HOUSE BILL 1326

 $\begin{array}{c} \text{A2} & \text{Olr3412} \\ \text{CF SB 376} \end{array}$

By: Delegates Robinson, Anderson, Glenn, Haynes, McHale, Oaks, Stukes, and Tarrant

Introduced and read first time: February 18, 2010

Assigned to: Economic Matters

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 24, 2010

CHAPTER

1 AN ACT concerning

2 Baltimore City - Consumption of Alcoholic Beverages - Unlicensed Restaurants

- 4 FOR the purpose of prohibiting, with a certain exception, an establishment in 5 Baltimore City that is not licensed by the Board of License Commissioners from 6 performing certain activities, including giving, serving, or dispensing alcoholic 7 beverages on its premises; authorizing certain restaurants not licensed by the 8 Board to allow a patron to consume alcoholic beverages during a certain time 9 under certain conditions; authorizing the Baltimore City Police Department to immediately close all operations of an establishment under certain 10 11 circumstances; requiring the owner or operator to be given an opportunity for a prompt hearing on when the establishment may reopen; repealing provisions 12 13 concerning the establishment and registration of bottle clubs; and generally relating to alcoholic beverages in Baltimore City. 14
- 15 BY repealing and reenacting, without amendments,
- 16 Article 2B Alcoholic Beverages
- 17 Section 1–102(a)(1) and (22)(i) and (ii)
- 18 Annotated Code of Maryland
- 19 (2005 Replacement Volume and 2009 Supplement)
- 20 BY repealing and reenacting, with amendments,
- 21 Article 2B Alcoholic Beverages
- 22 Section 20–102

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

<u>Underlining</u> indicates amendments to bill.

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

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(b)]

$\frac{1}{2}$	Annotated Code of Maryland (2005 Replacement Volume and 2009 Supplement)						
3 4	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:						
5	Article 2B - Alcoholic Beverages						
6	1–102.						
7	(a) (1) In this article the following words have the meanings indicated.						
8	(22) (i) 1. "Restaurant" means an establishment:						
9	A. Which accommodates the public;						
10 11	B. Which is equipped with a dining room with facilities for preparing and serving regular meals; and						
12 13	C. In which the average daily receipts from the sale of foods exceed the average daily receipts from the sale of alcoholic beverages.						
14 15 16	2. However the board of license commissioners in any county by regulation may prescribe a different standard as to what constitutes a restaurant.						
17 18 19	3. For a restaurant in Baltimore City, the average daily receipts from the sale of food must be at least 40% of the total daily receipts of the establishment.						
20 21 22 23 24	(ii) In Baltimore City, the term "food" as used in the definition of "restaurant", whether the definition is established by State law or by regulations adopted by the Board of License Commissioners, may not include any ingredient or garnish used with or mixed with an alcoholic beverage that is prepared and served for consumption on the licensed premises.						
25	20–102.						
26 27 28	(a) [(1) In this section, "bottle club" means any establishment that serves, gives, or allows alcoholic beverages to be consumed by patrons from supplies that the patrons previously purchased or reserved.						
29 30	(2) "Bottle club" does not include any establishment if a license for the premises had been issued under the provisions of this article.						

This section applies only in Baltimore City.

1	[(c)] (B) [A bottle club] EXCEPT AS PROVIDED IN SUBSECTION (C) OF							
2	THIS SECTION, AN ESTABLISHMENT THAT IS NOT LICENSED BY THE BOARD OF							
3								
4	LICENSE COMMISSIONERS may not give, serve, dispense, keep, or allow to be							
5	consumed on its premises, or on premises under its control or possession, any alcoholic							
6	beverages [, setups, or other component parts of mixed alcoholic drinks after legal closing hours for establishments under § 8–203(d) of this article].							
U	closing nours for establishments under § 0-200(a) of this article].							
7	(C) A RESTAURANT AS DEFINED IN § 1-102(A)(22)(I) AND (II) OF THIS							
8	ARTICLE THAT IS NOT LICENSED BY THE BOARD OF LICENSE COMMISSIONERS							
9	MAY ALLOW A PATRON TO CONSUME ALCOHOLIC BEVERAGES FROM 6 A.M. TO 2							
10	A.M. THE FOLLOWING DAY IF:							
11	(1) THE ALCOHOLIC BEVERAGES ARE BROUGHT TO THE							
12	RESTAURANT BY THE PATRON;							
13	(2) THE ALCOHOLIC BEVERAGES ARE CONSUMED WITH A MEAL;							
1 /	(9) There is no share for admission to the restaurant							
14	(3) THERE IS NO CHARGE FOR ADMISSION TO THE RESTAURANT;							
15	AND							
16	(4) THE BALTIMORE CITY FIRE DEPARTMENT DETERMINES							
17	THAT THE MAXIMUM SEATING CAPACITY OF THE RESTAURANT IS 50 .							
18	(D) (1) THE BALTIMORE CITY POLICE DEPARTMENT MAY							
19	IMMEDIATELY CLOSE ALL OPERATIONS OF AN ESTABLISHMENT IF THE							
20	DEPARTMENT DETERMINES THAT THE ESTABLISHMENT IS IN VIOLATION OF							
21	THIS SECTION AND THAT THE PUBLIC HEALTH, SAFETY, OR WELFARE REQUIRES							
22	EMERGENCY ACTION.							
23	(2) The establishment shall be closed until the							
24	BALTIMORE CITY POLICE DEPARTMENT DETERMINES THAT THE PUBLIC							
25	HEALTH, SAFETY, OR WELFARE HAS BEEN RESTORED.							
2.0	(a) m							
26	(3) THE OWNER OR OPERATOR OF THE ESTABLISHMENT SHALL							
27	BE GIVEN AN OPPORTUNITY TO REQUEST A PROMPT HEARING IN CIRCUIT							
28	COURT ON WHEN THE ESTABLISHMENT MAY REOPEN.							
29	(d) (E) [(1) Any parson who awas an anarotas a battle also shall register the							
30	(d) (E) (1) Any person who owns or operates a bottle club shall register the establishment with the Board of License Commissioners for Baltimore City and pay							
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32 (2) The registration shall include:

the application fee that the Board sets.

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(i) The name of the establishment;

1	(ii) The address where the establishment is doing business; and
2 3	(iii) Evidence of all inspections required of the establishment and business licenses issued to the person by the State or Baltimore City.
4 5 6	(3) (i) The Board shall meet the same notice and hearing requirements for the application for registration that apply to an application for an alcoholic beverages license.
7 8 9 10	(ii) Before the Board may approve an application and accept the registration, the applicant shall provide copies of all inspections by the appropriate agencies, a trader's license, a sales and use tax license, and a use and occupancy permit.
11 12 13	(iii) At the hearing, the Board shall determine whether to register the establishment, using the standards listed under $\S 10-202(a)(2)(ii)$ of this article.
14 15	(iv) 1. A registration of a bottle club under this subsection remains in effect for 1 year.
16 17 18	2. Subject to subparagraph (v) of this paragraph, a registration that is accepted by the Board may be renewed each year in accordance with the same renewal procedures used for liquor licenses.
19 20	3. A person that seeks to renew a registration shall pay the renewal fee that the Board establishes.
21 22 23 24	(v) 1. Subject to subsubparagraph 2 of this subparagraph, the Board may not accept a renewal of a registration without a hearing if a protest has been filed against the renewal at least 30 days before the expiration of the registration.
25	2. A protest shall be:
26	A. Instituted by the Board; or
27 28 29	B. Signed by at least 10 residents, commercial tenants who are not holders of or applicants for any license issued under this article, or real estate owners in the immediate vicinity in which the bottle club is located.
30	(vi) The Board may revoke or refuse to renew a registration.
31 32	(e)] A violation of this section is a misdemeanor, and upon conviction, the court shall impose a fine of up to \$10,000 or imprisonment for up to 2 years, or both.

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SECTION July 1, 2010.	2. AND BE IT	FURTHER	ENACTED,	That this Act sha	all take effect
Approved:					
				Go	overnor.
			Speaker o	of the House of De	elegates.
				President of the	Senate.