

Department of Legislative Services
Maryland General Assembly
2021 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 984 (Delegate Impallaria)
Economic Matters

Harford County – Alcoholic Beverages – License Limits

This bill requires the Harford County Board of License Commissioners to develop and implement a plan, by December 31, 2021, to limit the number of alcoholic beverages licenses available in each class under Title 22, Subtitles 7 through 9 of the Alcoholic Beverages Article in each councilmanic district in Harford County by population and need. The plan is required to include (1) a prohibition against any alcoholic beverages license being transferred from the councilmanic district in which it was originally located; (2) a limit to the amount for which an alcoholic beverages license may be transferred, as specified; and (3) a schedule through which the number of alcoholic beverages licenses available in each councilmanic district may be increased based on population and need. The board is required to adopt accompanying regulations. **The bill takes effect July 1, 2021.**

Fiscal Summary

State Effect: None.

Local Effect: Harford County revenues may increase beginning in FY 2022 to the extent transfer fee revenues increase under the bill, as discussed below. Harford County can adopt the required regulations with existing resources.

Small Business Effect: Potential meaningful.

Analysis

Bill Summary: A license whose average monthly receipts indicate a primarily on-premises usage may be transferred for a maximum amount of \$20,000, and a license

whose average monthly receipts indicate a primarily off-premises usage may be transferred for a maximum amount of \$40,000.

Current Law: Subtitles 7 through 9 of Title 22 of the Alcoholic Beverages Article pertain to wine; beer and wine; and beer, wine, and liquor licenses in Harford County.

Local Fiscal Effect: Harford County advises that it currently does not collect transfer fees from the transfer of alcoholic beverages licenses within the county other than a \$20 filing fee and a \$600 processing fee for each license transferred. Therefore, Harford County revenues may increase to the extent the county establishes and receives transfer fee revenues within the limits authorized under the bill. The bill establishes a maximum fee of \$20,000 for the transfer of a license primarily used for on-premises alcoholic beverages sales and a maximum fee of \$40,000 for the transfer of a license primarily used for off-premises alcoholic beverages sales. Over the last three years, Harford County advises an average of three alcoholic beverages licenses have been transferred in the county each year. Harford County can adopt the required regulations with existing resources.

Small Business Effect: Depending on the plan developed under the bill, the maximum number of alcoholic beverages licenses authorized to be located in specified areas of the county could either increase or decrease. The bill requires any plan implemented by the county to include a schedule through which the number of alcoholic beverages licenses available in each councilmanic district may be increased based on population and need.

License transfer fees may increase within the limits authorized under the bill.

Additional Comments: Harford County has six councilmanic districts.

Additional Information

Prior Introductions: None.

Designated Cross File: None.

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

Fiscal Note History: First Reader - February 16, 2021
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