Department of Legislative Services

Maryland General Assembly 2017 Session

FISCAL AND POLICY NOTE Third Reader - Revised

Senate Bill 559 (Senator Kasemeyer)

Education, Health, and Environmental Affairs

Economic Matters

Baltimore County - Alcoholic Beverages - Issuance of Licenses Near Places of Worship

This bill adds an additional exception to the prohibition against issuing an alcoholic beverages license in Baltimore County to an establishment within 300 feet of a place of worship. The bill authorizes the transfer of a Class B beer, wine, and liquor (BWL) license or a Class D BWL license that meet specified qualifications to an establishment that is (1) in a free-standing building with its own parking lot; (2) zoned BL-CCC and in compliance with any applicable zoning ordinance; and (3) at least 100 feet from a place of worship. On the date of transfer, the license must be converted into a newly established Class B BWL (on-sale) service bar commercial revitalization district license (Class B-SB-CRD license). The bill's authorizations do not apply to a license that is otherwise prohibited from being transferred by statute or regulation.

The bill takes effect July 1, 2017.

Fiscal Summary

State Effect: None.

Local Effect: Potential minimal increase in Baltimore County revenues due to application fees and license fees collected from establishments newly eligible to receive a license under the bill. County expenditures are not affected.

Small Business Effect: Minimal overall but potential meaningful impact for small businesses newly eligible to receive a license.

Analysis

Bill Summary: In order to be eligible for transfer to a specified establishment, a Class B BWL license or a Class D BWL license must have been (1) issued on or before December 31, 2016; (2) in existence in the same election district of the county as the proposed licensed premises on December 31, 2016; and (3) valid on the date of transfer.

Class B Service Bar Commercial Revitalization District License

The qualifications for a license holder, the fee, and the hours and days of sale for a service bar license are the same as those for a Class B BWL (on-sale) hotel and restaurant license. A Class B-SB-CRD license must be used in conjunction with the operation of a restaurant as defined in the Alcoholic Beverages Article and in the regulations of the board. Alcoholic beverages may only be served when food is offered for sale and only as part of a meal at a dining table. The licensed premises may not have a separate bar area for service of alcoholic beverages, and sales for off-premises consumption are not permitted. Finally, a Class B-SB-CRD bar license issued under the bill may not be converted into any other class of license.

Current Law: Generally, the Baltimore County Board of License Commissioners may not issue an alcoholic beverages license for an establishment that is within 300 feet of a place of worship or school. The distance from the establishment to the place of worship or school must be measured from the nearest point of the establishment to the nearest point of the building of the place of worship or school.

The prohibition does not apply to (1) the renewal or transfer of a license if, after the license was issued, a place of worship or school was built within 300 feet of the establishment; (2) the issuance of a temporary license; (3) a transfer that moves the licensed premises within the same building; (4) a transfer of ownership of the licensed premises; or (5) the renewal of a Class B BWL (on-sale) license or a seven-day Class BDR (deluxe restaurant) (on-sale) BWL license, if the establishment has a seating capacity of more than 50 and is within a town center.

Currently, the board may authorize the transfer of up to 10 Class B or Class D BWL (on-sale) alcoholic beverages licenses that meet specified qualifications into the Towson Commercial Revitalization District.

Background: In fiscal 2016, there were 769 alcoholic beverages licenses issued for use in Baltimore County, of which 323 are Class B BWL licenses.

There are 18 designated <u>commercial revitalization districts</u> in Baltimore County, including areas in Arbutus, Catonsville, Pikesville, Perry Hall, and Towson. The revitalization SB 559/ Page 2

district classification makes available specified building improvement loans, commercial revitalization tax credits, and commercial revitalization grants.

BL-CCC zoning refers to an area zoned for small-scale commercial businesses, located within a commercial community core district.

Additional Information

Prior Introductions: HB 643 of 2016, a similar bill, received a hearing in the House Economic Matters Committee, but no further action was taken.

Cross File: HB 436 (Delegate Ebersole, *et al.*) - Economic Matters.

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

Fiscal Note History: First Reader - February 14, 2017 fn/tso Third Reader - March 21, 2017

Revised - Amendment(s) - March 21, 2017

Analysis by: Nathan W. McCurdy Direct Inquiries to:

(410) 946-5510 (301) 970-5510