The Honorable Philip Mendelson  
Chairman  
Council of the District of Columbia  
1350 Pennsylvania Avenue, N.W., Suite 506  
Washington, D.C. 20004

Dear Chairman Mendelson:

Today, I am transmitting to the Council of the District of Columbia for its consideration and enactment the "Alcoholic Beverage Enforcement Amendment Act of 2015".

This legislation makes several changes to current law. It would, among other things, require taverns with an entertainment endorsement to have a security plan, clarify the process for licensee's failure to renew their licenses, to strengthen the law regarding licensees' who exceed their Board approved capacity, permit pub crawl organizers to participate in the reimbursable detail program, create a primary tier violation for tampering with alcoholic beverage containers, and prohibit the possession, use and sale of powdered alcohol products.

I urge the Council to take prompt and favorable action on the enclosed legislation.

If you have any questions on this matter, please contact Ruthanne Miller, Chair, Alcoholic Beverage Control Board, at (202) 442-4423.

Sincerely,

Muriel Bowser

Enclosures
A BILL

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

Chairman Phil Mendelson, at the request of the Mayor, introduced the following bill, which was referred to the Committee on _________.

To amend Title 25 of the District of Columbia Official Code to clarify that a limited liability company can apply for a club license, to amend the definition of growler to include wine, to allow full-service grocery stores to sell growlers of wine, to reduce the length of time a club must be incorporated or formed prior to filing an application from one year to three months, to require a tavern with an entertainment endorsement to have a security plan, to require the holder of a club license to obtain an entertainment endorsement to be eligible to have entertainment, a cover charge, or offer facilities for dancing, to clarify that a licensee holding two or more brew pub permits in the District can transport beer manufactured at one brew pub facility to another brew pub facility owned by the same licensee for sale and consumption, to clarify the process regarding the licensee's failure to timely pay the annual or renewal fee, to require on-duty security staff working at nightclubs to wear clothing that clearly identifies them as security during those hours of operation that the establishment is open to the public, to clarify that a licensee is not permitted to exceed its Board approved capacity, to clarify that the alcoholic beverage sale and delivery hours for class B full-service grocery stores are identical to the hours for other class B retailers, to clarify those functions and responsibilities of an on-premises retailer's license that are not permitted to be performed by a promoter, to clarify that a pub crawl organizer is eligible to participate in the reimbursable detail subsidy program, to clarify that it is a primary tier violation to tamper with or refill alcoholic beverage bottles or containers, to define powdered alcohol, and to prohibit the possession, use, and sale of powdered alcohol products.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA,

That this act may be cited as the "Alcoholic Beverage Enforcement Amendment Act of
Sec. 2. Title 25 of the District of Columbia Official Code is amended as follows:

(a) Section 25-101 is amended as follows:

(1) Paragraph 15 is amended by adding the phrase “or limited liability company” after the phrase “Title 29,”.

(2) Paragraph 24(B) is amended by adding the phrase “or wine” after the word “beer”.

(3) A new Paragraph 38(A) is added to read as follows:

“(38A) Powdered Alcohol” means an alcoholic beverage product that is manufactured into a powdered or crystalline form.

(b) Section 25-112(a-1)(1) is amended by adding the phrase “or wine” after the word “beer”.

(c) Section 25-113 is amended as follows:

(1) Subsection (c)(4) is amended to read as follows:

“(4) A tavern license (T) with an entertainment endorsement shall be required to have a security plan. The Board, in its sound discretion, may require that a tavern (T) licensee without an entertainment endorsement file a security plan with the Board. A tavern (T) licensee so required shall comply with the terms of its security plan.

(2) Section 25-113(f)(2) is amended to read as follows:

“(2) No license shall be issued to a club which has not been incorporated or formed for at least three months immediately before the filing of an application for the license.”.

(d) Section 25-113(a)(b) is amended by adding the phrase “or a club license” after the phrase “and D/T,“.
Section 25-117 is amended by adding a new subsection (e) to read as follows:

"(e) A licensee holding brew pub permits at separate locations in the District shall be permitted to transport beer manufactured at one brew pub facility to another brew pub facility owned by the same licensee for sale and consumption."

(f) Section 25-402(d) is amended as follows:

(1) Subsection (d)(1) is amended to read as follows:

"(d)(1) The applicant for a nightclub license or a tavern license with an entertainment endorsement shall file a written security plan with the Board."

(2) Subsection (d)(2) is amended to read as follows:

"(d)(2) The Board may require, in its sound discretion, the applicant for a restaurant, tavern without an entertainment endorsement, club, or multipurpose facility license to file a written security plan with the Board."

(g) Section 25-403(e) is amended as follows:

(1) Subsection (e)(1) is amended to read as follows:

"(e)(1) In the case of an application for renewal of a nightclub license or a tavern license with an entertainment endorsement, the applicant shall submit a written security plan."

(2) Subsection (e)(2) is amended to read as follows:

"(e)(2) In the case of an application for renewal for a restaurant, tavern without an entertainment endorsement, club, or multipurpose facility license, the Board may, in its sound discretion, require that the applicant submit a written security plan."

(h) Section 25-501(c) is amended to read as follows:

"(c) A licensee’s failure to timely remit the annual fee or renewal fee shall be cause for the Board to suspend the licensee until the licensee pays the fee and any fines imposed by"
the Board for late payment. If a licensee is 30 days delinquent on payment of the annual fee or renewal fee, the Board may cancel the license.”.

(i) Chapter 7 is amended as follows:

(1) The table of contents for Subchapter V is amended by adding a new section designation to read as follows:

“§ 25-744. Powdered Alcohol.”.

(2) A new section 25-714 is added to read as follows:


“(a) The holder of a class C/N or class D/N license shall ensure that all on-duty security staff hired or contracted by the licensee wear clothing that clearly identifies them as security during those hours of operation that the establishment is open to the public.”.

(3) The table of contents for Subchapter III is amended to read as follows:

“Subchapter III. Capacity, Hours, Noise Restrictions, Control of Litter.”.

(4) A new section 25-720 (Capacity) is added to read as follows:


(a) A licensee shall not exceed its Board approved capacity as listed on its license application.

(b) A licensee that provides entertainment after 11 p.m. shall maintain until closing an accurate count of the number of patrons inside of the establishment. A licensee may satisfy this requirement by using one or more hand tally or clicker counters to accurately track the number of patrons inside of the establishment.

(c) The licensee shall immediately upon request show any records and recording devices used by the licensee to any ABRA investigator, fire marshal, or any member of the
Metropolitan Police Department.

(5) Section 25-722 is amended by deleting subsection (c) in its entirety.

(6) A new section 25-744 (Powdered Alcohol) is added to read as follows:

§ 25-744. Powdered Alcohol.

(a) The holder of a manufacturer’s license, wholesaler’s license, or retailer’s license shall not sell or offer for sale powdered alcohol.

(b) The holder of a manufacturer’s license, wholesaler’s license, or retailer’s license shall not ship or import into the District of Columbia a container that includes powdered alcohol.

(7) A new section 25-792 (Promoters) is added to read as follows:

§ 25-792. Promoters.

(a) The holder of an on-premises Retailer’s License shall be responsible for performing the following functions and responsibilities listed below and shall be in violation of this subsection if a promoter, or anyone hired or working for a promoter performs or participates in any of the following functions for the licensee:

(1) Checks identification documents to ensure that any patron being sold, served, or delivered alcoholic beverages is 21 years or age or older,

(2) Controls the establishment’s modes of ingress and egress,

(3) Is responsible for allowing patrons to enter the establishment,

(4) Charges or collects money at the door or elsewhere within the establishment for entry or participation in any activity, regardless of whether it is a cover charge, admission fee, entry fee, participation fee, or any other type of fee,
(5) Provides any and all benefits or privileges to which a patron is entitled in exchange for paying any money at the door or elsewhere within the establishment for entry, participation, or any other activity,

(6) Sells, serves, or delivers alcoholic beverages to patrons,

(7) Is responsible for maintaining a sufficient number of employees from the licensed establishment to maintain the safety and security of patrons, and is responsible for compliance with the provisions of the establishment's Security Plan or Public Safety Plan,

(8) Controls and manages all aspects of operations, events, and activities, and

(9) Controls and manages establishment employees, including the security staff personnel.

(b) For purposes of this section, an employee of the establishment shall not be considered a promoter.”.

(8) Section 25-798(b) is amended by adding the phrase “or a pub crawl organizer” after the phase “or in a group,”.

(j) A new Section 25-833 (Tampering or Refilling Bottles) is added to read as follows:

“§ 25-833. Tampering or Refilling Bottles.

(a) It shall be a primary tier violation for a licensee, or his or her employees to knowingly engage in any of the following acts:

(1) Misrepresent the brand of any alcoholic beverage sold or offered for sale,

(2) Refill or partly refill any bottle or container of an alcoholic beverage with a different brand or vintage than the one offered for sale,
(3) Dilute or otherwise tamper with the contents of any bottle or container of alcoholic beverage,

(4) Remove or obliterate any label, mark, or stamp affixed to any bottle or container of alcoholic beverage offered for sale, and

(5) Deliver or sell the contents of any bottles or containers, the label, mark, or stamp upon which has been removed or obliterated.

Sec. 3. Fiscal impact.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813, D.C. Official Code § 1-206.02(c)(3)).

Sec. 4. Effective Date.

This act shall take effect following approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto), a 30-day period of Congressional review as provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813, D.C. Official Code § 1-206.02(c)(1)), and publication in the District of Columbia Register.
GOVERNMENT OF THE DISTRICT OF COLUMBIA
OFFICE OF THE ATTORNEY GENERAL

MEMORANDUM

TO: Lolita S. Alston
   Director
   Office of Legislative Support

FROM: Janet M. Robins
   Deputy Attorney General
   Legal Counsel Division

DATE: March 24, 2015

SUBJECT: Legal Sufficiency Review of Bill, the “Alcoholic Beverage Enforcement Act of 2015” (AE-15-183)

This is to Certify that this Office has reviewed the above-referenced legislation and has found it to be legally sufficient. If you have any questions regarding this certification, please do not hesitate to contact me at 724-5524.

Janet M. Robins

JMR/phg