

HOUSE BILL 1348

A2

(7lr2813)

ENROLLED BILL

— *Economic Matters/ Education, Health, and Environmental Affairs* —

Introduced by **Delegates Clippinger, Lierman, and R. Lewis**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

_____ day of _____ at _____ o'clock, _____ M.

Speaker.

CHAPTER _____

1 AN ACT concerning

2 **Baltimore City – 46th District Alcoholic Beverages Act of 2017**

3 FOR the purpose of *authorizing the Board of License Commissioners for Baltimore City to*
4 *grant an off-sale privilege to the holder of a certain arena license under certain*
5 *conditions; establishing a public market license in Baltimore City; specifying that the*
6 *Board may issue the license to an operator of a certain enclosed public market;*
7 *requiring that the premises for which the public market license is issued be separate*
8 *from a certain other licensed premises; specifying that the ownership of the license is*
9 *transferable only to a certain person; providing that the license authorizes the license*
10 *holder to sell, for on- or off-premises consumption, beer, wine, and liquor under*
11 *specified conditions; authorizing the license holder to designate vendors within the*
12 *public market who may sell certain alcoholic beverages under certain circumstances;*
13 *requiring the license holder to submit to the Board certain information about each*
14 *vendor and to apply to the Central Repository for a State and national criminal*
15 *history records check for each vendor authorized to sell alcoholic beverages; imposing*

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.

Italics indicate opposite chamber/conference committee amendments.



1 certain requirements on vendors; requiring that the monthly receipts from the sale of
 2 nonalcoholic beverage items sold in the public market be at least a certain percentage
 3 of the total monthly receipts of the public market; prohibiting a license holder or
 4 vendor from participating in or publicizing a pub crawl or allowing an open bar,
 5 except under certain circumstances; establishing certain hours of sale and an annual
 6 license fee; requiring the Board to adopt certain regulations; authorizing the Board
 7 to issue a Class B beer, wine, and liquor license for a restaurant in the area that is
 8 commonly known as Port Covington; specifying the boundaries of the area; requiring
 9 that the restaurant meet certain seating, capital investment, and food sales
 10 standards; authorizing the Board to issue a certain number of Class B licenses for
 11 use by establishments in certain areas; prohibiting the licenses from being
 12 transferred; specifying that, unless transferred to another location, a certain license
 13 expires not later than a certain date; specifying that a certain license be considered
 14 unexpired until a certain date for a certain purpose and be considered expired after a
 15 certain date under certain circumstances; and generally relating to alcoholic
 16 beverages licenses issued in Baltimore City.

17 BY repealing and reenacting, without amendments,

18 Article – Alcoholic Beverages

19 Section 12–102, 12–1001(b), 12–1102(a), ~~and~~ 12–1604(b), and 12–1706(d)(1)

20 Annotated Code of Maryland

21 (2016 Volume and 2016 Supplement)

22 BY adding to

23 Article – Alcoholic Beverages

24 Section 12–1002.1 and 12–2204

25 Annotated Code of Maryland

26 (2016 Volume and 2016 Supplement)

27 BY repealing and reenacting, with amendments,

28 Article – Alcoholic Beverages

29 Section 12–1001(d) and 12–1604(c) and (g)

30 Annotated Code of Maryland

31 (2016 Volume and 2016 Supplement)

32 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
 33 That the Laws of Maryland read as follows:

34 **Article – Alcoholic Beverages**

35 12–102.

36 This title applies only in Baltimore City.

37 12–1001.

38 (b) There is an arena license.

1 (d) (1) Subject to paragraph (2) of this subsection, the license holder is
2 authorized to sell beer, wine, and liquor by the drink and by the bottle within the arena,
3 from one or more outlets, for on-premises consumption.

4 (2) (i) The license may not be issued in the Second or Third Ward after
5 October 1, 1994.

6 (ii) A license issued before October 1, 1994, is valid and may be
7 treated like any other license.

8 **(3) THE BOARD MAY GRANT AN OFF-SALE PRIVILEGE TO THE HOLDER**
9 **OF A LICENSE ISSUED FOR A PREMISES IN THE 3300 BLOCK OF ANNAPOLIS ROAD,**
10 **SUBJECT TO THE FOLLOWING CONDITIONS:**

11 **(I) BEER, WINE, OR LIQUOR MAY BE SOLD FOR OFF-PREMISES**
12 **CONSUMPTION ONLY FROM A LOCATION IN THE LICENSED PREMISES NOT**
13 **EXCEEDING 2,000 SQUARE FEET;**

14 **(II) BEER, WINE, OR LIQUOR PURCHASED FROM THE LOCATION**
15 **MAY NOT BE CONSUMED ANYWHERE ON THE LICENSED PREMISES;**

16 **(III) THE HOURS OF SALE ARE FROM 8 A.M. TO 10 P.M. MONDAY**
17 **THROUGH SUNDAY; AND**

18 **(IV) THE ANNUAL FEE FOR THE PRIVILEGE IS \$858.**

19 **12-1002.1.**

20 **(A) THERE IS A PUBLIC MARKET LICENSE.**

21 **(B) THE BOARD MAY ISSUE THE LICENSE ONLY TO AN OPERATOR OF AN**
22 **ENCLOSED PUBLIC MARKET THAT:**

23 **(1) HAS A CAPITAL INVESTMENT OF AT LEAST \$3,000,000; AND**

24 **(2) IS LOCATED IN AN AREA SURROUNDED BY CHARLES STREET ON**
25 **THE WEST, EAST CROSS STREET ON THE NORTH, LIGHT STREET ON THE EAST, AND**
26 **EAST CROSS STREET ON THE SOUTH, IN WARD 23, PRECINCT 1 OF THE 46TH**
27 **ALCOHOLIC BEVERAGES DISTRICT.**

28 **(C) THE PREMISES FOR WHICH THE PUBLIC MARKET LICENSE IS ISSUED**
29 **SHALL BE SEPARATE FROM THE PREMISES FOR WHICH A CLASS D (7-DAY) BEER AND**
30 **WINE LICENSE HAS BEEN ISSUED.**

1 (D) OWNERSHIP OF THE LICENSE IS TRANSFERABLE ONLY TO THE
2 BALTIMORE PUBLIC MARKETS CORPORATION.

3 (E) (1) THE LICENSE AUTHORIZES THE LICENSE HOLDER TO SELL, FOR
4 ON- OR OFF-PREMISES CONSUMPTION:

5 (I) BEER;

6 (II) WINE; AND

7 (III) LIQUOR, WHEN SERVED AS AN INGREDIENT IN MIXED
8 DRINKS THAT MAY BE PURCHASED FOR AT LEAST \$5 EACH.

9 (2) (I) SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, THE
10 LICENSE HOLDER MAY DESIGNATE VENDORS WITHIN THE PUBLIC MARKET TO SELL
11 ALCOHOLIC BEVERAGES THAT ARE ALLOWED UNDER PARAGRAPH (1) OF THIS
12 SUBSECTION IN LEASABLE MARKET SPACE COVERING NOT MORE THAN 20% OF THE
13 TOTAL SQUARE FOOTAGE OF FLOOR SPACE OF THE LICENSED PREMISES.

14 (II) AN INDIVIDUAL VENDOR MAY SELL ALCOHOLIC BEVERAGES
15 IN AN AREA COVERING NOT MORE THAN 1,000 SQUARE FEET OF FLOOR SPACE.

16 (3) (I) THE LICENSE HOLDER SHALL SUBMIT TO THE BOARD THE
17 SAME INFORMATION ABOUT EACH VENDOR THAT THE BOARD REQUIRES OF AN
18 APPLICANT FOR A LICENSE.

19 (II) THE BOARD SHALL APPLY TO THE CENTRAL REPOSITORY
20 FOR A STATE AND NATIONAL CRIMINAL HISTORY RECORDS CHECK FOR EACH
21 VENDOR AUTHORIZED TO SELL ALCOHOLIC BEVERAGES.

22 (III) A VENDOR AUTHORIZED TO SELL ALCOHOLIC BEVERAGES
23 OR AN INDIVIDUAL WHO IS DESIGNATED BY THE VENDOR AND EMPLOYED IN A
24 SUPERVISORY CAPACITY IS REQUIRED TO BE:

25 1. CERTIFIED BY AN APPROVED ALCOHOL AWARENESS
26 PROGRAM; AND

27 2. PRESENT WHEN ALCOHOLIC BEVERAGES ARE
28 CONSUMED.

29 (4) (I) SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH,
30 MONTHLY RECEIPTS FROM THE SALE OF NONALCOHOLIC BEVERAGE ITEMS SHALL BE
31 AT LEAST 65% OF THE TOTAL MONTHLY RECEIPTS OF THE MARKET.

1 (II) THE ONLY NONALCOHOLIC BEVERAGE ITEMS THAT MAY BE
2 COUNTED IN THE CALCULATION REQUIRED UNDER SUBPARAGRAPH (I) OF THIS
3 PARAGRAPH ARE ITEMS SOLD IN THE PUBLIC MARKET THAT ARE NOT PROVIDED AS
4 PART OF AN OFF-PREMISES CATERING SERVICE.

5 (F) A LICENSE HOLDER OR VENDOR MAY NOT:

6 (1) PARTICIPATE IN OR PUBLICIZE, IN OR OUTSIDE THE PUBLIC
7 MARKET, A PUB CRAWL AUTHORIZED UNDER § 12-1101.1 OF THIS TITLE; OR

8 (2) EXCEPT FOR AN EVENT CLOSED TO THE PUBLIC, INCLUDING A
9 REHEARSAL DINNER, WEDDING RECEPTION, CORPORATE FUNCTION, OR
10 RETIREMENT PARTY, ALLOW AN OPEN BAR TO BE OPERATED BY A VENDOR.

11 (G) THE HOURS OF SALE OF ALCOHOLIC BEVERAGES FOR ON-PREMISES
12 CONSUMPTION ARE:

13 (1) FROM 11:30 A.M. TO 10 P.M. MONDAY THROUGH THURSDAY;

14 (2) FROM 11:30 A.M. TO 11:30 P.M. ON FRIDAY;

15 (3) FROM 9 A.M. TO 11:30 P.M. ON SATURDAY; AND

16 (4) FROM 9 A.M. TO 9 P.M. ON SUNDAY.

17 (H) THE ANNUAL LICENSE FEE IS:

18 (1) SUBJECT TO ITEM (2) OF THIS SUBSECTION, \$6,500; OR

19 (2) \$2,500, IF THE APPLICANT FOR THE LICENSE OBTAINS AND
20 EXTINGUISHES ONE CLASS A, CLASS B, CLASS D, OR CLASS B-D-7 LICENSE ISSUED
21 FOR USE IN WARD 23, PRECINCT 1 OF THE 46TH ALCOHOLIC BEVERAGES DISTRICT.

22 (I) THE BOARD SHALL ADOPT REGULATIONS TO CARRY OUT THIS SECTION,
23 INCLUDING REGULATIONS CONCERNING THE FOLLOWING ACTIVITIES IN A PUBLIC
24 MARKET:

25 (1) THE CONDUCT OF VENDORS;

26 (2) THE CONDUCT OF LICENSE HOLDERS WITHIN THE PUBLIC
27 MARKET;

28 (3) THE HOLDING OF EVENTS THAT ARE CLOSED TO THE PUBLIC; AND

1 **(4) THE MAINTAINING OF A COMMON SEATING AREA.**

2 12-1102.

3 (a) The Board may issue a refillable container permit for draft beer to a holder of
4 any class of license except a Class C license or a Class M-G license.

5 12-1604.

6 (b) Except as provided in subsection (c) of this section, the Board may not issue a
7 new license in the 46th alcoholic beverages district.

8 (c) (1) The Board may issue:

9 (i) a 1-day license; and

10 (ii) except as provided in paragraph (2) of this subsection, and
11 subject to paragraphs (3) and (4) of this subsection, a Class B beer, wine, and liquor license
12 for use by a restaurant if the average daily receipts from the sale of food are at least 51%
13 of the total daily receipts of the restaurant.

14 (2) The Board may issue a Class B beer, wine, and liquor license:

15 (i) for a restaurant in ward 26, precinct 8, ward 4, precinct 1, or
16 ward 3, precinct 3 that has:

17 1. seating for more than 150 individuals;

18 2. a minimum capital investment of \$700,000; and

19 3. subject to paragraph (3) of this subsection, average daily
20 receipts from the sale of food that are at least 65% of the total daily receipts of the
21 restaurant;

22 (ii) for a restaurant in ward 4, precinct 1, or ward 22, precinct 1, if
23 the restaurant has:

24 1. seating for more than 75 individuals;

25 2. a minimum capital investment of \$700,000;

26 3. average daily receipts from the sale of food that are at
27 least 65% of the total daily receipts of the restaurant; and

28 4. except as provided in paragraph (5) of this subsection, no
29 sales for off-premises consumption;

1 (iii) for not more than three restaurants in a residential planned unit
 2 development for Silo Point as approved by the Mayor and City Council of Baltimore City in
 3 Ordinance 04-697 on June 23, 2004, if each restaurant has:

- 4 1. a minimum capital investment of \$700,000;
- 5 2. seating for more than 75 individuals;
- 6 3. average daily receipts from the sale of food that are at
 7 least 65% of the total daily receipts of the restaurant; and
- 8 4. except as provided in paragraph (5) of this subsection, no
 9 sales for off-premises consumption; [and]

10 (iv) for not more than three restaurants in a business planned unit
 11 development in ward 24, precinct 5, if each restaurant:

- 12 1. has a minimum capital investment of \$700,000;
- 13 2. has seating for more than 75 individuals, but not more
 14 than 150 individuals;
- 15 3. has average daily receipts from the sale of food that are at
 16 least 51% of the total daily receipts of the restaurant; and
- 17 4. except as provided in paragraph (5) of this subsection, may
 18 not sell for off-premises consumption; **AND**

19 **(V) FOR A RESTAURANT IN THE AREA THAT IS COMMONLY**
 20 **KNOWN AS PORT COVINGTON, BOUNDED ON THE NORTH BY INTERSTATE 95, ON THE**
 21 **EAST BY THE SOUTH LOCUST POINT TERMINAL, AND ON THE SOUTH AND WEST BY**
 22 **THE PATAPSCO RIVER, AND THAT HAS:**

- 23 1. **SEATING FOR MORE THAN 150 INDIVIDUALS;**
- 24 2. **A MINIMUM CAPITAL INVESTMENT OF \$700,000; AND**
- 25 3. **SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION,**
 26 **AVERAGE DAILY RECEIPTS FROM THE SALE OF FOOD THAT ARE AT LEAST 60% OF**
 27 **THE TOTAL DAILY RECEIPTS OF THE RESTAURANT.**

28 (3) When a license is renewed, the license holder shall file with the Board
 29 a statement of average daily receipts and an affidavit of a licensed certified public
 30 accountant that verify that the license holder has met the requirement under paragraph
 31 (1)(ii) or (2)(i) **3 OR (V)3** of this subsection.

1 (4) (i) A license may not be issued under paragraph (1)(ii) of this
2 subsection for use in an establishment that is a fast-food-style restaurant.

3 (ii) A license issued under paragraph (1)(ii) of this subsection may
4 not be transferred from the location of its first issuance.

5 (5) A license specified under this subsection, including a license that does
6 not allow sales for off-premises consumption, may include an off-sale privilege for sales of
7 refillable containers under a refillable container license issued in accordance with §
8 12-1102 of this title.

9 (g) (1) Except as provided in [paragraph (2)] **PARAGRAPHS (2) AND (3)** of
10 this subsection, the Board may not issue a license for:

11 (i) ward 1, precincts 4 and 5;

12 (ii) ward 23, precinct 1; or

13 (iii) ward 24, precinct 5.

14 (2) The Board may issue not more than two Class B beer, wine, and liquor
15 licenses, so that the cumulative number of licenses issued or transferred is two, into the
16 area of 829 through 919 E. Fort Avenue only if the Board:

17 (i) has executed a memorandum of understanding between the
18 community associations in Riverside and Locust Point regarding the nature of the
19 establishment; and

20 (ii) enforces the memorandum of understanding against any license
21 holder that obtains a license under this paragraph and seeks to renew or transfer the
22 license.

23 **(3) (I) THE BOARD MAY ISSUE NOT MORE THAN A COMBINED**
24 **TOTAL OF FIVE CLASS B BEER, WINE, AND LIQUOR LICENSES FOR USE BY**
25 **ESTABLISHMENTS ON THE NORTH SIDE OF THE 900 BLOCK OF EAST FORT AVENUE**
26 **AND ON THE WEST SIDE OF THE 1400 BLOCK OF LAWRENCE STREET.**

27 **(II) A LICENSE ISSUED FOR AN ESTABLISHMENT IN THESE**
28 **AREAS MAY NOT BE TRANSFERRED TO ANOTHER ESTABLISHMENT.**

29 12-1706.

30 (d) (1) Except as provided in paragraph (2) of this subsection, a license may not
31 be transferred into or within:

32 (i) ward 1, precincts 2 and 3;

- 1 (ii) ward 2 in its entirety;
- 2 (iii) ward 3, precinct 3; and
- 3 (iv) ward 26, precincts 3 and 10.

4 **12-2204.**

5 **UNLESS TRANSFERRED TO ANOTHER LOCATION, A CLASS B (7-DAY) BEER AND**
6 **WINE LICENSE ISSUED FOR A PREMISES LOCATED IN AN AREA SURROUNDED BY**
7 **CHARLES STREET ON THE WEST, EAST CROSS STREET ON THE NORTH, LIGHT**
8 **STREET ON THE EAST, AND EAST CROSS STREET ON THE SOUTH, IN WARD 23,**
9 **PRECINCT 1 OF THE 46TH ALCOHOLIC BEVERAGES DISTRICT, EXPIRES NOT LATER**
10 **THAN JULY 1, 2022.**

11 **SECTION 2. AND BE IT FURTHER ENACTED, That, a Class B (6-day) beer, wine,**
12 **and liquor license issued for a premises in the 600 block of South Montford Avenue in ward**
13 **1, precinct 3:**

14 (1) shall be considered to be unexpired until the end of July 1, 2018, for
15 purposes of being transferred to another owner and location, notwithstanding §
16 12-1706(d)(1)(i) of the Alcoholic Beverages Article; and

17 (2) if not transferred to another owner and location by the end of July 1,
18 2018, shall be considered to have expired.

19 SECTION ~~2~~ 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
20 July 1, 2017.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.