

Department of Legislative Services
Maryland General Assembly
2016 Session

FISCAL AND POLICY NOTE
Third Reader

Senate Bill 687

(Senator Middleton)

Education, Health, and Environmental Affairs

Economic Matters

Charles County - Alcoholic Beverages - Entertainment Concessionaire and
Entertainment Facility Licenses

This bill authorizes the Charles County Board of License Commissioners to issue (1) an entertainment concessionaire license and (2) an entertainment facility license. The annual fee for the entertainment concessionaire license is \$5,000, and the annual fee for the entertainment facility license is \$15,000. The annual fee for both licenses is required to be paid on or before May 1 of each year.

The bill takes effect July 1, 2016.

Fiscal Summary

State Effect: None.

Local Effect: Charles County revenues increase by \$5,000 for every entertainment concessionaire license issued and by \$15,000 for every entertainment facility license issued, in addition to any application or renewal fees. Additional oversight of licenses can be conducted with existing resources.

Small Business Effect: Minimal overall but potential meaningful for any small business that obtains an entertainment concessionaire license under the bill. It is not likely that an applicant for an entertainment facility license would be a small business.

Analysis

Bill Summary: “Entertainment facility” means a facility that holds a license under Title 9, Subtitle 1A of the State Government Article, which governs video lottery facilities.

Entertainment Concessionaire License

“Concessionaire” means a lessee, a sublessee, or any other operator of an establishment that sells beer, wine, and liquor, on a daily basis, on its premises for consumption anywhere in an entertainment facility. The establishment must be operated as a concession adjacent to but independent of the entertainment facility.

The board may issue an entertainment concessionaire license to a concessionaire operating in conjunction with an entertainment facility. The license authorizes a holder to sell beer, wine, and liquor on the premises of the concessionaire for consumption in any part of the licensed premises, and also authorizes the playing of music and dancing. The hours for the sale and consumption of alcoholic beverages under the license are 24 hours a day, Monday through Sunday.

When there are multiple entertainment concessionaire licenses within the same facility, any penalty or other sanction that is imposed for a violation of a regulation of the board will apply to the holder of a concessionaire’s license that the board determines to be responsible for the violation.

Entertainment Facility License

The board may issue an entertainment facility license to an entertainment facility that contains one or more food service facilities, bars, or lounges that are part of the operation of the entertainment facility. The license must be issued to an individual or entity that owns an entertainment facility and holds a license under Title 9, Subtitle 1A of the State Government Article. An applicant for the license is not required to meet any location, voting, or residency requirements. The license authorizes a holder to sell beer, wine, and liquor in any location of the entertainment facility that is not covered by an entertainment concessionaire license for consumption anywhere on the licensed premises, and authorizes the playing of music and dancing on the licensed premises. The hours for the sale and consumption of alcoholic beverages under the license are 24 hours a day, Monday through Sunday.

Current Law: There is currently no comparable license offered in Charles County. Under Title 9, Subtitle 1A of the State Government Article, a video lottery facility may operate 24 hours a day.

Background: In fiscal 2015, 176 alcoholic beverages licenses were issued for use in Charles County.

Local Fiscal Effect: Charles County revenues increase by \$5,000 for every entertainment concessionaire license issued, and by \$15,000 for every entertainment facility license issued, in addition to the \$235 application fee and the \$62 legal notice publication fee required for any license. *For illustrative purposes only*, if the county issues one entertainment facility license, and one entertainment concessionaire licenses, revenues increase by \$20,594 annually.

Additional Information

Prior Introductions: None.

Cross File: HB 706 (Delegate Jameson, *et al.*) - Economic Matters.

Information Source(s): Charles County, Department of Legislative Services

Fiscal Note History: First Reader - February 18, 2016
md/hlb

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