

SECTION 3. AND BE IT FURTHER ENACTED, That new Section 19 (h-1) be and it is hereby added to Article 2B - Alcoholic Beverages, of the Annotated Code of Maryland (1968 Replacement Volume and 1975 Supplement) to read as follows:

Article 2B - Alcoholic Beverages

19.

(H-1) (1) IN MONTGOMERY COUNTY SUCH A LICENSE SHALL BE ISSUED BY THE CLERK, UPON THE ADVICE AND APPROVAL OF THE BOARD OF LICENSE COMMISSIONERS, ONLY TO THE OWNER OF ANY RESTAURANT OR HOTEL, HAVING A MINIMUM DINING AREA OF 1,000 SQUARE FEET LOCATED IN THE THIRD, FOURTH, SEVENTH, EIGHTH, NINTH, TENTH, OR THIRTEENTH ELECTION DISTRICTS OF THE COUNTY EXCEPT IN THE TOWN OF POOLESVILLE, TAKOMA PARK AND KENSINGTON. AS A PREREQUISITE FOR THE INITIAL ISSUANCE OF A LICENSE UNDER THIS SUBSECTION, THE OWNER SHALL ATTEST IN A SWORN STATEMENT THAT GROSS RECEIPTS FROM FOOD SALES IN THE RESTAURANT OR HOTEL WILL BE IN EXCESS OF TWO TIMES THE GROSS RECEIPTS FROM THE SALE OF ALCOHOLIC BEVERAGES. AS A PREREQUISITE FOR EACH RENEWAL OF A LICENSE ISSUED UNDER THIS SUBSECTION, THE OWNER SHALL ATTEST IN A SWORN STATEMENT THAT THE GROSS RECEIPTS FROM FOOD SALES IN THE RESTAURANT OR HOTEL FOR THE 12 MONTH PERIOD IMMEDIATELY PRECEDING THE APPLICATION FOR RENEWAL HAVE BEEN IN EXCESS OF TWO TIMES THE GROSS RECEIPTS FROM THE SALE OF ALCOHOLIC BEVERAGES. THE BOARD OF LICENSE COMMISSIONERS BY RULE AND REGULATION SHALL PROVIDE FOR PERIODIC INSPECTION OF THE PREMISES AND FOR AUDITS TO DETERMINE THE RATIO OF GROSS RECEIPTS FROM THE SALE OF FOOD TO GROSS RECEIPTS FROM THE SALE OF ALCOHOLIC BEVERAGES. ANY RULES AND REGULATIONS ADOPTED BY THE BOARD SHALL INCLUDE A REQUIREMENT OF (I) AT LEAST MONTHLY PHYSICAL INSPECTIONS OF THE PREMISES DURING THE INITIAL LICENSE YEAR OF ANY LICENSEE AND (II) THE SUBMISSION BY THE LICENSEE TO THE BOARD, DURING THE INITIAL LICENSE YEAR, OF MONTHLY STATEMENTS SHOWING GROSS RECEIPTS FROM THE SALE OF FOOD AND GROSS RECEIPTS FROM THE SALE OF ALCOHOLIC BEVERAGES FOR THE IMMEDIATELY PRECEDING MONTH. IN THE EVENT THAT A LICENSEE, DURING THE INITIAL LICENSE YEAR, FAILS TO MAINTAIN GROSS RECEIPTS FROM THE SALE OF FOOD AT LEAST TWICE THOSE FROM THE SALE OF ALCOHOLIC BEVERAGES FOR A PERIOD OF THREE CONSECUTIVE MONTHS OR AFTER THE INITIAL LICENSE YEAR FOR EACH LICENSE OR CALENDAR YEAR, THE BOARD, IN ITS DISCRETION, MAY REVOKE THE LICENSE. THE BOARD MAY REQUIRE ANY LICENSEE TO PROVIDE SUPPORTING DATA IT, IN ITS DISCRETION, DEEMS NECESSARY, IN ORDER TO ESTABLISH THAT THE REQUIREMENTS OF THIS SECTION RELATING TO THE RATIO OF GROSS RECEIPTS FROM THE SALE OF FOOD TO THOSE FROM THE SALE OF ALCOHOLIC BEVERAGES HAVE BEEN MET. FOR THE PURPOSES OF THIS SECTION THE TERM "DINING AREA" MEANS THE AREA OCCUPIED BY PATRONS FOR THE PURPOSE OF THE CONSUMPTION OF FOOD, AND MAY INCLUDE SERVICE IN A ROOM OF A REGISTERED GUEST IN A HOTEL IF THE HOTEL MEETS THE MINIMUM REQUIREMENTS AS SET