

Department of Legislative Services  
Maryland General Assembly  
2020 Session

FISCAL AND POLICY NOTE  
First Reader

Senate Bill 380 (Harford County Senators)  
Education, Health, and Environmental Affairs

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Harford County - Alcoholic Beverages - Class DLR License

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This bill establishes a Class DLR License in Harford County. The Harford County Board of License Commissioners may issue the license to a holder of a Class 1 distillery license. The license authorizes the license holder to sell mixed drinks made from liquor that the license holder produces that is mixed with nonalcoholic ingredients for on-premises consumption. The license holder is not required to sell food but is required to provide prepackaged snacks. A holder of a Class DLR license may sell mixed drinks on Monday through Sunday, from 8:00 a.m. to 2:00 a.m. the following day. The annual license fee is \$1,000. **The bill takes effect July 1, 2020.**

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Fiscal Summary

**State Effect:** None.

**Local Effect:** Harford County revenues increase by a minimal amount from fees associated with the Class DLR license.

**Small Business Effect:** Minimal overall, but potential meaningful for small businesses that receive a Class DLR license.

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Analysis

**Current Law:** A local licensing board may grant an on-site consumption permit for use at the location of the Class 1 distillery license to a holder of a Class 1 distillery license.

The permit authorizes the holder to sell mixed drinks made from liquor that the holder produces that is mixed with other nonalcoholic ingredients for on-premises consumption.

The holder may not use more than an aggregate of 7,750 gallons annually of liquor the holder produces for mixed drinks sold.

A local licensing board (1) may establish and charge a permit fee and (2) must require the permit holder to comply with the alcoholic awareness requirements under § 4-505 of the Alcoholic Beverages Article and abide by all applicable trade practice restrictions.

**Background:** In fiscal 2019, there were 201 alcoholic beverages licenses issued in Harford County. Currently, there are four distilleries in the county.

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### **Additional Information**

**Prior Introductions:** None.

**Designated Cross File:** HB 829 (Harford County Delegation) - Economic Matters.

**Information Source(s):** Harford County; Comptroller's Office; Department of Legislative Services

**Fiscal Note History:** First Reader - February 23, 2020  
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