

AN ACT

**D.C. ACT 22-439**

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

**SEPTEMBER 5, 2018**

To amend Title 25 of the District of Columbia Official Code to make amendments to the law regulating the sale, transportation, and consumption of alcoholic beverages, including to clarify that pub crawl licenses and farmer's market licenses shall be valid for less than 3 years and that licensees holding a manufacturer license may deliver the alcoholic beverages that it produces to consumers, to allow a holder of a manufacturer's license, class B, to sell beer brewed in collaboration with another brewery in growlers for off-premises consumption, to allow a holder of a manufacturer's license, class A or B that owns 2 or more breweries, wineries, or distilleries to transport alcoholic beverages manufactured at one location to another, to require off-premises retailers with security cameras to upon request provide copies of footage to Alcoholic Beverage Regulation Administration investigators or a member of the Metropolitan Police Department, to allow off-premises retailer licenses, class A and B, to sell growlers and crowlers, to allow off-premises retailer licenses, class B, to sell growlers, to allow an off-premises retailer's license, class A or B, and manufacturer licenses, class A, B, or C, to apply for a one-day substantial change permit, to allow hotel license holders to permit consumers to remove partially consumed alcoholic beverages from the licensed establishment, to allow bed and breakfast license holders to apply for summer garden and sidewalk café endorsements, to clarify that brew pub permit holders may only sell beer brewed at the location to consumers for off-premises consumption, to establish the hours in which a manufacturer's license, class C, Wholesaler's license, or private collector with a tasting permit can conduct tastings, to allow brew pub permit holders, wine pub permit holders, and distillery pub permit holders to deliver alcoholic beverages manufactured at the licensed premises directly to consumers for off-premises consumption, to allow breweries, wineries, and distilleries that possess an on-site sales and consumption permit to sell and serve the alcoholic beverages produced in collaboration with another brewery, winery, or distillery for off-premises consumption, to clarify that a farmer's market license is valid for one year, to provide the Alcoholic Beverage Control Board with the discretion to hold closed meetings when conducting a hearing regarding the criminal background of an applicant for a solicitor's license or manager's license, to clarify that the Alcoholic Beverage Control Board shall make records available within 5 business days of receiving a request, to allow the Alcoholic Beverage Control Board the discretion to approve a solicitor's license or manager's license for an applicant who has been

convicted of a felony within 5 years of applying for the license, to allow a manufacturer licensee to possess another manufacturer's license of a similar or different class, to exempt festival licenses, pub crawl licenses, and farmer's market licenses from appropriateness standards, to create an exception to the 400-foot restriction for on-premises retailer licenses, class CT, DT, CX, and DX, and off-premises retailer licenses, class A and B, located in the Southwest Waterfront's Mixed Use-12 Zone, Square 473 and for on-premises retailer licenses, class CR, DR, CH, DH, CT, DT, CX, or DX located on a college or university campus, to create an exception for a retailer's license located in a residential zone if it existed at the same location within the previous 2 years, to clarify when an applicant for a license is prohibited from submitting successive applications to the Alcoholic Beverage Control Board, to repeal an expired provision providing for the exemption for nude dancing establishments located in certain areas, to clarify the requirement for a tasting permit, to establish the requirements for the Alcoholic Beverage Control Board's qualifications hearings, to clarify which license applications are not subject to the Alcoholic Beverage Control Board's notice requirements, to require applicants to take pictures of the posted notice of application and upon request provide copies of the pictures to the Alcoholic Beverage Control Board, to establish the responsibilities of the Alcoholic Beverage Control Board's agent, to provide that the Alcoholic Beverage Control Board has the discretion to hear from persons who are not a party to a proceeding, to authorize the Alcoholic Beverage Control Board to approve offers-in-compromise in show cause status hearings and show cause hearings, to clarify that the presence of the owner or manager approved by the Alcoholic Beverage Control Board is required during a licensed establishment's hours of sale, service, and consumption, that an establishment's owner or manager approved by the Alcoholic Beverage Control Board is prohibited from being under the influence during the establishment's hours of operation, to allow manufacturer license holders to apply for extended hours, to amend the hours of operation for manufacturer licenses, class A, B, or C, holding on-site sales and consumption permits, to repeal the extended hours of operation, sale, service, and consumption for daylight savings time, to authorize manufacturer's, off-premises retailer's, and pub permit holders to sell gift bags, gift boxes, and gift wrapping and to wrap alcoholic beverages for off-premises consumption, to amend the penalty for sale to minor violations and failure to check identification, to clarify that persons under 18 years of age may enter licensed establishments between the hours of 8:00 a.m. and 3:00 p.m. when District public schools are in session if they are accompanied by a parent or guardian, that persons 18 years of age or older may pour alcoholic beverages, to authorize holders of an on-premises retailer's license or manufacturer's license, class A, B, or C, with an on-site consumption permit to allow third parties to utilize the licensed establishment for a specific event under certain conditions, to prohibit a licensee or the licensee's designee from bribing an Alcoholic Beverage Regulation Administration investigator, and to allow for the production of bottled mixed drinks.

**ENROLLED ORIGINAL**

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "Omnibus Alcoholic Beverage Regulation Amendment Act of 2018".

Sec. 2. Title 25 of the District of Columbia Official Code is amended as follows:

(a) Chapter 1 is amended as follows:

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

(A) Paragraph (2A) is repealed.

(B) A new paragraph (16A) is added to read as follows:

"(16A) "Crowler" means a recyclable container that is capable of holding up to 64 ounces of beer or wine and is designed to be filled and sealed on premises for consumption off premises."

(C) A new paragraph (44A) is added to read as follows:

"(44A) "Roll call hearing" means the proceeding specified in a placard posted at an applicant's premises at which the applicant and the protestant are introduced to each other and the grounds for objection to the license application are read to the public."

(D) Designate existing paragraph (32A) as paragraph (32B).

(E) A new paragraph (32A) is added to read as follows:

"(32A) "Mediation" means a meeting between the applicant and the protestant held for the purposes of discussing and resolving, where possible, the concerns raised by the protestant."

(F) Paragraph (52) is amended as follows:

(i) The lead-in text is amended by striking the phrase "in a building which" and inserting the word "that" in its place.

(ii) Subparagraph (A) is amended by striking the word "are" and inserting the phrase "may be" in its place.

(2) Section 25-104(b) is amended by striking the phrase "festival license or a temporary license" and inserting the phrase "festival license, temporary license, farmer's market license, or pub crawl license" in its place.

(3) Section 25-110 is amended as follows:

(A) Subsection (a) is amended as follows:

(i) Paragraph (1)(A)(ii) is amended as follows:

(I) Strike the word "Sell" and insert the phrase "Sell and deliver" in its place.

(II) Strike the word "sell" and insert the phrase "sell and deliver" in its place.

(ii) Paragraph (2) is amended as follows:

(I) Subparagraph (B) is amended by striking the phrase "to sell" and inserting the phrase "to sell and deliver" in its place.

(II) A new subparagraph (C) is added to read as follows:

"(C)(i) A holder of a manufacturer's license, Class B, that collaborates with another brewery, regardless of jurisdiction, to use the beer brewed at the licensed premises or the licensee's beer recipe to produce a new beer at another location may sell and deliver the

new beer to a consumer in growlers for off-premises consumption; provided, that the growlers shall not be opened after sale or the contents consumed on the premises sold.

“(ii) For the purposes of sub-subparagraph (i) of this subparagraph, the container containing the beer produced by the holder of a manufacturer’s license, Class B, in collaboration with another brewery, shall contain the names of both breweries.”.

(B) New subsections (c) and (d) are added to read as follows:

“(c) A holder of a manufacturer’s license, class A or B, that owns 2 or more breweries, wineries, or distilleries in the District shall be permitted to transport alcoholic beverages manufactured at one brewery, winery, or distillery to the other brewery, winery, or distillery.

“(d)(1) A holder of a manufacturer’s license, class A, B, or C, may file for a one-day substantial change permit, as defined by regulation, with the Board seeking permission to allow for the on-premises consumption of alcoholic beverages as part of a specific event.

“(2) Subject to paragraph (3) of this subsection, the Board, in its discretion, may grant the one-day substantial change permit request unless it determines that the activities sought by the licensee are otherwise prohibited by its license or a Board-approved settlement agreement.

“(3) The Board shall not grant a substantial change permit request made pursuant to this subsection to a licensee more than 12 times in a calendar year.”.

(4) Section 25-112 is amended as follows:

(A) Subsection (a) is amended by striking the phrase “class A,” and inserting the phrase “Class A or B” in its place.

(B) Subsection (a-1)(1) is amended to read as follows:

“(a-1)(1) An off-premises retailer’s licensee, class A or B, may also sell beer or wine in crowlers unless prohibited by one of the single sale moratoria contained in subchapter IV of Chapter 3.”.

(C) Subsection (b) is amended by striking the phrase “except for the sale of growlers” and inserting the phrase “except for the sale of growlers or crowlers” in its place.

(D) Subsection (d)(1) is amended as follows:

(i) Subparagraph (C) is amended by striking the phrase “class IA” and inserting the phrase “class AI” in its place.

(ii) Subparagraph (D) is amended by striking the phrase “class IB” and inserting the phrase “class BI” in its place.

(E) New subsections (f) and (g) are added to read as follows:

“(f) A holder of an off-premises retailer’s license, class A or B, that has security cameras installed on the licensed premises, whether at the direction of the Board or in accordance with the establishment’s security plan or settlement agreement, shall:

“(1) Ensure the cameras utilized by the establishment are operational;

“(2) Maintain any footage of a crime of violence or a crime involving a gun for a minimum of 30 days;

“(3) Make the security footage available within 48 hours upon the request of an ABRA investigator or any member of the Metropolitan Police Department; and

“(4) Ensure that the establishment and security cameras meet such other technological and operational standards, such as resolution, frame per second, storage, retention,



and image quality standards, that the Board may establish by regulation.

“(g)(1) A licensee of an off-premises retailer’s license, class A or B, may file for a one-day substantial change permit, as defined by regulation, with the Board seeking permission to allow for the on-premises consumption of alcoholic beverages as part of a specific event.

“(2) Subject to paragraph (3) of this subsection, the Board, in its discretion, may grant the one-day substantial change request unless it determines that the activities sought by the licensee are otherwise prohibited by its license or a Board-approved settlement agreement.

“(3) The Board shall not grant a one-day substantial change permit request made pursuant to this subsection to a licensee more than 6 times in a calendar year.”.

(5) Section 25-113(e) is amended by adding a new paragraph (7) to read as follows:

“(7)(A) Notwithstanding any other provision of this subchapter, a hotel license (H) issued under this section shall authorize the licensee to permit a patron to remove one partially consumed bottle of wine for consumption off-premises.

“(B) A partially consumed bottle of wine that is to be removed from the premises shall be securely resealed by the licensee, or its employee, before removal from the premises.

“(C) The partially consumed bottle shall be placed in a bag or other container that is secured in such a manner that it is visibly apparent if the container has been subsequently opened or that someone has tampered with the container.

“(D) The licensee, or its employee, shall provide a dated receipt for the bottle of wine, which shall be attached to the container.”.

(6) Section 25-113a is amended as follows:

(A) Subsection (b)(1) is amended as follows:

(i) Strike the phrase “consumption permit or a” and insert the phrase “consumption permit or a retailer’s” in its place.

(ii) Strike the phrase “C/T, and D/T” and insert the phrase “C/T, D/T, C/B, and D/B” in its place.

(B) Subsection (c) is amended by striking the phrase “C/X, and D/X” and inserting the phrase “C/X, D/X, C/B, and D/B” in its place.

(7) Section 25-117 is amended as follows:

(A) Subsection (a-1) is amended to read as follows:

“(a-1) If a licensee has submitted a completed application for or received a brew pub permit on or after February 7, 2018, the establishment shall only be permitted to sell beer brewed at the licensed location to patrons in growlers for off-premises consumption.”.

(B) A new subsection (a-2) is added to read as follows:

“(a-2)(1) If a licensee possesses or has submitted a completed brew pub application before February 7, 2018, the establishment may sell beer to patrons in growlers for off-premises consumption if:

“(A) Within 60 days of receiving the beer pub permit, the licensee, at all times, makes beer manufactured at the licensed premises available and offers it for sale to patrons or has beer that is in the process of being manufactured and currently undergoing the

production process on the licensed premises; and

“(B) The holder of the beer pub permit has beer manufactured at the licensed premises available and offers it for sale to patrons on the licensed premises for at least 90 days in a calendar year;

“(2)(A) The holder of the beer pub permit shall maintain upon the licensed premises, either physically or electronically, books and records that reflect the days in which beer manufactured on the licensed premises was available and offered for sale to patrons.

“(B) The holder of the beer pub permit shall allow any ABRA investigator or any member of the Metropolitan Police Department a full opportunity to examine its records at any time during its business hours.

“(3) It shall be a violation for the holder of a beer pub permit issued pursuant to paragraph (1) of this subsection to not have manufacturing equipment on the licensed premises or to not be in compliance with subsection (a-1) of this section within 60 days of the issuance of the beer pub permit.

“(4) In accordance with § 25-823, the Board may fine, as set forth in the schedule of civil penalties established under § 25-830, and revoke or suspend a beer pub permit if the holder of a beer pub permit fails to comply with the terms of this subsection.

“(5) A beer pub permit issued pursuant to this subsection shall expire upon the revocation, cancellation, or transfer of the license.”.

(C) A new subsection (f) is added to read as follows:

“(f) A licensee holding a brew pub permit shall be authorized to sell and deliver beer directly to a consumer for off-premises consumption if the beer is:

“(1) Manufactured at the brew pub facility;

“(2) Manufactured by the holder of the brew pub permit or an entity, regardless of jurisdiction, with a shared ownership interest of 5% or more in the location where the beer pub permit is located; or

“(3) Manufactured by the holder of the brew pub permit as part of a collaboration with another manufacturer, regardless of jurisdiction.”.

(8) Section 25-118 is amended as follows:

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

“(e) The holder of a manufacturer’s license, class A, may utilize a portion of the

licensed premises for the sampling of wine and spirits, the holder of a manufacturer’s license, class B, may utilize a portion of the licensed premises for the sampling of beer, and the holder of a manufacturer’s license, class C, may utilize a portion of the licensed premises for the sampling of alcohol-infused confectionary food products between the hours of 8:00 a.m. and 12:00 a.m., 7 days a week.”.

(B) Subsection (f)(1) is amended by striking the phrase “, during its approved hours of operation” and inserting the phrase “between the hours of 8:00 a.m. and 12:00 a.m., 7 days a week” in its place.

(C) Subsection (g) is amended by striking the word “tenant” and inserting the phrase “tenant between the hours of 8:00 a.m. and 12:00 a.m., 7 days a week” in its place.

(9) Section 25-124 is amended as follows:

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

“(d) If a licensee has submitted a completed application for or received a wine pub permit on or after February 7, 2018, the establishment shall only be permitted to sell wine to patrons in sealed bottles or other closed containers for off-premises consumption if the wine is:

“(1) Manufactured at the wine pub permit holder’s licensed location;

“(2) Manufactured by the holder of the wine pub permit or an entity, regardless of jurisdiction, with a shared ownership interest of 5% or more in the location where the wine pub permit is located; or

“(3) Manufactured by the holder of the wine pub permit as a part of a collaboration with another wine manufacturer, regardless of jurisdiction.”.

(B) A new subsection (d-1) is added to read as follows:

“(d-1)(1) If a licensee possesses or has submitted a completed application for a wine pub permit before February 7, 2018, the establishment may sell wine to patrons in sealed bottles or other closed containers for off-premises consumption if the licensee:

“(A) Maintains an Alcohol and Tobacco Tax and Trade Bureau permit on the licensed premises and provides it to any ABRA Investigator upon request during business hours;

“(B) Possesses operational wine manufacturing equipment on the licensed premises; and

“(C) Produces or makes reasonable efforts, as determined by the Board, to produce at least one type of wine on the licensed premises per calendar year.

“(2) A licensee under this subsection shall, on or before January 15th of each calendar year, furnish to the Board on a form to be prescribed by the Board a statement under oath listing the type of wine the licensee produced or made reasonable efforts to produce on the licensed premises and the name and title of the vintner, or other person, who produced or made reasonable efforts to produce the wine.

“(3) In accordance with § 25-823, the Board may fine, as set forth in the schedule of civil penalties established under § 25-830, and revoke or suspend a wine pub permit if the holder of a wine pub permit fails to comply with the terms of this subsection.

“(4) A wine pub permit issued pursuant to this subsection shall expire upon the revocation, cancellation, or transfer of the license.”.

(C) A new subsection (h) is added to read as follows:

“(h) A licensee holding wine pub permits at separate locations in the District shall be permitted to transport wine for sale and consumption manufactured at one wine pub facility to another wine pub facility owned by the licensee.”.

(10) Section 25-125 is amended as follows:

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

“(d)(1) If a licensee has submitted a completed application for or received a distillery pub permit on or after February 7, 2018, the establishment shall only be permitted to sell distilled spirits to patrons in sealed bottles or other closed containers for off-premises consumption if the spirits are:

“(A) Manufactured at the distillery pub permit holder’s licensed location;

“(B) Manufactured by the holder of the distillery pub permit or an entity with a shared ownership interest of 5% or more in the location where the distillery pub permit is located, regardless of jurisdiction; or

“(C) Manufactured by the holder of the distillery pub permit as a part of a collaboration with another distilled spirits manufacturer, regardless of jurisdiction.

“(2) Sales of distilled spirits in accordance with this subsection shall be limited to the hours of 7:00 a.m. to 12:00 a.m., 7 days a week.”.

(B) A new subsection (d-1) is added to read as follows:

“(d-1)(1) If a licensee possesses or has submitted a completed application for a distillery pub permit before February 7, 2018, the establishment may sell distilled spirits to patrons in sealed bottles or other closed containers for off-premises consumption if:

“(A) Within 60 days of receiving the distillery pub permit, the licensee, at all times, makes distilled spirits manufactured at the licensed premises available to and offers it for sale to patrons or has distilled spirits that is in the process of being manufactured and currently undergoing the production process on the licensed premises; and

“(B) The holder of the distillery pub permit has distilled spirits manufactured at the licensed premises available and offered for sale to patrons on the licensed premises for at least 90 days in a calendar year.

“(2) The holder of the distillery pub permit shall maintain upon the licensed premises, either physically or electronically, books and records that reflect the days in which distilled spirits manufactured on the licensed premises were available and offered for sale to patrons. The holder of the distillery pub permit shall allow any ABRA investigator or any member of the Metropolitan Police Department a full opportunity to examine its records at any time during its business hours.

“(3) It shall be a violation for the holder of a distillery pub permit issued pursuant to paragraph (1) of this subsection to not have manufacturing equipment on the licensed premises or to not be in compliance with paragraph (1)(A) of this subsection.

“(4) In accordance with § 25-823, the Board may fine, as set forth in the schedule of civil penalties established under § 25-830, and revoke or suspend a distillery pub permit if the holder of the distillery pub permit fails to comply with the terms of this subsection.

“(5) A distillery pub permit issued pursuant to this subsection shall expire upon the revocation, cancellation, or transfer of the license.”.

(C) A new subsection (h) is added to read as follows:

“(h) A licensee holding distillery pub permits at separate locations in the District shall be permitted to transport distilled spirits for sale and consumption manufactured at one distillery pub facility to another distillery pub facility owned by the licensee.”.

(11) Section 25-126 is amended as follows:

(A) A new subsection (a-1) is added to read as follows:

“(a-1)(1) A holder of a manufacturer’s license, class B, that possesses an on-site sales and consumption permit and collaborates with another brewery, regardless of jurisdiction, to use beer brewed on the licensed premises or the licensee’s beer recipe to produce a new beer at another

location, may sell and serve the new beer for on-premises consumption; provided, that the label or the container for the beer bears the names of both breweries.

“(2) A holder of a manufacturer’s license, class A, that possesses an on-site sales and consumption permit and collaborates with another winery, regardless of jurisdiction, to use wine manufactured at the licensed premises or the licensee’s wine recipe to produce a new wine at another location, may sell and serve the new wine for on-premises consumption; provided, that the label or the container for the wine bears the names of both wineries.

“(3) A holder of a manufacturer’s license, class A, that possesses an on-site sales and consumption permit and collaborates with another distillery, regardless of jurisdiction, to use spirits manufactured at the licensed premises or the licensee’s spirits recipe to produce a new alcoholic beverage at another location, may sell and serve the new alcoholic beverage for on-premises consumption; provided, that the label or the container for the alcoholic beverage bears the names of both distilleries.

“(4) A manufacturer’s license, class A or B, that possesses an on-site sales and consumption permit and collaborates with another brewery, winery, or distillery, whichever is applicable, pursuant to this subsection shall:

“(A) Enter into a written collaboration agreement with the other brewery, winery, or distillery in accordance with paragraph (1), (2), or (3) of this subsection, whichever is applicable;

“(B) Maintain a copy of the collaboration agreement on the licensed premises; and

“(C) Upon request, provide the collaboration agreement to an ABRA investigator during business hours.”.

(B) Subsection (b) is repealed.

(12) Section 25-128 is amended as follows:

(A) Subsection (c) is amended by striking the phrase “6 months” and inserting the phrase “one year” in its place.

(B) Subsection (d)(3) is amended by striking the phrase “6-month period,” and inserting the phrase “one-year period,” in its place.

(b) Chapter 2 is amended as follows:

(1) Section 25-204.01(c)(2) is amended as follows:

(A) Subparagraph (F) is amended by striking the word “or”.

(B) Subparagraph (G) is amended by striking the period and inserting the phrase “; or” in its place.

(C) A new subparagraph (H) is added to read as follows:

“(H) To receive testimony, discuss, or deliberate upon the criminal background of an applicant for a solicitor’s license or manager’s license.”.

(2) Section 25-205(b) is amended as follows:

(A) Designate the existing text as paragraph (1).

(B) A new paragraph (2) is added to read as follows:

“(2)(A) Requests to obtain copies of or to inspect records maintained by the Board shall be submitted in writing or orally to the Director, or designee.



“(B) The Board shall make the records available as soon as practicable, but no later than 3 business days from the date that the request was made.”.

(c) Chapter 3 is amended as follows:

(1) Section 25-301 is amended to read as follows:

(A) Subsection (a)(3) is amended to read as follows:

“(3)(A) Except as provided in subparagraph (B) of this paragraph, the applicant has not been convicted of a felony in the 10 years before filing the application.

“(B) An applicant for a solicitor’s license or manager’s license has not been convicted of a felony in the 5 years before filing the application.”.

(B) A new subsection (c-1) is added to read as follows:

“(c-1) The Board, in its discretion, may approve an application for a solicitor’s license or manager’s license for an applicant who has been convicted of a felony within 5 years of applying for the solicitor’s or manager’s license if the Board determines that the offense does not have a bearing on the applicant’s fitness for licensure.”.

(C) Subsection (d) is amended by striking the phrase “this objective” and inserting the phrase “the objectives of subsections (c) and (c-1) of this section” in its place.

(2) Section 25-303(a) is amended as follows:

(A) Paragraph (1) is amended by striking the phrase “manufacturer’s or”.

(B) A new paragraph (1A) is added to read as follows:

“(1A) No holder of a manufacturer’s license shall hold a license of any other kind; provided, that a licensee under a manufacturer’s license shall be permitted to hold another manufacturer’s license of the same or a different class.”.

(3) Section 25-313(c)(1) is amended by striking the phrase “solicitor’s license or a temporary license.” and inserting the phrase “solicitor’s license, temporary license, festival license, pub crawl license, or farmer’s market license.” in its place.

(4) Section 25-314(b) is amended as follows:

(A) Paragraph (1) is amended by striking the phrase “paragraphs (2) through (5) of this subsection.” and inserting the phrase “paragraphs (2) through (9) of this subsection.” in its place.

(B) Paragraph (3) is amended as follows:

(i) Designate the existing text as subparagraph (A).

(ii) A new subparagraph (B) is added to read as follows:

“(B) The exception to the 400-foot restriction in subparagraph (A) of this paragraph shall not apply if the currently operating establishment holding a license of the same class is exempt from the 400-foot restriction under paragraph (8) of this subsection.”.

(C) New paragraphs (8) and (9) are added to read as follows:

“(8) The 400-foot restriction shall not apply to an application for an on-premises retailer’s license, class CT, DT, CX, or DX, or an off-premises retailer’s license, class A or B, located in the Mixed Use-12 Zone, Square 473 according to the official atlases of the Zoning Commission of the District of Columbia.

“(9) The 400-foot restriction shall not apply to an application for an on-premises retailer’s license, CR, DR, CH, DH, CT, DT, CX, or DX, where the establishment will be located

entirely on a college or university campus and will not have direct public access to the street or the outside of the college's or university's main entrance.”.

(5) Section 25-331 is amended as follows:

(A) Subsection (e) is amended by striking the phrase “IA” and inserting the phrase “AI” in its place.

(B) Subsection (f) is amended by striking the phrase “IB” and inserting the phrase “BI” in its place.

(C) Subsection (g) is amended by striking the phrase “class IA or IB” and inserting the phrase “class AI or BI” in its place.

(6) Section 25-336 is amended as follows:

(A) Subsection (d) is amended as follows:

(i) Paragraph (2) is amended by striking the phrase “; or” and inserting a semicolon in its place.

(ii) Paragraph (3) is amended by striking the period at the end and inserting the phrase “; or” in its place.

(iii) A new paragraph (4) is added to read as follows:

“(4) An on-premises Retailer's License, class CR, DR, CH, DH, CT, DT, CX, or DX that is located entirely on a college or university campus and will not have direct public access to the street or the outside of the college's or university's main entrance.”.

(B) Subsection (f) is amended by striking the phrase “an off-premises retailer's” both times it appears and inserting the phrase “a retailer's” in its place.

(7) Section 25-338 is amended as follows:

(A) Subsection (a) is amended as follows:

(i) Strike the phrase “the same class” and insert the phrase “any class” in its place.

(ii) Strike the phrase “for the same person or persons” and insert the phrase “for the same location and submitted by the same applicant” in its place.

(B) Subsection (b) is amended as follows:

(i) Strike the phrase “the timely filing of a protest” and insert the phrase “the roll call hearing” in its place.

(ii) Strike the phrase “premises may be made at any time.” and insert the phrase “location, the restriction set forth in subsection (a) of this section shall not apply.” in its place.

(8) Section 25-374 (b), (c), and (d) are repealed.

(d) Chapter 4 is amended as follows:

(1) The table of contents is amended as follows:

(A) Section designation 25-408 is amended by striking the phrase “for a class A licensee”.

(B) A new section designation 25-412 is added to read as follows:  
“25-412. Qualifications hearing.”.

(C) Section designation 25-445 is amended to read as follows:  
“25-445. Mediation.”.

**ENROLLED ORIGINAL**

(D) A new section designation 25-448 is added to read as follows:

“25-448. Offer-in-compromise.”.

(2) Section 25-408 is amended to read as follows:

“§ 25-408. Application for a tasting permit.

“The application for a new or the renewal of a tasting permit issued in accordance with § 25-118 shall include a diagram of the premises indicating the areas where sampling is to occur and the hours and days during which the tasting is to occur.”.

(3) A new section 25-412 is added to read as follows:

“§ 25-412. Qualifications hearing.

“(a) The Board may hold a qualifications hearing before issuing, transferring, or renewing a license or permit to determine if the applicant, licensee, or permittee meets the criterion set forth in § 25-301.

“(b) A qualifications hearing shall be considered a contested hearing pursuant to § 2-509.

“(c) The Board shall give notice to the applicant, licensee, or permittee, by personal service or certified mail, requiring the applicant to appear before the Board within 15 calendar days after receipt of the notice to provide evidence establishing that the applicant, licensee, or permittee meets the criterion set forth in § 25-301.

“(d) The hearing notice required by subsection (c) of this section shall include:

“(1) The criterion, as set forth in § 25-301, about which the Board is requesting information;

“(2) The evidence to be considered by the Board at the hearing, including documentation, exhibits, investigative reports, or electronic or digitally stored information; and

“(3) The conditions, if any, that the Board is considering imposing on the applicant pursuant to § 25-104.

“(e) If after notice has been provided, as required by subsection (c) of the section, the applicant refuses or otherwise fails to appear at the hearing, the Board may hold the hearing ex parte pursuant to § 25-447(e).

“(f)(1) The Board shall deny the issuance, transfer, or renewal of a license or permit application if it determines that the applicant does not meet the criterion set forth in § 25-301.

“(2) In issuing or renewing a license, approving a transfer, or granting a permit, the Board may require that certain conditions be met, consistent with the requirements set forth in § 25-104.”.

(4) Section 25-421 is amended as follows:

(A) Subsection (d) is amended by striking the phrase “administrative review” and inserting the phrase “roll call hearing” in its place.

(B) Subsection (h) is amended to read as follows:

“(h) The requirements of this section shall apply to an applicant for:

“(1) A manufacturer’s license, class A, B, or C, whose hours of sales or service or hours of operation to the public are after 12:00 a.m. pursuant to § 25-721(c);

“(2) An off-premises retailer’s license, class A or B;

“(3) An on-premises retailer’s license, class CR, DR, CT, DT, CN, DN, CH, DH, CX, DX, CB, DB, Club licenses C or D, or Common carrier licenses C or D; and

“(4) An Internet license, class AI and BI.”

(5) Section 25-423 is amended as follows:

(A) Subsection (b)(3) is amended by striking the phrase “administrative review” and inserting the phrase “roll call hearing” in its place.

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

“(e) If the Board determines that the notices posted at an applicant’s establishment have not remained visible to the public for the duration of the 45-day protest period, the Board shall require the reposting of the notices and shall reschedule the roll call hearing for a date at least 45 days after the originally scheduled hearing, unless the applicant has fully performed all other notice requirements and the Board determines that it is in the best interest of the parties to proceed at an earlier date.”.

(C) A new subsection (i) is added to read as follows:

“(i) The applicant for a new or renewal license, substantial change in operation as determined by the Board under § 25-404, or for the transfer of a license to a new location shall take a picture of the posted placards within 2 calendar days of the date the placards were posted, and upon request of the Board provide a copy of the picture, or pictures, of the posted placards that includes the date and time that the pictures were taken.”.

(6) Section 25-431 is amended as follows:

(A) Subsections (f) and (g) are amended by striking the phrase “administrative review” wherever it appears and inserting the phrase “roll call hearing” in its place.

(B) Subsection (h) is amended as follows:

(i) Designate the existing text as paragraph (1).

(ii) The newly designated paragraph (1) is amended as follows:

(I) Strike the phrase “administrative review” and insert the phrase “roll call hearing” in its place.

(II) Strike the phrase “held by the Board” and insert the phrase “conducted by the Board’s agent” in its place.

(iii) A new paragraph (2) is added to read as follows:

“(2) For the purposes of this subsection, the term “Board’s agent” means an employee at or above the Grade 12 level in the Office of the General Counsel within ABRA, excluding the ABRA General Counsel, who shall have the authority to:

“(A) Regulate the course of the hearing;

“(B) Request the persons appearing at the hearing to identify themselves, and to provide contact information, including e-mail addresses;

“(C) Request or accept written documentation from the parties, including letters of representation;

“(D) Identify the parties with standing and the filed protest issues;

“(E) Schedule mediation;

“(F) Adjourn a hearing and establish the date when the hearing will be continued; and

“(G) Take any other action considered necessary by the Board.”.

ENROLLED ORIGINAL

(7) Section 25-442(b) is amended by striking the word “shall” and inserting the word “may” in its place.

(8) Section 25-444(b) is amended by striking the phrase “administrative review” and inserting the phrase “roll call hearing” in its place.

(9) Section 25-445 is amended as follows:

(A) The heading is amended to read as follows:

“§ 25-445. Mediation.”.

(B) Subsection (a) is amended by striking the phrase “settlement conference” and inserting the word “mediation” in its place.

(C) Subsection (b) is amended to read as follows:

“(b) Mediation, which may be arranged at a roll call hearing or any other time, shall be set on a mutually convenient date before the scheduled protest status hearing or the protest hearing.”.

(D) Subsection (c) is repealed.

(E) Subsection (d) is amended as follows:

(i) Strike the word “protestant” and insert the word “party” in its place.

(ii) Strike the phrase “settlement conference” and insert the word “mediation” in its place.

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

“(e) If a party refuses to make himself or herself available to attend mediation, the Board shall consider the application withdrawn, unless the party can show good cause for refusing to be available.”.

(G) Subsection (f) is amended by striking the phrase “settlement conference” and inserting the word “mediation” in its place.

(H) Subsection (g) is amended by striking the phrase “protest hearing” and inserting the phrase “protest status hearing” in its place.

(I) Subsection (h) is amended by striking the phrase “settlement conference” and inserting the word “mediation” in its place.

(10) A new section 25-448 is added to read as follows:

“§ 25-448. Offer-in-compromise.

“(a) The Board may, in its discretion, accept from the licensee and the Office of the Attorney General for the District of Columbia an offer-in-compromise to resolve the charges brought by the District of Columbia against the licensee.

“(b) An offer-in-compromise may be presented to the Board at the show cause status hearing or show cause hearing.

“(c) The offer-in-compromise shall be consistent with the range of fines set forth in this title.”.

(e) Chapter 5 is amended as follows:

(1) Section 25-501(d) is amended to read as follows:

“(d) The Board may establish license periods at intervals necessary to facilitate efficient processing of applications. If the Board changes a license period, the licensee or the holder of a



wine pub permit, distillery pub permit, or brew pub permit shall pay the proportionate amount of the annual license fee. If the Board issues a license or wine pub permit, distillery pub permit, or brew pub permit for less than one year, the licensee shall pay a fee reduced by the proportionate amount of the fee.”.

(2) Section 25-503 is amended as follows:

(A) Strike the phrase “class IA” and insert the phrase “class AI” in its place.

(B) Strike the phrase “class IB” and insert the phrase “class BI” in its place.

(f) Chapter 7 is amended as follows:

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

“25-737. Gift bags and gift wrapping.”.

(2) Section 25-701 is amended by adding a new subsection (a-1) to read as follows:

“(a-1)(1) Except as provided in paragraph (2) of this subsection, an establishment’s owner or Board-approved manager shall be present on the premises at all times during the establishment’s hours of sale, service, and consumption of alcoholic beverages.

“(2) The presence of an establishment’s owner or Board-approved manager shall not be required when:

“(A) There are not any alcoholic beverages on the premises;

“(B) The establishment is not open to the public;

“(C) Alcoholic beverages are secure and not accessible to the public for sale, service, or consumption; or

“(D) The license is in safekeeping pursuant to § 25-791.”.

(3) Section 25-703 is amended by striking the word “sale” and inserting the word “operation” in its place.

(4) Section 25-721 is amended as follows:

(A) Subsection (c) is amended to read as follows:

“(c) A manufacturer’s license, class A, B, or C, holding an on-site sales and consumption permit may sell and serve alcoholic beverages on any day and time except between the following hours:

“(1) 2:00 a.m. and 8:00 a.m., Monday through Friday; and

“(2) 3:00 a.m. and 8:00 a.m. on Saturday and Sunday.”.

(B) A new subsection (d) is added to read as follows:

“(d) A manufacturer’s license, class A, B, or C, may deliver alcoholic beverages manufactured at the licensed premises to wholesalers, retailers, and the homes of District of Columbia residents between the hours of 7:00 a.m. and midnight, 7 days a week.”.

(5) Section 25-723 is amended as follows:

(A) Subsection (b) is amended as follows:

(i) Strike the phrase “subsections (c), (d), and (e)” and insert the phrase “subsections (c), (d), and (g)” in its place.

(ii) Strike the phrase “under a on-premises retailer’s license or” and insert the phrase “under an on-premises retailer’s, a manufacturer’s license that holds an on-site sales and consumption permit, or” in its place.

(iii) Strike the phrase “sell or serve” and insert the phrase “sell, serve, or consume” in its place.

(B) Subsection (c) is amended as follows:

(i) Paragraph (1) is amended by striking the phrase “on-premises retailer’s license or a temporary license may sell or serve alcoholic” and inserting the phrase “on-premises retailer’s license, a manufacturer’s license that holds an on-site sales and consumption permit, or a temporary license may sell, serve, or consume alcoholic” in its place.

(ii) Paragraph (2) is amended as follows:

(I) Strike the phrase “on-premises retailer’s license” and insert the phrase “on-premises retailer’s license or a manufacturer’s license that holds an on-site sales and consumption permit” in its place.

(II) Strike the phrase “sell or serve” and insert the phrase “sell, serve, or consume” in its place.

(C) Subsection (d) is repealed.

(D) Subsection (e) is amended as follows:

(i) Paragraph (1) is amended as follows:

(I) Strike the phrase “on-premises retailer’s license” and insert the phrase “on premises retailer’s license, a manufacturer’s license,” in its place.

(II) Strike the phrase “sell or serve” and insert the phrase “sell, serve, or consume” in its place.

(III) Subparagraph (B) is amended as follows:

(aa) Sub-subparagraph (ii) is amended by striking the word “and”.

(bb) Sub-subparagraph (iii) is amended to read as follows:

“(iii) \$100 for manufacturer’s licenses, class A, B, or C; and”.

(cc) A new sub-subparagraph (iv) is added to read as follows:

“(iv) \$50 for any other licensee.”.

(ii) Paragraph (2) is amended as follows:

(I) Strike the phrase “on-premises retailer’s license” and insert the phrase “on-premises retailer’s license or a manufacturer’s license” in its place.

(II) Strike the phrase “sell or serve” and insert the phrase “sell, serve, or consume” in its place.

(E) Subsection (f) is repealed.

(6) A new section 25-737 is added to read as follows:

“§ 25-737. Gift bags and gift wrapping.

“Holders of a manufacturer’s license or an off-premises license, or licenses holding a brew pub permit, wine pub permit, or a distillery pub permit shall be authorized to sell gift bags,

gift boxes, and wrapping for alcoholic beverages, and to wrap the alcoholic beverages at the licensed establishment for off-premises consumption.”.

(7) Section 25-781(f) is amended as follows:

(A) The lead-in text is amended by striking the phrase “in the preceding 4 years”.

(B) Paragraph (2) is amended by striking the phrase “2nd violation” and inserting the phrase “2nd violation in 2 years” in its place.

(C) Paragraph (3) is amended as follows:

(i) Strike the phrase “3rd violation” and insert the phrase “3rd violation in 3 years” in its place.

(ii) Strike the word “and” at the end.

(D) Paragraph (4) is amended to read as follows:

“(4) Upon the 4th violation in 4 years, the Board may revoke the license or impose a fine of no less than \$30,000; and”.

(E) A new paragraph (5) is added to read as follows:

“(5) Upon the 5th or subsequent violation in 4 years, the Board shall revoke the license.”.

(8) Section 25-782(a) is amended as follows:

(A) Designate the existing text as paragraph (1).

(B) The newly designated paragraph (1) is amended by striking the word “The” and inserting the phrase “Except as provided in paragraph (2) of this subsection, the” in its place.

(C) A new paragraph (2) is added to read as follows:

“(2) A licensee under an off-premises retailer’s license, class A, may allow a person under 18 years of age who is accompanied by a parent or guardian to enter the licensed establishment between the hours of 8:00 a.m. and 3:00 p.m. on any day in which the public schools of the District are in session during the regular school year.”.

(9) Section 25-783(c) is amended to read as follows:

“(c) A violation of subsection (a) or (b) of this section shall be punishable as a primary tier violation.”.

(10) Section 25-784(b) is amended by striking the phrase “serve, or deliver” and inserting the phrase “serve, deliver, or pour” in its place.

(11) Section 25-797(a) is amended by striking the phrase “The holder of an on-premises retailer’s license” and inserting the phrase “The holder of an on-premises retailer’s license or a manufacturer’s license, class A, B, or C, possessing an on-site sales and consumption permit” in its place.

(g) Chapter 8 is amended as follows:

(1) Section 25-823(a) is amended as follows:

(A) Paragraph (7) is amended by striking the word “or”.

(B) Paragraph (8) is amended by striking the period and inserting the phrase “; or” in its place.

(C) A new paragraph (9) is added to read as follows:

“(9) The licensee, directly or indirectly gives, offers, or promises anything of value to an ABRA investigator, or offers or promises any ABRA investigator to give anything of value to any other person or entity, with the intent to:

“(A) Influence any official act or investigation;

“(B) Influence an ABRA investigator to commit, or aid in committing, collude in, or allow any fraud on the Board; or

“(C) Induce an ABRA investigator to do or omit to do any act in violation of the lawful duty of the ABRA investigator.”.

(2) Section 25-830(d)(1) is amended as follows:

(A) Subparagraph (E) is amended by striking the phrase “fifth violation” and inserting the phrase “fifth violation or subsequent” in its place.

(B) Subparagraph (F) is repealed.

(3) Section 25-833 is amended as follows:

(A) Designate the existing text as subsection (a).

(B) A new subsection (b) is added to read as follows:

“(b) Subsection (a)(3) of this section shall not apply to the refilling or the partly refilling of any bottle, container, or pitcher of an alcoholic beverage for purposes of making mixed cocktail drinks, such as sangria or margaritas, offered for sale.”.

Sec. 3. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 4a of the General Legislative Procedures Act of 1975, approved October 16, 2006 (120 Stat. 2038; D.C. Official Code § 1-301.47a).

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.



Chairman  
Council of the District of Columbia



Mayor  
District of Columbia

APPROVED  
September 5, 2018



COUNCIL OF THE DISTRICT OF COLUMBIA  
WASHINGTON, DC, 20004

Docket No. **B22-0537**

☐ ITEM ON CONSENT CALENDAR

☒ ACTION & DATE

**FIRST READING, Jun 26, 2018**

☒ VOICE VOTE

RECORDED VOTE ON REQUEST

**APPROVED**

ABSENT

☐ ROLL CALL VOTE - Result

Council Member	Aye	Nay	NV	AB	Council Member	Aye	Nay	NV	AB	Council Member	Aye	Nay	NV	AB
Chmn. Mendelson	X				Gray	X				Silverman	X			
Allen	X				Grosso	X				T. White	X			
Bonds	X				McDuffie	X				Todd	X			
Cheh	X				Nadeau	X								
Evans	X				R. White	X								
<b>X - Indicate Vote</b>					<b>AB - Absent</b>					<b>NV - Present, Not Voting</b>				

CERTIFICATION RECORD

Secretary to the Council

7-24-18

Date

Docket No. **B22-0537**

☒ ITEM ON CONSENT CALENDAR

☒ ACTION & DATE

**FINAL READING CC, Jul 10, 2018**

☒ VOICE VOTE

RECORDED VOTE ON REQUEST

**APPROVED**

ABSENT

☐ ROLL CALL VOTE - Result

Council Member	Aye	Nay	NV	AB	Council Member	Aye	Nay	NV	AB	Council Member	Aye	Nay	NV	AB
Chmn. Mendelson	X				Gray	X				Silverman	X			
Allen	X				Grosso	X				T. White	X			
Bonds	X				McDuffie	X				Todd	X			
Cheh	X				Nadeau	X								
Evans	X				R. White	X								
<b>X - Indicate Vote</b>					<b>AB - Absent</b>					<b>NV - Present, Not Voting</b>				

CERTIFICATION RECORD

Secretary to the Council

7-24-18

Date