#### SB0677/124139/1

#### BY: Education, Health, and Environmental Affairs Committee

# AMENDMENTS TO SENATE BILL 677 (First Reading File Bill)

#### AMENDMENT NO. 1

On page 1, in line 2, strike "**Transfer and Auction of Licenses**" and substitute "<u>Class B–D Beer, Wine, and Liquor License</u>"; strike beginning with "providing" in line 3 down through "beverages" in line 14 and substitute "<u>establishing a Class B–D</u> beer, wine, and liquor license in Allegany County; authorizing the Board of License Commissioners for Allegany County to issue a Class B–D license for use by a certain restaurant; authorizing a license holder to sell beer, wine, and liquor for on–premises consumption; requiring a license holder to submit a certain report on request from the Board; authorizing the Board to take certain enforcement actions under certain circumstances; requiring a license holder to demonstrate certain compliance as a prerequisite for license renewal; authorizing a license holder to sell beer, wine, and liquor during certain hours and days; establishing the annual license fee; limiting the number of Class B–D licenses that may be issued in a single year; and generally relating to alcoholic beverages"; in line 17, strike "9–101(a) and (b) and"; in line 20, strike "repealing and reenacting, with amendments," and substitute "<u>adding to</u>"; in line 22, strike "9–1602" and substitute "<u>9–902.1 and 9–1607</u>"; and after line 24, insert:

"<u>BY repealing and reenacting, with amendments,</u>

<u>Article – Alcoholic Beverages</u> <u>Section 9–2004</u> <u>Annotated Code of Maryland</u> (2016 Volume and 2020 Supplement)".

#### AMENDMENT NO. 2

On page 2, strike in their entirety lines 1 through 6, inclusive.

#### SB0677/124139/1 Education, Health, and Environmental Affairs Committee Amendments to SB 677 Page 2 of 8

On pages 2 and 3, strike in their entirety the lines beginning with line 9 on page 2 through line 17 on page 3, inclusive, and substitute:

"<u>9–902.1.</u>

(A) THERE IS A CLASS B–D BEER, WINE, AND LIQUOR LICENSE.

(B) THE BOARD MAY ISSUE THE LICENSE FOR USE BY A RESTAURANT THAT:

(1) IS LOCATED IN A PERMANENT BUILDING WITH AMPLE SPACE AND ACCOMMODATIONS;

(2) <u>COMMONLY OFFERS HOT AND COLD MEALS THAT ARE</u> <u>PREPARED, SOLD, AND SERVED TO THE PUBLIC DURING REGULAR BUSINESS</u> <u>HOURS;</u>

(3) MAINTAINS A MENU THAT ADVERTISES A VARIETY OF FOOD THAT THE ESTABLISHMENT SERVES;

(4) <u>SERVES FOOD AT ALL TIMES WHENEVER ALCOHOLIC</u> <u>BEVERAGES ARE BEING SERVED OR CONSUMED; AND</u>

(5) HAS, ON AN ANNUAL BASIS, GROSS SALES OF FOOD AND NONALCOHOLIC BEVERAGES THAT EXCEED ITS GROSS SALES OF ALCOHOLIC BEVERAGES.

(C) THE LICENSE AUTHORIZES THE LICENSE HOLDER TO SELL BEER, WINE, AND LIQUOR FOR ON-PREMISES CONSUMPTION. SB0677/124139/1 Education, Health, and Environmental Affairs Committee Amendments to SB 677 Page 3 of 8

(D) (1) (I) ONCE EVERY LICENSING CYCLE, THE LICENSE HOLDER SHALL COMPLY WITH A REQUEST FROM THE BOARD TO SUBMIT A FOOD ALCOHOL RATIO REPORT COVERING 2 PRECEDING QUARTERS THAT THE BOARD SELECTS TO DEMONSTRATE COMPLIANCE WITH THE ANNUAL GROSS SALES REQUIREMENT UNDER SUBSECTION (B)(5) OF THIS SECTION.

## (II) TO ENFORCE THIS PARAGRAPH, THE BOARD MAY:

# <u>1.</u> <u>REQUEST A LICENSE HOLDER TO PROVIDE</u> <u>SUPPORTING DATA OR ADDITIONAL INFORMATION;</u>

## **<u>2.</u>** IMPOSE A FINE ON A LICENSE HOLDER; OR

<u>3.</u> <u>SUSPEND A LICENSE.</u>

(2) <u>A LICENSE HOLDER OR THE LICENSE HOLDER'S ACCOUNTANT</u> SHALL COMPLETE, SIGN, AND PROVIDE FOR THE NOTARIZATION OF THE FOOD <u>ALCOHOL RATIO REPORT.</u>

(3) WHEN SUBMITTING A FOOD ALCOHOL RATIO REPORT, THE LICENSE HOLDER SHALL INCLUDE A CURRENT MENU, INFORMATION ON HOURS OF OPERATION, AND SALES AMOUNTS AND PERCENTAGES FOR FOOD, NONALCOHOLIC BEVERAGES, AND ALCOHOLIC BEVERAGES FOR THE TIME PERIOD REQUESTED.

(E) <u>As a prerequisite for the renewal of the license, the</u> <u>License Holder Shall demonstrate compliance with the annual gross</u> <u>Sales requirement under subsection (B)(5) of this section.</u>

## SB0677/124139/1 Education, Health, and Environmental Affairs Committee Amendments to SB 677 Page 4 of 8

# (F) THE LICENSE HOLDER MAY SELL BEER, WINE, AND LIQUOR DURING THE HOURS AND DAYS SET OUT FOR A CLASS B–D BEER, WINE, AND LIQUOR LICENSE UNDER § 9–2004 OF THIS TITLE.

# (G) THE ANNUAL LICENSE FEE IS \$700.

## <u>9–1607.</u>

# NOT MORE THAN TWO CLASS B-D LICENSES MAY BE ISSUED IN A SINGLE YEAR.

#### 9-2004.

(a) (1) Except as provided in § 9–2005 of this subtitle for December 31 and January 1, a holder of a Class A beer, wine, and liquor license may sell beer, wine, and liquor for off–premises consumption:

(i) on Monday through Saturday from 7 a.m. to 2 a.m. the following day; and

(ii) on Sunday from 11 a.m. to 2 a.m. the following day if the holder:

<u>1.</u> pays an additional fee of \$250; or

<u>2.</u> is issued a 2-day Sunday sales permit in accordance with paragraph (2) of this subsection.

(2) (i) <u>The Board may issue a 2–day Sunday sales permit to a holder</u> of a Class A beer, wine, and liquor license.

#### SB0677/124139/1 Education, Health, and Environmental Affairs Committee Amendments to SB 677 Page 5 of 8

(ii) <u>An applicant for a 2-day Sunday sales permit need not have</u> <u>kitchen facilities on the licensed premises.</u>

(iii) <u>A 2-day Sunday sales permit authorizes the holder to sell</u> beer, wine, and liquor for off-premises consumption on not more than two Sundays in a year from 11 a.m. to 2 a.m. the following day.

(iv) The permit fee is \$50 for each time the permit is used.

(b) (1) Except as provided in § 9–2005 of this subtitle for December 31 and January 1, a holder of a Class B beer, wine, and liquor license may sell beer, wine, and liquor:

(i) on Monday through Saturday, for on-premises and offpremises consumption, from 7 a.m. to 2 a.m. the following day;

(ii) on Sunday, for on-premises and off-premises consumption, from 11 a.m. to 2 a.m. the following day if the holder:

<u>1.</u> pays an additional fee of \$250;

2. is issued the license for use in a restaurant in a permanent building with ample space and accommodations where meals are usually prepared, sold, or served to the public when the restaurant is regularly open for business; or

<u>3.</u> is issued a 2-day Sunday sales permit in accordance with paragraph (2) of this subsection.

(2) (i) The Board may issue a 2-day Sunday sales permit to a holder of a Class B beer, wine, and liquor license, including a Class B beer, wine, and liquor license issued for use in a restaurant or banquet room in a hotel or motel.

(Over)

### SB0677/124139/1 Education, Health, and Environmental Affairs Committee Amendments to SB 677 Page 6 of 8

(ii) <u>An applicant for a 2-day Sunday sales permit need not have</u> <u>kitchen facilities on the licensed premises.</u>

(iii) <u>A 2-day Sunday sales permit authorizes the holder to sell</u> beer, wine, and liquor for on-premises and off-premises consumption on not more than two Sundays in a year from 11 a.m. Sunday to 2 a.m. the following day.

(iv) The permit fee is \$50 for each time the permit is used.

# (C) (1) EXCEPT AS PROVIDED IN § 9–2005 OF THIS SUBTITLE FOR DECEMBER 31 AND JANUARY 1, A HOLDER OF A CLASS B–D BEER, WINE, AND LIQUOR LICENSE MAY SELL BEER, WINE, AND LIQUOR:

(I) ON MONDAY THROUGH SATURDAY, FOR ON-PREMISES CONSUMPTION, FROM 7 A.M. TO 2 A.M. THE FOLLOWING DAY; AND

#### (II) ON SUNDAY:

<u>1.</u> FROM 11 A.M. TO 2 A.M. THE FOLLOWING DAY IF THE HOLDER PAYS AN ADDITIONAL FEE OF \$250; OR

2. IN ACCORDANCE WITH A 2-DAY SUNDAY SALES PERMIT ISSUED UNDER PARAGRAPH (2) OF THIS SUBSECTION.

(2) (I) THE BOARD MAY ISSUE A 2-DAY SUNDAY SALES PERMIT TO A HOLDER OF A CLASS B-D BEER, WINE, AND LIQUOR LICENSE.

(II) <u>A 2-DAY SUNDAY SALES PERMIT AUTHORIZES THE</u> HOLDER TO SELL BEER, WINE, AND LIQUOR FOR ON-PREMISES CONSUMPTION ON

## SB0677/124139/1 Education, Health, and Environmental Affairs Committee Amendments to SB 677 Page 7 of 8

# NOT MORE THAN TWO SUNDAYS IN A YEAR FROM 11 A.M. SUNDAY TO 2 A.M. THE FOLLOWING DAY.

# (III) THE PERMIT FEE IS \$50 FOR EACH TIME THE PERMIT IS USED.

[(c)] (D) (1) Except as provided in § 9–2005 of this subtitle for December 31 and January 1, a holder of a Class C beer, wine, and liquor license may sell beer, wine, and liquor:

(i) on Monday through Saturday, for on-premises and offpremises consumption, from 7 a.m. to 2 a.m. the following day;

(ii) on Sunday, for on-premises and off-premises consumption, from 11 a.m. to 2 a.m. the following day if the holder:

<u>1.</u> pays an additional fee of \$250; or

<u>2.</u> is issued a 2-day Sunday sales permit in accordance with paragraph (2) of this subsection.

(2) (i) <u>The Board may issue a 2–day Sunday sales permit to a holder</u> of a Class C beer, wine, and liquor license.

(ii) <u>An applicant for a 2-day Sunday sales permit need not have</u> <u>kitchen facilities on the licensed premises.</u>

(iii) <u>A 2-day Sunday sales permit authorizes the holder to sell</u> beer, wine, and liquor for on-premises and off-premises consumption on not more than two Sundays in a year from 11 a.m. Sunday to 2 a.m. the following day.

(Over)

## SB0677/124139/1 Education, Health, and Environmental Affairs Committee Amendments to SB 677 Page 8 of 8

(iv) The permit fee is \$50 for each time the permit is used.

[(d)] (E) (1) Except as provided in § 9–2005 of this subtitle for December 31 and January 1, a holder of a Class D beer, wine, and liquor license may sell beer, wine, and liquor:

(i) on Monday through Saturday, for on-premises and offpremises consumption, from 7 a.m. to 2 a.m. the following day;

(ii) on Sunday, from 11 a.m. to 2 a.m. the following day if the holder pays an additional fee of \$250; or

(iii) in accordance with a 2-day Sunday sales permit issued under paragraph (2) of this subsection.

(2) (i) <u>The Board may issue a 2–day Sunday sales permit to a holder</u> of a Class D beer, wine, and liquor license.

(ii) <u>An applicant for a 2–day Sunday sales permit need not have</u> <u>kitchen facilities on the licensed premises.</u>

(iii) <u>A 2-day Sunday sales permit authorizes the holder to sell</u> beer, wine, and liquor for on-premises and off-premises consumption on not more than two Sundays in a year from 11 a.m. Sunday to 2 a.m. the following day.

(iv) The permit fee is \$50 for each time the permit is used.".