverages in an area exceeding a certain amount of square feet; specifying the hours and days of sale; prohibiting the privilege to sell alcoholic beverages at the restaurant from being transferred to another location; specifying that the premises of the restaurant does not count toward a certain floor space limit; altering certain license fees;”; and in line 14, strike “making a technical change;” and substitute “providing certain exceptions from prohibitions against certain transactions involving a certain distillery and a certain retail dealer; making technical and conforming changes; providing for the termination of certain provisions of this Act;”.

On page 2, in line 1, after “Section” insert “12-404.”; and in the same line, after “12-902.1” insert “, 12-1002.1.”.

AMENDMENT NO. 2

On page 3, after line 20, insert:

“12-1002.1.

(a) There is a public market license.

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(b) The Board may issue the license only to an operator of an enclosed public market that:

(1) has a capital investment of at least ~~[\$3,000,000]~~ **\$5,000,000**; and

(2) is located in an area surrounded by Charles Street on the west, East Cross Street on the north, Light Street on the east, and East Cross Street on the south, in ward 23, precinct 1 of the 46th alcoholic beverages district.

(c) [The premises for which the public market license is issued shall be separate from the premises for which a Class D (7-day) beer and wine license has been issued.

(d) Ownership of the license is transferable only to the Baltimore Public Markets Corporation.

~~[(e)](D) (1) The license authorizes the license holder to sell, for on- or off-~~ premises consumption:

(i) beer;

(ii) wine; and

(iii) liquor, when served as an ingredient in mixed drinks that may be purchased for at least \$5 each.

(2) (i) Subject to subparagraph (ii) of this paragraph **AND SUBSECTION (E)(6) OF THIS SECTION**, the license holder may designate vendors within the public market to sell alcoholic beverages that are allowed under paragraph (1) of this subsection in leasable market space covering not more than 20% of the total square footage of floor space of the licensed premises.

(ii) [An] EXCEPT AS PROVIDED IN SUBSECTION (E)(3) OF THIS SECTION, AN individual vendor may sell alcoholic beverages in an area covering not more than 1,000 square feet of floor space.

(3) (i) The license holder shall submit to the Board the same information about each vendor that the Board requires of an applicant for a license.

(ii) The Board shall apply to the Central Repository for a State and national criminal history records check for each vendor authorized to sell alcoholic beverages.

(iii) A vendor authorized to sell alcoholic beverages or an individual who is designated by the vendor and employed in a supervisory capacity is required to be:

1. certified by an approved alcohol awareness program;
and

2. present when alcoholic beverages are consumed.

(4) (i) Subject to subparagraph (ii) of this paragraph, monthly receipts from the sale of nonalcoholic beverage items shall be at least 65% of the total monthly receipts of the market.

(ii) The only nonalcoholic beverage items that may be counted in the calculation required under subparagraph (i) of this paragraph are items sold in the public market that are not provided as part of an off-premises catering service.

(E) (1) THE LICENSE HOLDER MAY DESIGNATE A VENDOR TO SELL ALCOHOLIC BEVERAGES ALLOWED UNDER SUBSECTION (D)(1) OF THIS SECTION FOR ON-PREMISES CONSUMPTION AT A RESTAURANT IN THE PREMISES

(Over)

FORMERLY OCCUPIED BY AN ESTABLISHMENT FOR WHICH A CLASS D (7-DAY) BEER AND WINE LICENSE WAS ISSUED.

(2) THE RESTAURANT SHALL HAVE AVERAGE DAILY RECEIPTS FROM THE SALE OF FOOD THAT ARE AT LEAST 65% OF THE TOTAL DAILY RECEIPTS OF THE RESTAURANT.

(3) THE VENDOR DESIGNATED FOR THE RESTAURANT MAY SELL ALCOHOLIC BEVERAGES IN AN AREA EXCEEDING 1,000 SQUARE FEET OF FLOOR SPACE.

(4) THE HOURS OF SALE FOR ALCOHOLIC BEVERAGES AT THE RESTAURANT ARE FROM 9 A.M. TO 1 A.M. THE FOLLOWING DAY, MONDAY THROUGH SUNDAY.

(5) THE PRIVILEGE TO SELL ALCOHOLIC BEVERAGES AT THE RESTAURANT MAY NOT BE TRANSFERRED TO ANOTHER LOCATION.

(6) THE PREMISES OF THE RESTAURANT DO NOT COUNT TOWARD THE LIMIT ON THE TOTAL SQUARE FOOTAGE OF FLOOR SPACE IN WHICH ALCOHOLIC BEVERAGES MAY BE SOLD IN THE PUBLIC MARKET UNDER SUBSECTION (D)(2)(I) OF THIS SECTION.

(f) A license holder or vendor may not:

(1) participate in or publicize, in or outside the public market, a pub crawl authorized under § 12-1101.1 of this title; or

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(2) except for an event closed to the public, including a rehearsal dinner, wedding reception, corporate function, or retirement party, allow an open bar to be operated by a vendor.

(g) [The] EXCEPT AS PROVIDED UNDER SUBSECTION (E)(4) OF THIS SECTION, THE hours of sale of alcoholic beverages for on-premises consumption are:

(1) from 11:30 a.m. to 10 p.m. Monday through Thursday;

(2) from 11:30 a.m. to 11:30 p.m. on Friday;

(3) from 9 a.m. to 11:30 p.m. on Saturday; and

(4) from 9 a.m. to 9 p.m. on Sunday.

(h) The annual license fee is:

(1) subject to item (2) of this subsection, [~~\$6,500~~] **\$7,500**; or

(2) [~~\$2,500~~] **\$3,500**, if the applicant for the license obtains and extinguishes one Class A, Class B, Class D, or Class B–D–7 license issued for use in ward 23, precinct 1 of the 46th alcoholic beverages district.

(i) The Board shall adopt regulations to carry out this section, including regulations concerning the following activities in a public market:

(1) the conduct of vendors;

(2) the conduct of license holders within the public market;

(3) the holding of events that are closed to the public; and

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- (4) the maintaining of a common seating area.”.

AMENDMENT NO. 3

On page 7, after line 20, insert:

“SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

Article – Alcoholic Beverages

12–404.

(A) Section 2–216(b) and (d) of this article does not apply to a holder of a Class 3 winery license or Class 4 limited winery license who is issued a Class A2 light wine on–sale and off–sale license with respect to the wine manufactured or bottled on the winery premises.

(B) (1) **THIS SUBSECTION APPLIES ONLY TO A CLASS 1 DISTILLERY AND A RETAIL DEALER LOCATED ON CONTIGUOUS PREMISES IN THE AREA COMMONLY KNOWN AS PORT COVINGTON.**

(2) **THE CLASS 1 DISTILLERY:**

(I) **MAY LEND A THING OF VALUE, MAKE A GIFT, OR OFFER A GRATUITY TO THE RETAIL DEALER; BUT**

(II) **MAY NOT LEND MONEY TO THE RETAIL DEALER.**

(3) **THE RETAIL DEALER:**

(I) MAY ACCEPT, RECEIVE, OR MAKE USE OF A GIFT OR AN ADVERTISEMENT PROVIDED BY THE CLASS 1 DISTILLERY; BUT

(II) MAY NOT BECOME INDEBTED TO THE DISTILLERY EXCEPT FOR THE PURCHASE OF ALCOHOLIC BEVERAGES AND ALLIED PRODUCTS PURCHASED FOR RESALE.

(4) SECTION 2-216(D) OF THIS ARTICLE REGARDING ADVERTISEMENTS DOES NOT APPLY TO THE CLASS 1 DISTILLERY AND THE LICENSED RETAILER.”.

On page 7, in line 21, strike “3.” and substitute “4.”; and in line 22, after “2019.” insert “Section 3 of this Act shall remain effective for a period of 3 years and, at the end of June 30, 2022, Section 3 of this Act, with no further action required by the General Assembly, shall be abrogated and of no further force and effect.”.