

HOUSE BILL 784

A2

(5lr2970)

ENROLLED BILL

— Economic Matters/Finance —

Introduced by **Delegates Clippinger, Edelson, and R. Lewis**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

_____ day of _____ at _____ o'clock, _____ M.

Speaker.

CHAPTER _____

1 AN ACT concerning

2 **Baltimore City – ~~46th Alcoholic Beverages District~~ Alcoholic Beverages**
3 **Licenses – Alterations**

4 FOR the purpose of authorizing the Board of License Commissioners for Baltimore City to
5 provide a certain waiver from certain requirements for a restaurant within a certain
6 bounded area in the 46th alcoholic beverages district; expanding the class of license
7 to which a certain requirement for a memorandum of understanding applies to
8 include any alcoholic beverages license in Baltimore City; requiring a memorandum
9 of understanding between a certain licensee and a community association within a
10 certain bounded area in the 46th alcoholic beverages district before the Board of
11 ~~License Commissioners for Baltimore City~~ may issue a license in or transfer a license
12 to the bounded area; extending for a certain amount of time the expiration of a
13 certain ~~license~~ licenses in the 46th alcoholic beverages district for the purpose of
14 transfer; providing an exception to a certain prohibition against the Board allowing

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

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

Italics indicate opposite chamber/conference committee amendments.



a certain license transfer under certain circumstances; and generally relating to alcoholic beverages licenses in Baltimore City.

BY repealing and reenacting, without amendments,
Article – Alcoholic Beverages and Cannabis
Section 12–102
Annotated Code of Maryland
(2024 Replacement Volume)

BY repealing and reenacting, with amendments,
Article – Alcoholic Beverages and Cannabis
Section *12–104, 12–1406(b), and* 12–1605(b)(5)
Annotated Code of Maryland
(2024 Replacement Volume)

BY repealing and reenacting, with amendments,
Chapter 1026 of the Acts of the General Assembly of 2024
Section 2

BY repealing and reenacting, with amendments,
Chapter 1027 of the Acts of the General Assembly of 2024
Section 2

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

Article – Alcoholic Beverages and Cannabis

12–102.

This title applies only in Baltimore City.

12–104.

(a) To be considered a restaurant, an establishment shall meet the requirements of this section.

(b) An establishment shall have average daily receipts from the sale of food that are at least 40% of its total daily receipts.

(c) The Board may not consider as food an ingredient or a garnish used with or mixed with an alcoholic beverage that is prepared and served for on–premises consumption.

(d) (1) The Board may waive the food requirement specified under subsection (b) of this section for a restaurant.

(I) owned and operated by a nonprofit organization in the area bounded by South Ellwood Avenue on the west, Bank Street on the north, South Bouldin Street on the east, and Fleet Street on the south; OR

(II) OPERATED IN THE AREA BOUNDED BY SOUTH EDEN STREET ON THE WEST, BANK STREET ON THE NORTH, SOUTH SPRING STREET ON THE EAST, AND EASTERN AVENUE ON THE SOUTH.

(2) For a license that meets the qualifications under paragraph (1) of this subsection, the Board may approve an expansion of the licensed premises onto a noncontiguous property with a second separate use permit issued by the City, if the second separate use permit specifically refers to the alcoholic beverages license at the primary location.

12-1406.

(b) If a community association and an applicant for the issuance or renewal of [a Class B, B-D-7, or D] AN alcoholic beverages license have entered into a memorandum of understanding that expressly acknowledges the authority of the Board under this article, the Board may make the issuance or renewal of the license conditional on the substantial compliance of the applicant with the memorandum of understanding.

12-1605.

(b) (5) For an establishment that is within 300 feet of the nearest point of a place of worship or school, the Board may issue a license in or approve the transfer of a license into the area specified in paragraph (1)(ii)6 of this subsection only if the license holder has received a letter of support from [a] THE place of worship or school that is within the bounded area AND HAS ENTERED INTO A MEMORANDUM OF UNDERSTANDING WITH A COMMUNITY ASSOCIATION THAT IS WITHIN THE BOUNDED AREA.

Chapter 1026 of the Acts of 2024

SECTION 2. AND BE IT FURTHER ENACTED, That:

(a) (1) Notwithstanding § 12-1705 of the Alcoholic Beverages and Cannabis Article, a Class B-D-7 license issued for a premises on the 2800 block of O'Donnell Street shall be considered unexpired until the end of July 1, 2024, for the purpose of completing a transfer of ownership at the same location.

(2) Notwithstanding § 12-1604.1 of the Alcoholic Beverages and Cannabis Article, a holder of a Class D beer and light wine license on the 3200 block of Eastern Avenue may apply to the Board to convert to a Class D beer, wine, and liquor license if the license holder meets each requirement in § 12-1604.1 except for the requirement to maintain average daily receipts from the sale of food that are at least 51% of the total daily receipts.

(3) Notwithstanding § 12-2202 of the Alcoholic Beverages and Cannabis Article, a Class B-D-7 license issued for a premises in the 1600 block of Eastern Avenue shall be considered unexpired until the end of July 1, 2025, for the purpose of completing a transfer of ownership and transfer of location to a premises in the 600 block of South Caroline Street.

(4) (i) Notwithstanding § 12-2202 of the Alcoholic Beverages and Cannabis Article, a Class B license issued for a premises in the 3500 block of Boston Street shall be considered unexpired until the end of July 1, [2025] **2028**, for the purpose of completing a transfer of ownership and a transfer of location to a premises in the 3600 block of Boston Street.

(ii) If a Class B license transferred to the 3600 block of Boston Street under subparagraph (i) of this paragraph was originally issued as a Class B-D-7 license, the license holder may apply to the Board to convert the Class B license back to a Class B-D-7 license.

(5) Notwithstanding § 12-2202 of the Alcoholic Beverages and Cannabis Article, a Class B-D-7 license issued for a premises in the 600 block of South Luzerne Avenue shall be considered unexpired until the end of July 1, 2025, for the purpose of being renewed to the current license year by the licensee.

(b) The Board may not authorize the transfer of a license in ward 24, precinct 5 to a person or a location that has received and retained funding awarded under a legislative bond initiative.

Chapter 1027 of the Acts of 2024

SECTION 2. AND BE IT FURTHER ENACTED, That:

(a) (1) Notwithstanding § 12-1705 of the Alcoholic Beverages and Cannabis Article, a Class B-D-7 license issued for a premises on the 2800 block of O'Donnell Street shall be considered unexpired until the end of July 1, 2024, for the purpose of completing a transfer of ownership at the same location.

(2) Notwithstanding § 12-1604.1 of the Alcoholic Beverages and Cannabis Article, a holder of a Class D beer and light wine license on the 3200 block of Eastern Avenue may apply to the Board to convert to a Class D beer, wine, and liquor license if the license holder meets each requirement in § 12-1604.1 except for the requirement to maintain average daily receipts from the sale of food that are at least 51% of the total daily receipts.

(3) Notwithstanding § 12-2202 of the Alcoholic Beverages and Cannabis Article, a Class B-D-7 license issued for a premises in the 1600 block of Eastern Avenue shall be considered unexpired until the end of July 1, 2025, for the purpose of completing a

transfer of ownership and transfer of location to a premises in the 600 block of South Caroline Street.

(4) (i) Notwithstanding § 12-2202 of the Alcoholic Beverages and Cannabis Article, a Class B license issued for a premises in the 3500 block of Boston Street shall be considered unexpired until the end of July 1, [2025] **2028**, for the purpose of completing a transfer of ownership and a transfer of location to a premises in the 3600 block of Boston Street.

(ii) If a Class B license transferred to the 3600 block of Boston Street under subparagraph (i) of this paragraph was originally issued as a Class B-D-7 license, the license holder may apply to the Board to convert the Class B license back to a Class B-D-7 license.

(5) Notwithstanding § 12-2202 of the Alcoholic Beverages and Cannabis Article, a Class B-D-7 license issued for a premises in the 600 block of South Luzerne Avenue shall be considered unexpired until the end of July 1, 2025, for the purpose of being renewed to the current license year by the licensee.

(b) The Board may not authorize the transfer of a license in ward 24, precinct 5 to a person or a location that has received and retained funding awarded under a legislative bond initiative.

SECTION 2. AND BE IT FURTHER ENACTED, That:

(a) Notwithstanding § 12-1705 of the Alcoholic Beverages and Cannabis Article, a Class D 6-day beer, wine, and liquor license issued for a premises on the 200 block of East Lexington Street shall be considered unexpired until the end of June 30, 2026, for the purpose of completing a transfer of ownership at the same location, provided the license holder received a letter of support from the Downtown Partnership of Baltimore.

(b) (1) Notwithstanding §§ 12-1703 and 12-1705 of the Alcoholic Beverages and Cannabis Article, five Class B beer, wine, and liquor licenses issued for restaurant premises at Harborplace and expired between January 1, 2021, and January 1, 2025, shall be considered unexpired until the end of June 30, 2030, for the purpose of completing a transfer of ownership at the same location.

(2) Notwithstanding § 12-1703 of the Alcoholic Beverages and Cannabis Article, the most recent license holder shall retain liability for any unpaid personal property taxes due to Baltimore City or to the State.

(3) The Board may not:

(i) require a Class B beer, wine, and liquor license issued under this subsection:

1. to have a minimum capital investment; or

2. to maintain a minimum or maximum seating amount;

(ii) authorize the transfer of a license issued under this subsection to another location; and

(iii) require the most recent license holder to complete a Transfer Authorization or Affidavit of Compliance to complete a transfer of ownership in accordance with this subsection.

(4) At the end of June 30, 2030, a Class B beer, wine, and liquor license issued under this subsection shall expire and be nonrenewable.

SECTION ~~2~~ 3. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2025. Section 2 of this Act shall remain effective for a period of 5 years and 1 month and, at the end of June 30, 2030, 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.

Speaker of the House of Delegates.

President of the Senate.