

Department of Legislative Services
Maryland General Assembly
2018 Session

FISCAL AND POLICY NOTE
Third Reader

Senate Bill 306

(Senator Kasemeyer)

Education, Health, and Environmental Affairs

Economic Matters

Baltimore County - Alcoholic Beverages - License Transfers

This emergency bill increases, from three to five years, the length of time within which an application for a transfer of an alcoholic beverages license originally issued to a contract purchaser, an owner of the premises, or a developer in Baltimore County must occur. The bill also expands the circumstances under which the Baltimore County Board of License Commissioners may approve a change of location of an alcoholic beverages license.

Fiscal Summary

State Effect: None.

Local Effect: Baltimore County revenues may increase minimally as a result of the bill's provisions, as discussed below. Any additional enforcement activity can be handled with existing resources.

Small Business Effect: Minimal.

Analysis

Bill Summary: Unless otherwise prohibited by law, the board may approve a change of location of a license originally issued to a contract purchaser, an owner of the premises, or a developer if the license holder has not engaged in an active alcoholic beverages business under the license, and the board approved a change of location of the license from another location within the same county election district at least five years before the application for the change of location.

Current Law: Generally, the board may accept an application for an alcoholic beverages license from (1) a contract purchaser of a property that becomes the owner of record of the premises before the license is issued; (2) an owner of a premises that is proposed to be licensed; or (3) a developer of a property with the consent of the owner of the property.

If the board approves an application from a contract purchaser, an owner of the location, or a developer, the applicant may subsequently apply to transfer the license to an operator of the type of business for which the license was approved if (1) the license is for a location in the site for which the license was approved and (2) the application for transfer occurs within three years after the original application for the site is approved or construction at the location is completed, whichever is later. Unless otherwise prohibited by law, the board may approve a change of location if the license holder has engaged in an active alcoholic beverages business for at least one year before applying for the change.

Background: In fiscal 2017, 781 alcoholic beverages licenses were issued for use in Baltimore County.

Local Fiscal Effect: Baltimore County advises that, under its rules and procedures, when a license is dormant (*e.g.*, because the place described in the license is still under development), a renewal may be issued without receiving actual payment of the license fee. The annual license fee is accrued, and when the license is activated, the holder is required to pay all outstanding fees. By decreasing restrictions on the transfer of an otherwise dormant license, Baltimore County may be able to collect past due license fees and additional subsequent annual fees.

Additional Information

Prior Introductions: None.

Cross File: HB 334 (Delegates Ebersole and Lam) - Economic Matters.

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

Fiscal Note History: First Reader - February 1, 2018
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