

Department of Legislative Services
Maryland General Assembly
2026 Session

FISCAL AND POLICY NOTE
Third Reader

House Bill 1203 (Delegate Hinebaugh)

Government, Labor, and Elections

Finance

Garrett County - Alcoholic Beverages Act of 2026

This bill (1) establishes a Special Event Permit in Garrett County; (2) adds a salaried substitute member to the Garrett County Board of License Commissioners; (3) authorizes the holders of specified alcoholic beverages licenses with a catering option to sell alcoholic beverages anywhere in the county to a person of legal drinking age on premises that either does not have a license or a temporary license issued by the board; and (4) requires applicants for alcoholic beverages licenses to include on the application for a license the applicant's citizenship status, as specified. The bill also makes conforming changes. **The bill takes effect July 1, 2026.**

Fiscal Summary

State Effect: None.

Local Effect: Garrett County expenditures increase by \$3,000 beginning in FY 2027 due to the addition of a substitute board member. Garrett County revenues increase, beginning in FY 2027, to the extent Special Event Permits are issued under the bill.

Small Business Effect: Minimal.

Analysis

Bill Summary/Current Law:

Members of the Garrett County Board of License Commissioners

Under current law, the Garrett County Board of License Commissioners is composed of three members, appointed by the Governor and subject to the advice and consent of Senate, or if there is no resident Senator elected from the county, with confirmation by the

House of Delegates. Each member of the board must be a resident and voter of the county, and an individual of high character and integrity and of recognized business capacity. An individual who is receiving compensation from the county may not be appointed to the board.

The bill requires the Governor to also appoint one substitute member to the board. The substitute member (1) may serve on the board in the absence of a quorum of the regular members due to illness or conflict of interest and (2) has all of the powers and duties of a regular member when serving on the board.

Special Event Permit – Established

The board may issue a Special Event Permit to a holder of a Class 3 winery license or a Class 4 limited winery license. The permit authorizes the holder to sell for on-premises consumption beer, wine, produced by the holder, sparkling wine that is naturally or artificially carbonated, and liquor at a private event for which the entire licensed premises has been rented. The permit must be used for private parties that are scheduled and reserved at least seven days in advance of the actual event. The annual permit fee is \$1,750, and the board must charge a one-time issuing fee for a new permit in an amount equal to the annual permit fee.

The permit holder may provide the following services for a private event: (1) food and beverage service, including the use of a licensed kitchen and bar facility for preparing and serving meals and beverages on the premises; (2) seating accommodations, including tables for on-premises meal service; and (3) an assembly area that complies with the State's fire code. The permit holder may not have a direct or indirect pecuniary interest in the licensed caterer or other contracted party and may not allow the general public to enter any part of the licensed premises while the private event is being held.

The permit holder must purchase beer, sparkling wine that is naturally or artificially carbonated, or liquor intended for sale under the permit from a licensed alcoholic beverages retailer located in the county. The permit holder must keep all receipts from purchases of alcoholic beverages for one year after the date of purchase, and the receipts must be made available for inspection by the board. The permit holder may not store alcoholic beverages that are not produced by the permit holder on the manufacturer's licensed premises in between events.

A permit holder that intends to use the permit must notify the board at least seven days before the event is to occur on a form provided by the board. The permit holder must ensure that (1) service personnel, including bartenders and wait staff, are present at all times during the private event when food or alcoholic beverages are available and (2) at least

one permit holder or one employee is certified by an approved alcohol awareness program is on the premises while alcoholic beverages are available.

The permit holder may not use the permit more than 32 times in a calendar year. A private event may extend up to seven days if the event is for the same client. A private event may be held Mondays through Saturdays from 6:00 a.m. to 2:00 a.m. the following day. Sunday sales are allowed from 6:00 a.m. to midnight in county election districts 11 and 15, and any other election district or precinct of a county election district in which the voters in a referendum authorized by law approve Sunday sales, as specified.

Expanded Catering Licenses

Under current law, the following county alcoholic beverages licenses offer a catering option, as specified, for an additional fee: Class B beer; Class B beer and wine; Class BDR (deluxe restaurant) beer and wine; Class BDR-DC (deluxe complex restaurant) beer and wine; Class D beer and wine; Class B beer, wine, and liquor; Class BDR (deluxe restaurant) beer, wine, and liquor; Class BDR-DC (deluxe complex restaurant) beer, wine, and liquor; Class D (75% on-sale) beer, wine, and liquor; and Class D (75% off-sale) beer, wine, and liquor licenses.

The bill expands the authorization for license holders with a catering option to sell specified alcoholic beverages for consumption at events that the holder caters off the license premises anywhere in the county to a person of legal drinking age on premises that either do not have a license or have a temporary license issued by the board. At each catered event where specified alcoholic beverages are served, the holder of the catering option must (1) supply service personnel, including bartenders and wait staff; (2) ensure that the service personnel are present at all times during the catered event; and (3) have at least one person at the catered event who is certified by an alcohol awareness program.

The bill also authorizes the board to issue Class B-resort beer and wine licenses with or without a catering option, as specified.

Applications for Alcoholic Beverages Licenses – Citizenship Declaration

Under current law, at the time an application for an alcoholic beverages license in the county is filed, at least one of the applicants must be a resident of the State. The license remains valid only for as long as at least one of the applicants remains a resident of the State.

The bill requires an applicant for a license in the county to include on the application (1) a statement indicating whether the applicant is a natural-born citizen or a naturalized citizen or (2) if the applicant is not a citizen of the United States, a statement that the

applicant's immigration status is in compliance with federal law, and evidence to verify the immigration status of the applicant.

Local Fiscal Effect: Garrett County advises the annual salary for each member of the board is \$3,000. Therefore, Garrett County expenditures increase by \$3,000 beginning fiscal 2027 from the addition of one substitute board member.

Garrett County revenues increase, beginning in fiscal 2027, to the extent the board issues special event permits. As the number of individuals that will obtain a permit under the bill is unknown, any potential increase in Garrett County permit fee revenues under the bill cannot be reliably estimated. The annual permit fee is \$1,750, and the board must charge a one-time issuing fee for a new permit in an amount equal to the annual permit fee.

Additional Information

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

Designated Cross File: SB 802 (Senator McKay) - Finance.

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

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