# EMERGENCY BILL

 $\begin{array}{c} 3{\rm lr}2235\\ {\rm CF~SB~629} \end{array}$ 

A2

By: **Allegany County Delegation** Introduced and read first time: February 6, 2013 Assigned to: Economic Matters

Committee Report: Favorable with amendments House action: Adopted Read second time: March 8, 2013

CHAPTER \_\_\_\_\_

# 1 AN ACT concerning

# Alcoholic Beverages – Allegany County – Video Lottery Facility Sales and Consumption

FOR the purpose of creating in Allegany County a Class BWL-VLF (video lottery 4 facility) beer, wine and liquor license and a Class BWL-VLC (concessionaire)  $\mathbf{5}$ 6 beer, wine and liquor license; specifying that the Board of License 7 Commissioners may issue a video lottery facility license for a video lottery 8 facility that contains one or more food services facilities, bars, or lounges; 9 specifying that a video lottery facility license may be issued to an individual or 10 entity that meets certain requirements; providing that an applicant for the 11 license need not meet a location, voting, or residency requirement; providing 12 that the video lottery facility license authorizes the licensee to sell beer, wine, 13and liquor by the drink and by the bottle on the premises of the video lottery 14 facility, for consumption anywhere in the facility or on grounds controlled by the licensee as defined in the video lottery facility license; authorizing the Board to 15issue a concessionaire license to one or more concessionaires operating in a 16 video lottery facility; authorizing a concessionaire license holder to sell beer, 1718 wine, and liquor on the premises of the concessionaire for consumption 19anywhere in the video lottery facility or on grounds controlled by the video 20lottery facility licensee as defined in the video lottery facility license; specifying 21certain fees; specifying that an off-sale privilege is not conferred by a video 22lottery facility license or a concessionaire license; authorizing that beer, wine, 23and liquor purchased under a video lottery facility license or a concessionaire 24license may be taken anywhere in a video lottery facility or on grounds 25controlled by the video lottery facility licensee; specifying that a video lottery

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

Strike out indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 facility license and a concessionaire license authorize the playing of music and  $\mathbf{2}$ dancing; specifying certain days and hours of sale for the video lottery facility 3 and concessionaire licenses; specifying that video lottery facility and 4 concessionaire licenses and licensees are subject to all laws and regulations  $\mathbf{5}$ applicable to the sale of alcoholic beverages not inconsistent with this Act; 6 providing for the application to certain persons of certain penalties and 7sanctions for violations occurring on certain premises; authorizing a person to 8 consume alcoholic beverages on the licensed premises of a video lottery facility 9 during certain hours of operation of the facility; specifying that the hours for the 10 sale of alcoholic beverages under a video lottery facility license or concessionaire license are the same as the hours of operation for a video lottery facility; 11 12defining certain terms; making this Act an emergency measure; and generally relating to alcoholic beverages and video lottery facilities in Allegany County. 13

- 14 BY repealing and reenacting, without amendments,
- 15 Article 2B Alcoholic Beverages
- 16 Section 6–201(a) and (b)(1) and (2), 11–304(a), and 11–501(a)
- 17 Annotated Code of Maryland
- 18 (2011 Replacement Volume and 2012 Supplement)
- 19 BY adding to
- 20 Article 2B Alcoholic Beverages
- 21 Section 6–201(b–1) and 11–501(d)
- 22 Annotated Code of Maryland
- 23 (2011 Replacement Volume and 2012 Supplement)
- 24 BY repealing and reenacting, with amendments,
- 25 Article 2B Alcoholic Beverages
- 26 Section 11–304(b)
- 27 Annotated Code of Maryland
- 28 (2011 Replacement Volume and 2012 Supplement)
- 29 BY repealing and reenacting, without amendments,
- 30 Article State Government
- 31 Section 9–1A–23(a)
- 32 Annotated Code of Maryland
- 33 (2009 Replacement Volume and 2012 Supplement)
- 34 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF 35 MARYLAND, That the Laws of Maryland read as follows:
- 36

# Article 2B – Alcoholic Beverages

37 6-201.

38 (a) (1) A Class B beer, wine and liquor license shall be issued by the 39 license issuing authority of the county in which the place of business is located, and

 $\mathbf{2}$ 

1 the license authorizes its holder to keep for sale and sell all alcoholic beverages at 2 retail at any hotel or restaurant at the place described, for consumption on the 3 premises or elsewhere, or as provided in this section.

4 (2) The annual fee for this license is payable to the local collecting 5 agent before any license is issued, for distribution as provided in this article.

6 (3) (i) Except in Montgomery County or in the case of a contrary 7 provision in this subtitle, this license shall be issued, on approval of the application by 8 the board of license commissioners in any county in which a license may be issued for 9 the sale of beer, wine, and liquor, to the owner of any hotel which meets the following 10 minimum provisions:

11 1. The hotel building shall be originally constructed for 12 hotel purposes; be at least three stories in height; and contain at least one passenger 13 elevator;

14 2. The hotel shall contain no less than 100 rooms for the15 accommodation of the public;

16 3. The hotel shall contain a dining room with facilities 17 for preparing and serving regular meals for at least 125 persons at one seating; and

- 18 4. The capital investment in the hotel facility may not be19 less than \$500,000.
- 20 (ii) The annual fee for this license is \$2,000.

21 (b) (1) The provisions of this subsection apply only in Allegany County.

22 (2) (i) The Board of License Commissioners may issue Class B 23 beer, wine and liquor (on–sale) licenses.

24 (ii) This license shall be issued for the exclusive use:

25
26 1. On the premises of a restaurant that is located within
26 a hotel or motel establishment; or

- 27 2. If used in conjunction with a Class 7 micro-brewery
  28 license, on the premises of a restaurant only.
- 29 (iii) In addition to other county requirements provided for in this30 article:

31 1. The hotel or motel shall be an establishment having
 32 at least 100 bedrooms for public accommodation; and

	4 <b>HOUSE BILL 816</b>					
1	2. The restaurant shall be an establishment:					
$2 \\ 3 \\ 4$	A. Located in a permanent building with ample space and accommodations for preparing, serving, and selling meals to the public during business hours;					
$5 \\ 6$	B. That 60 percent of its gross monthly revenue is derived from the sale of food;					
7 8	C. That has waiter or waitress service to its customers who are seated at tables for dining; and					
9	D. That is not considered to be a fast-food style facility.					
10 11	(iv) This license authorizes the holder to sell beer, wine and liquor by the drink for consumption on the licensed premises only.					
12	(v) This license does not have off-sale privileges.					
$\begin{array}{c} 13\\14\end{array}$	(vi) The requirements for hours and days of sale are as provided under $11-501(a)$ and (b) of this article.					
15	(vii) The annual license fee is \$800.					
16 17	(viii) This license is exempt from any license population quota limitation.					
18 19	(ix) Notwithstanding any law to the contrary, this license may not be transferred to a location other than the premises for which it was issued.					
$\begin{array}{c} 20\\ 21 \end{array}$	(B-1) (1) (I) IN THIS SUBSECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.					
22 23	(II) "CONCESSIONAIRE" MEANS A LESSEE, SUBLESSEE, OR ANY OTHER OPERATOR OF AN ESTABLISHMENT THAT:					
$\begin{array}{c} 24\\ 25\\ 26\end{array}$	1. ENGAGES IN THE DAILY SALE OF BEER, WINE, AND LIQUOR BY THE DRINK OR BY THE BOTTLE ON ITS PREMISES FOR CONSUMPTION ANYWHERE IN A VIDEO LOTTERY FACILITY; AND					
$\begin{array}{c} 27\\ 28 \end{array}$	2. IS OPERATED AS A CONCESSION INDEPENDENT OF THE CLASS BWL–VLF LICENSE.					
29 30 31	(III) "VIDEO LOTTERY FACILITY" MEANS A FACILITY THAT HOLDS A LICENSE UNDER TITLE 9, SUBTITLE 1A OF THE STATE GOVERNMENT ARTICLE.					

(2) THERE IS A CLASS BWL-VLF (VIDEO LOTTERY 1 **(I)**  $\mathbf{2}$ FACILITY) BEER, WINE AND LIQUOR LICENSE. 3 THE BOARD MAY ISSUE A CLASS BWL-VLF LICENSE **(II)** 4 FOR A VIDEO LOTTERY FACILITY THAT CONTAINS ONE OR MORE FOOD SERVICE FACILITIES, BARS, OR LOUNGES.  $\mathbf{5}$ 6 (III) THE CLASS BWL-VLF LICENSE MAY BE ISSUED TO AN 7 INDIVIDUAL OR ENTITY THAT OWNS A VIDEO LOTTERY FACILITY AND HOLDS A 8 LICENSE UNDER TITLE 9, SUBTITLE 1A OF THE STATE GOVERNMENT ARTICLE. 9 (IV) AN APPLICANT FOR A CLASS BWL-VLF LICENSE MAY 10 NOT BE REQUIRED TO MEET ANY LOCATION, VOTING, OR RESIDENCY 11 **REQUIREMENT.** 12**(**V**)** A CLASS BWL-VLF LICENSE AUTHORIZES THE 13 LICENSEE TO SELL BEER, WINE, AND LIQUOR BY THE DRINK AND BY THE 14BOTTLE ON THE PREMISES OF THE VIDEO LOTTERY FACILITY, FOR CONSUMPTION ANYWHERE IN THE VIDEO LOTTERY FACILITY OR ON GROUNDS 1516 CONTROLLED BY THE LICENSEE, AS DEFINED IN THE CLASS BWL-VLF 17LICENSE. THERE IS A CLASS BWL-VLC (VIDEO LOTTERY 18 (3) **(I)** CONCESSIONAIRE) BEER, WINE AND LIQUOR LICENSE. 19**(II)** 20THE BOARD MAY ISSUE A CLASS BWL-VLC LICENSE 21TO ONE OR MORE CONCESSIONAIRES OPERATING IN THE VIDEO LOTTERY 22FACILITY. 23(III) NOTWITHSTANDING ANY OTHER PROVISION OF THIS ARTICLE, A CLASS BWL-VLC LICENSE AUTHORIZES THE LICENSEE TO SELL 24BEER, WINE, AND LIQUOR ON THE PREMISES OF THE CONCESSIONAIRE FOR 25CONSUMPTION ANYWHERE IN THE VIDEO LOTTERY FACILITY OR ON GROUNDS 26CONTROLLED BY THE CLASS BWL-VLF LICENSEE, AS DEFINED IN THE CLASS 2728**BWL–VLF** LICENSE. 29(4) **(I)** THE ANNUAL FEE FOR A CLASS BWL-VLF LICENSE IS 30 \$15,000. THE ANNUAL FEE FOR A CLASS BWL-VLC LICENSE IS 31**(II)** 32\$5,000.

1 (III) THE ANNUAL LICENSE FEE SHALL BE PAID TO THE 2 BOARD ON OR BEFORE MAY 1 OF EACH YEAR.

3 (5) (I) AN OFF-SALE PRIVILEGE IS NOT CONFERRED BY A 4 CLASS BWL-VLF LICENSE OR A CLASS BWL-VLC LICENSE.

5 (II) BEER, WINE, AND LIQUOR PURCHASED UNDER A CLASS 6 BWL-VLF LICENSE OR A CLASS BWL-VLC LICENSE MAY BE TAKEN 7 ANYWHERE IN A VIDEO LOTTERY FACILITY OR ON GROUNDS CONTROLLED BY 8 THE CLASS BWL-VLF LICENSEE, AS DEFINED IN THE CLASS BWL-VLF 9 LICENSE.

10 (6) A CLASS BWL–VLF LICENSE AND A CLASS BWL–VLC 11 LICENSE AUTHORIZE:

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# (I) THE PLAYING OF MUSIC AND DANCING; AND

(II) THE SALE AND PROVISION OF BEER, WINE, AND LIQUOR
 THROUGHOUT THE VIDEO LOTTERY FACILITY AND GROUNDS CONTROLLED BY
 THE CLASS BWL–VLF LICENSEE DURING THOSE DAYS AND HOURS THAT THE
 VIDEO LOTTERY FACILITY IS OPEN FOR BUSINESS.

17 (7) CLASS BWL-VLF AND CLASS BWL-VLC LICENSES AND
 18 LICENSEES ARE SUBJECT TO ALL LAWS AND REGULATIONS APPLICABLE TO THE
 19 SALE OF ALCOHOLIC BEVERAGES NOT INCONSISTENT WITH THIS SUBSECTION.

(8) ANY PENALTY OR OTHER SANCTION THAT IS IMPOSED FOR A
 VIOLATION OF A REGULATION OF THE BOARD ON THE LICENSED PREMISES OF A
 CLASS BWL–VLC LICENSEE SHALL APPLY TO THE CONCESSIONAIRE THAT THE
 BOARD DETERMINES TO BE RESPONSIBLE FOR THE VIOLATION.

24 11–304.

(a) (1) Between 2 a.m. and 6 a.m. on any day, a person may not consume
any alcoholic beverages on any premises open to the general public, any place of public
entertainment, or any place at which setups or other component parts of mixed
alcoholic drinks are sold under any license issued under the provisions of the Business
Regulation Article, and an owner, operator or manager of the premises or places may
not knowingly permit such consumption.

31 (2) Except as provided in this section, any person found consuming 32 any alcoholic beverage on any premises open to the general public, and any owner, 33 operator or manager of those premises or places who knowingly permits consumption 34 between the hours provided by this section is guilty of a misdemeanor and, upon 35 conviction, shall be fined not more than \$50 and not less than \$5.

$\frac{1}{2}$	\$250.	(i)	In Aı	nne Arundel County the fine may not be more than	
3		(ii)	In Wo	presster County the fine may not be more than \$1,000.	
4	(b) (1)	<b>(</b> I <b>)</b>	This s	subsection applies only in Allegany County.	
$5 \\ 6$	AND PARAGRAPH	(II) [ (2) O]		JBPARAGRAPHS (IV) AND (V) OF THIS PARAGRAPH SUBSECTION, "PREMISES" MEANS:	
7 8	STUDIO, OR DISC	0;	1.	A RESTAURANT, TAVERN, HOTEL, CLUB, DANCE	
9			2.	A PLACE OF PUBLIC ENTERTAINMENT;	
10			3.	A PLACE OPEN TO THE GENERAL PUBLIC; OR	
$\begin{array}{c} 11 \\ 12 \end{array}$	THE COUNTY.		4.	A PLACE THAT IS LICENSED BY THE STATE OR	
$13 \\ 14 \\ 15$	[(2)] (III) The prohibitions of [this subsection] SUBPARAGRAPHS (IV) AND (V) OF THIS PARAGRAPH AND PARAGRAPH (2) OF THIS SUBSECTION apply after 1 a.m. on Sunday or between the hours of 1 a.m. and 7 a.m. on other days.				
$\begin{array}{c} 16 \\ 17 \end{array}$	<b>[</b> (3) any:	(i) <b>]</b>	(IV)	A person may not consume any alcoholic beverages on	
18			1.	Premises open to the general public;	
19			2.	Place operated as a club;	
20			3.	Place of public entertainment; or	
21 22 23	mixed alcoholic dr article.	inks a	4. re sold	Place at which setups or other component parts of under any license issued under the provisions of this	
$\begin{array}{c} 24 \\ 25 \end{array}$	not permit that co	[(ii)] nsump	` '	An owner, operator, or manager of the premises may	
26 27 28 29	[(4) (i)] (2) (I) A person may not possess or consume any alcoholic beverage on any premises which is not licensed under this article but which is open to the general public and is operated as a club, a place of public entertainment, or a place where setures or other component parts of mixed alcoholic drinks are sold				

29 or a place where setups or other component parts of mixed alcoholic drinks are sold.

1 (ii) An owner, operator, or manager of the premises may not 2 permit that consumption or possession.

3 (3) NOTWITHSTANDING ANY OTHER PROVISIONS OF THIS **(I)** SUBSECTION, A PERSON MAY CONSUME ALCOHOLIC BEVERAGES ON THE 4 LICENSED PREMISES OF A VIDEO LOTTERY FACILITY ONLY DURING THE HOURS  $\mathbf{5}$ 6 ESTABLISHED UNDER § 9-1A-23(A)STATE OF **OPERATION** OF THE 7 **GOVERNMENT ARTICLE.** 

8 **(II)** Α VIDEO LOTTERY FACILITY LICENSEE OR Α 9 CONCESSIONAIRE LICENSEE OR AN EMPLOYEE OF A VIDEO LOTTERY FACILITY 10 LICENSEE OR A CONCESSIONAIRE LICENSEE MAY NOT KNOWINGLY ALLOW A 11 PERSON TO CONSUME ALCOHOLIC BEVERAGES ON THE LICENSED PREMISES OF 12A VIDEO LOTTERY FACILITY EXCEPT DURING THE HOURS OF OPERATION ESTABLISHED UNDER § 9–1A–23(A) OF THE STATE GOVERNMENT ARTICLE. 13

14 **[**(5)**] (4)** Any person who violates the provisions of this subsection is 15 guilty of a misdemeanor and may be fined not less than \$50 nor more than \$500 for 16 each offense.

17 11-501.

18 (a) In Allegany County, any person having a license under this article may 19 not sell intoxicating beverages between the hours of 2 a.m. and 7:00 o'clock a.m. except 20 as provided in subsection (b) of this section, it shall be unlawful after 2:00 a.m. Sunday 21 to sell intoxicating beverages until 7:00 o'clock a.m. Monday. However, Sunday sales 22 when New Year's Eve or New Year's Day falls on Sunday shall be governed by § 23 11-402(b) of this article.

24COUNTY, **(D)** IN ALLEGANY NOTWITHSTANDING ANY **OTHER** 25PROVISIONS OF THIS SECTION, THE HOURS FOR THE SALE OF ALCOHOLIC 26ENTERTAINMENT FACILITY LICENSE BEVERAGES UNDER AN OR AN 27ENTERTAINMENT CONCESSIONAIRE LICENSE ARE THE SAME AS THE HOURS OF **OPERATION FOR A VIDEO LOTTERY FACILITY ESTABLISHED UNDER §** 289-1A-23(A) OF THE STATE GOVERNMENT ARTICLE. 29

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Article – State Government

31 9–1A–23.

32 (a) A video lottery facility may operate 24 hours a day.

33 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect 34 July 1, 2013.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act is an emergency measure, is necessary for the immediate preservation of the public health or safety, has been passed by a yea and nay vote supported by three-fifths of all the members elected to each of the two Houses of the General Assembly, and shall take effect from the date it is enacted.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.