

Department of Legislative Services
Maryland General Assembly
2020 Session

FISCAL AND POLICY NOTE
Third Reader

Senate Bill 328

(Senator McCray)

Education, Health, and Environmental Affairs

Economic Matters

Baltimore City - 45th District - Alcoholic Beverages - Exchange of Class B Beer,
Wine, and Liquor License

This bill authorizes, in Baltimore City, the exchange of a Class B beer, wine, and liquor (BWL) license for a Class B-D-7 license if (1) the licensed premises is in an area bounded by the unit block of West Preston Street, the 1200 block of North Charles Street, the 1200 block of Morton Street, and the unit block of West Biddle Street and (2) the applicant executes a memorandum of understanding (MOU) with the Mount Vernon-Belvedere Improvement Association. The holder of an exchanged license may provide outdoor table service. In addition, the board may condition the issuance or renewal of the license on the substantial compliance of the applicant with the MOU. **The bill takes effect July 1, 2020.**

Fiscal Summary

State Effect: None.

Local Effect: The bill does not materially affect Baltimore City operations or finances.

Small Business Effect: Minimal.

Analysis

Current Law: A Class B BWL license authorizes the holder to sell beer, wine, and liquor at a hotel or restaurant for on- or off-premises consumption. Annual license fees are \$1,320 for a licensed premises with a seating capacity of up to 200 and \$1,800 for a licensed premises with a seating capacity of more than 200. A license holder must annually pay an additional \$500 fee to provide live entertainment and/or a \$200 fee to provide outdoor table service.

The board may issue a Class B-D-7 license if it determines, upon consideration of the number of beer, wine, and liquor outlets in the affected area and the outlets' days of sale, that the license is reasonably necessary for public convenience. A Class B-D-7 license authorizes the licensee to sell beer, wine, and liquor for on- and off-premises consumption. The annual license fee is \$1,320.

If a community association and an applicant for the issuance or renewal of a Class B or D alcoholic beverages license have entered into an MOU that expressly acknowledges the authority of the board, the board may condition the issuance or renewal of the license on the substantial compliance of the applicant with the MOU.

Background: According to the Comptroller's Office, in fiscal 2019, there were 1,208 alcoholic beverages licenses issued in Baltimore City, including 49 Class D BWL licenses. Baltimore City advises that, as of December 2019, there were 398 active Class B-D-7 licenses in the city.

The board expects that one establishment will seek a license transfer under the bill.

Additional Information

Prior Introductions: None.

Designated Cross File: HB 954 (Delegate Smith, *et al.*) - Economic Matters.

Information Source(s): Comptroller's Office; Baltimore City; Department of Legislative Services

Fiscal Note History: First Reader - February 12, 2020
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