

SECTION 1. *Be it enacted by the General Assembly of Maryland,* That subsection (h-1) of Section 19 of Article 2B of the Annotated Code of Maryland (1968 Replacement Volume), title "Alcoholic Beverages," subtitle "Beer, Wine and Liquor Licenses," be and it is hereby repealed and re-enacted, with amendments, and to read as follows:

(h-1) Same—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 said county except in the towns of Poolesville, Takoma Park and Kensington. As a prerequisite for the initial issuance of a license under this subsection, the owner must 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 must attest in a sworn statement that the gross receipts from food sales in the restaurant *or hotel* for the twelve-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 shall by rule and regulation 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 as aforesaid shall include a requirement of (1) at least monthly physical inspections of the premises during the initial license year of any licensee and (2) the submission by the licensee to the board, during the initial license year aforesaid, 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 hereunder, during the initial license year, shall fail 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, the board, in its discretion, may revoke the license. The board shall have the authority to require any licensee to provide such 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" shall be defined as the area [normally] occupied by patrons for the purpose of the consumption of food [.] *and may include a waiting area where food need not be served provided that there is no separate outdoor entrance to such waiting area.* A license issued under this subsection shall authorize the holder thereof to keep for sale and sell alcoholic beverages for consumption on the premises only, and no alcoholic beverages shall be served to patrons or consumed at any bar, counter, cocktail lounge, or other room but in *the dining area* [rooms] only. No signs, visible from the exterior of the building, advertising the sale of alcoholic beverages shall be permitted in connection with any restaurant *or hotel* holding a license issued hereunder. The annual license fee for such a license shall be two thousand dollars (\$2,000.00).