

Department of Legislative Services
Maryland General Assembly
2018 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

House Bill 1401
Economic Matters

(Delegate Beitzel)
Education, Health, and Environmental Affairs

Garrett County - Alcoholic Beverages Act of 2018

This bill establishes the following alcoholic beverages licenses in Garrett County: (1) an art establishment license; (2) a Class C beer and wine street festival license; (3) a beer and wine festival license; and (4) a Class BWLT beer, wine, and liquor tasting license. **The bill takes effect July 1, 2018.**

Fiscal Summary

State Effect: None.

Local Effect: Garrett County revenues increase minimally to the extent that new licenses are issued. Garrett County can handle any enforcement activity with existing resources.

Small Business Effect: Minimal.

Analysis

Bill Summary: The bill authorizes the Garrett County Board of License Commissioners to issue a beer festival license to a person who is eligible to hold a Class C multiple day or multiple event license.

Art Establishment (beer and wine) License

The board may issue an art establishment license to a nonprofit organization engaged in the display, sale, or demonstration of art by an individual artist or a group of artists; or the instruction of participating clients in creating art. The board may *not* issue the license to

an organization that displays and sells commercially prepared or mass-produced artistic products.

The license may not be transferred to another location and authorizes the holder to sell or serve beer and wine at retail for on-premises consumption on Monday through Saturday, from 6 a.m. to 2 a.m. the following day. Sunday sales are allowed from 10 a.m. to midnight in specified election districts. A license holder is subject to the alcohol awareness training requirements specified in State law.

The annual license fee is \$205 in addition to a one-time issuing fee for a new license of \$205.

Class C beer and wine street festival license

The board may issue a Class C beer and wine street festival license to a person that is eligible to hold a Class C multiple day or multiple event license. The license holder may hold another license of a different class or nature. The license may be used for a maximum of 26 days in a calendar year and authorizes the holder to sell beer and wine for on-premises consumption at an entertainment event that is (1) held in an arts and entertainment district and (2) if required, approved by the mayor and town council of the municipality where the event is located.

During an event for which the license is issued, an individual in the event area approved by the board who uses a designated container unique to the event may:

- purchase beer or wine from the holder of the beer and wine street festival license or another license holder with on-sale privileges within the arts and entertainment district;
- transport beer or wine in the designated container to the premises of a license holder with on-sale privileges in the arts and entertainment district and in the approved event area; and
- consume beer and wine on the premises of a license holder with on-sale privileges in the arts and entertainment district and in the approved event area.

The license holder must distribute a wristband to each individual at the event who is at least 21 years old and may not serve beer or wine to an individual who does not wear a wristband. The organization for which the license is issued must ensure that at least one server who is certified by an approved alcohol awareness program is on the premises when alcoholic beverages are served.

The board must publish a notice for applications for the license at least seven days before a license hearing.

The license fee is \$50 per day.

The Garrett County Beer and Wine Festival

The bill establishes the Garrett County Beer and Wine Festival, and authorizes the festival organization to conduct the festival annually on the second Saturday of September under the supervision of the board. In selecting a nonprofit organization to be a festival organization, the county must ensure that the nonprofit organization has extensive experience in organizing and managing large-scale public events.

The board may issue one beer and wine festival license each year to a holder of a retail license or a person that is eligible to hold a Class C multiple day or multiple event license. A license holder must display and sell beer and wine at retail for on- and off-premises consumption during the hours and days designated for the beer and wine festival. The license authorizes the holder to display and sell beer and wine that is manufactured and processed in or outside the State and distributed in the State when the license application is filed.

The board must hold a hearing on a license application and publish notice of a license application hearing in a newspaper of general circulation in the county at least seven days before the hearing. The board must choose a location for the festival that is not already licensed. If the location chosen allows for Sunday sales, Sunday sales may begin at 10 a.m. Beer and wine displayed and sold must be invoiced to the license holder by a retailer or wholesaler and delivered to the festival from the licensed premises of the retailer or wholesaler. Beer and wine must not be delivered to the festival earlier than two days before the effective date of the license.

The board must establish the license fee.

Class BWLT beer, wine, and liquor tasting license

The board may issue a Class BWLT beer, wine, and liquor tasting license to a holder of a beer, wine, and liquor license. The license authorizes on-premises consumption for tasting of beer, wine, or liquor. The license holder must notify the board at least seven days before a tasting event is held.

The annual license fee is \$150 in addition to a one-time issuing fee for a new license of \$150.

Residency Requirement

The residency requirement is satisfied if an individual is a resident of the county for one year immediately before filing the license application for any of the licenses under the bill.

Current Law:

Wine Festival License

The board may issue one wine festival license each year to a holder of a retail license, Class 3 winery license, or Class 4 limited winery license, or a person that is eligible to hold a Class C multiple day or multiple event license. The license authorizes the holder to:

- display and sell wine at retail for on- and off-premises consumption during the hours and days designated for the wine festival; and
- display and sell wine that is manufactured and processed in any state, and distributed in the State when the license application is filed.

The day chosen for the wine festival may not be a Sunday or fall on the same weekend as the Maryland Wine Festival in Carroll County.

Beer Festival License

The beer festival license authorizes the holder to:

- display and sell beer at retail for on- and off-premises consumption during the hours and days designated for a beer festival.
- display and sell beer that is manufactured and processed in any state distributed in the State when the license application is filed.

The board may issue not more than two beer festival licenses each year and may issue to a holder of a:

- retail license issued by the board;
- Class 5 brewery license;
- Class 6 pub-brewery license;
- Class 7 micro-brewery license; or
- Class 8 farm brewery license.

Additional Information

Prior Introductions: None.

Cross File: None.

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

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