Department of Legislative Services

Maryland General Assembly 2024 Session

FISCAL AND POLICY NOTE Third Reader - Revised

House Bill 1118

(Harford County Delegation)

Economic Matters Finance

Harford County - Alcoholic Beverages - Performing Arts Theater License

This bill alters existing eligibility criteria for a performing arts theater license in Harford County. The bill authorizes the Harford County Board of License Commissioners to issue the license to a for-profit organization instead of a nonprofit organization. Furthermore, the bill (1) authorizes the holder of a performing arts theater license to sell liquor for on-premises consumption in addition to beer and wine and (2) increases the annual license fee from \$500 to \$1,500. **The bill takes effect July 1, 2024.**

Fiscal Summary

State Effect: None.

Local Effect: Harford County license revenues increase by approximately \$1,000 annually beginning in FY 2025, as discussed below. Harford County can monitor any additional licenses with existing resources.

Small Business Effect: Minimal.

Analysis

Bill Summary/Current Law: Under current law, a "performing arts theater" means an area, a building, or a structure designed and used for plays, acts, dramas, concerts, or histrionics by actors or actresses performing on a stage or the showing of movies or films. The bill removes language pertaining to the showing of movies or films from the definition of a performing arts theater.

Under current law, the performing arts theater license authorizes the holder to sell or serve beer and wine at retail for on-premises consumption (1) one hour before and after a performance; (2) during a performance; (3) during an intermission; and (4) during a reception one hour before or one hour after a performance. The bill adds liquor to the authorized alcoholic beverages that may be sold or served.

Under both current law and the bill, the performing arts theater license is nontransferable, and the license holder must serve or offer for sale snacks at all times when alcoholic beverages are served. The license holder must purchase alcoholic beverages from an authorized licensed wholesaler.

Under current law, issuance of a performing arts theater license does not prohibit the board from issuing a Class C *per diem* license that applies to the performing arts theater. The bill removes this provision.

Local Fiscal Effect: Harford County revenues increase by \$1,000 for each performing arts theater license issued under the bill. Harford County estimates that it will issue one license beginning in fiscal 2025. The current annual fee for the license is \$500, and the bill increases this fee to \$1,500; therefore, Harford County revenues increase by \$1,000 from license fees beginning in fiscal 2025.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: SB 933 (Harford County Senators) - Finance.

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

Fiscal Note History: First Reader - February 15, 2024 js/tso Third Reader - March 18, 2024

Revised - Amendment(s) - March 18, 2024

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