#### SB0866/164039/1

BY: Education, Health, and Environmental Affairs Committee

## AMENDMENTS TO SENATE BILL 866

(First Reading File Bill)

#### AMENDMENT NO. 1

On page 1, in line 2, strike "and"; in line 3, after "Inspectors" insert ", and Bottle <u>Clubs</u>"; in line 11, after "license;" insert "<u>establishing a special Sunday off</u>—sale permit in Prince George's County; authorizing the Board of License Commissioners to issue the permit to certain license holders; authorizing the permit holder to sell certain alcoholic beverages during a certain time on Sunday for consumption off the licensed premises; establishing a certain fee for the permit; authorizing the Board to adopt certain regulations;"; in line 12, strike "chair" and substitute "chairman"; in line 13, strike "County"; in the same line, strike "of License Commissioners"; in line 14, after "inspector;" insert "providing that inspectors have the authority to order that a bottle club be closed under a certain provision of this Act; authorizing the Board or an inspector to order that a bottle club be closed immediately under certain circumstances; requiring, under certain circumstances, the Board or a certain inspector to give the owner or operator of a certain bottle club certain notice; requiring the Board to hold a certain hearing within a certain time period; requiring the Board at a certain hearing to determine whether a certain threat continues to exist; authorizing, except under certain circumstances, the Board, after making a certain determination, to order a certain bottle club to permanently close or impose certain conditions for reopening the bottle club; requiring the Board, under certain circumstances, to order a certain bottle club to be permanently closed; authorizing the Board to impose a certain fine on a certain person; authorizing an owner or operator of a bottle club who is aggrieved by a certain decision to petition for judicial review to a circuit court;"; in line 15, after "changes;" insert "providing for the application of a certain provision of this Act;"; in line 19, strike "9-217(e) and (f)(3)" and substitute "9-217(f)(3), 11-517(b) and (f)"; in lines 19 and 20, strike "and 15–112(r)(3)" and substitute "15–112(r)(3), and 20-108.1"; in line 25, after "(f)(5)" insert ", 11-517(a),"; and after line 27, insert:

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"BY repealing and reenacting, with amendments,

Article 2B – Alcoholic Beverages

Section 9-217(e)

Annotated Code of Maryland

(2011 Replacement Volume and 2014 Supplement)

(As enacted by Chapter 144 of the Acts of the General Assembly of 2013)

#### BY adding to

<u>Article 2B – Alcoholic Beverages</u>

Section 11–517(l)

Annotated Code of Maryland

(2011 Replacement Volume and 2014 Supplement)".

#### AMENDMENT NO. 2

On page 6, after line 29, insert:

### "<u>11–517.</u>

- (a) This section applies only in Prince George's County.
- (b) (1) (i) A holder of any retail "on—sale" alcoholic beverage license or any agent, servant or employee of a holder of any "on—sale" alcoholic beverage license may not sell or serve any alcoholic beverages for consumption on the licensed premises or permit any alcoholic beverages to be consumed on the licensed premises between the hours of 2:00 a.m. and 6:00 a.m., except as provided in subsection (c) of this section.
- (ii) Holders of any "on—sale" retail alcoholic beverage license, their agents, servants, or employees may sell beer and light wine on Sunday for consumption on the licensed premises, except between the hours of 2:00 a.m. and 8:00 a.m.

- (iii) Subject to paragraph (2) of this subsection, a holder of any Class B restaurant license, with or without [a] AN ON-SALE Sunday permit THAT AUTHORIZES THE HOLDER TO SELL LIQUOR BY THE GLASS, may sell beer, wine and liquor on Sunday when it falls on Christmas Eve or New Year's Eve, except between the hours of 2:00 a.m. and 8:00 a.m.
- (2) (i) Subject to subparagraph (ii) of this paragraph, a holder of a Class A retail "off—sale" alcoholic beverages license or a Class B or D alcoholic beverages license with off—sale privileges, or any agent, servant or employee of the holder, may not sell any alcoholic beverages for consumption off the licensed premises between the hours of 12:00 a.m. and 6:00 a.m.
- (ii) A holder of a Class A beer, wine and liquor license or any agent, servant or employee of a holder of a Class A beer, wine and liquor license may not make any sale on Sunday after 12:00 a.m. [except when] UNLESS:
  - 1. December 24 and 31 fall on a Sunday; OR
- 2. THE HOLDER OF A CLASS A BEER, WINE AND LIQUOR LICENSE HOLDS A SPECIAL SUNDAY OFF-SALE PERMIT UNDER SUBSECTION (L) OF THIS SECTION.
- (f) (1) (I) [Notwithstanding any other provisions of this article, but in addition thereto] EXCEPT AS PROVIDED IN SUBSECTION (L) OF THIS SECTION AND SUBPARAGRAPH (II) OF THIS PARAGRAPH, the holder of a CLASS B beer, wine and liquor license, [Class B, his agents, servants or employees] AND AN AGENT, A SERVANT, OR AN EMPLOYEE OF A HOLDER OF A CLASS B BEER, WINE AND LIQUOR LICENSE may not sell any alcoholic beverages for consumption off the licensed premises between the hours of 12:00 a.m. and 6:00 a.m. or on Sunday after 12:00 a.m. from any separate store established on the licensed premises as an "off—sale store" or to keep an "off—sale store" open for business on Sunday after 12:00 a.m. [except that beer]

- (II) BEER and light wine only may be sold from an "off—sale" store which is attached to and a part of the licensed premises on Sunday after 8:00 a.m. until 12:00 a.m. the day following.
- (2) For the [purpose] PURPOSES of this [provision] SUBSECTION, the Board of License Commissioners shall determine by reasonable standards what shall constitute an "off–sale store".
- (3) Nothing further herein shall be construed to permit sales at any time between 12:00 a.m. and 6:00 a.m. of any day.
  - (L) (1) THERE IS A SPECIAL SUNDAY OFF-SALE PERMIT.
- (2) THE BOARD OF LICENSE COMMISSIONERS MAY ISSUE THE PERMIT TO THE HOLDER OF:
  - (I) ANY CLASS A LICENSE; OR
- (II) A CLASS B BEER, WINE AND LIQUOR LICENSE WITH AN OFF-SALE PRIVILEGE.
- (3) THE PERMIT AUTHORIZES THE SALE OF ALCOHOLIC BEVERAGES THAT THE HOLDER IS AUTHORIZED TO SELL:
  - (I) ON SUNDAY, FROM 8 A.M. TO MIDNIGHT; AND
  - (II) FOR CONSUMPTION OFF THE LICENSED PREMISES ONLY.

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- (4) THE ANNUAL PERMIT FEE FOR THE SPECIAL SUNDAY OFF—SALE PERMIT IS \$450, WHICH IS IN ADDITION TO THE ANNUAL FEE FOR THE CLASS A LICENSE OR CLASS B BEER, WINE AND LIQUOR LICENSE TO WHICH IT IS ATTACHED.
- (5) THE BOARD OF LICENSE COMMISSIONERS MAY ADOPT REGULATIONS TO CARRY OUT THIS SUBSECTION.".

#### AMENDMENT NO. 3

On page 8, in line 25, strike "and"; after line 25, insert:

# "5. HAVE THE AUTHORITY TO ORDER THAT A BOTTLE CLUB BE CLOSED IMMEDIATELY UNDER § 20–108.1 OF THIS ARTICLE; AND";

and in line 26, strike "5." and substitute "6.".

On page 9, after line 8, insert:

#### "20–108.1.

- (a) (1) In this section the following words have the meanings indicated.
  - (2) (i) "Bottle club" means a premises or establishment that:
- 1. <u>Is subject to any license issued by the State or Prince</u>
  George's County; and
- <u>2.</u> <u>A.</u> <u>Serves, gives, dispenses, keeps, or allows to be consumed by a patron alcoholic beverages from supplies that the patron purchased, reserved, or otherwise brought to the premises or establishment; or</u>

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- B. Serves, gives, dispenses, or allows to be consumed by a patron paying admission alcoholic beverages from supplies purchased or otherwise brought to the premises or establishment by an owner or operator or an agent of an owner or operator.
- (ii) <u>"Bottle club" includes a restaurant, hotel, club, room, dance</u> studio, disco, place of public entertainment, or other place open to the public.
- (iii) "Bottle club" does not include any establishment for which a license for the premises has been issued under the provisions of this article.
- (3) "Place of public entertainment" means a business establishment that does not hold a license under this article and that allows on its premises any form of attire or sexual display prohibited under § 10–405 of this article.
  - (4) "Setups" includes drinking containers and ice.
  - (b) This section applies only in Prince George's County.
- (c) (1) A person may not serve or dispense setups or serve, dispense, keep, or allow to be consumed any alcoholic beverages or other component parts of mixed alcoholic drinks in a place of public entertainment.
  - (2) An owner or operator of a bottle club may not:
- (i) Evade the alcoholic beverage license laws in the county, including laws governing the hours of operation; and
- (ii) Sell, give, serve, dispense, keep, or allow to be consumed in the bottle club any alcoholic beverage, setups, or other component parts of mixed alcoholic drinks.

- (D) (1) THE BOARD OR AN INSPECTOR OF THE BOARD MAY ORDER THAT A BOTTLE CLUB BE CLOSED IMMEDIATELY IF THE BOARD OR THE INSPECTOR DETERMINES THAT THE PUBLIC HEALTH, SAFETY, OR WELFARE REQUIRES EMERGENCY ACTION.
- (2) IF AN IMMEDIATE CLOSURE IS ORDERED, THE BOARD OR THE INSPECTOR WHO ORDERED THE CLOSURE SHALL GIVE THE OWNER OR OPERATOR OF THE BOTTLE CLUB:
- (I) WRITTEN NOTICE OF AND THE REASONS FOR THE CLOSURE; AND
- (II) WRITTEN NOTICE OF A HEARING ON THE CLOSURE AT WHICH THE OWNER OR OPERATOR MAY BE HEARD AND PRESENT EVIDENCE.
- (3) THE BOARD SHALL HOLD THE HEARING WITHIN 3 BUSINESS DAYS AFTER THE CLOSURE.
- (4) (I) AT THE HEARING, THE BOARD SHALL DETERMINE WHETHER THE THREAT TO THE PUBLIC HEALTH, SAFETY, OR WELFARE CAUSING THE CLOSURE CONTINUES TO EXIST.
- (II) SUBJECT TO SUBPARAGRAPH (III) OF THIS PARAGRAPH,

  IF THE BOARD DETERMINES UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH

  THAT THE THREAT CONTINUES, THE BOARD MAY:
- 1. Order the permanent closure of the bottle club; or

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- 2. IMPOSE CONDITIONS UNDER WHICH THE BOTTLE CLUB MAY REOPEN.
- (III) THE BOARD SHALL ORDER THE BOTTLE CLUB TO BE PERMANENTLY CLOSED IF:
- 1. THE CLOSURE UNDER PARAGRAPH (1) OF THIS SUBSECTION FOR WHICH THE HEARING IS BEING HELD IS THE THIRD CLOSURE IN A 2-YEAR PERIOD; AND
- 2. THE PREVIOUS TWO CLOSURES UNDER PARAGRAPH (1) OF THIS SUBSECTION WERE NOT OVERTURNED BY THE BOARD OR ON JUDICIAL REVIEW.
- (5) THE BOARD SHALL ISSUE A DECISION WITHIN 3 BUSINESS DAYS AFTER A HEARING IS HELD UNDER PARAGRAPH (4) OF THIS SUBSECTION.
- (6) AN OWNER OR OPERATOR WHO IS AGGRIEVED BY A DECISION OF THE BOARD MAY PETITION FOR JUDICIAL REVIEW TO A CIRCUIT COURT.
- [(d)](E) (1) THE BOARD MAY IMPOSE A FINE OF NOT MORE THAN \$12,500 PER VIOLATION ON A PERSON WHO THE BOARD FINDS HAS VIOLATED THIS SECTION.
- (2)[A] IN ADDITION TO ANY OTHER PENALTY AUTHORIZED BY LAW, A person who violates this section is guilty of a misdemeanor and on conviction is subject to imprisonment not exceeding 2 years or a fine not exceeding \$10,000 or both.
- SECTION 2. AND BE IT FURTHER ENACTED, That Section 6–201(r)(8)(iv)1 of Article 2B of the Annotated Code of Maryland, as enacted by Section 1 of this Act, shall

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be construed to apply only prospectively and may not be applied or interpreted to have any effect on or application to a Class BCE license issued before the effective date of this Act.";

and in line 9, strike "2." and substitute "3.".