SENATE BILL 607

A2 3lr1890 CF HB 917

By: Senator Ferguson

Introduced and read first time: February 6, 2023

Assigned to: Finance

Committee Report: Favorable Senate action: Adopted

Read second time: March 4, 2023

CHAPTER

1 AN ACT concerning

Baltimore City - Alcoholic Beverages - 46th Alcoholic Beverages District Revisions

- FOR the purpose of authorizing the Board of License Commissioners for Baltimore City to 4 5 approve a certain license expansion under certain circumstances; authorizing the 6 establishment and conversion of various alcoholic beverages licenses in the 46th 7 alcoholic beverages district in Baltimore City; altering certain seating capacity requirements for a certain establishment located in a certain area in the 46th 8 9 alcoholic beverage district; extending for a certain amount of time the expiration of 10 an alcoholic beverages license issued for a certain area for the purposes of 11 transferring the license to another owner at the same location; and generally relating 12 to alcoholic beverages in Baltimore City.
- 13 BY repealing and reenacting, without amendments,
- 14 Article Alcoholic Beverages
- 15 Section 12–102 and 12–1604(a) and (b)
- 16 Annotated Code of Maryland
- 17 (2016 Volume and 2022 Supplement)
- 18 BY repealing and reenacting, with amendments,
- 19 Article Alcoholic Beverages
- 20 Section 12–104, 12–1604(c), and 12–1706(d)
- 21 Annotated Code of Maryland
- 22 (2016 Volume and 2022 Supplement)

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.

- 1 BY adding to
- 2 Article Alcoholic Beverages
- 3 Section 12–1604.1
- 4 Annotated Code of Maryland
- 5 (2016 Volume and 2022 Supplement)
- 6 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
- 7 That the Laws of Maryland read as follows:

8 Article - Alcoholic Beverages

- 9 12–102.
- This title applies only in Baltimore City.
- 11 12–104.
- 12 (a) To be considered a restaurant, an establishment shall meet the requirements
- 13 of this section.
- 14 (b) An establishment shall have average daily receipts from the sale of food that
- are at least 40% of its total daily receipts.
- 16 (c) The Board may not consider as food an ingredient or a garnish used with or
- 17 mixed with an alcoholic beverage that is prepared and served for on-premises consumption.
- 18 (d) (1) The Board may waive the food requirement specified under subsection
- 19 (b) of this section for a restaurant owned and operated by a nonprofit organization in the
- area bounded by South Ellwood Avenue on the west, Bank Street on the north, South
- 21 Bouldin Street on the east, and Fleet Street on the south.
- 22 (2) FOR A LICENSE THAT MEETS THE QUALIFICATIONS UNDER
- 23 PARAGRAPH (1) OF THIS SUBSECTION, THE BOARD MAY APPROVE AN EXPANSION OF
- 24 THE LICENSED PREMISES ONTO A NONCONTIGUOUS PROPERTY WITH A SECOND
- 25 SEPARATE USE PERMIT ISSUED BY THE CITY, IF THE SECOND SEPARATE USE PERMIT
- 26 SPECIFICALLY REFERS TO THE ALCOHOLIC BEVERAGES LICENSE AT THE PRIMARY
- 27 LOCATION.
- 28 12–1604.
- 29 (a) This section applies only to the 46th alcoholic beverages district, which at all
- 30 times is coterminous with the 46th legislative district in the Legislative Districting Plan of
- 31 2012.
- 32 (b) Except as provided in subsections (c), (d), and (i) of this section, the Board may
- 33 not issue a new license in the 46th alcoholic beverages district.

1	(c) (1)	The I	Board n	may issue:		
2		(i)	a 1–d	ay license; and		
3 4 5 6		ırant i	and (4 f the a	t as provided in paragraph (2) of this subsection, and of this subsection, a Class B beer, wine, and liquor license verage daily receipts from the sale of food are at least 51% restaurant.		
7	(2)	The l	Board n	nay issue a Class B beer, wine, and liquor license:		
8 9	ward 3, precinct 3	(i) that h		restaurant in ward 26, precinct 8, ward 4, precinct 1, or		
10			1.	seating for more than 150 individuals;		
11			2.	a minimum capital investment of \$700,000; and		
12 13 14	receipts from the restaurant;	sale o	3. of food	subject to paragraph (3) of this subsection, average daily that are at least 65% of the total daily receipts of the		
15 16	the restaurant has	(ii) s:	for a	restaurant in ward 4, precinct 1, or ward 22, precinct 1, if		
17			1.	seating for more than 75 individuals;		
18			2.	a minimum capital investment of \$700,000;		
19 20	least 65% of the to	otal dai	3. ly rece	average daily receipts from the sale of food that are at ipts of the restaurant; and		
21 22	sales for off-prem	ises co	4. nsumpt	except as provided in paragraph (5) of this subsection, no tion;		
23 24 25	(iii) for not more than three restaurants in a residential planned unit development for Silo Point as approved by the Mayor and City Council of Baltimore City in Ordinance 04–697 on June 23, 2004, if each restaurant has:					
26			1.	a minimum capital investment of \$700,000;		
27			2.	seating for more than 75 individuals;		
28 29	least 65% of the to	otal dai	3. ly rece	average daily receipts from the sale of food that are at ipts of the restaurant; and		

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RESTAURANT HAS:

1 except as provided in paragraph (5) of this subsection, no 2 sales for off-premises consumption; 3 (iv) for not more than three restaurants in a business planned unit development in ward 24, precinct 5, if each restaurant: 4 5 has a minimum capital investment of \$700,000; 6 2. has seating for more than 75 individuals, but not more 7 than 150 individuals: 8 3. has average daily receipts from the sale of food that are at 9 least 51% of the total daily receipts of the restaurant; and 10 except as provided in paragraph (5) of this subsection, may 11 not sell for off-premises consumption; 12 for a restaurant in the area that is commonly known as Port 13 Covington, bounded on the north by Interstate 95, on the east by the South Locust Point Terminal, and on the south and west by the Patapsco River, and that has: 14 seating for more than 150 individuals; 15 1. 16 2. a minimum capital investment of \$700,000; and 17 3. subject to paragraph (3) of this subsection, average daily 18 receipts from the sale of food that are at least 60% of the total daily receipts of the restaurant; [and] 19 20 for a restaurant in Unit G of 3700 Toone Street in ward 26, (vi) 21precinct 8, if the restaurant has: 221. seating for at least 75 individuals; 232. a minimum capital investment of \$700,000; 24average daily receipts for the sale of food that are at least 3. 65% of the total daily receipts of the restaurant; and 2526 has executed a memorandum of understanding with 27 Brewer's Hill Neighbors, Inc.; AND 28(VII) FOR A RESTAURANT IN THE AREA BOUNDED ON THE NORTH BY EASTERN AVENUE, ON THE EAST BY SOUTH DUNCAN STREET, ON THE SOUTH BY 29 FLEET STREET, AND ON THE WEST BY SOUTH CHESTER STREET, IF THE 30

1 1. A DUCKPIN BOWLING ALLEY; AND 2 2. A MINIMUM CAPITAL INVESTMENT OF \$500,000, 3 EXCLUDING RESIDENTIAL IMPROVEMENTS. 4 When a license is renewed, the license holder shall file with the Board (3)5 a statement of average daily receipts and an affidavit of a licensed certified public 6 accountant that verify that the license holder has met the requirement under paragraph 7 (1)(ii) or (2)(i)3 or (v)3 of this subsection. 8 A license may not be issued under paragraph (1)(ii) of this 9 subsection for use in an establishment that is a fast-food-style restaurant. 10 A license issued under paragraph (1)(ii) of this subsection may (ii) 11 not be transferred from the location of its first issuance. 12 The Board may issue a Class B beer, wine, and liquor license for a 13 restaurant in ward 21, precinct 4 in the 1400 block of Warner Street that has: 14 (i) seating for more than 150 individuals; 15 (ii) average daily receipts from the sale of food that are at least 40% 16 of the total daily receipts of the restaurant; and 17 no sales for off-premises consumption. (iii) 18 A license specified under this subsection, including a license that does 19 not allow sales for off-premises consumption, may include an off-sale privilege for sales of 20 refillable containers under a refillable container license issued in accordance with § 21 12–1102 of this title. 22 **(7)** A LICENSE ISSUED UNDER PARAGRAPH (2)(VII) OF THIS 23 SUBSECTION: 24**(I)** IS NOT REQUIRED TO HAVE A MINIMUM AMOUNT OF 25SEATING FOR PATRONS OR A MINIMUM AMOUNT OF FOOD SALES TO MAINTAIN 26LICENSURE; AND

MAY NOT BE TRANSFERRED FROM THE LOCATION OF ITS

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(II)

FIRST ISSUANCE.

12–1604.1.

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THIS SECTION APPLIES ONLY TO A LICENSE HOLDER OF A CLASS D 1 (A) 2 BEER AND LIGHT WINE LICENSE FOR USE IN THE 46TH ALCOHOLIC BEVERAGES 3 DISTRICT. 4 A LICENSE HOLDER WHO HOLDS A VALID CLASS D BEER AND (B) **(1)** 5 LIGHT WINE LICENSE MAY APPLY TO THE BOARD TO CONVERT THE LICENSE TO A CLASS D BEER, WINE, AND LIQUOR LICENSE IF THE LICENSE HOLDER: 6 7 (I)MAINTAINS AVERAGE DAILY RECEIPTS FROM THE SALE OF FOOD THAT ARE AT LEAST 51% OF ITS TOTAL DAILY RECEIPTS; 8 EXECUTES A MEMORANDUM OF UNDERSTANDING WITH THE 9 10 RELEVANT LOCAL NEIGHBORHOOD ASSOCIATION AS DETERMINED BY THE BOARD; 11 (III) OPERATES A LOCATION WITH NOT MORE THAN 75 SEATS; AND 12 13 (IV) PAYS A SPECIAL TRANSFER FEE OF \$15,000, IN ADDITION TO ANY FEES REQUIRED UNDER § 12–1704 OF THIS TITLE. 14 15 **(2)** IF A CLASS D BEER AND LIGHT WINE LICENSE IS CONVERTED TO 16 A CLASS D BEER, WINE, AND LIQUOR LICENSE UNDER PARAGRAPH (1) OF THIS SUBSECTION, THE CLASS D BEER, WINE, AND LIQUOR LICENSE: 17 18 (I)MAY NOT BE TRANSFERRED TO A NEW LOCATION; AND 19 (II)IS SUBJECT TO THE REQUIREMENTS OF PARAGRAPH (1) OF 20 THIS SUBSECTION. AN APPLICATION TO CONVERT A CLASS D BEER AND LIGHT WINE 21LICENSE UNDER SUBSECTION (B)(1) OF THIS SECTION IS A TRANSFER SUBJECT TO 22 THE PROVISIONS OF § 12–1701(B)(1) OF THIS TITLE. 23 2412-1706.25 (1) Except as provided in paragraph (2) of this subsection, a license may not be transferred into or within: 26 27 (i) ward 1, precincts 2 and 3;

ward 2 in its entirety;

ward 3, precinct 3; and

(ii)

(iii)

1		(iv)	ward 26, precincts 3 and 10.			
2 3 4	(2) This subsection does not apply to an application for a new license or a transfer from within the areas described in paragraph (1) of this subsection if the new license or transfer is for:					
5		(i)	a hotel;			
6 7 8	application for the 1995;	(ii) plann	an establishment located in a planned unit development if the ned unit development was filed or approved before December 31,			
9	Harbor East Urbar	(iii) n Rene	,			
1		(iv)	an establishment that has:			
2			1. a seating capacity of fewer than 150 individuals; [or]			
13 14	least 51% of the tot	tal dai	2. average daily receipts from the sale of food that are at ly receipts of the establishment; OR			
15 16	INDIVIDUALS ONI	LY IF T	3. A SEATING CAPACITY OF FEWER THAN 200 THE ESTABLISHMENT IS WITHIN WARD 3, PRECINCT 3.			
17 18 19 20	SECTION 2. AND BE IT FURTHER ENACTED, That, notwithstanding § 12–1705 of the Alcoholic Beverages Article, a Class B–D–7 license issued for a premises in the 4300 block of East Lombard Street shall be considered unexpired until the end of July 1, 2024, for the purposes of being transferred to another owner at the same location.					
21 22 23 24	SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2023. Section 2 of this Act shall remain effective for a period of 1 year and 1 month and, at the end of June 30, 2024, Section 2 of this Act, with no further action required by the General Assembly, shall be abrogated and of no further force and effect.					
	Approved:					
			Governor.			
			President of the Senate.			

Speaker of the House of Delegates.