

HOUSE BILL 462

A2

0lr1051
CF 0lr1052

By: **Delegates Arentz, Ghrist, and Jacobs**

Introduced and read first time: January 24, 2020

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Queen Anne's County – Alcoholic Beverages – Restaurant Food Sales**
3 **Requirements**

4 FOR the purpose of altering, for a restaurant with a Class B license in Queen Anne's
5 County, the minimum percentage of the average daily gross receipts that must be
6 from the sale of food; altering certain statements regarding gross receipts from food
7 sales in a restaurant that must be made by an applicant for or a holder of a Class B
8 license at certain times; making conforming changes; and generally relating to
9 alcoholic beverages in Queen Anne's County.

10 BY repealing and reenacting, without amendments,
11 Article – Alcoholic Beverages
12 Section 1–101(a) and 27–102
13 Annotated Code of Maryland
14 (2016 Volume and 2019 Supplement)

15 BY repealing and reenacting, without amendments,
16 Article – Alcoholic Beverages
17 Section 1–101(aa)
18 Annotated Code of Maryland
19 (2016 Volume and 2019 Supplement)
20 (As enacted by Chapter 12 of the Acts of the General Assembly of 2019)

21 BY repealing and reenacting, with amendments,
22 Article – Alcoholic Beverages
23 Section 27–101(a) and 27–902
24 Annotated Code of Maryland
25 (2016 Volume and 2019 Supplement)

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

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



Article – Alcoholic Beverages

1-101.

(a) In this article the following words have the meanings indicated.

(aa) (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.

27-101.

(a) In this title:

(1) **(I)** the definitions in § [1-101] **1-101(B) THROUGH (Z) AND (BB) THROUGH (II)** of this article apply without exception or variation; and

(II) THE DEFINITION OF “RESTAURANT” IN § 1-101(AA) OF THIS ARTICLE APPLIES, SUBJECT TO § 27-902(B) OF THIS TITLE; AND

(2) the following words have the meanings indicated.

27-102.

This title applies only in Queen Anne’s County.

27-902.

(a) A hotel for which a Class B license of any type is issued shall:

(1) be a building constructed for hotel purposes;

(2) have at least 20 bedrooms;

(3) provide services ordinarily found in hotels to accommodate the public;

1 (4) have a dining room with facilities for preparing and serving meals; and

2 (5) have average daily receipts from the sale of food that exceed the average
3 daily receipts from the sale of alcoholic beverages.

4 (b) A restaurant for which a Class B license of any type is issued shall:

5 (1) be a business establishment to accommodate the public;

6 (2) be fully equipped with a proper and adequate dining room with seating
7 for at least 12 individuals;

8 (3) have sufficient facilities that have been approved by the Board for
9 preparing and serving meals; and

10 (4) have average daily receipts from the sale of food that are at least **[51%]**
11 **25%** of the average daily **GROSS** receipts of the **[business] ESTABLISHMENT**.

12 (c) The Board:

13 (1) shall require a holder of a Class B license at least every 2 years, on
14 dates that the Board sets, to file with the Board a sworn statement that the gross receipts
15 from food sales in the restaurant for the 6 months immediately before the filing of the report
16 **[exceed] ARE AT LEAST 25% OF** the gross receipts **[from the sale of alcoholic beverages]**
17 **OF THE RESTAURANT**; and

18 (2) may require a license holder to provide supporting data to establish
19 that the requirements of subsection (b) of this section relating to the ratio of gross receipts
20 from the sale of food to those **[from the sale of alcoholic beverages] OF THE RESTAURANT**
21 have been met.

22 (d) (1) Before a Class B license of any type is issued, the applicant shall attest
23 in a sworn statement that gross receipts from food sales in the restaurant will **[exceed] BE**
24 **AT LEAST 25% OF** the gross receipts **[from the sale of alcoholic beverages] OF THE**
25 **RESTAURANT**.

26 (2) If the license holder fails to maintain gross receipts from the sale of food
27 **[that exceed the gross receipts from the sale of alcoholic beverages] IN ACCORDANCE WITH**
28 **THE REQUIREMENTS OF THIS SECTION** during any 6-month period, the Board may
29 revoke the license.

30 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
31 1, 2020.