## HOUSE . . . . . . . . . . . . . No. 3782

The Commonwealth of Massachusetts				
	PRESENTED BY:  Mike Connolly			
To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:				
The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:				
An Act providing	ng for relief for restaurants and bars.			
•	<del>-</del>			
	PETITION OF:			

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
Mike Connolly	26th Middlesex	1/20/2023

HOUSE . . . . . . . . . . . . . No. 3782

By Representative Connolly of Cambridge, a petition (accompanied by bill, House, No. 3782) of Mike Connolly relative to the sale of food and alcoholic beverages by restaurants and bars and for the establishment of a special commission (including members of the General Court) of the promotion and discounted sale of alcoholic beverages. Consumer Protection and Professional Licensure.

## The Commonwealth of Massachusetts

In the One Hundred and Ninety-Third General Court (2023-2024)

An Act providing for relief for restaurants and bars.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

- 1 SECTION 1. Chapter 40A of the General Laws is hereby amended by inserting after
- 2 section 9C the following section:-
- 3 Section 9D. (a) As used in this section, the following words shall, unless the context
- 4 clearly requires otherwise, have the following meanings:-
- 5 "Commission", the alcoholic beverages control commission, established in section 70 of
- 6 chapter 10.
- 7 "Outdoor table service", restaurant service that includes food prepared on-site and under
- 8 a food establishment permit issued by a municipal authority pursuant to 105 CMR 590.00 that is
- 9 served to seated diners outside the restaurant building envelope, whether on a sidewalk, patio,
- deck, lawn, parking area or other outdoor space.

(b) Notwithstanding any other section of this chapter, any special permit, variance or other approval issued thereunder or any general or special law to the contrary, a city or town may approve a request for expansion of outdoor table service, including in the description of licensed premises as described in subsection (c), or an extension of an earlier granted approval issued under section 4 of the governor's COVID-19 Order No. 35 or section 1 of the governor's COVID-19 Order No. 50. Before approving the request, the mayor, board of selectmen or other chief executive officer, as established by charter or special act, shall establish the process for approving the requests. The process shall not be required to comply with the notice and publication provisions of section 11. An approval pursuant to this section may be exercised immediately upon filing of notice thereof with the city or town clerk, without complying with any otherwise applicable recording or certification requirements.

- (c) Pursuant to subsection (b), a local licensing authority may grant approval for a change in the description of the licensed premises for the purpose of permitting outdoor alcohol service as the local licensing authority deems reasonable and proper, and issue an amended license to existing license holders, without further review or approval from the commission prior to issuance. Upon approval of an amended license, the local licensing authority shall provide notice of the amended license to the commission. Nothing in this section shall prevent the commission from exercising the commission's enforcement authority over an amended license.
- (d) Before approving any request to extend an earlier granted approval issued under section 4 of the governor's COVID-19 Order No. 35 or section 1 of the governor's COVID-19 Order No. 50, a city, town or local licensing authority may modify the scope of the approval as the city, town or local licensing authority deems proper and appropriate including, but not

- limited to, modifying the terms of an earlier granted approval to address potential issues with snow removal, pedestrian traffic or similar concerns.
- 35 SECTION 2. Chapter 93 of the General Laws is hereby amended by adding the following section:-
- Section 115. (a) As used in this section, the following words shall, unless the context clearly requires otherwise, have the following meanings:-
- "Covered establishment", a restaurant or other eating or drinking establishment offering
   same-day food or drink for sale in a single commercial transaction through any third-party
   delivery service platform, with fewer than 25 retail locations within the commonwealth.
- "Customer", an individual using a third-party delivery service platform to place an online order.
- "Online order", an order for food or drinks placed by a customer through a third-party
   delivery service platform for pickup or delivery in the commonwealth.

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- "Purchase price", the menu price publicly offered on the third-party delivery service platform by a covered establishment, not including any taxes, gratuities or other fees that may make up the total cost charged to the customer for an online order.
- "Third-party delivery service company", a corporation, partnership, sole proprietorship or other entity qualified to do business in the commonwealth that is engaged in facilitating sameday delivery or pickup of food and beverages through a third-party delivery service platform for 20 or more separately owned and operated covered establishments.

"Third-party delivery service platform", any online-enabled application, software, website or system offered or utilized by a third-party delivery service company to facilitate the sale of food and beverages prepared by, and the same-day delivery or same-day pickup of food and beverages from, covered establishments.

- (b) Notwithstanding any general or special law to the contrary, no third-party delivery service company shall charge a covered establishment a delivery fee per online order for the use of its services and fees, other than a delivery fee, that totals more than 15 per cent of the purchase price of the online order. No third-party delivery service company shall reduce the compensation rates paid to the delivery service driver, or garnish gratuities, as a result of this section.
- (c) This section shall preempt, supersede or nullify any inconsistent, contrary or conflicting local law, ordinance, rule or regulation relating to third-party delivery service platforms and third-party delivery service companies fees, including with respect to any agreements with covered establishments using third-party delivery service companies.
- (d) A violation of this section shall be an unfair and deceptive trade practice in violation of chapter 93A.
- SECTION 3. Chapter 138 of the General Laws is hereby amended by inserting after section 12C the following 2 sections:-
  - Section 12D. Notwithstanding any provision of this chapter or any other general or special law to the contrary, an establishment licensed to sell alcoholic beverages or only wines and malt beverages on-premises may sell wine or malt beverages only for off-premises consumption subject to the following conditions: (i) the wine or malt beverage shall not be sold

to a person under 21 years of age; provided, however, that any delivery of wine or malt beverages for off-premises consumption shall not be made without verification that the person receiving the order has attained 21 years of age; (ii) the wine shall be sold in its original, sealed container and the malt beverage shall be sold in a sealed container; (iii) the wine or malt beverage shall be sold as part of the same transaction as the purchase of food; provided, however, that any order that includes wine or malt beverages shall be placed not later than the hour of which the establishment is licensed to sell alcohol or 12:00 midnight, whichever time is earlier; (iv) a customer shall be limited to 192 ounces of malt beverage and 1.5 liters of wine per transaction; and (v) the wine or malt beverages shall be sold at the same price for on-premises consumption and for off-premises consumption.

Section 12E. (a) As used in this section, the following words shall, unless the context clearly requires otherwise, have the following meanings:-

"Mixed drink", distilled spirits and mixers that are combined on a licensed premises and sold in a sealed container; provided, however, that the volume of distilled spirits and mixers contained in said mixed drinks shall be of the same proportion as if it was served for on-premises consumption.

"Sealed container", a packaged container with a secure lid or cap designed to prevent consumption without removal of the lid or cap; provided, however, if the packaged container has a lid with sipping holes or an opening for straws said container shall be covered or affixed with an additional seal; provided, further, that said lid, cap or seal are affixed in such a way to prevent reopening without it being obvious that said lid, cap or seal was removed or broken, which may include tape or a sticking adhesive, before sale.

(b) Notwithstanding any general or special law to the contrary, an establishment licensed to sell alcoholic beverages for on-premises consumption may sell mixed drinks for off-premises consumption subject to the following conditions: (i) the mixed drink shall not be sold to a person under 21 years of age; provided, that any delivery of mixed drinks for off-premises consumption shall not be made without verification that the person receiving the order has attained 21 years of age; (ii) the mixed drink shall be sold in a sealed container; (iii) the mixed drink shall be sold as part of the same transaction as the purchase of food; provided, however, that any order that includes mixed drinks shall be placed not later than the hour of which the establishment is licensed to sell alcohol or 12:00 A.M., whichever time is earlier; (iv) a customer is limited to 64 fluid ounces of mixed drinks per transaction; and (v) if the mixed drink in a sealed container is to be transported by a motor vehicle, either by delivery or pick-up, the driver of a motor vehicle shall transport the mixed drink in the trunk of the motor vehicle or some other area that is not considered the passenger area, as defined by section 24I of chapter 90.

SECTION 4. (a) There shall be a special legislative commission established pursuant to section 2A of chapter 4 of the General Laws to examine repealing restrictions on the offer and sale of discounted alcoholic beverages by persons licensed pursuant to chapter 138 of the General Laws.

(b) The special legislative commission shall consist of: the house and senate chairs of the joint committee on community development and small businesses, who shall serve as co-chairs; 1 member of the house of representatives, to be appointed by the speaker of the house of representatives; 1 member of the senate, to be appointed by the senate president; 1 person with experience or expertise related to alcohol licensing, to be appointed by the governor; 4 members of geographically-diverse business improvement districts, as defined in section 1 of chapter 400

of the General Laws, main streets organizations or chambers of commerce, jointly appointed by the co-chairs; the president and chief executive officer of The Massachusetts Restaurant Association, Inc. or their designee; 1 person with industry expertise in alcohol distribution, jointly appointed by the co-chairs; 1 member of Massachusetts Citizens for Happy Hour; and the executive director of the Massachusetts affiliate of Mothers Against Drunk Driving or their designee.

(c) The special legislative commission shall: (i) review and evaluate state and federal laws, regulations and legal advisories regarding the promotion and discounted sale of alcoholic beverages, including those in the state of Illinois; (ii) analyze how changes to the Massachusetts laws might aid restaurants and bars in their economic recovery from the effects of the COVID-19 pandemic; (iii) examine how any proposed

changes may be enacted with a primary focus on public safety, including but not limited to the incorporation of ride sharing services and other technology, messaging and training; (iv) assess changing trends in the workplace, including the likelihood of expanded "work-from-home" policies and how current trends may impact future business patterns at restaurants and bars; (v) consider the needs of different regions of the commonwealth and different types of restaurants and bars within the context of the overall hospitality industry; and (vi) assess the potential impacts casinos have on the alcohol sales of nearby restaurant and bar.

- (d) Not later than April 1, 2024, the commission shall submit a report of its findings, including recommendations for legislation, if any, with the clerks of the house of representatives and the senate.
- SECTION 5. Sections 1 and 3 shall take effect on April 1, 2024.