

Department of Legislative Services
Maryland General Assembly
2021 Session

FISCAL AND POLICY NOTE
Enrolled - Revised

House Bill 1152
Economic Matters

(Howard County Delegation)

Education, Health, and Environmental Affairs

Howard County - Alcoholic Beverages - Class B Beer, Wine, and Liquor License
- Off-Premises Consumption
Ho. Co. 04-21

This bill authorizes the holder of a Class B beer, wine, and liquor (BWL) license in Howard County to sell beer, wine, and liquor in sealed containers for off-premises consumption only to a person who has purchased prepared food from the premises. The bill repeals the beer and wine (B-SBW) off-sale permit that a Class B BWL license holder previously needed to obtain to sell beer and wine for off-premises consumption, as specified. The bill also authorizes the Howard County Board of License Commissioners to limit the quantity of alcoholic beverages sold in a single transaction for off-premises consumption under the license. **The bill takes effect July 1, 2021.**

Fiscal Summary

State Effect: None.

Local Effect: Howard County revenues decrease approximately \$6,500 annually, beginning in FY 2022, as holders of Class B BWL licenses no longer need to purchase off-sale permits for an additional fee under the bill. Howard County expenditures are not affected.

Small Business Effect: Meaningful. Small businesses that hold a Class B BWL license and can now sell beer, wine, *and* liquor for off-premises consumption under the bill may see increased revenues.

Analysis

Bill Summary: The bill prevents a holder of a Class B BWL license from displaying or providing shelving for beer, wine, and liquor in areas that are accessible to the public. Off-sale alcoholic beverages receipts collected under the license must be included in the calculation of average daily receipts from the sale of alcoholic beverages in a restaurant, as specified. The license holder may sell beer, wine, and liquor for off-premises consumption only when the licensed premises is open for business as a hotel or restaurant.

Current Law: The Howard County Board of License Commissioners may issue a Class B BWL license to the owner of a hotel that is at least three stories tall that was constructed for hotel purposes, has an investment of at least \$500,000, and contains a dining room with facilities for preparing and serving regular meals for at least 125 individuals at one seating.

The board may issue a beer and wine off-sale permit to a holder of a Class B BWL license that is issued for a restaurant. The off-sale permit allows off-premises consumption only to persons who have purchased food or alcohol from the licensed premises. The off-sale permit prohibits the permit holder from displaying or providing shelving for beer or wine for off-premises sales in publicly accessible areas. The permit is valid for the length of the Class B BWL license. A permit holder must complete the same public notice and hearing requirements for a Class B license. Off-premises sale of beverages under the permit counts toward the calculation of average daily receipts.

The fee for a Class B BWL license is \$1,000, and the fee for an off-sale beer and wine permit is \$500.

Local Fiscal Effect: Howard County revenues decrease under the bill from the repeal of the off-sale permit to the extent these permits were previously issued in the county. The annual permit fee under current law is \$500. Howard County advises that there are currently 13 off-sale permits for Class B restaurants issued in the county; therefore, total county revenues decrease by approximately \$6,500 annually beginning in fiscal 2022.

Additional Information

Prior Introductions: None.

Designated Cross File: None.

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

Fiscal Note History:
rh/tso

First Reader - February 18, 2021

Third Reader - March 26, 2021

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