

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

**Article 2B – Alcoholic Beverages**

19.

(q) (1) (i) In Montgomery County this license shall be issued by the Board of License Commissioners only to the owner of any restaurant or hotel that has 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 [,] AND 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 at least equal to 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 at least equal to the gross receipts from the sale of alcoholic beverages. The Board of License Commissioners by 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 regulations adopted by the Board shall include a requirement of at least monthly physical inspections of the premises during the initial license year of any licensee and 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 the sales ratio requirement provided in this paragraph 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 as 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. It may include also a cocktail area where food need not be served if there is no separate outdoor entrance to the cocktail area. A license issued under this subsection authorizes its holder to keep for sale and sell alcoholic beverages for consumption on the premises only, and alcoholic beverages may not be served to patrons or consumed at any bar, counter without seats, or other room but in the dining area. However, the seats in the cocktail area may not exceed 25 percent of the seats normally available for the general public in the dining area, including the cocktail area portion, but excluding special banquet and private party facilities.

(ii) Signs visible from the exterior of the building, advertising the sale of alcoholic beverages, are not permitted in connection with any restaurant or hotel holding a license issued under the provisions of this section except for the display of the menu then in use by the licensee.

(iii) The annual license fee for this license is \$2,500.