

**Department of Legislative Services**  
Maryland General Assembly  
2017 Session

**FISCAL AND POLICY NOTE**  
**First Reader**

Senate Bill 577 (Senator Klausmeier)  
Education, Health, and Environmental Affairs

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**Baltimore County - Alcoholic Beverages - Licenses in Mixed-Use Developments**

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This bill prohibits, with limited exception, the Baltimore County Board of License Commissioners from issuing more than five Class B beer, wine, and liquor (BWL) exception licenses under Rule 19 of the Rules and Regulations of the Board for use by a license holder at a property that is owned or leased by a person or persons within 3,000 feet of the property line of another property owned or leased by one or more of the same persons. The bill authorizes the board to issue more than five Class B BWL exception licenses under Rule 19 for use in a mixed-use development, if an exception license was issued for the mixed-use development before January 1, 2017. The bill also specifies that an exception license issued under the bill's provisions is not transferable, and may not be calculated in the determination of the maximum number of licenses authorized in an election district.

The bill takes effect July 1, 2017.

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**Fiscal Summary**

**State Effect:** None.

**Local Effect:** Baltimore County operations or finances are not materially affected.

**Small Business Effect:** Minimal.

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**Analysis**

**Current Law:** No statute currently limits the number of licenses of any type that may be issued for locations in a single election district or generally used for mixed-use

developments in Baltimore County. However, the Rules and Regulations of the Baltimore County Board of License Commissioners address population and numerical limitations on licenses, and include a mixed-use development exception to the limitations.

### *Rules and Regulations*

*Population and Numerical Limitations:* In Baltimore County, the maximum number of alcoholic beverages licenses in each of the election districts is limited to one on-sale license, excluding club licenses, for every 2,500 people in each district, and one off-sale license for every 4,000 people in each district, based on the most current population report by the Baltimore County Office of Planning and Zoning. A license may not be transferred from the election district in which it was originally located.

*Exception for Mixed-use Developments:* Generally, a mixed-use development is a development that contains specified retail, office, and residential components. Each mixed-use development that contains at least 320,000 square feet, and meets other specified requirements related to the distribution of retail, office, and residential components, is entitled to two “mixed-use exception” Class B (on-sale) BWL licenses. For every additional 200,000 square feet, a mixed-use development is entitled to one additional license. Such licenses are not counted as part of the population limitation. With specified exceptions, no more than five mixed-use exception licenses may be issued in any mixed-use development.

**Background:** Baltimore County reports that, as of February 2017, there were 82 mixed-use exception licenses issued in the county. There were a total of 769 alcoholic beverages licenses issued for use in Baltimore County in 2016.

**Local Fiscal Effect:** While the bill does not impact current licenses, the bill has the effect of limiting the total number of Class B BWL mixed-use exception licenses that may be issued in a given election district in the future. Baltimore County advises that an individual election district may contain multiple mixed-use developments, and that once all available licenses are issued under the bill, subsequent mixed-use developments would be ineligible for additional licenses.

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## **Additional Information**

**Prior Introductions:** SB 1074 of 2016, a similar bill, received a hearing in the Senate Education, Health, and Environmental Affairs Committee, but no further action was taken.

**Cross File:** None.

**Information Source(s):** Baltimore County; Department of Legislative Services

**Fiscal Note History:** First Reader - February 22, 2017  
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